



Telford & Wrekin
C O U N C I L

Addenbrooke House Ironmasters Way Telford TF3 4NT

CABINET

Date Thursday, 3 January 2019 Time 5.00pm
Venue Meeting Rooms G3/4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

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Cabinet Members:

Councillor S Davies	Leader and Cabinet Member for Neighbourhood Services and Pride Programme
Councillor R A Overton	Deputy Leader and Cabinet Member for Housing and Enforcement
Councillor L D Carter	Cabinet Member for Finance, Commercial Services and Economic Development
Councillor A R H England	Cabinet Member for Health and Wellbeing
Councillor R C Evans	Cabinet Member for People Services, Visitor Economy and Partnerships
Councillor J C Minor	Cabinet Member for Leisure, Green Spaces and Parks
Councillor S A W Reynolds	Cabinet Member for Education and Skills
Councillor H Rhodes	Cabinet Member for Transport, Roads and Broadband
Councillor P R Watling	Cabinet Member for Children & Adults Early Help & Support

Invitees

Councillor A J Eade	Conservative
Councillor W L Tomlinson	Liberal Democrat/Independent

AGENDA

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http://www.telford.gov.uk/info/20243/council_meetings/365/filming_photography_recording_and_use_of_social_networking_at_meetings

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 3 January 2019 at 5.00pm in Meeting Rooms G3-G4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

PUBLISHED ON WEDNESDAY, 9 JANUARY 2019

(DEADLINE FOR CALL-IN: MONDAY, 14 JANUARY 2019)

Present: Councillors S Davies (Leader and Chair), R A Overton (Deputy Leader and Vice Chair), L D Carter, A R H England, R C Evans, S A W Reynolds and H Rhodes.

Also Present: Councillors A J Eade (Conservative Group Leader) and W L Tomlinson (Liberal Democrat / Independent Group Leader)

CB-039 Apologies for Absence

Councillor J C Minor

CB-040 Declarations of Interest

None.

CB-041 Minutes

RESOLVED – that the minutes of the meeting held on 13 December 2018 be confirmed and signed by the Chair.

CB-042 2018/19 Financial Management Report

Key Decision identified as **Financial Management Report 2018/19 Update** in the Notice of Key Decisions published on 5 December 2018.

Reserved for Council.

Councillor L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development, presented the report of the Assistant Director: Finance & Human Resources and Chief Financial Officer.

The net projected outturn position for 2018/19 estimated to be within budget was welcomed as a positive position, given the £7.6m savings required to balance the 2018/19 budget, and £5.28m remained in the central contingency to meet any unforeseen costs or further pressures over the rest of the year (eg additional social care costs or if the winter was particularly hard).

Children's Safeguarding and Early Help & Support continued to be a key area of focus and there were a number of strategies underway to reduce costs and deliver savings. These plans were monitored on a regular basis both by senior managers and Cabinet Members.

There were a number of variations from the approved budget, including some beneficial variances. The main areas highlighted were:

- A benefit of £2.7m relating to Treasury Management activities - the majority of which related to benefits from low interest rates for short term borrowing.
- A benefit of £0.6m relating to the Property Investment Portfolio and delivery of benefits ahead of schedule from the Council's £50m Growth Fund Investments.
- Children's Safeguarding & Early Help was a key pressure with additional investment of £2.7m required, mainly related to the cost of placements for Looked after Children. A four year model was in place which was designed to deliver efficiencies over the remainder of the year and medium term.
- Education & Corporate Parenting – overall the service was projecting an overspend of £0.5m due to a combination of the cost of providing school transport and an increase in the number of children with high needs.

The capital programme totalled £71.8m which included all approvals since the budget was set. At the time of compiling the Cabinet report projected spend was 98% of the budget allocation. There were some new allocations and slippage identified which would go forward to Full Council for formal approval.

Council Tax, Business Rates and Sales Ledger outstanding debt collection were slightly behind target.

Members welcomed the report.

RESOLVED that –

- the 2018/19 revenue spending currently projected to be within budget be noted and work continue with SMT to sustain this position;; and the use of contingency detailed in section 5 be approved.**
- the position in relation to capital spend be noted and RECOMMEND TO COUNCIL that the new allocations, virements and re-phasing detailed in Appendix 3 be approved;**
- the collection rates for NNDR, council tax and sales ledger be noted.**

CB-043 Service & Financial Planning 2019/20- 2021/22

Key Decision identified as **Service & Financial Planning 2019/20** in the Notice of Key Decisions published on 5 December 2018.

Councillor L D Carter, Cabinet Member: Finance, Commercial Services & Economic Development, presented the report of the Managing Director and the Chief Financial Officer, which noted that a two year service and financial planning strategy for the period 2019/20 to 2021/22 had been approved on 1 March 2018.

Since 2010, the Council had had to make ongoing budget savings of £117m per annum - equivalent to more than £1,500 for every household in the Borough. The Administration was committed to protect the most essential services for vulnerable children and adults and to investing in Telford's future and in promoting jobs and growth for the Borough. In order to do this, the Council would continue to seek innovative ways to generate income to fund key frontline services.

In March 2018, the Council had set a two year budget strategy for 2018/19 and 2019/20, the key features of which were set out in the report. Key points of the strategy included:-

- A previously agreed Council tax increase for 2019/20 of 3.2% which includes an increase of 2% for the Government's "Adult Social Care precept". Council Tax in Telford & Wrekin currently remained the lowest across the Midlands region for the services that the Council provided.
- To continue implementing the package of savings totalling £6.064m 2019/20. The Council had a strong track record of sound financial management delivering a financial outturn within budget and unqualified audit opinions for over 10 years despite having to deliver £117m annual budget savings and without the need to implement any emergency spending control measures. This had, however, necessitated very active budget management and financial control by Cabinet Members and officers across the Council. The Council's external auditors had consistently reported that the arrangements for securing value for money were satisfactory.
- Investment in communities and roads, street lights and footways to ensure that Telford & Wrekin remained a great place to live, work, learn, visit and do business. Capital and Revenue Projects to be delivered in 2019/20 included:-

Revenue:-

- £3.296m for children's safeguarding and early help to protect vulnerable children. Whilst numbers of looked after children had remained broadly stable, the cost of some of the placements for children with the most complex and challenging needs now exceeded £9,000 per week. This investment came on top of £0.75k for children's safeguarding built in to the budget model for 2019/20 in March 2018.
- £0.842m for Adult Social Care services, which was over and above the £0.77k built in to the budget model for 2019/20 for Adult Social Care in March 2018.
- £0.330m to maintain existing subsidised bus routes

Capital:-

A programme of capital investments totalling more than £189m was set out in Appendix 4 to the report. Amongst the capital investments included in the programme were:-

- Over £50m for road and transport improvements
- Over £30m for school projects
- Over £28m for further investment in NuPlace, the Council's wholly owned housing company, projects
- Almost £19m of investment through the Telford Growth Fund
- £9m for the Newport Innovation and Enterprise package

- A measured approach to the use of available one-off resources of just under £3m in 2019/20 to seek to cushion the impact of continuing Government cuts in council funding.

Attached to the report were a number of appendices, including the Capital Investment Programme, details of Reserves and Balances and details of education related Section 106 Agreements.

When the Council agreed its medium term service and financial planning strategy at Council in March 2017 for the three year period 2017/18 to 2019/20, it determined that because of the scale of ongoing annual savings that had been delivered, it was essential that a new approach to the development of future savings proposals be taken. Future savings were likely to be more challenging and more time would be needed to consult with stakeholders about options and ways to minimise impacts. It was therefore agreed that future savings would be developed as soon as opportunities arose and capacity allowed, rather than co-ordinating consultation through an annual process as historically was the case when resources were not so tight, and the need to implement change not so urgent. Since the last budget was agreed in March 2018, the Council had continued to implement this approach to budget engagement, for example during 2018 a consultation had been carried out relating to Civil Parking Enforcement and statutory consultation with Foster Carers regarding proposed changes to the Foster Carer Scheme. Targeted discussions had commenced with Town and Parish Councils during December this year as part of an ongoing dialogue that would continue throughout the year as our budget proposals were developed. Engagement with the business community and voluntary sector partners would commence in January 2019 and would again be part of an ongoing dialogue.

Final proposals would be considered by the Cabinet on 14 February 2019 for recommendation to full Council on 28 February 2019.

Members welcomed the report and congratulated the Cabinet Member: Finance, Commercial Services & Economic Development, Senior Management Team and Finance Team for their management of the budget.

RESOLVED that –

- (a) the proposed Service and Financial Planning Strategy set out in the report be approved for consultation between 4 January 2019 and 3 February 2019;**
- (b) the transfer of £1.5m from the Severance Fund to supplement the Invest to Save/Capacity Fund to support the delivery of the Service & Financial Planning Strategy be approved; and**
- (c) NOTED that due to the high level of uncertainty relating to the medium term financial outlook for the Council due to the significant changes to the local government finance system which will be introduced from April 2020 and because the Government's current Comprehensive Spending Review does not extend beyond the end of next financial year. This high level of uncertainty requires the Council to retain flexibility by limiting new ongoing investments to those that are unavoidable and retention of as much one-off resource as possible. Officers should commence work to identify further potential savings options for discussion with the new administration following the local elections in May 2019 as any further savings will be more**

challenging than those previously agreed by the Council given that they come on top of the £117m of savings already made and may therefore have a significant lead time before net spending reductions are delivered.

CB-044 Applying for Civil Parking Enforcement (CPE) Powers

Key Decision identified as **Civil Parking Enforcement** in the Notice of Key Decisions published on 5 December 2018.

Councillor R A Overton, Deputy Leader and Cabinet Member: Communities, Housing and Enforcement, presented the report of the Assistant Director: Customer and Neighbourhood Services.

CPE was the transfer of powers from the Police to local authorities for enforcing parking contraventions, moving from a criminal matter to a civil matter, by way of the issue of Penalty Charge Notices (PCNs) to motorists who had contravened parking restrictions (for example parking on double yellow lines, school keep clear or on the footway). The transfer of powers occurred through an application to the Department of Transport under the Traffic Management Act 2004.

The enforcement of parking restrictions in the borough had been identified as an area of concern for town and parish councils and residents, following the withdrawal of the Police's traffic wardens in 2009. At present the only organisation with powers to enforce on-street parking offences was the Police, primarily through local policing teams. However, West Mercia Police had locally acknowledged that parking enforcement was unlikely to be a long term priority, and that in many instances it was not possible to allocate the level of policing resource that parking enforcement required. The Police and Crime Commissioner (PCC) had confirmed his support and aspiration for the Council to take on the powers and, in discussions with the Leader, the PCC had agreed to provide £200,000 in transitional funding over the first 4 years of the scheme. As a result, on 31 May 2018, Cabinet had approved the development of a business case to apply for CPE powers.

In order to adopt CPE powers the Local Authority had to submit a business case to the Department for Transport (DfT) which considered the strategic, policy and financial case in respect of CPE. The application had to cover five key areas: -

- A parking strategy for on-street and off-street parking.
- A review of parking management identifying enforcement arrangements relating to CPE.
- A financial assessment detailing the costs of a scheme and expected income.
- A full review of all traffic regulation orders (TROs) in the borough.
- That the authority has consulted as required and taken account of consultees' views in finalising the application.

A consultation had taken place between 17 September and 14 October 2017. A summary of the results set out at Appendix A to the report confirmed that there were illegal parking hot spots across the borough particularly outside of schools, misuse of disabled parking bays along with a problem with on street parking.

Work had also taken place to assess potential operating models for CPE, including reviewing partial or fully outsourced methods as well as an in house team.

It was therefore recommended that the Council adopt an in house model employing a team of five Neighbourhood Enforcement Officers. These officers would hold a number of powers not only to enforce on illegal parking offences but also on other crimes such as abandoned vehicles, fly tipping, littering and dog fouling. An in house team would allow the council to reflect the values and culture of the council, adopting an education first approach with enforcement being the last resort. The Council would not be chasing an income target as had been seen in other parts of the country. With the additional funding secured through other partners, Neighbourhood Enforcement Officers would not be given any targets to meet.

Positive discussions with a number of town and parish councils, who had already engaged in partnership deals to tackle parking enforcement through funding Police Community Support Officers (PCSO's), had confirmed that this funding would be diverted to support the recommended in house neighbourhood enforcement model.

Any income raised through enforcement must first be used to cover the cost of enforcement and adjudication of any disputed PCNs. Any surplus revenue had to be reinvested into highways and transport.

It was proposed to submit the application in January however DfT had confirmed that due to their current Brexit-related workload they were unlikely to consider transfer of powers until Autumn 2019. In the interim and until staff were in place to operate enforcement, the Police would continue to oversee illegal parking in the borough.

Members welcomed the report, particularly noting the transitional funding from the PCC and the 'education first' approach to enforcement.

RESOLVED that –

- (a) the findings of the consultation on parking as set out in Appendix A to the report be noted;**
- (b) the submission of the council's application to adopt Civil Parking Enforcement powers to the Department for Transport at the earliest opportunity be approved;**
- (c) the in house model of 5 Neighbourhood Enforcement Officers providing borough wide coverage for parking enforcement and other aspects of ASB be endorsed;**
- (d) authority be delegated to the Assistant Director: Customer & Neighbourhood Services in consultation with the Deputy Leader & Cabinet Member for Communities, Housing and Enforcement to approve the Council's Parking Strategy; and**
- (e) authority be delegated to the Assistant Director: Customer & Neighbourhood Services in consultation with the Deputy Leader & Cabinet Member for Communities, Housing and Enforcement to implement CPE subject to receiving approval from the Department for Transport.**

CB-045 **School Funding Formula 2019/20**

Key Decision identified as **Telford & Wrekin School Funding Formula 2019/20** in the Notice of Key Decisions published on 5 December 2018.

Councillor S A W Reynolds, Cabinet Member: Education & Skills presented the report of the Assistant Director: Education & Corporate Parenting. It was reported that each year the local funding formula was reviewed for mainstream schools in the context of revisions to Department for Education (DfE) regulations or any other relevant developments. The Council made the final decision on the funding formula having consulted with schools and the Schools Forum regarding any changes. The local funding formula applied both to academies and maintained schools and in 2019/20 would determine the distribution of around £116m of funding.

Proposals for 2019/20 were noted as the local funding formula would move towards the DfE's National Funding Formula model for school funding, details of which were published in 2017, and the protection for schools would be improved by increasing the minimum funding guarantee to 0% from the current -1.5%;

The revised funding formula had to be submitted to the DfE agency - the Education & Skills Funding Agency (ESFA) by 21 January 2019. The report sought Cabinet approval for the proposed 2018/19 funding formula for Telford & Wrekin mainstream schools.

RESOLVED that the 2019/20 funding formula for Telford & Wrekin mainstream schools, as consulted on with the Schools Forum, be approved.

CB-046 **Declaration of Dawley Pools and Pit Mounds Local Nature Reserve**

Key Decision identified as **Dawley Pools & Pit Mounds LNR** in the Notice of Key Decisions published on 5 December 2018.

On behalf of Councillor J C Minor, Councillor R A Overton, Deputy Leader and Cabinet Member: Communities, Housing and Enforcement, presented the report of the Assistant Director: Business, Development & Employment.

The Council had made a commitment to the retention of locally important green spaces which had value to local communities. This already included the protection afforded to the Green Network through policies in the adopted Local Plan, through the existing 200 Green Guarantee Sites and 14 Local Nature Reserves. The report sets out proposals to designate a new Local Nature Reserve at Dawley Pools and Pit Mounds. Through this commitment the area of LNR protected would increase by 38 hectares to a total of 515.36 hectares of approved LNR. The extent of LNR provision was triple the minimum recommended standard and meant that 89% of households were within 300m of greenspace. The designation of additional LNRs further reflected the Council's commitment to promoting health and wellbeing.

The proposed Dawley Pools and Pit Mounds Local Nature Reserve was situated in the south-west of Telford and formed a network of protected sites with Lightmoor pLNR to the west and Rough Park pLNR to the south. The site supported a network of wooded pit mounds and pools. The site had high nature conservation value as detailed in the report and a very high level of community interest and involvement with both Dawley Hamlets Parish Council and Great Dawley Town Council supporting the newly formed Friends group.

The proposed site was within Council ownership, with two areas of land adjacent to parts of the proposed LNR leased under a 999 year agreement to the Telford Steam Railway Trust. Following consultation with the Trust, and following cabinet approval, a management agreement would be composed between the Council and the Trust to manage these areas of track bed for their nature conservation value whilst not constraining the future ability for the track bed to be reinstalled.

Maps showing the proposed LNR were presented in Appendix 1. The areas leased to the Telford Steam Railway Trust and proposed to be included in the future management agreement were illustrated in Appendix 2.

Following the approval, the sites would progress through a formal process with Natural England prior to final legal declaration.

Members welcomed the report and supported the protection of green spaces in the Borough. Thanks were expressed to Dawley Hamlets Parish Council and Great Dawley Town Council.

RESOLVED that -

- (a) the declaration of Dawley Pools and Pit Mounds Local Nature Reserve be approved in principle; and**
- (b) authority be delegated to the Assistant Director: Business, Development & Employment to complete the declaration process.**

The meeting ended at 5.31pm

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Governance, Procurement & Commissioning
Date: 9 January 2019

Signed:

Date:

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 13 December 2018 at 5.00pm in Meeting Rooms G3-G4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

PUBLISHED ON WEDNESDAY, 19 DECEMBER 2018

(DEADLINE FOR CALL-IN: THURSDAY, 27 DECEMBER 2018)

Present: Councillors S Davies (Leader and Chair), R A Overton (Deputy Leader and Vice Chair), L D Carter, A R H England, R C Evans, S A W Reynolds and H Rhodes.

Also Present: Councillors A J Eade (Conservative Group Leader) and W L Tomlinson (Liberal Democrat / Independent Group Leader)

CB-032 Apologies for Absence

Councillor J C Minor

CB-033 Declarations of Interest

Councillor S Davies declared an interest in minute number CB-035, Youth Justice Plan 2018/19, due to his work as a solicitor occasionally practising in the Youth Court.

Councillor A R H England also declared an interest in minute number CB-035, Youth Justice Plan 2018/19, due to his work in the Youth Court.

CB-034 Minutes

RESOLVED – that the minutes of the meeting held on 15 November 2018 be confirmed and signed by the Chair.

CB-035 Youth Justice Plan 2018/19

Key Decision identified as **Youth Justice Plan 2018/19** in the Notice of Key Decisions published on 14 November 2018.

Recommendation for Full Council – not subject to Call-in.

Cllr P R Watling, Cabinet Member: Children and Adults Early Help & Support presented the report of the Director: Children's and Adult Services which outlined the responsibilities of the West Mercia Youth Offending Service and presented the Youth Justice Plan 2018/19 for approval and endorsement to Council.

It was noted that the Youth Justice Service was a youth justice partnership between the Local Authorities and NHS organisations across West Mercia, National Probation Service, West Mercia Police and the Office for the West Mercia Police and Crime Commissioner. Youth justice partnerships had a statutory duty to produce an annual youth justice plan which was prepared on behalf of Herefordshire Council, Shropshire Council, Telford and Wrekin Council and Worcestershire County Council.

The Youth Justice Plan for 2018/19 was prepared in May/June 2018 in line with the guidance issued by the Youth Justice Board (YJB), agreed at the West Mercia Youth Justice Service Management Board on 12 July 2018 and submitted to the YJB at the end of July 2018.

The Youth Justice Plan sets out how youth justice services across West Mercia were structured and funded and identified key actions to address identified risks to service delivery and improvement. Members noted the partnerships priorities for 2018/19 and commentary on the three national performance indicators for youth offending services (YOS). Performance against the indicators was outlined in the plan and actions identified to address risks to performance improvement. For the 'rate of first time entrants to the youth justice system' it was reported that Telford and Wrekin's performance had significantly improved. For 'the number and rate of custodial sentences', Telford and Wrekin's rate equated to a rate of 0.30 per 1,000 youth population which compared favourably to the national rate of 0.39. For 'the proportion of young people re-offending', Members noted that there were proportionally less young people re-offending in Telford and Wrekin than for West Mercia.

The plan provided additional data across all 4 Local Authorities in West Mercia. In 2017/18 Telford and Wrekin recorded 105 young people entering the criminal justice system which equated to 0.64% of our youth population. The peak age of offending was 17 years of age.

Members noted the twelve main priorities for 2018/19 which were detailed in the report and the actions being taken to address each priority. Members also discussed the impact on young people of reforms in the Court Service which had seen the centralisation of remand cases in Kidderminster and it was agreed that group leaders would write jointly to HM Courts and Tribunal Service on this issue. Members also noted that they would appreciate a more detailed breakdown of the data for future reports.

RESOLVED that the Youth Justice Plan 2018/19 be RECOMMENDED TO FULL COUNCIL for approval and endorsement and that the West Mercia Youth Justice Service responsibilities be noted.

CB-036 Telford & Wrekin Domestic Abuse Strategy 2019-2021

Key Decision identified as **Telford & Wrekin Domestic Abuse Strategy** in the Notice of Key Decisions published on 14 November 2018.

Councillor R C Evans, Cabinet Champion for Domestic Violence presented the report of the Assistant Director: Health & Wellbeing

This report introduced the Telford & Wrekin Domestic Abuse Strategy 2019-2021. The strategy proposed a joined up response aimed at tackling domestic abuse across strategic partnerships, with a clear recognition that no single agency could address this complex issue in isolation.

The strategy recognised that domestic abuse was wider than violence, and therefore the scope included: controlling, coercive or threatening behaviour, 'honour' based violence, female genital mutilation and forced marriage.

The lives of women and children and young people and men were significantly affected by domestic abuse and it was not always easy to identify. Domestic abuse rarely took place in a vacuum and substance misuse and poor physical and mental health could contribute and amplify the consequences. Its impact could be seen across many aspects of the community, including child development and attainment, family dynamics, crime rates, the local workforce.

The rate of domestic abuse offences recorded in Telford & Wrekin was high. The strategy aimed to raise awareness, identify, prevent, and better support victims of domestic abuse and their children. At the same time as investigating and prosecuting, but also supporting perpetrators to break the cycle of abuse.

The strategy would be delivered through an action plan, based on the six objectives detailed in the report. Engagement with professionals had identified as a clear early priority, the need to strengthen the local offer of specialist services and support to victims, children and young people affected and also to perpetrators, to change their behaviour.

Raising awareness and understanding of domestic abuse across the community was delivered through the White Ribbon campaign, which was strongly supported by Cabinet members.

RESOLVED that the Telford & Wrekin Domestic Abuse Strategy 2019-2021 be approved and RECOMMENDED TO FULL COUNCIL for endorsement.

CB-037 Lilleshall Parish Neighbourhood Plan

Key Decision identified as **Lilleshall Neighbourhood Plan – Post Referendum** in the Notice of Key Decisions published on 14 November 2018.

Councillor R A Overton, Deputy Leader and Cabinet Member: Communities, Housing and Enforcement, presented the report of the Assistant Director: Business Development & Employment. It was noted, that the Localism Act (2011) introduced legislation which allowed Parish Councils to produce a Neighbourhood Development Plan for their administrative area. This Report recommended that Lilleshall Parish Neighbourhood Plan became the fifth Neighbourhood Development Plan in the Borough to be adopted (made).

The Plan was part of a programme of Neighbourhood Development Plans being prepared by Parish and Town Councils across the Borough with the support of the Council, reflecting the commitment to engage local communities further in planning for development in their local areas.

Lilleshall Parish Council submitted their neighbourhood development plan (the "Lilleshall Parish Neighbourhood Plan") and other supporting documents to Telford & Wrekin Council as local planning authority in February 2018. In response and in accordance with its statutory duties, Telford & Wrekin undertook a number of checks

to ensure that all the procedural and other requirements had been met and completed a 6-week publicity period which allowed written representations to be made. An independent examination took place between July and August 2018.

The appointed Independent Examiner (the Examiner), Mr John Parmiter, submitted his report to the Council on 8 August 2018. The Report recommended proceeding to Referendum, subject to a number of modifications. Those modifications were applied to the Lilleshall Parish Neighbourhood Plan and on 13 September 2018 Cabinet agreed to proceed to formal Referendum. The Referendum took place on 15 November 2018.

It was outlined that the policies within the Lilleshall Parish Neighbourhood Plan would become part of the Development Plan for Telford & Wrekin and would be considered in the determination of planning applications in the Lilleshall Parish Neighbourhood Plan area alongside national and Borough wide planning policy.

RESOLVED that:-

- (a) the Lilleshall Parish Neighbourhood Plan be made**
- (b) the Assistant Director: Business, Development & Employment be authorised to exercise all of the Council's relevant powers and duties and undertake all necessary procedural arrangements relating to the making of the Lilleshall Parish Neighbourhood Plan.**

CB-038 Early Years and Childcare Sufficiency Assessment 2018

Non Key Decision

Councillor S A W Reynolds, Cabinet Member: Employment, Education and Life long learning, presented the report of the Assistant Director: Education & Corporate Parenting.

The report noted that the Childcare Act (2006) required local authorities in England to ensure a sufficiency of childcare for working parents, parents studying or training, and for disabled children. Childcare sufficiency relates to the provision of registered childcare for children aged 0-14 years old, and up to 18 years old for disabled children and children with additional needs. Under section 6 of the Act there was also a requirement on local authorities to produce an annual sufficiency report on the availability and sufficiency of childcare in their area which involved the collection and publication of information on the supply of provision and demand for childcare in their area.

The Early Years and Childcare Sufficiency Assessment, appended to the report, was conducted in the Summer Term 2018 by Hemsalls, and was based on an analysis of Ofsted registration data, provider audit responses and the parent/carer questionnaire survey. The findings and recommendations detailed in the report provided a summary of the Sufficiency Assessment.

The Sufficiency Assessment's conclusions were very positive, concluding that there was sufficient registered childcare provision to meet the needs of younger children

(under 5 years) and to deliver the early years entitlements in the borough of Telford and Wrekin. However, there were indications that the offer for older children (aged over 5 years) needed further strengthening. The cost of childcare was the most commonly cited barrier to use.

RESOLVED that

- (a) the information in the report be noted about the supply and demand in the borough of:**
 - Early Years childcare for children aged, 2, 3 and 4
 - Childcare for school aged children
 - Holiday care for school aged children

- (b) the recommendations made as a result of the sufficiency assessment and the strategies proposed to address these gaps be approved**

The meeting ended at 5.31pm

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Governance, Procurement & Commissioning
Date: 19 December 2018

Signed:
Date:

TELFORD & WREKIN COUNCIL**CABINET – 3 JANUARY 2019
COUNCIL – 17 JANUARY 2019****2018/19 FINANCIAL MANAGEMENT REPORT****REPORT OF THE ASSISTANT DIRECTOR: FINANCE & H.R. (CHIEF
FINANCIAL OFFICER)****LEAD CABINET MEMBER: CLLR LEE CARTER****PART A) – SUMMARY REPORT****1.0 SUMMARY OF KEY ISSUES****1.1 2018/19 Revenue**

The net projected outturn position for 2018/19 is currently estimated to be within budget. This is after using £0.3m of the centrally held contingency which leaves £5.28m available to meet any unforeseen costs or further pressures over the final quarter of the year, for example additional social care costs or road gritting costs should the weather over the winter months be particularly severe. If the balance of the contingency fund which is held as part of our comprehensive and sound financial management arrangements is not required in year, it will be used to support the delivery of services to the community as part of our overall medium term service and financial planning strategy.

This is a particularly positive position given that £7.6m savings were required to balance the 2018/19 budget. The aim is that senior managers will sustain this position and make further improvements where possible by year end.

Children's Safeguarding & Early Help continues to be a key area of focus and there are a number of strategies underway to reduce costs and deliver savings. A cost improvement plan is in place, as is also the case with Adult Social Care. These are monitored on a regular basis by senior managers and Cabinet Members.

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

- A benefit of £2.7m relating to Treasury Management activities - the majority of which relates to benefits from low interest rates for short term borrowing. Some long term borrowing has been taken in 2018/19 to reduce interest rate exposure and the position is regularly monitored by senior finance staff with advice taken from the Council's external treasury management advisors.

- A benefit of £0.6m relating to the Property Investment Portfolio and delivery of benefits ahead of schedule from the Council's £50m Growth Fund Investments.
- Children's Safeguarding & Early Help is a key pressure area with additional investment of £2.7m required which is mainly due to the cost of placements for Looked after Children. This position is after applying £0.5m one off balances, set aside at last year end to support the delivery of the cost improvement plan. A cost improvement plan is in place which is designed to deliver efficiencies over the remainder of the year and medium term.
- Education & Corporate Parenting – overall the service is currently projecting an overspend of £0.5m. This is a combination of the cost of providing school transport and an increase in the number of children with high needs.

The funding outlook for the medium term is still uncertain. The 2019/20 Service & Financial Planning Strategy is a separate report on the Cabinet agenda and provides more detail on the medium term position.

1.2 **Capital**

The capital programme totals £71.8m which includes all approvals since the budget was set. At the time of compiling this report projected spend was 98% of the budget allocation.

There are some new allocations and re-phasing identified which will go forward to Full Council for formal approval.

1.3 **Corporate Income Collection**

Income collection is currently slightly behind targets set.

2.0 **RECOMMENDATIONS**

2.1 Cabinet Members are asked to:-

- (i) Note that 2018/19 revenue spending is currently projected to be within budget and continue to work with SMT to sustain this position; and approve the use of £0.04m from the contingency detailed in Section 5.
- (ii) Note the position in relation to capital spend and Cabinet are asked to recommend that Council approve the new allocations and re-phasing detailed in Appendix 3;
- (iii) Note the collection rates for NNDR, council tax and sales ledger.

SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	Delivery of all priorities depend on the effective use of available resources. Regular financial monitoring in the financial management reports helps to highlight variations from plan so that action can be taken to effectively manage the Council's budget.
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	To outturn within the budget set for 2018/19 at 31/3/19.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and ensure that the Council takes action if overall net overspends /shortfalls emerge.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	Budget holders actively manage their budgets and the many financial risks and challenges that council services face, examples include the risk of a particularly harsh winter which would impact adversely on the winter gritting and adult social care budgets, the increasing dependency on income from a wide range of activities and the risk of interest rate movements. The Council has comprehensive risk management arrangements in place and an appropriate level of contingency within its revenue budget as detailed in this report.
IMPACT ON SPECIFIC WARDS	No	

PART B) – ADDITIONAL INFORMATION

4.0 2018/19 REVENUE BUDGET

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

4.2 The overall 2018/19 budget position is summarised in the table below:

Service Area	Net Revenue Budget	Variation Cabinet 15 Nov 2018	Movement	Current Variation	Variation as a % of Net Revenue Budget
	£'000	£'000	£'000	£'000	%
Business, Development & Employment	(860)	0	0	0	0.0%
Finance & HR	9,645	(2,392)	(551)	(2,943)	-30.5%
Cooperative Council Team	1,181	(6)	0	(6)	-0.5%
Children's Safeguarding & Early Help	28,722	2,884	(142)	2,742	9.5%
Education & Corporate Parenting	11,943	352	109	461	3.9%
Adult Social Care	42,425	62	0	62	0.1%
Governance, Procurement & Commissioning	2,884	(140)	0	(140)	-4.9%
Health & Wellbeing	2,635	289	0	289	11.0%
Customer & Neighbourhood Services	30,875	(472)	54	(418)	-1.4%
Commercial Services*	2,354	220	0	220	9.3%
Council Wide	(10,737)	0	0	0	0.0%
Total	121,067	797	(530)	267	0.2%
Use of Contingency			530	(267)	
Overall Total	121,067	797	0	0	

* this Service Area includes a wide range of services including non-commercial services such as homelessness, housing and ICT

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

Service Area	Variance £m
<u>Business, Development & Employment</u>	
Property Investment Portfolio – early delivery of Growth Fund investments.	-0.617
Contribution to Reserve – to support future investment proposals – approved at Cabinet on 15 November 2018.	+0.724
<u>Finance & HR</u>	
Treasury Management – a benefit is currently reported due to reduced borrowing costs associated with short-term borrowing at very low interest rates. The position is regularly monitored by senior finance staff and the Council’s external treasury management advisors; we have started to take some longer term borrowing in 2018/19 to manage the risk of interest rate exposure.	-2.750
<u>Cooperative Council Team</u>	
There are no variations over £100k to report at present.	
<u>Children’s Safeguarding & Early Help</u>	
Assessments – the creation of in-house assessment capacity has reduced the costs of assessments.	-0.166
Children in Care Placements – projected spend is higher than budget as although the number of new placements has stabilised there have been an increasing number of more expensive specialist placements required for looked after children with complex emotional and behavioural needs over the course of the year which outweighs the number of targeted step downs achieved.	+2.186
Partner Contributions - a Joint Working Protocol is in the process of being developed to reflect the changing needs of vulnerable children and young people in Telford and Wrekin which will provide clear guidance as to how, in cases which require complex coordination, professionals from Social Care, Education and Health will work together and will assist in determining contribution splits ensuring that there is equity in terms of financial contribution from partners including the	

<p>CCG.</p> <p>Leaving Care – the overspend relates to a small number of care leavers with high levels of needs.</p> <p>Contribution from Reserves – set aside at 2017/18 year end to support delivery of the Cost Improvement Plan.</p> <p>Independent Review – Staffing cost exceed the available budget.</p>	<p>+0.629</p> <p>-0.500</p> <p>+0.124</p>
<p><u>Education & Corporate Parenting</u></p> <p>Specialist Services – increasing numbers of children and young people with high needs has meant that the service has not yet achieved anticipated savings; work is ongoing to increase the amount of traded income and to use grant funding flexibility where possible.</p> <p>School Transport (pre 16) – the overspend relates to a saving target not yet delivered and expenditure has also been impacted by the increase in the numbers of children and young people with high needs. Work is ongoing to reduce costs.</p> <p>Transport (post 16) – there has been a significant increase in the costs of transporting post 16 high needs pupils since September 2018.</p> <p>Corporate Parenting – an increase in Pupil Premium Grant allocated to Telford & Wrekin which has funded an element of the costs resulting in an underspend.</p>	<p>+0.137</p> <p>+0.458</p> <p>+0.211</p> <p>-0.144</p>
<p><u>Adult Social Care</u></p> <p>Purchasing – the benefits of social care interventions are starting to materialise, however there is a lead time and some cost reductions will take longer to achieve. The result is a residual pressure on the 2018/19 budget.</p> <p>Income – projected client contributions are higher than budgeted.</p> <p>Income – projected contributions from Health due to successful negotiations with the CCG and receiving contributions to fund clients health needs.</p> <p>Government Grant – reflects the recently announced “Winter Funding” of £0.774m.</p>	<p>+1.432</p> <p>-0.513</p> <p>-0.150</p> <p>-0.746</p>

<p><u>Governance, Procurement & Commissioning</u></p> <p>There are no variations over £100k to report at present.</p>	
<p><u>Health & Wellbeing</u></p> <p>My Options – additional operating costs associated with Community Wellbeing and Community Support, Day Services and Homecare Services</p>	+0.111
<p><u>Customer & Neighbourhood Services</u></p> <p>Sweeping – underspend due to the tonnage for sweepings being lower than budgeted.</p> <p>Street Lighting/ Highway Lighting – reduction in electricity costs due to the implementation of the LED efficiency programme across the Borough.</p> <p>Transfer to Reserves – to fund essential play area resurfacing in 2019/20 – approved at Cabinet on 15 November 2018.</p>	-0.132 -0.280 +0.225
<p><u>Commercial Services</u></p> <p>Temporary Accommodation – rental income shortfall in relation to the move from one large refuge to two smaller properties which was necessary in order to meet the needs of the client group.</p> <p>BIT – Architects & Building Fees – net over achievement of fee income from additional DFG income and project work</p>	+0.120 -0.168

5.0 **CONTINGENCIES**

- 5.1 The 2018/19 budget includes a prudent general contingency of £3.8m, which is set aside to meet any unforeseen expenditure, or delays in phasing in the significant level of savings that the Council has to deliver this year. There is also an amount held centrally for contractual inflation totalling £2.1m which forms part of the approved revenue budget and will only be allocated to specific budgets when the relevant inflation information is available. Given the exceptional cuts being made in the Council's budget it is imperative that the Council has a reasonable level of contingency in order to cover increases in demand for services (e.g. safeguarding which can be significant and occur with no warning) and to allow for any delays or shortfalls in the delivery of planned savings. The current position relating to contingencies is shown below:

	£'000
General Revenue Contingency	3.787
Inflation Contingency	2.113
Total Contingencies	5.900
Previously Approved Use:	-0.311
Proposed Use:	
Church Aston Void Stabilisation	-0.040
Commitments:	
Required to meet the current revenue pressures	-0.268
Residual Balance	5.281

The current revenue position is projected to be within budget at year end after using £0.3m of the contingency, which after other commitments leaves £5.3m available to meet any unforeseen costs in the remainder of the year.

6.0 CAPITAL

6.1 2018/19 Capital Programme

The capital programme totals £71.8m, which includes the approvals proposed in this report.

The financial position is shown in the table below which shows projected spend is currently shown at £70.4m.

Service Area	Current Budget	Spend to Date	% Spend	Year End Projection
	£m	£m		£m
Development Business & Employment	22.76	9.56	41.99%	22.76
Customer & Neighbourhood Services	24.80	10.43	42.05%	24.55
Education & Corporate Parenting	8.99	2.25	25.02%	8.99
Adult Social Care	1.01	0.41	41.05%	1.01
Health & Well-Being	0.06	0.06	100.00%	0.06
Cooperative Council	2.09	0.37	17.74%	2.09
Governance Procurement & Commissioning	0.26	0.09	32.95%	0.26
Finance & Human Resources	2.76	0.35	12.77%	2.10
Commercial Services	9.04	3.85	42.58%	8.53
Total	71.77	27.37	38.14%	70.35

6.2 Some new allocations and re-phasing are identified for approval which are detailed in Appendix 3.

6.3 The 2018/19 capital programme relies on £11m of receipts as part of its funding (after adjusting for known changes). Capital receipts included in the medium term budget strategy are under continual review and any changes will be reflected in future budget projections but are currently projected to be on target.

7.0 CORPORATE INCOME MONITORING

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

7.2 In summary, income collection is currently slightly behind target for sales ledger, council tax and NNDR. Cash collection has increased for council tax and sales ledger income streams compared to last year, although NNDR has reduced due to the revaluation.

INCOME COLLECTION – Oct 2018				
	Actual	Target	Performance	Change in cash collected on last year
Council Tax Collection	64.45%	64.80%	0.35% behind target	+£2,521,945
NNDR Collection	66.16%	67.20%	1.04% behind target	-£109,896
Sales Ledger Outstanding Debt	4.81%	4.70%	0.11% behind of target	-£2,616,628

7.3 **Council Tax (£83.7m)**

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

Year End performance 2017/18	97.3%
Year End Target for 2018/19	97.4%

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

Month End Target	Month End Actual	Last year Actual
64.80%	64.45%	64.74%

There is over £4 million more to collect in council tax during 2018/19 compared to 2017/18, and we've now collected over £2.5m more in council tax this year compared to last year. Collection rates for council tax are 0.3% behind target which has followed a similar trend so far this financial year. Neighbouring Councils are experiencing a similar level to a drop in performance.

7.4 NNDR-Business Rates (£76.3m)

The % of business rates for 2018/19 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

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

Year End performance 2017/18	98.6%
Year End Target for 2018/19	98.7%

Month End Target	Month End Actual	Last year Actual
67.20%	66.16%	67.10%

Business rates is 1.04% behind target, but business rates can tend to fluctuate throughout the year. Close monitoring of this will take place over the next few months to seek to ensure the collection rate does not deteriorate. We have identified a small number of large debts outstanding which indicate that some businesses may be shortly subject to insolvency.

7.5 Sales Ledger (£59.7m)

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

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for 2018/19 are as follows:

Age of debt	Annual Target %	Oct 2018	
		£m	%
Total	4.70	2,870	4.81%

Sales ledger performance is just outside target. Work over the next few months will focus on collecting the highest invoices which are outstanding, paying particular focus to ASC debt.

8.0 PREVIOUS MINUTES

01/03/18 – Council, Service & Financial Planning Strategy
31/05/18 - Cabinet, Service & Financial Planning Report – 2017/18
Outturn and 2018/19 Update
01/07/18 – Cabinet, 2018/19 Financial Management Report
26/07/2018 – Council, 2018/19 Financial Management Report
15/11/2018 – Cabinet – 2018/19 Financial Management Report
22/11/2018 – Council, 2018/19 Financial Management Report

9.0 BACKGROUND PAPERS

2018/19 Budget Strategy / Financial Ledger reports

Report Prepared by:

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

Summary of 2018/19 Projected Variations

Service Area	Net Revenue Budget	Variation Cabinet 15 Nov	Movement	Current Variation	Variation as a % of Net Revenue Budget
	£	£	£	£	%
Business, Development & Employment	(860,684)	0	0	0	0.0%
Finance & HR	9,644,991	(2,393,040)	(550,000)	(2,943,040)	-30.5%
Cooperative Council Team	1,180,878	(5,754)	0	(5,754)	-0.5%
Children's Safeguarding & Early Help	28,721,874	2,884,064	(141,680)	2,742,384	9.5%
Education & Corporate Parenting	11,942,642	352,224	108,837	461,061	3.9%
Adult Social Care	42,424,728	61,898	0	61,898	0.1%
Governance, Procurement & Commissioning	2,884,008	(140,026)	0	(140,026)	-4.9%
Health & Wellbeing	2,635,259	288,953	0	288,953	11.0%
Customer & Neighbourhood Services	30,875,339	(471,609)	53,551	(418,058)	-1.4%
Commercial Services	2,353,790	220,461	0	220,461	9.4%
Council Wide	(10,736,350)	0	0	0	0.0%
Total	121,066,475	797,171	(529,292)	267,879	0.2%
Use of Contingency			529,292	(267,879)	
Overall Total	121,066,475	797,171	0	0	

2018/19 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Business, Development & Employment				
Planning Determination (Statutory)	Supplies & Services	5,830	94,170	Estimated planning appeal costs based on past years performance.
AP- Planning Delivery	Net impact on Income	(1,353,985)	(42,316)	Planning fee income over delivery including additional ApT income.
Regeneration & Investments	PIP	(5,446,920)	(617,031)	Early delivery of Growth fund investments, 19/20 saving already approved.
BDE	Contributions to Reserve - approved at 15 November Cabinet		724,000	Contributions to reserve to support future investment proposals
Variations under £50k		5,934,391	(158,823)	
Total Business, Development & Employment		(860,684)	0	
Finance & HR				
Treasury Management		7,559,186	(2,750,000)	Reduced borrowing costs due to low short-term interest rates. The position is regularly monitored by senior finance staff and the Council's external treasury management advisors and some longer term borrowing has already been undertaken in 2018/19 to manage the risk of interest rate exposure.
Bank Charges	Supplies & Services	64,250	(54,250)	Reduction in level of bank charges due to revised banking arrangements with lloyds. Charges projected at similar level to 2017/18.
External Audit Fees	Supplies & Services	201,590	(100,000)	Saving from renegotiation of external audit fee with Grant Thornton
Variations under £50,000		1,819,965	(38,790)	
Total Finance & HR		9,644,991	(2,943,040)	
Cooperative Council Team				
Variations under £50,000		1,180,878	(5,754)	
Total Cooperative Council Team		1,180,878	(5,754)	
Children's Safeguarding & Early Help				
CIC Placements		13,079,120	2,185,763	Projected expenditure is running at a significantly higher level than the budget and also 2017/18 expenditure (which was £14.2m). There have been a significant number of new or more expensive placements for young people with complex needs during the year, which have more than outweighed the stepdowns that have been achieved. From the Council's perspective, some of these placements are for young people with significant health needs, particularly around mental health. However, in the absence of confirmation from the CCG of the contributions they will make, the monitoring currently assumes a contribution to placements costs of £280,000. The one exception to this is CCG contributions to the prospective costs of a young person stepping down from a Tier 4 bed, for whom we have assumed a CCG contribution of half the placement costs this is in addition to the £280,000.
Leaving Care		391,542	629,050	A small number of young people have recently left care but have a very high level of need. Seven young people account for over 60% of the projected expenditure in this area.
Staffing - salaries		10,396,745	(75,063)	Significant expenditure continues to be incurred on agency staff in areas where recruitment continues to be challenging, but savings from vacancies are forecast to exceed the additional costs associated with agency staff.

2018/19 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Assessments		367,003	(166,133)	The variation reflects the creation of an in house service offering mother and baby assessments which has reduced the requirement for external assessments to be undertaken.
Children with Disabilities		38,050	77,950	The variation is due to adaptations made to a house to enable a young person to move from residential accommodation to foster carers. The investment will be more than offset by savings in placement costs.
Children in Care Adoption Allowances		180,340	61,636	There has been a significant increase (from 18 to 27) in young people adopted since the start of the year, with a corresponding increase in adoption allowances. Whilst this has created a budget pressure in this area, an increase in adoptions is likely to be positive for the financial situation of Safeguarding as a whole as, it means that the children and young people are not being placed in more expensive options.
Joint Adoption Service		506,987	78,103	T&W is part of a joint adoption service with Shropshire Council. An increased budget for the service was agreed between the two authorities earlier in the year and a repeat of the underspend against budget in 2017/18 is unlikely to be achieved. See also comment above regarding adoption allowances
Under £50k		2,906,625	307,690	
TOTAL		27,866,412	3,098,996	
Use of contingency			(500,000)	
Independent Review - Staffing		533,824	124,271	The cost of the agreed staffing numbers currently exceeds the available budget.
Independent Review - Under £50k		321,638	19,117	
Total Children's Safeguarding & E.H.		28,721,874	2,742,384	
Education & Corporate Parenting				
Specialist Services		616,826	137,018	The service has recently restructured but in the context of increasing numbers of children and young people with high needs, the service has not yet been able to reduce costs sufficiently to achieve the savings target. Work is ongoing to increase the amount of traded income generated by the Education Psychology service and to use grant funding flexibly to offset costs where possible.
School Transport (pre 16)		2,515,653	457,943	Expenditure on home to school transport is currently forecast to be at a similar level to 2017/18, but last year and this year's budgets included significant savings targets. There is on going work in this area to deliver these savings, including encouraging parents to transport their children to school where possible and more sharing of taxis. The number of coaches required to transport children to mainstream schools has been reduced from September 2018 and further reductions will be made in future years as denominational transport ceased for new pupils in September 2017. and changes in catchment areas will also reduce the number of coaches required. However, expenditure on transport is being impacted by the increase in the numbers of children and young people with high needs in the area, as the majority of expenditure on education transport is related to high needs. This is offsetting some of the savings that are being delivered.

2018/19 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Transport (post 16)		165,420	211,140	This area has recently transferred across to Education & Corporate Parenting from Business, Development & Employment. There has been a significant increase in the costs of transporting post 16 high needs pupils from September 2018, with a small number of young people accounting for a significant proportion of the overall variation.
Corporate Parenting		201,684	(144,010)	Looked after Children (LAC) are entitled to a higher rate of Pupil Premium Grant (PPG) and the grant is overseen by each local authority's virtual head. The grant can be used both for the local authority's duties and also allocated to the schools attended by LACs. An increase in the PPG being allocated to T&W has enabled more of the costs of the Corporate Parenting team to be funded by PPG, thus producing a budget saving.
Variations under £50,000		8,443,059	(201,030)	
Total Education & Corporate Parenting		11,942,642	461,061	
Adult Social Care				
Purchasing - all client groups		50,487,442	1,432,493	Although there is some pressure relating to the purchase of block care packages for ALD residential clients, projections for most other client groups are currently showing the benefits of Social Care Interventions. However, the implementation lead time for some of the interventions has resulted in some expected cost reduction in services taking longer to achieve, this is particularly true of the movement of clients to independent living in supported accommodation, and the delivery of reductions to the numbers in the current My Options day care services. Some of this pressure will be offset by the "Winter Funding" grant detailed below.
Income generation:	Client contributions	(5,379,623)	(512,989)	It is difficult to forecast the level of client contributions for the year as they are means tested based on capital wealth and income of the client being cared for. The estimates are based on current known information and it is anticipated that the level of income will be more than the original base estimate.
	Health contributions	(926,000)	(150,000)	Continued successful negotiation with the CCG in receiving a contribution to clients with a partial health need or full health funding in a few cases in addition to an increased contribution to reablement activity means that current forecast income is in excess of the budget set.
	Government Grant	(6,574,234)	(745,903)	The variation reflects the "Winter Funding" grant recently announced by Government, the Council's allocation being £774,291 in 2018/19. This will be used to offset the pressure projected within purchasing and operational teams which arises from the need to improve Delayed transfers of care performance, thereby getting patients home quicker and freeing up hospital beds.
Operational teams	Employee and operational expenditure	5,237,306	43,483	This pressure will be offset by the "Winter Funding" grant detailed above.
Variations under £50k		(420,163)	(5,186)	
Total Adult Social Care		42,424,728	61,898	
Governance, Procurement & Commissioning				
Assurance services		72,302	(54,344)	Largely arising from additional income generated from providing advice and support re GDPR/Data protection

2018/19 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Legal Service		1,098,611	61,910	Pressure arising from reduced level of income generated and printing /operational costs
Budgeted recharges for the above services		(1,170,913)	0	
Variations under £50k		2,884,008	(147,592)	Largely down to achievement of income generation which is included in the proposals for savings over the next two years, and some savings on general operational budgets
Total Governance, Procurement & Commissioning		2,884,008	(140,026)	
Health & Wellbeing				
My Options	Trading Account	467,001	111,184	Community wellbeing and Community support, day services and homecare services respectively are the areas of the business under pressure. Overall income generation remains strong with the Community day service being at capacity, however the costs of operating the services has increased on last year and this is resulting in reduced contributions to offset other costs of operation. The position is reviewed monthly and this has been a steadily improving projection for the year with cautious optimism that the outturn will continue to improve as the year progresses
Variations under £50k		2,168,258	177,769	
Total Health & Wellbeing		2,635,259	288,953	
Customer & Neighbourhood Services				
Concessionary Travel	Supplies & Services	1,653,820	(67,680)	Reduction in costs of concessionary travel as a result of lower take up of service.
Waste Management	Employees	307,900	(51,748)	Post being held vacant to contribute towards future savings targets.
Sweeping	Third Party Payments	276,870	(131,845)	Underspend on waste due to the tonnage for sweepings being significantly lower than budget, this is consistent with reduced tonnages experienced in 2017/18.
Street lighting	Premises Related Expenditure	607,780	(163,259)	Reduction in electricity costs due to the implementation of the LED efficiency programme across the Borough
Highway Lighting	Premises Related Expenditure	779,910	(116,564)	
Trading Standards	Employees	349,510	(74,100)	Early delivery of restructure savings which is being used to offset income pressures in the current year
Transfer to Reserves	Approved at 15 November 2018 Cabinet		225,000	To fund essential play area maintenance in 2019/20
Variations Under £50k		26,899,549	(37,862)	
Total Customer & Neighbourhood Services		30,875,339	(418,058)	
Commercial Services				
			5	

2018/19 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Housing & Nuplace	Temporary Accommodation - Income	(236,510)	120,461	Rental income shortfall in relation to the move from one large refuge to two smaller properties to meet the needs of the client group. This reduction in size has led to an income shortfall. The use of the second property has now been reviewed and the best option is to use as temporary accommodation for larger families, which will help to mitigate this pressure.
	Temporary Accommodation - Contribution from reserves	0	(60,000)	Use of one off reserves in relation to temporary accommodation pressure.
BIT - Architects & Building Fee	Net position	(979,375)	(168,327)	Net over delivery on fee income arising from additional project work.
Variations under £50k		3,569,675	328,327	Projected income pressures within Leisure linked to the potential impact of new competitors entering the gym market locally, the full impact of which is currently being reviewed but could significantly increase this pressure. An action plan is in place to mitigate this pressure as far as possible. There is also a projected pressure for the Arthog Outdoor Education Centre which is linked to some periods of closure to carry out improvements to the centre and a reduction in bookings from Shropshire Schools between January-March 2019. An action place is in place to mitigate this pressure as far as possible.
Total Commercial Services		2,353,790	220,461	
Corporate				
Total Corporate		(10,736,350)	0	
Total		121,066,475	267,879	

Capital Approvals - by Service Area

Appendix 3

Slippage							
Scheme	Service Area	Funding Source	18/19 £	19/20 £	20/21 £	21/22 £	Later Yrs £
All Other School schemes	Education & Corporate Parenting	Grant	(1,069,111.46)	1,069,111.46			
Newport Innovation & Enterprise Package	Customer & Neighbourhood Services	Grant	(1,500,000.00)	1,500,000.00			
LED Lighting Invest to Save	Customer & Neighbourhood Services	Prudential	(270,000.00)	270,000.00			
Property Investment Programme	Development Business and Employment	Prudential	(900,000.00)	900,000.00			
Housing Company- Housing	Development Business and Employment	Prudential	(2,800,000.00)	2,338,000.00	462,000.00		
Managing the funding of the capital programme	Finance and Human Resources	Capital Receipts	(12,000.00)	12,000.00			
Managing the funding of the capital programme	Finance and Human Resources	Prudential	12,000.00	(12,000.00)			
Total			(6,539,111.46)	6,077,111.46	462,000.00	0.00	0.00

New Allocations							
Scheme	Service Area	Funding Source	18/19	19/20	20/21	21/22	Later Yrs
All Other School schemes	Education & Corporate Parenting	Grant	416,880.40		4,316,914.54		
Legacy Fund	Co-operative Council	Revenue	(50,000.00)				
Safer Routes to Schools	Customer & Neighbourhood Services	Revenue	600,000.00				
Highways & Bridges Capital Maintenance	Customer & Neighbourhood Services	Grant	1,530,000.00				
Every Day Telford -Pride in your Community	Customer & Neighbourhood Services	Revenue	(19,719.65)				
Play Area Surface Improvements	Customer & Neighbourhood Services	Revenue		225,000.00			
Property Investment Programme	Development Business and Employment	Revenue	799,000.00				
Digital Advertising	Commercial Services	Prudential	258,000.00				
Leisure Capital Schemes	Commercial Services	Revenue	130,000.00				
Asset Management Plan - General Works & Surveys	Commercial Services	Prudential		300,000.00	300,000.00	300,000	
Asset Management Plan - General Works & Surveys	Commercial Services	Grant	53,904.00				
Managing the funding of the capital programme	Finance and Human Resources	Capital Receipts	41,000.00	(182,000.00)	(2,014,000.00)		
Managing the funding of the capital programme	Finance and Human Resources	Prudential	(41,000.00)	182,000.00	2,014,000.00		
Total			3,718,064.75	525,000.00	4,616,914.54	300,000.00	0.00

TELFORD & WREKIN COUNCIL**CABINET – 3 JANUARY 2019****SERVICE AND FINANCIAL PLANNING 2019/20 – 2021/22****REPORT OF THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER****LEAD MEMBERS CLLRS S DAVIES AND L CARTER****1. SUMMARY.**

1.1 On 1st March 2018 the Council approved a two year service and financial planning strategy for both 2018/19 and 2019/20. This report updates the medium term financial projections and reaffirms the Council's commitment to delivering the second year of this two year strategy whilst also allocating some additional funding for investment in key priority areas including children's safeguarding and adult social care.

1.2 Key points of the strategy include:-

- Council Tax in Telford & Wrekin is currently the lowest across the Midlands region for the services that the Council provides (please see Appendix 1). This report confirms the previously agreed increase of 3.2% for 2019/20 which includes a general Council Tax increase of 1.2% and an increase of 2% for the Government's "Adult Social Care precept".
- Implementation of previously approved savings totalling £6.064m in 2019/20. The Council has a strong track record of sound financial management delivering a financial outturn within budget and unqualified audit opinions for over 10 years despite having to deliver £117,000,000 annual budget savings and without the need to implement any emergency spending control measures. This has, however, necessitated very active budget management and financial control by Cabinet Members and officers across the Council. The Council's external auditors have consistently reported that our arrangements for securing value for money are satisfactory.
- Despite the financial challenges that we face, it is very important that we keep finding ways to invest in our communities and in our roads, street lights and footways to ensure Telford and Wrekin remains a

great place to live, work, learn, visit and do business. Investments that we will be delivering in 2019/20 include

Revenue:-

- £3.296m for children's safeguarding and early help to protect vulnerable children. Whilst numbers of looked after children have remained broadly stable, costs of some of the placements for children with the most complex and challenging needs now exceed £9,000 per week. This investment comes on top of £0.75k for children's safeguarding built in to the budget model for 2019/20 in March 2018.
- £0.842m for Adult Social Care services, which is over and above the £0.77k built in to the budget model for 2019/20 for Adult Social Care in March 2018.
- £0.330m to maintain existing subsidised bus routes

Capital:-

A programme of capital investments totalling more than £189m set out in Appendix 4. Amongst the capital investments included in this programme are:-

- Over £50m for road and transport improvements,
 - Over £30m for school projects,
 - Over £28m for further investment in NuPlace, our wholly owned housing company, projects,
 - Almost £19m of investment through the Telford Growth Fund,
 - £9m for the Newport Innovation and Enterprise package,
- To take a measured approach to the use of available one-off resources of just under £3m in 2019/20 to seek to cushion the impact of continuing Government cuts in council funding.

- 1.3 When Full Council approved the two year service and financial planning strategy in March last year, it was not considered appropriate or possible to set a detailed strategy beyond 2019/20 because the Government's current Comprehensive Spending Review, which sets the Departmental Expenditure Limits for each government department, only extends to 2019/20 and as a result The Ministry of Housing, Communities and Local Government (MoHCLG) have only issued forward funding projections for councils to 2019/20. In addition, fundamental changes to the local government finance system will be made from April 2020 but very little information is available, even now, to indicate how this new system will operate and the impacts that it will have for individual local authorities. Indeed, it is unlikely that the

Council will have any real clarity on its funding for 2020/21 and later years until we receive our settlement in December 2019, less than 4 months before the start of the financial year. The changes that will be implemented will potentially have very significant implications for the Council and could include:-

- “Re-setting” the business rates system to reallocate the benefits of growth in the business rates base since April 2013 that have been retained by individual local authorities across the country,
- Increasing the proportion of business rates income retained by councils, at a national level, to 75% but at the same time terminating other funding streams for example the remaining Revenue Support Grant and Public Health Grant and/or transferring additional responsibilities to councils in order to retain “fiscal neutrality” at a national level.
- Implementing a new formula to assess the relative spending needs of all councils.
- Reviewing the New Homes Bonus system which is a significant funding source for Telford & Wrekin Council.
- Probably also implementing a transitional system to limit the amount that any council loses or gains from the introduction of these changes in any one year.
- Reflecting the implications of the anticipated 2019 Comprehensive Spending Review and the long awaited Adult Social Care green paper.

1.4 As information on the outcomes of the Comprehensive Spending Review planned for 2019 and how the new local government finance system will operate become available, it will be possible to model the potential impacts on the Council. An early priority for the new Council Administration to be elected in May 2019 will be to identify key areas for new investment and, in all probability, significant additional savings proposals that are required in the light of the medium term financial outlook as it emerges over the remainder of 2019.

1.5 As there is a very high degree of uncertainty over the future financial outlook for the Council, despite both the Prime Minister and the Chancellor stating that austerity is coming to an end, it is essential to retain as much financial flexibility as possible by retaining uncommitted one-off resources which can be used to support the budget pending the implementation of further ongoing savings, if these are required, and by minimising additional ongoing financial commitments as far as possible.

1.6 The Council has faced a very protracted period of severe financial constraint as the Government has sought to reduce the national budget deficit. The Government has protected many areas of public spending, notably the NHS, but not local government and it has been well

documented that the cuts to local government have not been applied uniformly across the country but have hit areas with greater social need harder than average. The Council has already delivered £117,000,000 p.a. of ongoing budget savings which is equivalent to over £1,500 less to spend each year on delivering services for every household in the borough and almost twice the £65.9m income that the Council receives from Council Tax. The Council has sought to make these savings in ways that protect front line services as far as possible and, where services to the public are affected, to do this in as compassionate a way as possible by looking to find new sources of income and means to generate additional income and by working hard to identify any alternative ways to work in partnership with other local organisations to ensure continuing provision. However, it is clear that any further budget reductions are likely to have significant service impacts and may require extensive consultation with service users and the wider community.

- 1.7 Despite the significant budget savings that we have had to make, the Council is still a large organisation delivering many services to local people and it is essential that we use our remaining revenue and capital resources as effectively as possible to deliver the greatest possible benefit for local people.
- 1.8 The provisional Local Government Finance Settlement was announced a week later than had been expected by James Brokenshire, the Secretary of State for Communities and Local Government on 13 December 2018, this will see the Council's Revenue Support Grant cut by 30.65% (£4.335m) next year. The £4.3m cut to our Revenue support Grant alone is the equivalent of a Council Tax increase of just under 7% whilst we are also facing reductions to our Public health and New Homes Bonus grants next year.
- 1.9 In the provisional funding settlement, it was announced that for 2019/20 councils would be allowed to increase Council Tax by up to 3% before a referendum was held plus any remaining headroom available in the Adult Social Care precept equal to 2% for this Council. For Telford & Wrekin, this would give a maximum increase of 4.99% next year. However, we know that local residents have not seen their incomes increase by anything like this and that Council Tax is already a significant bill for our residents. The Council is therefore proposing to continue with its strategy of increasing Council Tax next year by 3.2%. This comprises the 2% Adult Social Care precept which the Government have assumed we will apply and 1.2% which is equivalent to the amount that we received from Government from Council Tax Freeze Grants before these were abolished. 3.2% is also broadly in line with the current rate of inflation as measured by the Retail Prices Index (3.3% in October 2018) although higher than the CPI measure of inflation (2.4% in October 2018). Whilst we recognise that an increase of 3.2% will still represent a challenge for many residents, we need to balance raising additional income from Council Tax with the pressures

now facing many services after budget savings of £117m pa have been made with further savings needed in 2019/20 as our grants from Government continue to be cut.

- 1.10 The Council along with the Local Government Association, is firmly of the view that encouraging councils to increase Council Tax bills is no way to deal with the considerable national pressures on funding care of older people and vulnerable children. In Telford & Wrekin a 1% Council Tax increase raises just £0.625m because Council Tax levels are comparatively low, as demonstrated in Appendices 1 and 2, and because the average property in this area is in Band B. Many wealthier parts of the country would raise significantly more from a 1% Council Tax increase as they will have many more properties in higher Council Tax Bands and generally tend to have better health and more “self-funders” so lower levels of demand for council-funded care.
- 1.11 The Council has consistently said that it will continue to protect the most vulnerable in our society and prioritises the protection of services to vulnerable adults and children in our community. The Council is committed to ensuring that we always meet the assessed needs of vulnerable people but this does not mean that we can continue to deliver the same services in the same ways. We have to make changes but will always place priority on these essential services and will not let financial pressures due to Government cuts mean that we fail to meet the assessed statutory needs of the most vulnerable. To do this, we have also had to be innovative in identifying ways to generate more income to fund key front line services as well as seeking to address key issues for the Borough such as economic regeneration and improving housing standards in the private rented sector:-
- The total revenue benefit to the Council from NuPlace after covering all additional costs, last year was £1.238m.
 - NuPlace Ltd. made a pre-tax profit of £0.343m in 2017/18, expected to increase to £0.5m in 2019/20 and has increased the availability of high quality homes in the private rented sector managed by a committed and responsible landlord. In addition, Council Tax of £0.2m is payable to the Council from the NuPlace properties and New Homes Bonus of £0.17m will be received by the Council in total based on current build projections and NHB payment arrangements.
 - Our solar farm generates a surplus after paying all costs of £200k pa.
 - Our Telford Growth Fund is delivering ahead of expectations, attracting new and retaining existing jobs in the borough. The total revenue benefit net of additional costs is projected to be £1.2m this year for the schemes committed to date (expected to

increase to £1.5m for the schemes currently approved in a full year)

- Total income from our Commercial Services teams amounted to £19.4m. last year.

The net benefits from these investments are used to support front line services.

2. RECOMMENDATIONS AND NEXT STEPS.

2.1 Members are asked to approve:-

2.1.1 The proposed Service and Financial Planning Strategy set out in this report for consultation between 4 January 2019 and 3 February 2019.

2.1.2 The transfer of £1.5m from the Severance Fund to supplement the Invest to Save/Capacity Fund to support the delivery of the Service & Financial Planning Strategy.

2.2 Members are asked to note:-

The high level of uncertainty relating to the medium term financial outlook for the Council due to the significant changes to the local government finance system which will be introduced from April 2020 and because the Government's current Comprehensive Spending Review does not extend beyond the end of next financial year. This high level of uncertainty requires the Council to retain flexibility by limiting new ongoing investments to those that are unavoidable and retention of as much one-off resource as possible. Officers should commence work to identify further potential savings options for discussion with the new administration following the local elections in May 2019 as any further savings will be more challenging than those previously agreed by the Council given that they come on top of the £117m of savings already made and may therefore have a significant lead time before net spending reductions are delivered.

2.3 Next Steps:-

- Details of the ways that comments on this proposed medium term financial strategy can be made are included in Section 20. Our statutory consultation period will commence on 4 January and continue through until 3 February 2019. At this stage, our consultation is predominantly seeking over-arching views on the strategy put forward. It should be noted that where specific savings require more detailed consultation and equality impact assessment, these will be subject to more detailed and specific consultation in due course.

- Final decisions will be taken by the Cabinet at the meeting to be held on 14 February 2019 after the results of consultation including comments from the Finance & Enterprise Scrutiny Committee have been analysed. Recommendations from this meeting will be considered at a meeting of Full Council scheduled for 28 February 2019 which will agree the budget and Council Tax levels across the Borough for 2019/20.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	<i>The service and financial planning strategy is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes.</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>The proposals contained in this report will impact on specific groups of people. An Impact assessment, on the savings proposals, highlights limited equalities, environmental and economic impacts which are included in sections 18 and 19. We will screen all future savings proposals for potential equality impacts relative to the General Equality Duty and will carry out full impact analysis where appropriate, prior to any decisions being taken. Details of this screening and impact analysis process will be included in reports to Cabinet.</i>
TARGET COMPLETION/DELIVERY DATE	<i>Statutory public consultation will take place between 4 January 2019 and 3 February 2019. The proposals contained in the report will also be subject to Member scrutiny during this period. Final proposals will be considered by Cabinet on 14 February 2019 who will make recommendations to Full Council on 28 February 2019. The final agreed recommendations will be implemented during 2019/20 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 2019/20.</i>

LEGAL ISSUES	Yes	<p><i>This report develops the proposals for the Council's budget and policy framework which will be consulted upon in accordance with the Policy Framework & Budget Procedure Rules contained in the Constitution. In accordance with the relevant provisions of the Local Government Finance Act 1992, the Local Government Housing Act 1989, the Local Government Act 2003 and the Localism Act 2011, the Council has to set a balanced budget for 2019/20 before the 11 March 2019 and has to have regard to the advice provided by the s.151 officer (Chief Finance Officer) on the robustness of the budget and the adequacy of reserves supporting the budget before doing so.</i></p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p><i>This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the availability of balances.</i></p> <p><i>Environmental assessment is a procedure that ensures that the environmental implications of Council decisions are taken into account. The principle is to ensure that plans, programmes and projects likely to have significant effects on the environment are made subject to an environmental assessment.</i></p> <p><i>The Environmental Assessment aims to provide a level of protection to the environment and to contribute to the integration of environmental considerations into the preparation of projects, plans and programmes with a view to reducing their environmental impact. The environmental assessment provides information on the environmental impacts of the budget proposals. Overall, on balance the environmental assessment of the budget proposals is expected to be positive.</i></p>

		<i>The economic impacts of the proposals are expected to be broadly neutral in 2019/20 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 initiatives funded from one-off resources and the capital and revenue investments outlined in the report and the Council's "business winning, business supporting approach".</i>
IMPACT ON SPECIFIC WARDS	Yes/No	<i>Borough-wide impact.</i>

4. NATIONAL CONTEXT.

- 4.1 When the coalition Government was formed in May 2010 they committed to eliminating the national budget deficit which required very significant cuts in public spending. Since 2010 however, the Government has also protected many areas of public spending – but not local government. Councils have therefore faced very significant reductions and despite the growing awareness of the severe pressures facing Adult Social Care and Children’s Safeguarding services, in particular, this disproportionate targeting of reductions in national funding for councils is set to continue next year.
- 4.2 George Osborne delivered the current Comprehensive Spending Review on 25th November 2015. The Spending Review 2015 (SR15) report set out the Government’s spending plans and priorities for 2016/17 to 2019/20 and set out expectations for economic growth, inflation and tax receipts. No date for a further Comprehensive Spending Review has been announced by the current Government although because there are no national Departmental Expenditure Limits beyond next year there will have to be a Comprehensive Spending Review during 2019.
- 4.3 Philip Hammond, Chancellor of the Exchequer, delivered his 2018 Autumn Budget to the House of Commons on 29 October 2018. This included some additional funding for Adult Social Care/Children’s Safeguarding and repairing potholes. However, the amounts allocated were one-off sums and much less than the Local Government Association have calculated is required to avoid further cuts to social care services.
- 4.4 The Local Government Association (LGA) has stated that the money local government has to deliver services is running out fast and

councils face an overall £7.8 billion funding gap nationally by 2024/25. This comprises:-

- £3.6bn pressures within Adult Social Care (ASC) including funding required to stabilise the ASC provider market.
- £3.0bn for Children's services
- £0.6bn for Public Health
- £0.6bn for Homelessness and other services

4.5 The LGA has highlighted that English councils will have had to deal with £16 billion of reductions to Government grant funding by the end of this decade. Nor have these reductions been distributed evenly across the country, with many of the councils with greatest social need receiving the greatest cuts as demonstrated in work undertaken for the LGA by the Institute for Fiscal Studies.

4.6 The National Audit Office (NAO) have calculated that there have been "substantial real terms falls in government funding (for local government): A 49.1% reduction between 2010/11 to 2017/18 and a 56.3% reduction by 2019/20." The NAO have also stated that "Spending power fell steadily from 2010/11 to 2016/17 then levelled off but (at a national level) relies on substantial anticipated growth in Council Tax". The Government are assuming that councils will increase Council Tax by the full Adult Social Care precept and to the maximum of the referendum limit – this is a direct transfer of funding local government services from central government to Council Taxpayers regardless of the ability of local taxpayers to fund these increases. As a council with a low level of Council Tax (see appendices 1 and 2) and the majority of properties in Bands A and B a 1% Council Tax increase raises significantly less than in an area which has a high level of Council Tax and has a large proportion of properties in higher Council Tax bands.

5. LOCAL CONTEXT

5.1 The Government's low priority for local government compared to other parts of the public sector and its subsequent significant transfer of risks to the local government sector including the introduction of local Council Tax Support rather than centrally funded Council Tax benefits and local retention of business rates at a time when it is also radically reducing the grant that it gives to councils clearly all combine to increase the level of financial risk faced by councils. It is therefore essential that the Council has a medium term service and financial planning strategy in place that includes approaches to reduce reliance on government funding, that an appropriate level of reserves and contingencies is maintained by the Council and that financial performance across the Council is effectively controlled. The Council has a long track record of highly effective financial management and

has again received an unqualified External Audit opinion for its latest set of accounts.

- 5.2 Since 2010, Telford & Wrekin Council has faced cuts in the grant we receive from Government whereas prior to this date the grant would increase each year to recognise inflationary and other pressures. The scale of these cuts and the protracted period over which they continue to be made are unprecedented. The cuts in our grants are being made at a time when demand for many services, such as safeguarding children against harm or neglect and Adult Social Care have been increasing. These factors combine to place this Council, like most others, under extreme financial pressure. Since 2010 the Council has had to make ongoing budget savings of £117m pa. This is equivalent to more than £1,500 less that the Council has to spend each year on delivering services for every household in the borough. Further details of savings made to date are included in Appendix 3.
- 5.3 The Council has sought to offset part of the loss of Government grant by generating income by adopting a more commercial approach from a wide range of existing services whilst seeking to recognise and manage risks as far as possible. We have sought to ensure that this approach, as far as possible, also brings environmental, social or economic benefits to our residents. We were the second council nationally to open a commercial solar farm and are currently investing in NuPlace, a wholly owned company, which offers good quality homes, mainly at market rents – primarily NuPlace was established to increase the supply of private rented accommodation in the area, to regenerate brown field sites that the Council had been unable to sell and to drive up standards in the wider private rented sector. Both of these schemes also generate a surplus after paying the capital costs used to fund the investment and other operating costs. The profit from these and other commercial projects and from our participation in the West Mercia Energy Joint Arrangement is used to help reduce the amount of cuts that we would otherwise have to make to the front line services that the Council provides to our community.
- 5.4 The Council is also committed to investing in Telford’s future. Ensuring that the Borough is an attractive place to live, work, learn and visit is essential if we are to attract new businesses that will create jobs and bring prosperity to the area and the people that live here. The Council also benefits from retaining a share of any additional business rates (between “reset periods”) which helps to minimise the cuts that we have to make to services. Under Government proposals the share of additional business rates growth that is retained will increase to 73.5% (75% including 1.5% for the Combined Fire Authority) in 2020/21.
- 5.5 As part of our “Business Winning, Business Supporting” Approach, the Council is investing an additional £50m in our Property Investment Portfolio which will be invested within the Borough in new and also existing industrial, commercial and property holdings bringing new jobs

to the Borough from inward investors but also to retain existing jobs in companies looking to expand and which may otherwise move out of the borough. The net return after debt charges will be used to support front line services as will additional retained income from business rates, between reset periods.

5.6 In March 2018, the Council set a two year budget strategy with specific detailed proposals for both 2018/19 and 2019/20. The Council is reaffirming its commitment to delivering the second year of this strategy which includes commitments to:

- Continue to work with partner organisations, including Town & Parish Councils and voluntary sector and community groups to seek to identify ways to mitigate the impact of some of the cuts to services that we can no longer afford to provide. These discussions have been very successful and the Council is committed to extending this approach further through its Partnership Deals with up to 3 year transitional funding available and further allocation of the Partnership Capacity Fund which was allocated £744k within last year's budget.
- Continue our existing policy of transferring grant to Town & Parish Councils in respect of Local Council Tax Support. In line with the agreement made in January 2013 the amount available to allocate is £98.7k following the latest cut of more than 30% to the Council's (provisional) Revenue Support Grant next year.

6.0 **A COUNCIL WORKING FOR, AND TOGETHER WITH, OUR COMMUNITY**

6.1 Despite our severe financial constraints, Telford and Wrekin is a progressive Council with ambitions to improve the Borough and the lives of residents. We are tackling the impact of the Government's sustained grant cuts head on and finding new ways to deliver services and to generate income to help offset some of the grant cuts. We have a long track record of sound financial management and innovative solutions.

6.2 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 medium term. It is a vision which is centred on building a strong local identity and resilient and healthy communities by driving housing and economic growth whilst protecting and enhancing our reputation as a "green town" - a great place to live, work, learn, visit and do business.

6.3 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.

6.4 **From our on-going engagement with local people over many years, we are clear that they and their families have some fundamental priorities which we as a Council are working alongside them and in partnership to achieve. We know that the people of Telford & Wrekin want to live:**

- **In a safe community** – we work in partnership with West Mercia Police to ensure that Telford & Wrekin remains a low crime area. Our work to support and safeguard children from sexual exploitation has been recognised by Ofsted as amongst the best in the country. We have worked to get Telford designated as a White Ribbon Town where domestic violence is not tolerated. Our Public Protection team deliver our enforcement agenda to ensure that local services and facilities are safe, that nuisances are tackled and houses in multiple occupation are better managed. We have made a commitment as a Council to always look after the most vulnerable in our community.
- **In a clean environment** – we work in partnership with TWS and Veolia and also with many Town and Parish Councils and the Parish Environmental Teams to ensure that our streets, parks and public spaces are clean and tidy and that we have first class waste collection and recycling services.
- **In a place with good roads and pavements** – each year we invest in a major programme to repair and maintain our roads and pavements. We have also secured significant amounts of Government funding to improve many roads, roundabouts and junctions so that congestion caused by more cars using our roads in the future will be reduced or avoided. Through our 'Pride in Your Community' initiative we have also made lots of little improvements in communities and on estates that can make a big difference to everyday life.
- **Where there are first class schools and education facilities** – we work in partnership to support our primary, secondary and special schools and performance is amongst the best in the West Midlands
- **Where there are excellent and accessible hospital and GP services** – we are working with many GP practices and Health Services in our neighbourhoods to provide more joined-up health and care services that better meet people's needs there is support in the community to help people to stay healthy. We are also doing all we can to seek to retain full Accident & Emergency services at the Princess Royal Hospital as well as the Women's and Children's Centre.
- **Where they have a job and there is a thriving economy** – through our Enterprise Telford approach, we are attracting more new businesses to come to our Borough every year bringing new jobs. We have also supported many existing businesses to succeed and expand.

Through our 'Pride in your High Street' initiative, we have sought to give local businesses the key skills to both survive and thrive in our town centres. We work to protect local jobs, we have lobbied Government to retain key activity in our town such as HMRC, Cap Gemini and the Land Registry. We also work, through our Job Box and Apprenticeship schemes, to ensure local people, and particularly young people, have the skills they need to get a job.

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

6.6 In this, our twentieth year as a unitary authority, the Council is proud that, despite almost a decade of severe Government cuts:

1. We are committed to ensuring that budget pressures will never stop us from providing the care and support that is needed to keep vulnerable children and adults safe from harm and neglect.
2. We still provide free swimming for all Under 16s at all council owned leisure centres
3. We teach 3000 children to swim each week
4. We've invested £4m in Telford Town Park – one of the top parks in Europe
5. More than 72,000 people enjoyed our Telford 50 events in 2018
6. After significant investment, 98% of borough homes and businesses now enjoy high speed broadband
7. We're home to the UK's biggest overseas investment in the last decade – the new Magna Cosma factory at T54 business park - creating hundreds of new jobs
8. 4.4m people visit Telford every year, bringing in £250m income to the local economy
9. Despite the pressures we face, we've invested £20m in roads, paths and cycle paths as part of Pride in Our Community Programme
10. We're investing £5.2m in LED technology in 20,000 streetlights by March 2019, saving £0.5m pa in energy costs
11. The borough has 15m trees - or 88 trees per Telford resident
12. We recycle 45% of household rubbish
13. Unlike most other councils, most of our council owned car parks are free, encouraging people to shop locally
14. We've been able to create over 200 protected Green Guarantee sites and designated 17 local nature reserves - You're never more than 300 metres from open green space in the borough
15. We're helping borough towns attract more business and visitors through our Pride in Your High Streets scheme
16. The Southwater development alone has created 400 new jobs
17. £200m has been invested in our secondary schools since 2010
18. Our Live Well Telford website helps people get the advice they need at the right time to stay independent

19. We're helping even more people with learning disabilities move into or live in their own home

20. 1,200 people have signed up as volunteers to support our work

7. BASE BUDGET FOR 2019/20

7.1 The base budget for 2019/20 (i.e. after already approved savings but before investments and other final adjustments are included) is summarised in the table below.

Service Area	<u>2019/20 GROSS EXPENDITURE</u> £	<u>2019/20 GROSS INCOME</u> £	<u>2019/20 NET EXPENDITURE</u> £
Health & Well-Being	14,148,740	11,786,598	2,362,142
Governance, Procurement & Commissioning	9,218,000	6,444,820	2,773,180
Customer & Neighbourhood Services	105,010,585	75,761,493	29,249,092
Business, Development & Employment	14,689,257	16,121,701	(1,432,444)
Commercial Services*	38,804,376	37,759,200	1,045,177
Finance & Human Resources	20,570,481	7,306,640	13,263,841
Adult Social Care	61,511,991	20,200,029	41,311,962
Children's Safeguarding & Early Help	31,247,942	3,386,758	27,861,184
Education & Corporate Parenting	127,749,737	116,396,112	11,353,625
Co-operative Council	3,138,015	1,893,177	1,244,838
Council Wide Items	17,665,368	25,895,924	(8,230,557)

Netting off of Internal Recharges included above	(50,415,676)	(50,415,676)	0
Total	393,338,816	272,536,775	120,802,040
Contributions To/From Balances	0	434,750	(434,750)
Net Total	393,338,816	272,971,525	120,367,290

* This service area includes a wide range of services including non-commercial services such as homelessness, housing and ICT.

7.2 Budgets for Service Areas will be restated once the Council has made final decisions on the savings and investment proposals contained in this report.

7.3 Whilst there are many areas of significant uncertainty facing the Council and our financial position beyond 2019/20 (see section 11 for further details of key uncertainties), and it is therefore very difficult to make forward projections It is essential that we now use the best available information to estimate the likely level of budget shortfall in future years so that we can start to plan ahead now. The Council's budget model includes many variables and will need to be regularly updated as further information becomes available. However, using current assumptions, the position is summarised in the table below. However, it must be noted that there is a much greater likelihood than ever before that the actual position may be significantly better or worse than that set out below.

	2019/20 £m	2020/21 £m	2021/22 £m
Projected Budget Gap presented to Council on 1 March 2018	3.157	17.345	20.401
Changes to funding assumptions - including Revenue Support Grant, Public Health Grant, Business Rates, Council Tax*	-2.150	-0.387	5.519
Reduction from pension assumptions	-1.188	-1.688	-1.688
Pay Inflation - taking assumptions to 2.7% in 2019/20 and 2020/21 and 3% in 2021/22		0.569	0.569
Capital Programme	-0.148	0.292	0.484
New Homes Bonus updated projections	0.334	0.244	0.244
Other	-0.189	-0.080	-0.075
Updated Base Gap	-0.184	16.295	25.454
Additional Social Care Funding Announced in Budget 2018 (<i>which we have assumed will be ongoing although no commitment has been</i>)	-1.323	-2.100	-2.100

<i>by the Government given beyond 2019/20 at this stage)</i>			
Investments:			
Children's Safeguarding & Early Help [^]	3.296	2.404	2.254
Adult Social Care [^]	0.842	- 0.887	- 0.887
Other Services	0.330	0.146	0.146
Current Shortfall to be covered from further ongoing savings, any council tax increase in 2020/21 and 2021/22 and use of one offs	2.961	15.858	24.867

Notes:-

- * Based on the indicative 2019/20 council tax base, this will be updated when the Council Tax base for 2019/20 is finalised later in January 2019.
- ^ These projections will continue to be refined to reflect latest available information on activity levels, transition from children's services to adults, pricing and cost improvement options.
- Considerable uncertainty remains on over £1.6m of grants other than RSG which have been assumed but not announced at the time of drafting this report. The overall position will be firmed-up in the February report to Cabinet by which time the Council should have final allocations for all outstanding grants, more certainty over what total income can be expected from retained business rates in 2019/20 and will be able to reflect any additional budget pressures and opportunities that arise over coming weeks.
- The £0.585m funding that the Council will receive from the redistribution of the excess balance held on the national business rates levy account has not been reflected in the above position as it is currently unclear whether this will be received in the current financial year, or next year but this will be clarified in the February Service & Financial Planning report to Cabinet.
- The projections assume that all savings previously approved by Council are delivered in full and in accordance with currently anticipated timescales.
- The decisions taken at Council in March 2016 for Council Tax increases totalling 3.2% pa (including the Government's assumed 2% for the Social Care Precept) in 2019/20 is reflected above with no assumption currently made for any Council Tax increases in 2020/21 and 2021/22 at this stage.
- The projections for years after 2019/20 are only intended as a broad indication at this stage for planning purposes and the estimates will be further updated as additional information becomes available.
- The proposed use of balances in 2019/20 is prudent following the comprehensive review of available one-off resources that has been undertaken which has identified usable balances totalling £16.2m.

7.4 It is with this medium term focus in mind that pressures and any developments need to be considered.

7.5 After having delivered £117m of annual savings already, it is clear that further cuts will be more challenging. Officers will start work to develop potential options to discuss with the new Council Administration following the May 2019 local elections. Clearly the Council will seek to minimise impacts on our community by working with Town and Parish Councils, local community groups, service users, the voluntary sector, volunteers and other partner organisations. Based on the position summarised above, total savings since the period of austerity began are projected to total £148.413m by the end of 2021/22 made up as follows:-

	£m
Savings made to end of 2018/19	117.482
Savings previously agreed for implementation in 2019/20	6.064
Projected further savings required in 2020/21 and 2021/22	24.867
Total Projected savings by end of 2021/22	148.413

7.6 Next Steps.

7.6.1 At the close of the consultation period on 3 February 2019 comments received, including those from the cross party Finance & Enterprise Scrutiny Committee will be taken in to account and the final service and financial planning proposals for 2019/20 will be prepared by the Cabinet. These will be considered at Cabinet on 14 February with final decisions being taken at Full Council on 28 February 2019.

8. OUR 2019/20 SERVICE & FINANCIAL PLANNING STRATEGY

8.1 Our Approach to Developing Savings Proposals Budget Engagement

8.1.1 When the Council agreed its medium term service and financial planning strategy at Council in March 2017 for the three year period 2017/18 to 2019/20, it determined that because of the scale of ongoing annual savings that have now been delivered, it was essential that a new approach to the development of future savings proposals should be taken. Future savings are likely to be more challenging and more time will be needed to consult with stakeholders about options and ways to minimise impacts. It was therefore agreed that future savings would be developed as soon as opportunities arise and capacity allows, rather than co-ordinating consultation through an annual process as historically was the case when resources were not so tight, and the need to implement change not so urgent. This means that we are able to engage with our community and partners in a more meaningful way to develop more creative solutions to some of our challenges within the Borough. This also means that our budget

engagement process takes place throughout the year, rather than for a 4 week period.

8.1.2 Since our last budget was agreed in March 2018 we have continued to implement this approach to our budget engagement, for example during 2018 we have carried out consultation relating to Civil Parking Enforcement and statutory consultation with Foster Carers regarding proposed changes to our Foster Carer Scheme.

8.1.3 We have commenced targeted discussions with our Town and Parish Councils during December this year. This is part of an ongoing dialogue that will continue throughout the year as our budget proposals are developed. Engagement with the business community and voluntary sector partners will commence in January 2019 and will again be part of an ongoing dialogue.

8.2 Approach to Future Development of Savings Proposals.

8.2.1 Our approach to Service and Financial Planning is underpinned and informed by our Co-operative Council ethos. This means that we are working together, with the community and partners, to collectively deliver the best we can for Telford & Wrekin with the combined resources we have. We are working to:

- Bring more public services together so that people get what they need at the right place and the right time;
- Involve local people and our employees more in planning and running services; and
- Support our communities better and encourage local people and organisations to do more to help their communities.

8.2.2 Based on this ethos we have adopted 4 core elements for our medium term service and financial strategy set out in more detail in “Being the Change” - our organisational strategy to take the Council forward and help us to deliver the budget savings. In summary the 4 core elements are:

- Focussing on Solving Problems and promoting Social Responsibility and action to manage and reduce demand for services
- Challenging & Changing, Reviewing and Reimagining the way we do things
- Reducing our Dependency on Government Grants
- Being a Modern Organisation with Modern Practices and Where we Always Get the Basics Right

8.2.3 Focussing on Solving Problems and promoting Social Responsibility and action to manage and reduce demand for services.

- **“Demand Management”** - 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.
- **“Prevention”** – avoid problems which place demand on public services by encouraging people to help themselves to prevent needs developing in the first place.
- **“Early Help & the Right Help”** – when individuals and families do need help and support, we want to identify them quickly and identify the right, effective support first time to avoid issues escalating and requiring more intensive and expensive intervention but also to avoid long-term dependency on our services.
- **“Working in Communities”** – to reduce demand by targeting our resources at areas in the greatest need of support and working more effectively with the resources which are already in place in our communities. Strong communities place the least demand on public services.
- **“Building Community Capacity”** – the need to harness the resources of the community, community groups and Town and Parish Councils, in helping to develop solutions to improve outcomes for our residents. This includes:
 - **Community self-help** – building people’s social support networks by making best use of the resources and assets which are available in a local area. This helps people remain in and be an active part of their local community. The Council has a clear role in facilitating community self-help, in March 2018 we established our ‘start up’ grants which provide up to £2,000 to residents who want to set up new community groups. We also carry out DBS checks, provide information and advice on how to set up a group and have facilitated a programme of training for voluntary organisations over the past 12 months. Promoting volunteering is also a key part of our role as we manage the volunteering website www.volunteertelford.co.uk. We help to promote volunteering opportunities for a wide range of organisations and now have over 1,000 volunteers that work with the Council to make a difference in our communities.
 - **Effective co-production** – supporting the development of service provision by communities and moving away from a narrow focus of meeting needs through practitioner provided services. We have a number of programmes of work that support effective co-production, we have established a ‘Development’ grant which provides up to £10,000 to support the development of new or alternative provision that helps to reduce demand on Council Services. We are also involved in the ‘Enterprising Communities’ national pilot with Community Catalyst. This project focuses on developing community

businesses within the health and social care market that help to reduce the demand on high cost Council services.

- **TWINCL** – We are aware that the voluntary and community sector are also experiencing financial pressures, therefore in June 2018 we launched TWINCL, our Local Authority Online Lottery. This lottery is currently raising money for 45 good causes in Telford and Wrekin and is on target to raise around £35,000 to be shared with these good causes within the first year of operation.

8.2.4 Challenging & Changing, Reviewing and Reimagining the way we do things

Examples of what we have done, and will continue to deliver, include:

- **Redesigning services and business 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” and “Family Connect”.
- **Challenging Policies** – e.g. for calculation of Minimum Revenue Provision (changing debt repayment from equal instalments of principal to an annuity basis with cumulative revenue benefits of over £40m by 2019/20).
- **Working with the private sector** – to drive economic growth in order to generate jobs, increase prosperity for the residents and generate additional income for the Council from business rates and New Homes Bonus and Council Tax on new homes built in the Borough. Examples include work with the Telford Business Board and major local employers, the management of the Telford Town Centre shopping centre, house-builders and our Universities.

Building on this progress, moving forward there are some major ways that we will change as an organisation:

- **“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 or face to face.
- **“Improving Business Intelligence”** – we are a data rich organisation, but all services need to be better at turning this data into intelligence to understand who is using our services and the outcomes they receive. As we continue to change the organisation we need to understand the impact of these changes both in terms of efficiency but also in terms of impact on budget and the community too.

- **“Developing new ways of delivering services”** – we will need to be working in an ever more integrated way with our partners including:
 - Telford & Wrekin NHS Clinical Commissioning Group
 - Town & Parish Councils
 - Voluntary and community sector

8.2.5 Reducing our Dependency on Government Grants.

We have already taken significant steps to reduce our dependency on Government Grants and we will continue to drive these forward:

- **“Increasing income through trading our existing services”** – there are many Council services that already “trade” outside the organisation and secure income. For example Finance and HR and Catering.
- **“New commercial development/projects”** – we have developed a track record on taking on new ventures to deliver income to the Council and protect front-line services:
 - A solar farm providing £0.2m pa profit.
 - Established “NuPlace”, a housing company which will provide around 400 new homes for private and affordable rent, with the first homes now occupied.
 - Established a Growth Fund to invest in development of premises for businesses to encourage job creation and retention as well as generating additional rental income and business rates income

We will continue to research and develop new opportunities that can bring in an income stream to the Council. Our approach will always be business case-based.

- **“Maximising existing funding streams”** – there are 3 main areas which we are already progressing and will continue to drive:
 - **Business Supporting, Business Winning** – continuing to work to attract new investment and work to support the retention and growth of existing businesses. As well as being the right thing to develop jobs and growth in the Borough, the Council receives 49% of all new **business rates** rising to 73.5% in April 2020 subject to the implementation of the Government’s business retention rate programme and resets of the system – the first expected to be in April 2020.
 - **Growth Through Good Planning** - this is a whole Council approach by which all services work to support and enable business investment in the Borough.
 - **Property Investment Portfolio** - a property investment portfolio delivering £7.9m income per annum from rental income.
- **“Securing external funding”** – again we have successfully driven this agenda, including £18.79m through the Marches Local Enterprise Partnership Local Growth Fund. In addition, we have also joined the **West Midlands Combined Authority (WMCA)** and

are actively working through this to maximise future opportunities for the Borough to build on the £3.7m already secured from the WMCA. The £3.7m grant we have secured has kick-started building new homes on stalled brownfield sites in the borough and created new jobs. These new homes will generate additional ongoing income for the Council from Council Tax of over £0.5m pa and New Homes Bonus grant of a similar amount for the first 4 years after construction.

To continue to reduce our dependency on Government Grants, building on our achievements to-date, we must continue to be creative, fast-acting and smart to identify and realise opportunities as and when we identify them.

8.2.6 **Being a Modern Organisation with Modern Practices and Where we Always Get the Basics Right.**

Core to being a modern organisation is continuing to reshape the Council's relationship with its staff. We must continue to move towards a more flexible, more pragmatic and less bureaucratic approach to decision making. This means:

- Increased autonomy for managers and staff to take decisions
- Greater focus on development through workforce development programmes
- Greater flexibility including wider more flexible working and job descriptions for staff.
- Encourage creative thinking and challenge
- Focus on efficiency and reducing bureaucracy
- Increased staff engagement so that employee representatives will have a greater influence in the organisation

Whilst driving change and reshaping the relationship between the Council and its staff, we will continue to focus on getting the basics right, including:

- **Safeguarding our most vulnerable children and adults**
- **Procurement and purchasing** – ensuring that we maximise value from the services which we procure
- **Contract management** – ensuring that we always receive the service or products which we have procured through effective monitoring of delivery and renegotiation of contracts.

9. **CAPITAL RECEIPTS AND DEBT CHARGES**

- 9.1 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. Due to a temporary Government relaxation in regulations, the Council is also able to use new capital receipts to fund severance costs arising from the inevitable downsizing

of the organisation. 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.

9.2 The Council, unlike the Government, is not able to borrow to fund revenue services as the Council has to set a balanced revenue budget each year with any shortfall being funded by the use of balances – if available, or from further cuts to spending or increased income.

9.3 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 investment” can also fund assets which will increase in value over the longer term. Invest-to-Save schemes such as the solar farm or the Housing Investment Programme and investment in the Property Investment Portfolio represent “good capital investment” as they earn a surplus which can be used to help protect front line services as the surplus generated helps to reduce the impact on the revenue budget of Government cuts to our grants, as well as delivering wider environmental, social or economic benefits.

9.4 In Telford & Wrekin debt repayments in 2018/19 accounted for 8.2% of the net revenue budget (including payment to Shropshire Council in respect of pre-unitary authority debt). This compares to:-

- Birmingham 35.0%
- Unitary Authority average 9.5%
- Shropshire 9.5%
- Telford & Wrekin 8.2%

9.5 A graph showing the percentage of the net revenue budget allocated to debt repayments in 2018/19 for all unitary authorities is included in Appendix 6.

9.6 Our programme of asset sales totals £32.75m over the medium term. The planned profile of these receipts is shown below:

	£m
2018/19	11.015
2019/20	6.490
2020/21	8.340
2021/22	3.410
Later years	3.500
Total	32.755

9.7 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 by both officers and members of the Audit Committee and all the

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

10. SECTION 106 AGREEMENTS

- 10.1 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.
- 10.2 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.
- 10.3 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.
- 10.4 The Council's Children and Young People Scrutiny Committee undertook a scrutiny review of Primary School Places during 2014 which considered s.106 agreements relating to education and it was agreed that details of these agreements would be included in the service and financial planning report in future years. Details are therefore included in Appendix 7 for the period 1st April 2018 to 31st October 2018 showing income and expenditure on each scheme relating to Education. Details of these and all other s.106 agreements will be included in the final accounts report which is considered by

Cabinet in May of each year to show the year-end balance and in-year movement relating to each current s.106 agreement.

11. MEDIUM-TERM FINANCIAL OUTLOOK

11.1 Areas of Uncertainty – Reform of the Local Government Financial System

11.1.1 Significant 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. This current local government finance system represented a significant transfer of risk from the Government to councils but also brought opportunities and incentives to encourage growth in local communities. This Council is well placed to benefit from the current financial system with an attractive environment, good motorway connections and ready to go development sites. We have grasped the challenge to become a “Business Supporting, Business Winning” Council.

11.1.2 The funding outlook beyond next year is more uncertain than it has ever been. Radical changes are proposed by the Government to the local government finance system which will come in to effect in 2019/20. The Municipal Journal reported on 19 November that at the County Councils Network, James Brokenshire M.P., Secretary of State for Housing, Communities and Local Government said that following the easing up of austerity in the Budget, the next review would be in a ‘very different context to the previous Spending Review’. However, very little advance notice of the impact of the changes to the new local government finance system is expected. It is likely that we will not have a clear idea of our financial position for the year starting 1 April 2020 until mid-December 2019. It is therefore essential that the Council maintains financial flexibility so that it is able to set a legal, balanced budget. Available uncommitted one-off resources should therefore be held in reserve and additional savings proposals deliverable in 2020/21 will need to be identified by officers for consideration by the new Administration following the local elections in May 2019.

11.1.3 The changes could include:-

- A completely new formula used to assess relative needs which will impact on the distribution of available resources between councils. Initial indications are that this review may see councils with a low level of Council Tax and higher levels of deprivation losing out. The government currently takes actual income from Council Tax into account when calculating Revenue Support Grant settlements but may in future use an assumed national level of Council Tax. Councils with an actual Council Tax below this would face a funding shortfall. These

issues were highlighted recently by the Institute for Fiscal Studies (IFS) which has said that “London boroughs tend to set low Council Tax but receive generous grant funding due to high needs assessments. This means they will suffer when funding distribution across all English councils is changed in 2020, the review seems set to make councils who set low tax rates bear more of the cost themselves”.

- The move to 75% retention of business rates by local authorities (73.5% for the Council and 1.5% for the Combined Fire Authority). The Government have made it clear that they will not merely pass the additional funding to councils to make up for the cuts to our grants but rather, they will cease other funding streams such as the Public Health Grant which is currently over £12m and the remaining Revenue Support Grant and may potentially also pass additional responsibilities to councils so that the transfer is fiscally neutral at both a central and local government level. Some councils are likely to gain from these changes while others will lose and it is not currently possible to assess the impact at individual council level as there are many technical aspects of the new system that still need to be agreed. These technical aspects include:-
 - The implications of the “reset of the business rates baseline” which will see the benefits of all growth in business rates income since 2013/14 rebased across the country. This could see 100% of the growth that we have seen lost immediately or a lower percentage given up which could be phased over a number of years. Whilst we would lose the benefit from growth in our area we would benefit from a share in the growth achieved in other parts of the country.
 - The changes to the business rates system may also see changes to the treatment of appeals against the rateable values set by the national Valuation Office Agency. The Government’s Valuation Office Agency takes a considerable period of time to process appeals. Currently around two thirds of the total rateable value in the borough is subject to appeal. The Council has to estimate what proportion of these appeals will be successful and to what extent successful appeals will reduce the rates collected when estimating how much income business rates may contribute towards the Council’s budget.
 - Any transitional damping arrangements to protect councils from the combined impacts of the changes in business rates income and the fair funding review, any protection would be likely to be funded from limiting the gains for councils that benefit from the new system.

- The New Homes Bonus (NHB) scheme is also under review. NHB has already been reduced with the introduction of a baseline threshold or assumed level of housing growth, currently set at 0.4%pa for which no NHB is paid and the duration of payments has been reduced from 6 years to 4 years. However, despite these changes, NHB is still a very significant funding source for the Council. In 2018/19 we will receive £6.2m, the proposed changes are likely to reduce the funding allocated through NHB. At a national level, this may see funding transferred from district councils so that additional support could be provided for upper tier councils e.g. to provide Adult Social Care (ASC) services.
- 11.1.4 The Council will continue to take opportunities to respond through all available consultation processes linked to the introduction of these changes to lobby for a fair funding settlement for Telford & Wrekin residents. The Council will also send a response to the provisional settlement. All consultation responses will be agreed by the Cabinet Member for Council Finance, Partnerships and Commercial Services. This response will inevitably have to draw attention to the wholly inadequate funding for Adult Social Care.

11.2 **Comprehensive Spending Review 2019**

- 11.2.1 The last Comprehensive Spending Review (CSR) was undertaken in 2015 and set spending limits for 4 years through to 2019/20 which enabled MoHCLG to offer councils a 4 year RSG settlement which has assisted with medium term financial forecasting. However, there is still no indication of what funding may be available after next year.
- 11.2.2 The Government is due to undertake a Comprehensive Spending Review (CSR) in 2019 although no date for this has been published and there is still no indication of what period it will cover. In undertaking a CSR the Government will update its projections for receipts from taxation, its assumptions for economic growth, inflation etc. and set out its priorities for public spending and its target for budget deficits or surpluses over the medium term. However the Government has already indicated that it will provide real terms growth for the NHS and protection for some other areas of public spending so the outlook for local government is likely to remain challenging.
- 11.2.3 The uncertainties arising from Brexit are likely to create a high level of uncertainty over the medium term projections within the CSR. The CSR will set the Departmental Expenditure Limit (DEL) for the MoHCLG over the medium-term but will not give any indication of the funding that will be available to individual councils. The LGA is actively lobbying in advance of the CSR to highlight the projected funding

shortfalls faced by councils and the need for additional funding to be provided rather than further cuts to local services.

11.3. Other areas of uncertainty

11.3.1 The impact of BREXIT on inflation and the Government's deficit reduction policy and whether the economy moves in to recession with consequent impacts on the construction of new homes and business premises in the Borough, the generation of assumed capital receipt values and on Council budgets for local Council Tax support (if unemployment increases or household incomes fall), homelessness, housing benefit etc. is uncertain.

11.3.2 The trend of schools to move to Academy status and the consequent risk of loss of existing and potential income for a wide range of services to academy chains. Maintained schools also face an increasingly tight financial position which could impact on income levels or the ability to maintain the temporary contributions towards High Needs costs agreed for the current year.

11.3.3 The levels of demand for key front line services – particularly children's safeguarding and Adult Social Care services and whether the Government will make new additional funding available for these services. The Council is expected to receive £5.5m through the "Better Care Fund" (BCF) in 2019/20. There is considerable uncertainty over this funding, and the CCG's contribution of over £6m to the BCF, beyond this year.

11.3.4 The levels of pay awards from 2020/21 after a decade of public sector pay restraint and the outcome of the pension fund triennial re-valuation to be undertaken in April 2019 and effective from 2020/21.

11.3.5 Projections of what the council's budget gap might be in 2020/21 and beyond are therefore extremely difficult to make and have a high degree of uncertainty. Projections will be refined as and when additional information becomes available.

11.4 Local Government Finance Settlement

11.4.1 In the 2016/17 settlement indicative Revenue Support Grant figures were also included for the following three years. The Government offered councils that submitted an acceptable "Efficiency Strategy" a firm 4 year grant settlement. This Council submitted its efficiency strategy and received confirmation that we are eligible for this 4 year grant settlement as detailed below:-

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
RSG	24.899	18.457	14.147	9.812
% Reduction from Previous Year	-20.81%	-25.88%	-23.35%	-30.65%

11.4.2 To some extent this has assisted with medium term financial planning. However, it has to be recognised that the 4 year offer only relates to Revenue Support Grant which represents an ever decreasing proportion of our total funding.

11.4.3 The provisional settlement for 2019/20 was announced a week later than expected on 13 December 2018. The settlement will force the Council to continue to make cuts on an unprecedented scale as it has a legal duty to set a “balanced budget”. Whilst it is a provisional settlement with final proposals due to be announced in late January or early February, there is little prospect of any significant improvement in the final settlement.

11.4.4 Whilst the Comprehensive Spending Review and Autumn Budget set 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 2019/20 with details for each council being provided. Key issues for the Council include:-

- A period of consultation will be held on the provisional settlement until 10 January 2019 with a final announcement not being made until late January or early February 2019. The Cabinet Member for Council Finance, Partnerships and Commercial Services will respond on behalf of the Council.
- The referendum limit for unitary authorities has been set at a 3% core threshold plus any remaining headroom in the Adult Social Care precept, giving a potential maximum increase of just under 5% for this Council in 2019/2020.
- The actual amount of business rates available for the budget strategy will be confirmed when the NNDR 1 form is completed and submitted in January 2019. However, at the time of drafting this report the NNDR 1 form and associated methodology changes are still not available resulting in considerable uncertainty over how much business rates funding will be available next year.
- Similarly, at the time of preparing this report, details of funding totalling over £1.6m expected for next year have still not been released by the Government and a significant degree of uncertainty over our actual position therefore remains. It is also possible that as this is a provisional settlement, the final figures may be better or worse than currently indicated. Clearly other factors will also change within our own budget as the Council delivers hundreds of services which operate

in a dynamic environment so an updated position will be presented to Cabinet on 14 February 2019.

- The settlement confirmed that no changes would be made to the New Homes Bonus deadweight (which had been suggested as a possibility in September 2018); instead an additional £20m funding has been added to the scheme in 2019/20 to continue to reward council's for delivering additional housing. The 2019/20 provisional grant for Telford & Wrekin announced is therefore £6.187m, which is £0.057m higher than we had estimated.
- A balance of £180m on the national business rates levy account will be distributed to all councils. The provisional allocation for Telford & Wrekin is £0.585m; this appears to be additional one-off funding, not currently included in our budget. However, it is currently unclear whether this will be received in the current, or next, financial year so it has not currently been incorporated in either the projected year end position reported in the Financial Management report also on this agenda or in the assumed position for next year. We expect to have further clarification on this point shortly and will reflect the position in the next report to Cabinet on 14 February 2019.
- Two consultation papers have been published on the Fair Funding Review and Business Rates Retention. Consultation closes on 21 February 2019. The Council will send responses to both consultations which will be agreed by the Cabinet Member for Council Finance, Partnerships and Commercial Services.
- It is now clear **that despite extensive lobbying by the Local Government Association that the Council's Revenue Support Grant has been cut by 30.65% for next year in cash terms.** In overall terms, the settlement information received is disappointing and means that the Council will have to continue to make very difficult choices about how it prioritises spending decisions.

11.4.5 At a national level:-

- £1.3bn will be cut from Revenue Support Grant (RSG) next year. This brings the total cut to RSG since 2016/17 to 68%.
- Total funding provided to councils from Government will have reduced from £28.1bn in 2012/13 to £18.6bn by 2019/20. The Government expects Council Tax to fund 60% of "core spending power" next year compared to 49% in 2015/16. A clear shift in how the Government expects local government services to be funded.

12. 2018/19 PROJECTED OUTTURN POSITION

- 12.1 As the Financial Management report also on this agenda shows, excellent financial control continues to be exercised and good progress is being made in delivering the overall budget for 2018/19 in very difficult circumstances. However, there are some areas of significant pressure and clearly, the actual outturn will be different, either better or worse, than currently projected as we are only part way through the year. It is essential that all Cabinet Members and budget holders continue to exercise tight financial control and to deliver all planned

savings. However, it is anticipated that the Council will have some one-off funding available within the revenue budget contingency for 2018/19 at year end (currently estimated to be in the region of £5.28m) but as this projection is based on spending to just over half the year and there may potentially be significant additional Adult Social Care or road gritting costs if we have a hard winter this potential benefit has currently not been assumed to be available in the assessment of projected one-off resources. However the position will be re-evaluated later in the year when some funding may be available to be released to support key priorities.

13. SAVINGS PROPOSALS 2019/20

13.1 The Service and Financial Planning strategies approved for 2017/18 and 2018/19 included savings due to be delivered in 2019/20 which it is assumed will be delivered next year:-

Savings already approved in the S&FP strategy for delivery in 2019/20:-	£m
Approved in 2017/18 strategy	0.348
Approved in 2018/19 strategy	5.716
Total	6.064

13.2 Summaries of the Cost Improvement Plans for Children’s Safeguarding & Early Help and Adult Social Care are included as Appendices 10 and 11.

14. INVESTMENTS

14.1 Due to the very tight financial position faced by the Council the only new investments that have been included in the Service & Financial Planning Strategy for 2019/20 are those considered to be unavoidable. Additional investment is required in Adult Social Care budgets in order to meet the needs of vulnerable people. This investment totals £0.842m in 2019/20.

14.2 Additional investment is also required in Children’s Safeguarding & Early Help totalling £3.296m in 2019/20 and £0.33m to replace temporary funding for subsidised bus routes.

14.3 The Council has agreed a significant programme of capital investments totalling over £189m over the medium term planning period which will bring significant benefits to the Borough. These are detailed in Appendix 4. The programme of Pride in Our Community investments continues in to 2019/20 and has totalled just under £27.5m of both revenue and capital funding since 2014/15.

15. COUNCIL TAX

- 15.1 Council Tax in Telford & Wrekin has historically been low compared to other councils. Appendix 1 is a graph comparing Council Tax levels across the Midlands region and demonstrates that Council Tax in this area is the lowest in the Midlands region at Band D (£1,261.20). The average Council Tax at Band D in the Midlands region is more than 14% higher than in Telford & Wrekin.
- 15.2 Appendix 2 compares our Council Tax to the other unitary authorities in England and shows that we have the third lowest Council Tax at Band D out of 56 unitary authorities being £169.64 less pa than the average for unitary authorities of £1430.84 which is more than 13% higher than our level at Band D.
- 15.3 If Telford & Wrekin Council had levied a Council Tax at the average level of Midlands authorities (£1438.87 at Band D which is £177.67 or over 14% higher than in Telford & Wrekin) in the current year, we would have generated an additional £8.8m.
- 15.4 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 current 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 – equivalent to a cumulative loss of over £11m by 2019/20.
- 15.5 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 – a cumulative loss of over £8m for the period 2013/14 to 2019/20.
- 15.6 As well as a comparatively low level of Council Tax, this area also has comparatively low property values with the majority of our properties being in Council Tax Bands A or 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 levels of Council Tax are much higher and average property levels are also higher so a 1% increase raises considerably more per property than it does in Telford & Wrekin.
- 15.7 The Council has agreed a medium term strategy for Council Tax increases through to and including 2019/20 and this is reaffirmed in this report i.e. that Council Tax should be increased by 3.2% (made up of 2% in respect of the Government’s Adult Social Care Precept and a general

Council Tax increase of 1.2%) in 2019/20. As explained earlier, the Council does not support the Government's approach of simply transferring the cost of funding Adult Social Care from national taxation to local Council Tax payers by making cuts to the grants previously made to councils and then expecting local taxpayers to pick up a higher bill.

15.8 On 1 November 2018 the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 (the 2018 Act) received Royal Assent. The 2018 Act amends Section 12 (2) of the Local Government Finance Act 2012 and gives local authorities discretion to charge a greater council tax premium on empty dwellings. Local authorities currently have power to charge a council tax premium of up to 50% on homes that have been unoccupied and substantially unfurnished for two years or more. This is in addition to the usual council tax charge for that property. Telford and Wrekin Council have been charging this additional 50% since April 2013 when the Government abolished the national Council Tax Benefit system and required councils to introduce local Council Tax Support schemes. Under the new legislation:-

- From 1 April 2019, local authorities will be able to charge a premium of up to 100%.
- From 1 April 2020, the premium can be up to 200% for homes empty for more than five years.
- From 1 April 2021, the premium can be up to 300% for properties empty for more than ten years.

It is the Council's intention to make maximum use of this new power in order to encourage owners of properties that have been empty for a long time, some of which can become a focus for anti-social behaviour, to bring them back in to use – either by selling them or by renting them to those searching for accommodation. There are currently 143 properties which are being charged the 50% premium. An additional 50% premium from April 2019 will generate an additional £80,000 in gross council tax of which Telford & Wrekin Council receives around 77%. This change will be reflected in the Council Tax Base Setting report which will be considered at Council later in January.

15.9 The Council will also implement a scheme to exempt young people leaving its care and living within the Borough from Council Tax. Details of the proposed scheme will be included in the Council Tax Base setting report to be considered at Full Council later this month. The cost is anticipated to be around £5k p.a.

16. BASE BUDGET, BALANCES AND CONTINGENCIES

16.1 Base Budget

16.1.1 A summary of the Base Budget position is included at Appendix 8 which shows a net base budget of £120.367m for 2019/20 before investments and additional adult social care funding of £1.323m announced in the Autumn budget giving a base budget funding shortfall of £0.184m in 2019/20 – after the assumed Council Tax increase of 3.2% but before the essential new investments flagged above are reflected. Appendix 9 includes an analysis of the main changes in moving from the 2018/19 budget to the 2019/20 base budget.

16.2 Balances

16.2.1 Appendix 5 summarises the overall reserves and balances position of the Council after taking account of the various earmarked reserves and the risks faced by the Council. This currently shows around £16.26m available which could be taken in to account as part of medium term budget strategy considerations, excluding the current projection for unused 2018/19 corporate contingency of £5.28m. shown in the Financial Management report also on this agenda.

16.2.2 A rigorous review of all reserves, provisions and balances has been undertaken. The Government's temporary relaxation of the rules for using capital receipts means that some funding can be transferred from the severance fund (as severance costs can be capitalised using new capital receipts until 2021/22) to the invest to Save/Capacity Fund in order to support the delivery of the service and financial planning strategy. It is recommended that a sum of £1.5m is transferred which will increase the uncommitted balance in the Invest to Save/Capacity Fund to £1.54m and leave £1.25m in the Severance Fund. The Government offered Councils the ability to fund the one-off costs of service reform projects from new capital receipts generated during a three year period commencing from 1st April 2016, which was subsequently extended to a six year period as part of the provisional settlement on 19th December 2017. This will result in higher levels of debt than would have otherwise have been the case and therefore higher debt charges as all capital receipts would otherwise be used to fund planned capital projects. However, whilst the debt charges are ongoing they will be more than offset by the ongoing savings generated from the invest to save measures. In order to take advantage of this flexibility Full Council would need to approve an updated "Efficiency Strategy" at Appendix 12.

16.2.3 The funding released from this review gives total "usable" one-offs of £16.26m as detailed in Appendix 5 which will be used to support the delivery of the medium term service and financial planning strategy as set out in this report. It is proposed to use some of these uncommitted one-off resources to support the revenue budget in 2019/20. The level of usable one-offs gives a level of comfort that the proposals contained in this report are financially robust given the projected levels of

spending in Children's Safeguarding and Adult Social care in 2019/20 have been fully allowed for in the proposed budget. The council also has £11.92m of general fund funding set aside for the one-off costs of implementing single status which may not all be required and which certainly won't be required on 2019/20 giving additional potential flexibility if required. Having adequate uncommitted one-off resources is particularly important as the significant benefits obtained in recent years from treasury management activities cannot be assumed to be available in later years as the Council starts to "lock-in" to longer-term fixed rates of interest (as opposed to running a loan book with exposure to very short-term but low cost funding and future year budgets will therefore be under even greater pressure.

16.2.4 The Partnership Capacity Fund has a current balance of £0.611m. This funding is set aside to be used for community grant programmes such as those outlined in section 8.2, to support the development of volunteering schemes and to develop capacity within the voluntary sector.

16.3 Risk Management and Financial Resilience

16.3.1 Local Government has faced unprecedented financial challenges since 2010 and the Council has faced significant grant cuts at a time when demand for many services, such as safeguarding vulnerable children and adults, have been increasing. We are also in a period of considerable financial uncertainty with changes to the Local Government finance system due to be implemented in April 2020 and currently no national Comprehensive Spending Review figures from the Government beyond 2019/20. As an organisation which provides a vast range of different services to the community and spends over £470m per annum financial resilience and risk management are very important considerations when setting the Service & Financial Planning Strategy.

16.3.2 The key elements underpinning the Council's Financial Resilience are:

- **Setting a robust budget strategy which is deliverable and sustainable**
 - ✓ The Council has a proven track record of strong financial management, with no overspends over the past 10 years and has consistently received an unqualified audit opinion from its external auditors
 - ✓ The Council has successfully delivered £117m savings since 2009/10
 - ✓ Although very challenging, many savings have been phased over a number of years to allow adequate time for full consideration, consultation and implementation
 - ✓ An Invest to Save/Capacity Fund and a Partnership Capacity Fund are in place to provide additional resources

for priority areas and to assist with the delivery of savings; bids are subject to a rigorous business case development and approval process

- ✓ The Council has a comprehensive employee restructuring programme which is used consistently and supported by clear, costed rationales to support reductions in ongoing costs whilst maintaining the delivery of essential services and minimising compulsory redundancies as far as possible
- ✓ Where required, additional investment has been included in the budget, £0.842m additional investment in Adult Social Care has been allowed for in 2019/20 and £3.296m additional investment in to Children's Safeguarding & Early Help has been built in to the 2019/20 budget to support Looked After Children
- ✓ Provisions are included in the accounts where required, to safeguard against potential costs, for example for bad debts and NDR Appeals.

- **Strong and Effective Financial Management**

- ✓ A robust risk based financial monitoring regime is in place to identify any adverse variances early so that corrective financial management action can take place. Additional in year savings targets have been delivered when necessary in recent years to meet service pressures.
- ✓ The projected financial outturn for 2018/19 currently shows a considerable amount of contingency should be available at year end.
- ✓ Cost Improvement plans are in place to focus on Children's Safeguarding & Early Help and Adult Social Care, areas of high demand and high cost. These are monitored on a regular basis by Senior Managers and Members.
- ✓ 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.
- ✓ Decisive corporate action is taken on a timely basis to manage the Council's overall resources in order to address pressures as they, inevitably, arise during the year given the complex disparate range of services provided by the Council.

- **Strong & Effective Capital & Treasury Management**

- ✓ 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 and in extreme circumstances the Minister may authorise an application for a capitalisation direction.

- ✓ There is an effective Treasury Management Strategy which aims to maximise returns for the Council while minimising risks with a solid long track record of exceeding targets set.
- ✓ Long term interest rates are allowed for in the budget projections despite, at the time of drafting this report, holding a high proportion of the debt portfolio in short term loans running at rates below 1%. This enables the Council to lock in to longer term fixed rate loans when advised to do so by our external Treasury Advisors without impacting on the medium term financial projections included in this report.
- ✓ Treasury management decisions are managed at a strategic level in order to deliver best value rather than individual loans being taken out for spending on each separate capital project which often span several years.
- ✓ All capital and revenue investment proposals are subject to a rigorous business case development process to manage and mitigate risks as far as possible and are funded in accordance with the Council's approved Treasury Management Strategy after taking advice from professional advisors.

- **Reserves & Balances**

- ✓ The Council has General Fund and Special Fund balances as a safeguard against unforeseen costs. A rigorous review of reserves and balances has been undertaken which has released a considerable sum. This will be used to support the medium term service and financial planning strategy.
- ✓ One-off resources will be retained to provide financial flexibility due to the high degree of uncertainty over the future financial outlook.
- ✓ 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.
- ✓ The Council holds £11.92m set aside for one-off costs associated with the equal pay settlement. This is a significant sum which will be reviewed as modelling work on the likely settlement is firmed-up.
- ✓ Contingencies have been built into the budget: a general contingency of £3.0m in 2019/20 with a further £1.1m for inflation;

- **Strategic Risk Management**

- ✓ 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 to manage risks and mitigate potential exposures both as part of everyday business and as part of decision making processes.

Reducing Dependency on Government Funding

- ✓ A key focus of the budget is on income generation, thus reducing the Council's reliance on Government Grant in the future making the Council more financially independent but also more subject to economic cycles.
- ✓ 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 the major changes to the system expected in 2020/21 and periodic resets of the system.
- ✓ The Council has adopted innovative ways to generate income such as from Nuplace, its wholly owned housing company, the solar farm and the Telford Growth Fund. Surpluses from these investments support front line services as well as providing wider environmental, social or economic benefits.

- **Insurance Arrangements**

- ✓ Appropriate insurance arrangements are in place to safeguard the council's assets and protect against liabilities.

- **Experienced Finance Team**

- ✓ The Council employs an in-house finance team who work closely with service managers developing good working relationships and understanding of the issues and pressures facing services.
- ✓ The Council's finance team includes a good mix of qualified accountants, accounting technicians and other staff with extensive experience built up in the Council, in other public sector organisations and the private sector.
- ✓ The Council makes sufficient resources available to the Section 151 Officer to enable comprehensive financial management controls to be maintained.

- ✓ The Council employs an experienced S.151 Officer who is a member of the Council's Senior Management Team reporting directly to the Managing Director.
- ✓ Regular Financial Management reports are produced for and considered by the Senior Management Team and for Cabinet and appropriate action taken to manage pressures as they arise.
- ✓ Specialist external knowledge is commissioned for specific projects where appropriate.

16.3.3 These factors together with the Council's long track record of effective financial management over what has been an exceptionally challenging period of austerity, which is unprecedented both in scale and duration, provide a level of assurance that the Council is in a sound financial position despite the further challenges that the Government have now presented with the latest grant announcement.

16.4 Inflation Assumptions and Contingencies

16.4.1 The Council's budget model includes an allowance for pay awards of 2.7% (to reflect the overall cost of the national pay offer) for 2019/20, and 3% for 2020/21 and 2021/22. If actual pay awards are lower than this the saving will be used to reduce the savings requirements for these years. If they are higher the Council will need to find further savings. After 9 years of considerable pay restraint which have seen the pay of council employees cut in real terms by over 26% (and considerably more for the most senior roles) there is a risk that as the economy improves the Council may not be able to retain or attract suitably skilled staff to deliver services in what is now a very challenging environment.

16.4.2 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 and some provision for the additional costs that care providers will face as a result of the new national "living"/minimum wage.

16.5 Single Status

16.5.1 The Council is planning to implement a new job evaluation scheme during 2020/21 to meet the requirements of the Single Status legislation. A considerable amount of work has been undertaken, including developing a comprehensive local Job Evaluation scheme. Work is progressing with the trades unions to ensure that the local job evaluation scheme has been applied in a fair and consistent way. Phase one of this work has been completed and work on Phase two which covers school based employees is currently underway. However, this is an important process which takes time to

complete accurately and it is unlikely that we will move on to the final phase for small groups of corporate roles until late 2019.

16.5.2 An allowance for the additional ongoing costs arising from single status has been built in to the budget for 2020/21 of £0.317m rising to £1.270m in 2021/22. 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 also in the context of introducing a local job evaluation scheme that is expected to have a lower on-going cost than previously assumed. In addition to the ongoing budgetary provision £11.92m one-off funding was set aside several years ago to meet any one-off costs associated with implementing the Single Status agreement. As work progresses on the project it will be possible to assess how appropriate this level of one-off resource is.

17. EDUCATION FUNDING – DEDICATED SCHOOLS GRANT

17.1 Dedicated Schools Grant (DSG) in 2019-20 will be allocated using four blocks:

17.2 **Schools Block £117m** - funding for all mainstream primary and secondary schools via a local funding formula, although this may be changed to a national school level formula after 2020/21. This is as expected based on the draft census numbers we had and the previously announced amounts per pupil. The amount in the block has increased by around £6m compared to 2018/19, due to more pupils, an increase of around 2.7% in the funding per pupil and some additional funds for growth. The 2.7% increase is due to Telford & Wrekin school funding being gradually brought up to the National Funding Formula (NFF) level – a further increase of just over 1% per pupil would be required for the funding to reach the NFF.

17.3 **High Needs Block £22m** - which funds Special Educational Needs (SEN) placements and support, special schools, pupil referral units and other alternative provision. Up to and including 2017/18, local authorities could move funds between the Schools and High Needs blocks without a requirement for specific School Forum approval. Since 2018/19, DfE rules mean that up to 0.5% of the Schools Block can be moved to high needs, but only after consultation with all schools and then a Forum vote in favour. The forum supported such a transfer in 2018/19 and for 2019/20. For Telford & Wrekin 0.5% represents around £570,000. On 16th December the government announced an additional allocation of £350m to support High Needs, this included a further £100m to top-up the Special Provision Capital Fund for new places and improved facilities, and £250m of revenue funding. An additional £0.84m of revenue funding (included in the total block amount above) has been allocated to Telford & Wrekin split equally

across 2018/19 and 2019/20, detailed capital allocations are yet to be published.

- 17.4 High needs is an area of significant financial pressure in Telford & Wrekin, as well as many other Local Authorities, due to the upwards trend in the number and complexity of children and young people with high needs and a reduction in the financial flexibility to respond to these pressures. A number of strands of work are underway to identify strategies to deal with this situation.
- 17.5 **Early Years Block £12m** – funding for free entitlement provision for 2, 3 and 4 year olds. Since September 2017 publicly funded provision has been extended from 15 hours per week (in term-time) to 30 hours per week for children of working parents. Funding is allocated to settings, both schools and private, voluntary and independent (PVI) providers based on a local funding formula. There was a significant increase in funding per child amounting to around 8% for Telford & Wrekin in 2017/18, but no further increase per child since then. Cost pressures impacting upon settings include the year on year increases in the minimum (or ‘living’) wage. This is a provisional allocation which will be adjusted later in 2019/20 based on actual pupil numbers in place in January 2019.
- 17.6 **Central School Services Block £1m** - funding for Local Authority central services, which in the main are statutory. The Education Services Grant (ESG) ceased at the end of August 2017 and the Government created this new DSG block specifically for central services. However, the amount allocated is far lower than the previous ESG and Local Authorities need to get line by line Schools Forum approval for any funds used to fund central services, despite most of them being statutory responsibilities of the local authority.

18. EQUALITY IMPACT ASSESSMENT

- 18.1 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 changes to the way that we deliver our services or to our spending. 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.

18.2 Our process involves carrying out an initial scoping exercise to determine which budget saving proposals may require action or further investigation with regard to equality impact. For proposals where implications are identified and are at a sufficiently developed state a proportionate impact assessment is undertaken. Where a proposal is still at an early stage of development an equality impact assessment will be undertaken during its development. This is an ongoing process that will continue throughout the year. As we engage with our community and partners to identify where we may need to deliver services differently we will ensure that we continue the process of screening these proposals to identify if there are any equality implications.

19. ENVIRONMENTAL AND ECONOMIC IMPACT ASSESSMENTS.

19.1 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. Environmental Assessments aim 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.

19.2 Overall, on balance the environmental assessment of the budget proposals is expected to be positive for example as the Council operates from fewer buildings energy use will be lower and lower employee numbers will result in decreased car journeys to and from work and potentially work related journeys as we redesign services and use communication technology differently.

19.3 An economic impact assessment will be undertaken for those proposals that have a significant individual economic impact. 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. The Council adopts a proactive business supporting and business winning approach which will reduce the adverse economic impacts caused by the Government's continuing cuts to our grant and has also set out a significant Capital Programme which will offset the impact of spending cuts to some extent.

20. COMMUNITY ENGAGEMENT AND COMMUNICATION

20.1 As outlined earlier in the report, we will continue to work closely with a range of community groups and Town and Parish Councils to develop alternative ways of delivering services. By engaging with residents and

other partners it can be possible to find alternative ways of delivering those services that support our community. We will continue to engage with a range of partners and service users who could assist in developing alternative service solutions in those areas that have potential to impact upon our residents.

20.2 Our 2019 approach to consultation and engagement on our budget will include clear communication in relation to where the Council intends to spend its budget and highlight any areas for limited new investments. We will ensure that we engage with the community and our partners where there is an opportunity for us to work together to improve outcomes for our residents, or where there is potential for an impact on the community. We will continue to identify those who wish to work with us on developing alternative service solutions.

20.3 As in previous years, communicating and engaging with the community on our future plans is an important part of the budget process and the ways in which we will do this are outlined in section 8.1 and below. However, the aim is to build more in-depth engagement during 2019/20 and later years involving residents and partners in developing solutions, therefore an important part of our communication plan is to identify those who are willing and able to be part of this process.

20.4 The ways in which we will seek views on our proposed strategy are as follows;

- Discussions at a number of specific forums during December and January,
- Communications campaign including media and social media, updated budget page on the council website, and direct email communication
- Gathering comments and feedback via a wide range of channels including email, social media, in writing to freepost address and telephone

Comments can be sent to us at the following E mail address:-

yourviewsmatter@telford.gov.uk

20.5 Throughout this process will also be gathering contacts of those who wish to be involved in more in depth engagement in relation to our budget process.

21. NEXT STEPS & TIMETABLE

- 21.1 The statutory consultation period will run from 4 January 2019 through to 3 February 2019 in order that careful consideration can be given to the views expressed by the Council's Cabinet when preparing their final report and recommendations to Full Council.
- 21.2 The Finance & Enterprise Scrutiny Committee will scrutinise the Administration's budget proposals and should also have the opportunity to scrutinise any alternative budget proposals put forward by any Opposition group(s) prior to Cabinet on 14 February 2019. The Chair of the Finance & Enterprise Scrutiny Committee will have the opportunity to present the recommendations of the Committee at the Cabinet meeting on 14 February if required. The Cabinet will then make their final recommendations to Full Council at this meeting.
- 21.3 Full Council will consider the recommendations from Cabinet and Scrutiny/Opposition Groups on 28 February 2019 when final decisions will be made and the budget and Council Tax for 2019/20 will be determined.

22. BACKGROUND PAPERS

- LG Futures Autumn Budget briefing – October 2018
- LG Futures Local Government Finance Settlement briefing –December 2018
- Municipal Journal article by Heather Jamieson "Brokenshire: 2019 will be turning point for local government" published 19 November 2018.
- BBC News Website
- Revenue Support Grant Settlement Announcement – CLG Website
- Service & Financial Planning Report to Council – 1 March 2018
- Municipal Journal – 8th October 2015, article by Dan Peters, "Drop in Senior Numbers".

Report prepared by:-

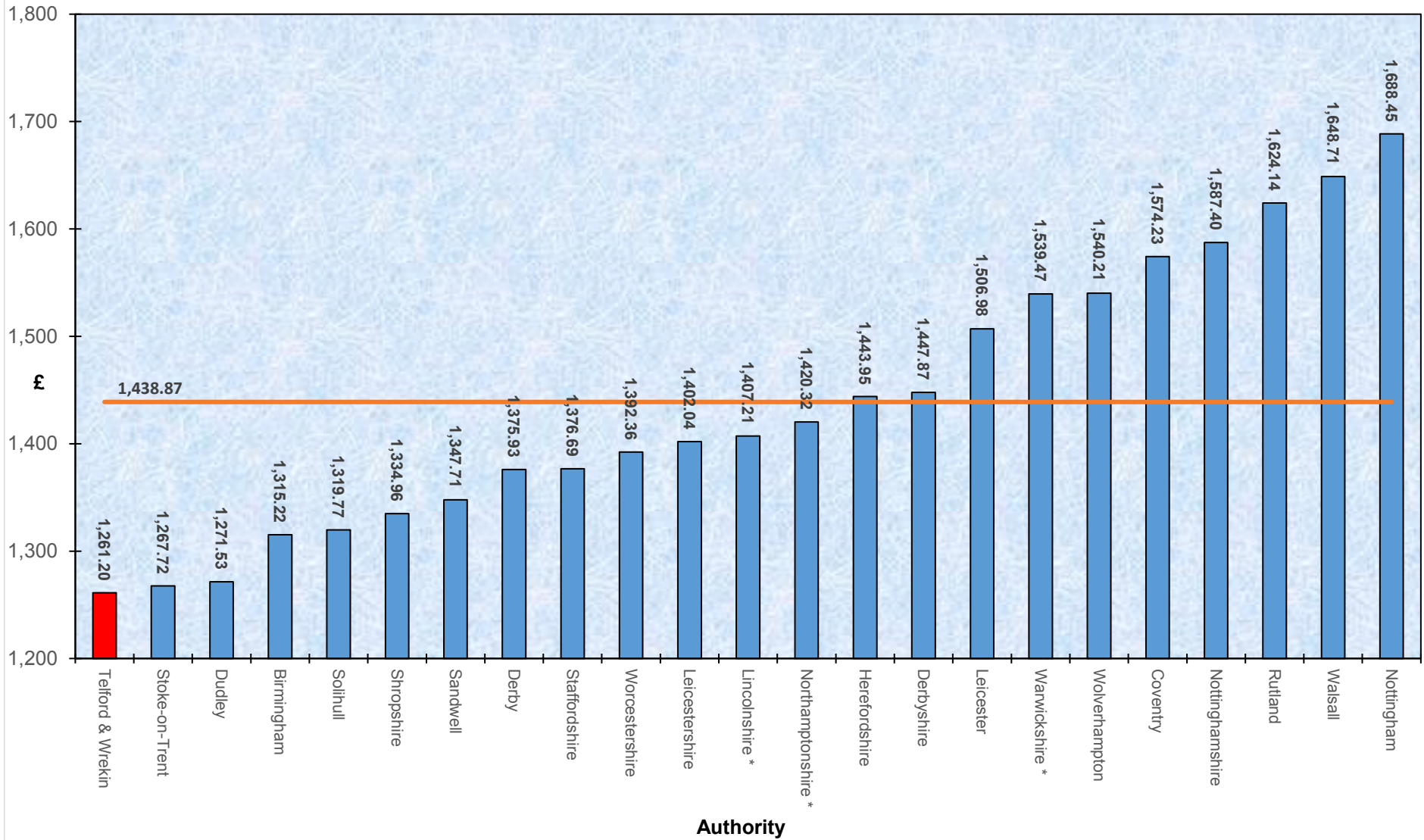
- **Ken Clarke, Assistant Director: Finance & H.R. (C.F.O.) - Tel: (01952) 383100**

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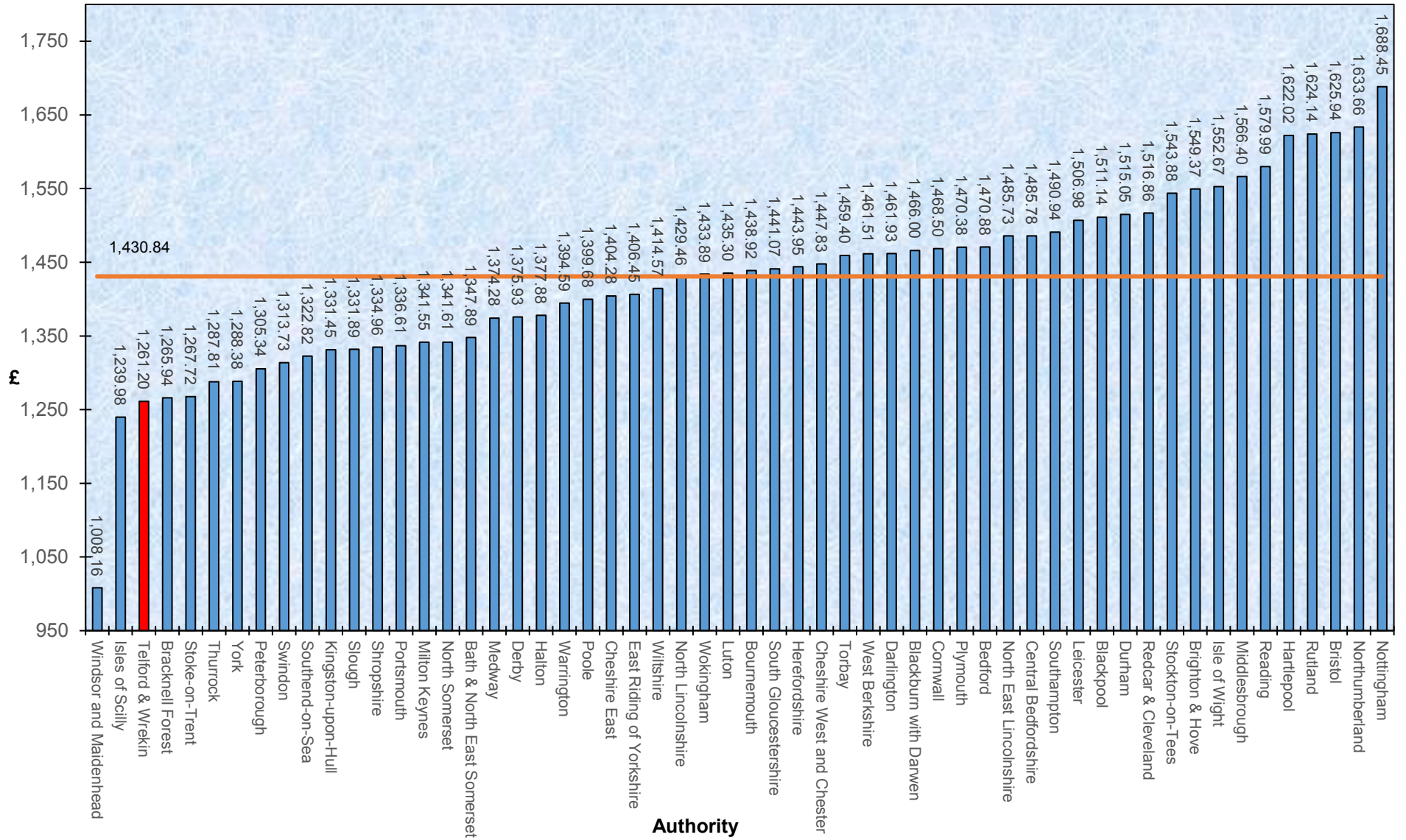
Appendix

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- 3 Savings Delivered to Date
- 4 Capital Investment Programme
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- 11 Adult Social Care Cost Improvement Plan
- 12 Efficiency Strategy 2019/20

**APPENDIX 1 - Midlands Authorities 2018/19 Band D Council Tax for equivalent unitary services
(Excluding Police, Fire* and Parish Precepts)**



Appendix 2 - Unitary Authorities 2018/19 Band D Council Tax (Excluding Police, Fire and Parish precepts)



APPENDIX 3 - SAVINGS ALREADY DELIVERED

1. The Council has faced truly unprecedented cuts to its grants from central Government which have now forced us to make ongoing annual savings of over £117m. The need for savings has increased each year due to Government grant cuts, inflation and other pressures. Ongoing 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
2015/16	10.237 (Includes in-year cut to Public Health grantt)
2016/17	15.743
2017/18	13.815
2018/19	7.568
Total	117.482

2. **This is equal to more than £1,500 pa less that the Council has available to fund 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 although it is now inevitable that we have to increasingly put some savings proposals forward that will have significant consequences on front line services. Savings delivered to date include:-
3. **Council Jobs** - Reduced the number of jobs by over 1,577 since April 2010, saving over £30m pa following major redesign and restructuring of the organisation to meet the challenges facing the Council. This has seen 604 vacancies deleted and 973 redundancies. Through effective redeployment only 151 of these have been compulsory redundancies.
 - Redeployed over 3,400 people (including some people who have been redeployed more than once as many teams have faced several restructuring processes) within the organisation as a result of restructuring with many employees now having been redeployed more than once.
 - Since 2009 staff pay has been cut by 26.4% in real terms (comparing average pay awards which have been greater at lower pay levels to reflect increases in the Government's minimum wage and inflation as measured by the Retail Prices Index).

4. Senior managers

- Reduced the size of the senior management team by 57% which is over twice the national average reduction of “Nearly 23.2%” as reported by the Municipal Journal in October 2015.
- Cut the pay of our most senior post by over 30% in real terms.
- Cut the number of middle managers by 52%.

5. Back office costs

- Cut back-office costs by around 52% since 2009, saving £12m. 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 or third party providers have been avoided. Retaining full control of these services also allows maximum flexibility to drive further changes in future.

6. Buying better value services

- Delivered £12.5m procurement savings over the past 9 years by renegotiating and re-tendering contracts for the provision of services.
- Secured savings of £30m over the lifetime of the waste collection and disposal contract.
- The new Grounds & Cleansing contract will deliver savings of £695,000 pa and a better standard of service.

7. Income through growth

- As part of our business winning approach, we expect to generate an extra £7.5m income by 2019, through growth in business rates and council tax since the introduction of the new local government finance system in April 2013.
- We will receive around £6.2m in 2018/19 from the New Homes Bonus paid by the Government to reward councils for increasing housing supply which is in line with figures issued as part of the provisional local government finance settlement.
- Increased income from more commercial approaches across our services over recent years, including increasing income from schools outside of Telford & Wrekin.

8. New Commercial Income

As outlined earlier in this report, a major strand of our approach to dealing with the Government’s cuts to our Revenue Support Grant has been to increase income usually through schemes that deliver other benefits to the Borough including regeneration, attracting new and retaining existing jobs. This additional income, after covering associated marginal costs makes a

significant contribution to our fixed costs and as a consequence is now a very significant factor in reducing the cuts to front line services that we would otherwise have to make.

Significant income streams include the overall positive impact to the Council from our investment in high quality homes for private and affordable rent through our wholly owned company, NuPlace, which is projected to exceed £1.2m in both 2018/19 and 2019/20 after covering all additional costs. NuPlace Ltd profit before tax is projected to be around £0.4m in 2018/19 rising to £0.5m in 2019/20. This profit will be retained within NuPlace.

The profit from the solar farm which will exceed £0.2m and the net additional income from the Property Investment Portfolio which is being boosted by benefits being delivered from the Telford Growth Fund will exceed £7.9m in 2019/20. Our success in delivering high quality support and advisory services to schools – whether they be maintained schools or Academies and whether located within the Borough – or increasingly, outside the Borough is also making a contribution. The gross income from trading with schools now exceeds £10m pa.

9. 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 (WMYOS) established in partnership with Worcestershire, Hereford, Shropshire, health, police and probation. The service is now managed by The Police and Crime Commissioner (PCC) 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 are currently exploring a wider partnership arrangement for making improvements in respect of permanence with Staffordshire, Stoke and Shropshire Councils.
- We also work with authorities across the West Midlands through our links with the West Midlands associations of directors of children's and adult services and IEW to put in place regional procurement contracts for agency foster care and residential accommodation.
- We are also working with community and primary health care partners to provide greater integration of health and social care services at a neighbourhood level.

- Working co-operatively with our Town and Parish Councils such as the Parish Environmental Teams and new arrangements for the delivery of some library services.
- Sharing the administrative costs of the pension scheme by participating in the Shropshire wide superannuation scheme.
- We continue to look for other opportunities for joint working where it can be demonstrated that service users will benefit at a lower cost.
- 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 previous Administration which the current Administration have continued. This saving now totals £137,000 and is now used to fund a bursary scheme for local young people.

10. Council buildings

- Disposed of 27 properties including the former Civic Offices building.
- Reduced the office space we use by a third, saving the Council £2m. pa.
- Four operational properties are now used, usage of which continues to be monitored as headcount continues to reduce and new ways of working are embedded.

Capital Programme - 2018/19 to 2021/22 & Later Years

Policy Area	Total £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £000	Later Years £'000
Adult Social Care	1,080	1,010	70	0	0	0
Development Business & Employment	63,433	22,766	26,588	13,579	500	0
Customer & Neighbourhood Services	61,408	24,801	21,856	12,752	2,000	0
Education & Corporate Parenting	34,026	8,992	20,550	4,484	0	0
Health & Well-Being	57	57	0	0	0	0
Co operative Council & Commercial Delivery	2,091	2,091	0	0	0	0
Legal Procurement & Commissioning	448	262	62	62	62	0
Finance & Human Resources	7,048	2,763	4,095	95	95	0
Commercial Services	19,827	9,037	4,237	3,353	3,200	0
	189,418	71,778	77,458	34,325	5,857	0
Resources						
Borrowing Approval	0	0	0	0	0	0
Government Grant	55,431	19,104	26,879	9,447	0	0
Prudential	77,265	30,651	34,391	13,376	2,397	(3,550)
Capital Receipts	32,755	11,015	6,490	8,340	3,410	3,500
Revenue	7,496	6,932	564	0	0	0
External	16,471	4,076	9,134	3,162	50	50
Revenue Reserves	0	0	0	0	0	0
Total funding	189,418	71,778	77,458	34,325	5,857	-

**Capital Programme - 2018/19 to 2021/22 & Later Years
Scheme Summary showing major schemes separately**

Assistant Director	Scheme	Expenditure						Funding					
		Total £'000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Later Years £'000	Government Gr £'000	Prudential £'000	Capital Receipts £'000	Revenue Reserves £'000	Revenue £'000	External £'000
Adult Social Care	Social Care Capital Grant	947	877	70	0	0	0	9	938	0	0	0	0
	Integrated Community Schemes	133	133	0	0	0	0	0	133	0	0	0	0
		1,080	1,010	70	0	0	0	9	1,071	0	0	0	0
Health & Well-Being	Public Health Capital Grants	57	57	0	0	0	0	57	0	0	0	0	0
		57	57	0	0	0	0	57	0	0	0	0	0
Development Business & Employment	Town Centre - Phase 1 & Accommodation Strategy	206	206	0	0	0	0	0	0	206	0	0	0
	Dawley Regeneration	4	4	0	0	0	0	0	4	0	0	0	0
	Superfast Broadband Programme	994	994	0	0	0	0	0	0	713	0	281	0
	Housing DBE	2,476	476	2,000	0	0	0	0	1,800	0	0	0	675
	HCA Liability Sites	3,858	500	3,358	0	0	0	0	0	0	0	0	3,858
	HCA Land Deal	2,518	1,703	535	280	0	0	0	0	0	0	0	2,518
	Land Deal Board Schemes	2,356	0	119	2,237	0	0	0	0	0	0	0	2,356
	Pride - High Street Challenge	1,262	1,262	0	0	0	0	0	677	0	0	585	0
	Property Investment Programme	18,839	10,326	8,513	0	0	0	0	16,885	0	0	954	1,000
	Housing Company - Housing	28,733	7,012	10,713	11,008	0	0	0	28,733	0	0	0	0
	Development Business and Employment other schemes	2,186	282	1,350	54	500	0	0	1,000	1,186	0	0	0
		63,433	22,766	26,588	13,579	500	0	0	49,100	2,105	0	1,820	10,408
Customer & Neighbourhood Services	Ironbridge Gorge Stability	540	540	0	0	0	0	0	540	0	0	0	0
	Play Area Surface Improvements	225	0	225	0	0	0	0	0	0	0	225	0
	Newport Innovation & Enterprise Package	9,067	2,000	5,510	1,557	0	0	6,364	100	0	0	0	2,603
	Freshwater First	72	16	56	0	0	0	43	0	0	0	22	7
	Transport & Highways Schemes	50,189	21,841	15,153	11,195	2,000	0	13,786	30,333	0	0	3,142	2,928
	Customer Services Systems Development	1,315	404	911	0	0	0	0	1,285	0	0	30	0
		61,408	24,801	21,856	12,752	2,000	0	20,193	32,258	0	0	3,419	5,538
Education & Corporate Parenting	Education & Corporate Parenting All Other Schemes	34,015	8,980	20,550	4,484	0	0	32,134	-592	1,759	0	260	453
	Service Transformation - Invest To Save	12	12	0	0	0	0	0	12	0	0	0	0
		34,026	8,992	20,550	4,484	0	0	32,134	-580	1,759	0	260	453
Commercial Services	ICT/ eGov	7,535	1,926	1,609	2,000	2,000	0	0	7,315	0	0	220	0
	Housing Related Schemes	3,641	2,932	709	0	0	0	2,495	866	207	0	0	72
	3G Pitch	1,739	1,739	0	0	0	0	0	518	600	0	621	0
	Asset Management Plan - General Works & Surveys	4,286	1,286	1,000	1,000	1,000	0	54	4,142	0	0	90	0
	Commercial Services other schemes	2,626	1,154	919	353	200	0	288	2,208	0	0	130	0
		19,827	9,037	4,237	3,353	3,200	0	2,837	15,049	807	0	1,061	72
Co operative Council & Commercial Delivery	Every Day Telford -Pride in your Community	1,169	1,169	0	0	0	0	0	1,155	0	0	13	0
	Performance Information Systems	78	78	0	0	0	0	0	0	0	0	78	0
	Pride - Community Fund Grants	30	30	0	0	0	0	0	0	0	0	30	0
	Legacy Fund	814	814	0	0	0	0	0	0	0	0	814	0
		2,091	2,091	0	0	0	0	0	1,155	0	0	935	0
Legal Procurement & Commissioning	Legal Fees	248	62	62	62	62	0	0	248	0	0	0	0
	Housing & Technology support for People with Learning Disabilities	200	200	0	0	0	0	200	0	0	0	0	0
		448	262	62	62	62	0	200	248	0	0	0	0
Finance & Human Resources	Managing the funding of the Capital Programme	0	0	0	0	0	0	0	-21,416	21,416	0	0	0
	Efficiency Schemes Capitalisation	6,668	2,668	4,000	0	0	0	0	0	6,668	0	0	0
	Finance & Human Resources other schemes	380	95	95	95	95	0	0	380	0	0	0	0
		7,048	2,763	4,095	95	95	0	0	-21,036	28,084	0	0	0
		189,418	71,778	77,458	34,325	5,857	0	55,431	77,265	32,755	0	7,496	16,471

APPENDIX 5 - Projected Usable Balances at 1 April 2022

		Balance at 1 April 2022 £m
Total Reserves and Balances		62.48
Less Commitments/Earmarked Funds:		
School Funds	Balances held on behalf of schools; therefore not available to the Council	- 4.69
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	- 0.07
Grant funding	Grant funding received and fully committed in the budget strategy	- 0.76
Insurance Reserves	Required to cover policy excesses and other costs such as claims prior to 1998 (unitary)	- 2.90
Hadley PFI Sinking Fund	Based on funding model; fully committed equalisation fund	- 0.78
Other Corporate Items	For Example ITS/Capacity Fund, severance fund	- 8.54
Single Status	Provision for equal pay settlement	- 11.92
Other Provisions	For example Bad Debt Provision and Pride Funding Reserve	- 6.15
Specific Earmarked Service Balances	Residual balances held by services following a rigorous review of balances undertaken	- 2.65
Residual General Working Balances		24.03
Made up of:		
One Off Funds	Identified to support the Medium Term Budget Strategy	19.22
One Off Funds	General/Special Fund Balances	4.81
		24.03
Required to meet the 2019/20 budget gap		(2.96)
Residual Balance		21.07
Made up of:		21.07
One Off Funds	Identified to support the Medium Term Budget Strategy	16.26
One Off Funds	General/Special Fund Balances	4.81
		21.07

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
General / Special Fund Balances													
Special Fund Bals	Special Fund Balance	(755,943.31)		(755,943.31)		(755,943.31)		(755,943.31)		(755,943.31)		Working balance	Sufficient
General Fund Bals	General Fund Balance	(4,051,446.20)		(4,051,446.20)		(4,051,446.20)		(4,051,446.20)		(4,051,446.20)		General Fund Working Balance	Forms part of minimum level of balances required
Reserves	Budget Strategy Reserve	(13,886,494.32)	4,334,000.00	(9,552,494.32)		(9,552,494.32)		(9,552,494.32)		(9,552,494.32)		Feeds into budget strategy	
Total General / Special Fund Balances		(18,693,883.83)	4,334,000.00	(14,359,883.83)	0.00	(14,359,883.83)	0.00	(14,359,883.83)	0.00	(14,359,883.83)	0.00		
Specific Commitments not Available													
Reserves	Council Tax Reserve Fund	(3,574,000.00)	(1,944,000.00)	(5,518,000.00)		(5,518,000.00)		(5,518,000.00)		(5,518,000.00)		Drawn down balance from Collection fund surplus.	Feeds into budget strategy
Coll Fund	Collection Fund Surplus	(2,279,774.12)	1,944,000.00	(335,774.12)		(335,774.12)		(335,774.12)		(335,774.12)		Estimated collection fund balance available to draw down in 18/19	
Reserves	Business Rates Equalisation Account	(2,500,000.00)	(500,000.00)	(3,000,000.00)		(3,000,000.00)		(3,000,000.00)		(3,000,000.00)		To fund any business rates volatility / impact of changes to the retained rates system	
Reserves	Capital Funding Reserve	(1,405,250.58)	482,061.45	(923,189.13)	695,000.00	(228,189.13)		(228,189.13)		(228,189.13)		Fully Committed to capital programme	
Reserves	Environmental Mtce Programme	(2,218,501.48)	1,443,460.92	(775,040.56)	775,040.56	0.00		0.00		0.00		Fully committed to fund a programme of improvements.	
Provision	Single Status Provision - General Fund element	(11,917,031.52)		(11,917,031.52)		(11,917,031.52)		(11,917,031.52)		(11,917,031.52)		Funding set aside to meet costs of implementing single status	Fully Committed
Reserves	Skills Dvpt and Apprentices	(156,393.56)	17,293.00	(139,100.56)	50,000.00	(89,100.56)	50,000.00	(39,100.56)	39,100.56	0.00		To support employees facing redundancy and apprentice posts; usage based on previous year spend may alter if scheme alters.	
Reserves	Solar Farm Sinking Fund	(21,540.00)	(6,050.00)	(27,590.00)	(24,080.00)	(51,670.00)	(24,080.00)	(75,750.00)	(24,080.00)	(99,830.00)		Reserve to fund future cost of replacement panels	Value set as per the Business model
Reserves	Severance Fund	(2,750,000.00)	1,500,000.00	(1,250,000.00)		(1,250,000.00)		(1,250,000.00)		(1,250,000.00)		Fund set up to meet the one off costs of redundancies arising from restructures in order to deliver ongoing savings	Monitored as restructures progress; the Council also has the ability to capitalise costs associated with service transformation which will be utilised.
Provision	Redundancy Provision	(486,878.48)		(486,878.48)		(486,878.48)		(486,878.48)		(486,878.48)		Specific provision to meet one off costs associated with the Council re-structure - relates to those who had received notification of redundancy at 31 March. A new provision is created each year	Fully committed.
reserves	Pride in Your Community - Funding Reserve	(3,720,390.00)	434,000.00	(3,286,390.00)	434,000.00	(2,852,390.00)	434,000.00	(2,418,390.00)		(2,418,390.00)		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	(2,447,305.93)		(2,447,305.93)		(2,447,305.93)		(2,447,305.93)		(2,447,305.93)		Self insurance fund to cover insurance excesses - established in 2008/09 following decision to increase excesses.	Regularly reviewed - requirement depends on claims; in year requirement assumed to equal contribution.
Reserves	Voluntary Sector Support Fund	(711,522.96)	100,000.00	(611,522.96)	0.00	(611,522.96)		(611,522.96)		(611,522.96)		Approved to support the Voluntary Sector/Partnership working	
School Bals	School Balances	(3,788,141.97)	1,000,000.00	(2,788,141.97)	1,000,000.00	(1,788,141.97)	1,000,000.00	(788,141.97)		(788,141.97)		This represents school balances held by the LA only. Additional amounts are held by schools as balances in independent bank accounts. Projected movement in balances is based on schools budget plans. It should be noted that schools budget outturns, over the sector as a whole are invariably better than initial budgets (i.e. balances are higher.) This balance includes the balances on the collective self insurance schemes (supply, maternity and theft and vandalism) that T&W offers to maintained schools, previously held on YFAB, YFAC and YFAD. Premiums are renewed annually to ensure that they are broadly in line with costs, but there are inevitable in-year variations, leading to year end balances.	
Provision	Single Status - DSG and Schools	(3,760,413.98)	0.00	(3,760,413.98)	500,000.00	(3,260,413.98)		(3,260,413.98)		(3,260,413.98)		Provision for Single Status costs in schools and DSG centrally funded staff. Use of this dependant on final implementation of SS.	As per Corporate percentages. Discussed with schools forum using some or all of the £642K provision for single status, centrally top-sliced from DSG in 2008/09 and 2009/10, to clear any DSG deficit at the end of 2018/19 (in the context of pressures on high needs DSG). £500,000 assumed for this in 2019/20.
Reserves	Local Safeguarding Board	(34,689.84)	10,000.00	(24,689.84)	10,000.00	(14,689.84)	5,000.00	(9,689.84)	5,000.00	(4,689.84)		T&W Share of Partnership reserve to support the work of the Local Safeguarding Board	
Reserves	SDG Balances	0.00	1,000.00	1,000.00	334.83	1,334.83		1,334.83		1,334.83		School Development Group Fund - monies used to support development of Learning Communities by schools	Balance held on behalf of schools.

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
Reserves	Early Years	(120,830.59)	25,000.00	(95,830.59)	25,000.00	(70,830.59)	25,000.00	(45,830.59)	25,000.00	(20,830.59)	ring fenced fund for PVI early years sector used to pay for refurb and R&M on early years provision	reasonable	
Reserves	Early Years	(99,151.72)	30,000.00	(69,151.72)	39,151.72	(30,000.00)	30,000.00	0.00	0.00	0.00	To sustain existing nursery provisions in key areas of need		
Reserves	Hadley PFI Sinking Fund	(1,334,229.70)	50,000.00	(1,284,229.70)	100,000.00	(1,184,229.70)	180,000.00	(1,004,229.70)	220,000.00	(784,229.70)	Equalisation account relating to Hadley PFI	Based on the funding model - fully committed	
Reserves	Invest to Save Reserve	(91,087.00)	91,087.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed to support Workforce Training re Safeguarding and Early Intervention .		
Reserves	PIP Reserve Contribution Account	(380,169.05)	152,200.00	(227,969.05)	75,000.00	(152,969.05)	75,000.00	(77,969.05)	75,000.00	(2,969.05)	Reserve to be used to aid with the ongoing rationalisation of the PIP resulting pressures on Income and Service Charge voids.		
Reserves	Dilapidations - PIP	(169,791.40)	77,000.00	(92,791.40)	92,791.40	0.00	0.00	0.00	0.00	0.00	Committed spend on Hollinswood House & Stafford Park 15 and a number of other properties in relation to dilapidations.		
Reserves	Granville House	(1,177.80)		(1,177.80)		(1,177.80)		(1,177.80)		(1,177.80)	To be utilised as part of accommodation strategy		
Provision	Land Charges Provision	(19,470.00)		(19,470.00)		(19,470.00)		(19,470.00)		(19,470.00)	Created to cover litigation costs; settlement finalised and awaiting final costs.		
Total Specific Commitments		(43,987,741.68)	4,907,052.37	(39,080,689.31)	3,772,238.51	(35,308,450.80)	1,774,920.00	(33,533,530.80)	340,020.56	(33,193,510.24)			
Specific Earmarked Balances Identified as Risks													
Debtors	Bad Debt Provision	(3,727,532.58)		(3,727,532.58)		(3,727,532.58)		(3,727,532.58)		(3,727,532.58)	To cover bad debts	Level based on formula	
Reserves	Corporate Capacity / Invest to Save Fund	(8,415,407.14)	1,300,000.00	(7,115,407.14)	2,800,000.00	(4,315,407.14)	2,800,000.00	(1,515,407.14)		(1,515,407.14)	Various initiatives to build capacity and provide funding to deliver future savings. Includes support to partner organisations who take on the delivery of services.		
Reserves/Provision/Creditor	Insurance Funds	(223,093.29)		(223,093.29)		(223,093.29)		(223,093.29)		(223,093.29)	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	(229,525.38)		(229,525.38)		(229,525.38)		(229,525.38)		(229,525.38)	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	Treasury Equalisation fund	(1,150,000.00)		(1,150,000.00)		(1,150,000.00)		(1,150,000.00)		(1,150,000.00)	To mitigate the impact of interest rate fluctuations		
Reserves	Stop Loss Provision	(944,848.78)	75,000.00	(869,848.78)	75,000.00	(794,848.78)	75,000.00	(719,848.78)	75,000.00	(644,848.78)	Stop Loss Insurance - Self insurance to cover fire policy excesses on school buildings and other adhoc costs including lead roof theft and flooding		
Total Specific Earmarked Balances Identified as Risks		(14,690,407.17)	1,375,000.00	(13,315,407.17)	2,875,000.00	(10,440,407.17)	2,875,000.00	(7,565,407.17)	75,000.00	(7,490,407.17)			
Specific Earmarked Service Balances													
Reserves	Elections Equalisation Reserve	(163,978.91)	(42,000.00)	(205,978.91)	205,978.91	0.00	0.00	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 2019	
Reserves	Confirm System Reserve	(100,000.00)	100,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support additional costs incurred in the implementation of the Confirm System in 2018/19		
Reserves	Highways Consultation Reserve	(40,000.00)	40,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Consultation costs to be incurred in 2018/19		
Reserves	Bridge Bank - The Gorge Reserve	(50,000.00)	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To cover additional costs of rectifying the void in the Gorge in 2018/19		
Reserves	Madeley Sports Hub (3 g pitch)	(389,390.43)	389,390.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Madeley Court 3G pitch - to complete this		
Reserves	50th Anniversary Events	(120,579.77)		(120,579.77)		(120,579.77)		(120,579.77)		(120,579.77)			
Reserves	Estate Car parking	(1,054,146.19)	754,146.00	(300,000.19)	300,000.19	0.00	0.00	0.00	0.00	0.00	Funding to support Pride Programme		
Reserves	Footway Programme Funding	(1,012,972.96)	1,012,972.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Funding to support Pride Programme		
Reserves	Destination Telford Funding	(275,000.00)	275,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
Reserves	ICT impact of GDPR	(100,000.00)	0.00	(100,000.00)		(100,000.00)		(100,000.00)		(100,000.00)	Provision for potential cost implications on		
Reserves	Safer School Routes	(600,000.00)	0.00	(600,000.00)		(600,000.00)		(600,000.00)		(600,000.00)	development of Safer Routes to School		
Reserves	Road Signage	(200,000.00)	0.00	(200,000.00)		(200,000.00)		(200,000.00)		(200,000.00)	Programme of additional		

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
Reserves	Sporting Events	(100,000.00)	0.00	(100,000.00)		(100,000.00)		(100,000.00)		(100,000.00)		Funds to support new sporting events to	
Reserves	Libraries	(100,000.00)	0.00	(100,000.00)		(100,000.00)		(100,000.00)		(100,000.00)		To extend opening hours at Southwater on	
Reserves	CSE Funding Reserve	(350,000.00)	350,000.00	0.00	(500,000.00)	(500,000.00)	500,000.00	0.00		0.00		CSE Inquiry Funding Reserve	
Reserves	Single Status Project Team	(225,250.30)	20,000.00	(205,250.30)	150,000.00	(55,250.30)	150,000.00	94,749.70		94,749.70		Required to fund single status project work (including legal and consultancy costs) and preparation for implementation	
Reserves	Community Right to Challenge	(8,547.00)		(8,547.00)		(8,547.00)		(8,547.00)		(8,547.00)		Funding to support any additional cost arising	
Reserves/Provision	Balance Control Mechanism / Residual balances from closed schools	(167,458.49)	50,000.00	(117,458.49)	50,000.00	(67,458.49)	50,000.00	(17,458.49)	17,458.49	0.00		Balances clawed back from schools through the balance control mechanism plus residual balances from closed schools	To cover possible deficits of schools which close in the future. £50,000 of this assumed to be used in 2018/19 based on £24K for Windmill Primary's deficit following conversion and any deficit in excess of the balance on YFAS School Reorganisation Reserve for Charlton.
Reserves	Early Help Plan	(48,239.90)	48,239.90	0.00		0.00		0.00		0.00		Required to Support Early Help Action Plan, employment of an additional BSO.	
Reserves	Joint Commissioning Balance	(26,438.59)	10,000.00	(16,438.59)	16,438.59	0.00		0.00		0.00		To support ongoing structure to deliver savings in key areas	
Reserves	Childrens Services	(501,143.80)	501,143.80	0.00		0.00		0.00		0.00		General safeguarding reserve	£500,000 arising from a contingency contribution from the 2017/18 budget, drawn upon in 2018/19 to offset overspends on safeguarding budgets.
Reserves	Safer Communities cwfd	(19,835.49)	10,000.00	(9,835.49)	9,835.49	0.00		0.00		0.00		Committed to fund CCTV	
Reserves	Youth Projects Support	(109,876.05)	85,000.00	(24,876.05)	24,876.05	0.00	0.00	0.00		0.00		Funding of various posts within the service	
Reserves	Education Welfare Balance	(44,967.89)	10,000.00	(34,967.89)	10,000.00	(24,967.89)	10,000.00	(14,967.89)	10,000.00	(4,967.89)		Income from fixed penalty notices re Truancy etc - held to support budget if shortfall in income and fund training and resources costs associated with this process. Funding of 1 additional posts.	
Reserves	School Reorganisation Reserve	(429,628.90)	429,628.90	0.00		0.00		0.00		0.00		Monies carried forward as a reserve against the possible unfavourable balance on schools conversions to academy status.	2018/19 call on reserve is based upon Charlton's expected sponsored conversion during 2018/19 with a closing deficit likely to be at a similar level to this reserve.
Reserves	PCT monies	(186,928.18)	40,000.00	(146,928.18)	65,000.00	(81,928.18)	40,000.00	(41,928.18)		(41,928.18)		Monies committed to specific areas of work as per agreement	
Reserves	Transforming Social Care Grant	(47,977.82)	0.00	(47,977.82)	47,977.82	0.00	0.00	0.00		0.00		Funds posts supporting the transformation of ASC	
Reserves	Young Persons Substance Misuse	(9,832.50)	9,832.50	0.00	0.00	0.00	0.00	0.00		0.00		Used to offset other one off commitments	
Reserves	Public Health Transition Grant	(29,204.73)	0.00	(29,204.73)	0.00	(29,204.73)	0.00	(29,204.73)	0.00	(29,204.73)		To be spent on Public Health	
Reserves	Legal Reserve	(229,225.40)	152,882.00	(76,343.40)	76,343.40	0.00	39,423.40	39,423.40		39,423.40		For standards investigations and Legal Staffing	
Reserves	Customer Services & Benefits	(437,936.92)	150,327.00	(287,609.92)	227,000.00	(60,609.92)	60,609.92	0.00		0.00		To support additional staffing costs as a result of Welfare Reform changes and to support delivery of savings in 2019/20	
Reserves	Member Dvpt Reserve	(5,000.00)	0.00	(5,000.00)	2,500.00	(2,500.00)		(2,500.00)		(2,500.00)		To be spent on training and equipment as required	
Reserves	Coalbrookdale Water Course	(148,658.65)	50,000.00	(98,658.65)	0.00	(98,658.65)		(98,658.65)		(98,658.65)		Coalbrookdale Water course drawdown as and when required each year.	This is a commuted sum for Coalbrookdale Water Course - each year monitoring is done & once in every 4 years works are done to maintain water courses. Work last completed in 14/15.
Reserves	Environmental Pressures	(367,788.61)	367,788.61	0.00	0.00	0.00		0.00		0.00		Fully committed	
Reserves	Stoneyhill Landfill	(22,138.00)		(22,138.00)		(22,138.00)		(22,138.00)		(22,138.00)		This is for a commuted sum for the cleaning & maintenance of the silo's (golf balls) and as a contingency in case the technology does not ensure the quality of the "stuff" piped out to STW system. This was a new design to deliver the ongoing savings, the revenue budget just covers the annual running / monitoring costs. The budget will not cover the costs of cleaning. When it is required in the future	This needs to be held for costs we will incur in future years, although they are unknown at this point in time.
Reserves	Sums held on behalf of others	(9,810.45)	9,810.45	0.00		0.00		0.00		0.00		Balance to fund R&M at SGCT properties as and when required.	

Schedule of Provisions, Reserves and Balances

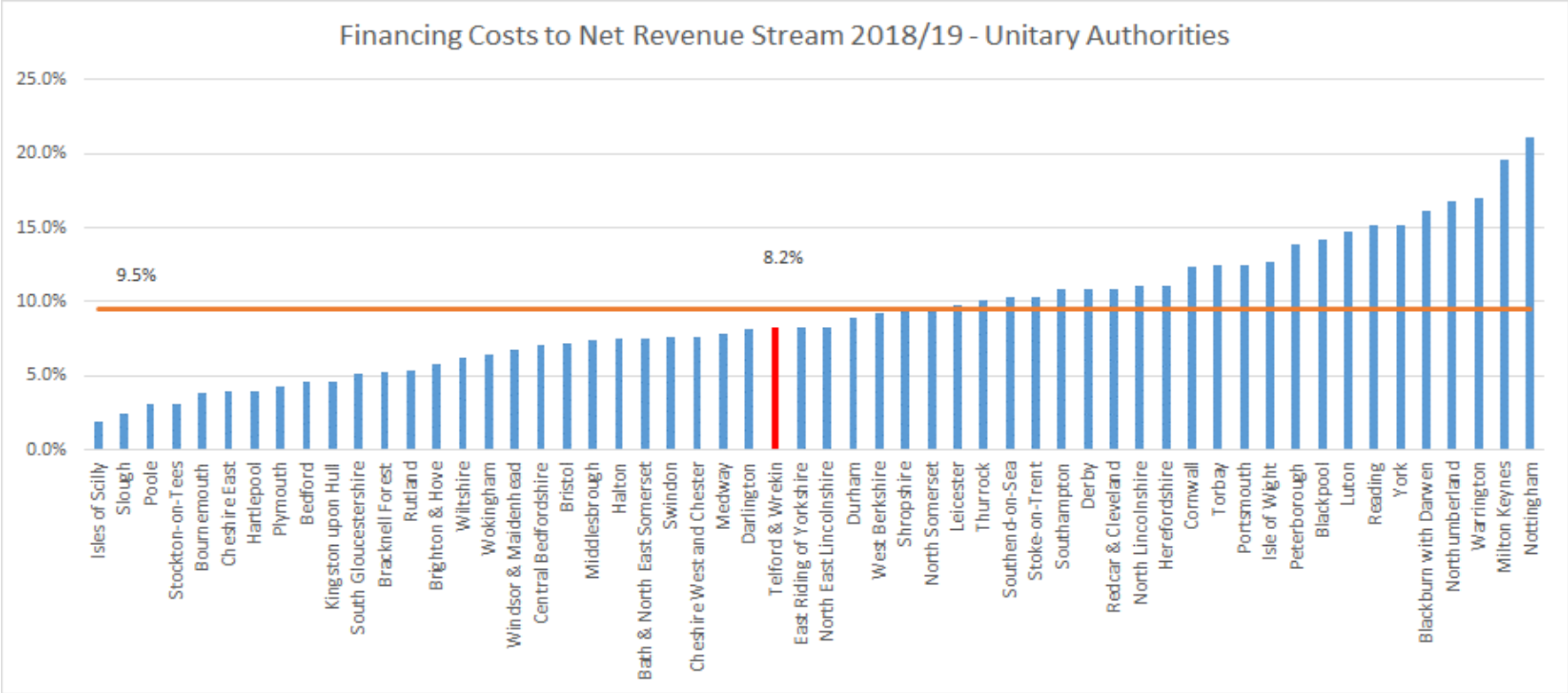
Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
Reserves	Development Planning System	(100,000.00)	100,000.00	0.00		0.00		0.00		0.00		Balance was held for 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.	Plan to move unspent to offset any Planning income pressures in future years.
Reserves	Capacity Fund - Skills Analysis	(14,856.00)	0.00	(14,856.00)	14,856.00	0.00		0.00		0.00		Research of skills gaps surveys in 19/20	
Reserves	Capacity Fund - Targeted Marketing Campaign	(22,055.34)	10,805.00	(11,250.34)	11,250.34	0.00		0.00		0.00		Destination Telford plus 17/18 year end bids for Growth Hub website build and WiFi upgrade £10k in 18/19.	Fully committed in 19/20, supplementing Destination Telford.
Fund Balances	Destination Telford	(25,069.41)	25,069.41	0.00		0.00		0.00		0.00		Destination Telford .	Committed in 18/19.
Reserves	Environmental Services Gen Reserve	(25,000.00)	25,000.00	0.00		0.00		0.00		0.00		Eastern Primary Clean £25k undertaken in 18/19	
Reserves	Cashless Catering	(158,750.80)	96,750.00	(62,000.80)	62,000.80	0.00		0.00		0.00		Reserve to fund Cashless catering upgrade and mitigate inflation increase in Catering food costs.	
Reserves	Sponsorship Fund	(86,909.26)	0.00	(86,909.26)	0.00	(86,909.26)	0.00	(86,909.26)	0.00	(86,909.26)		Contributions from external organisations for specific purposes	
Reserves	Local Plan Enquiry	(87,641.00)	87,641.00	0.00		0.00		0.00		0.00		Public Examination of Local Plan	Enquiry completed in 2017. Awaiting final invoices in 18/19.
Reserves	Planning Appeal costs	(46,623.50)	46,623.50	0.00		0.00		0.00		0.00		Set aside for legal costs associated with planning appeals.	There is no revenue budget available for these costs and therefore balance is required to reduce revenue pressure. Fully committed in 18/19.
Reserves	Definitive Mapping Fund	(1,115.71)	1,115.71	0.00		0.00		0.00		0.00		Set aside to fund Technician post up to Sept 2018.	Fully applied in 18/19.
Reserves	Youth Unemployment	(583,045.98)	310,890.00	(272,155.98)	272,155.98	0.00		0.00		0.00		Reserve created to extend Tackling Youth unemployment up to March 2020.	
Reserves	Town Park Reserve	(21,333.33)	21,333.33	0.00		0.00		0.00		0.00		Bandstand development and Water area filter.	
Reserves	Bus Subsidy Reserve	(250,000.00)	110,000.00	(140,000.00)	70,000.00	(70,000.00)	70,000.00	0.00		0.00		To fund subsidised bus routes	
Reserves	Housing Investment Programme	(246,056.57)	28,000.00	(218,056.57)	28,000.00	(190,056.57)	28,000.00	(162,056.57)	28,000.00	(134,056.57)		Reserve for Housing investment costs council side.	
Reserves	HCA Liability Fund	(5,920,448.58)	1,500,000.00	(4,420,448.58)		(4,420,448.58)		(4,420,448.58)		(4,420,448.58)		Use of Profit share for invest to save bids and other capital projects as they come up. Includes liability monies of £4m	to be invested to create a revolving fund for liabilities
Reserves	Waste Contract Sinking Fund	(1,228,611.95)	342,615.00	(885,996.95)	392,000.00	(493,996.95)		(493,996.95)		(493,996.95)		Enable the ongoing management of new Waste contract.	Fully committed for new Waste contract.
Reserves	Pride in Your Community	(91,167.28)	91,167.28	0.00		0.00		0.00		0.00		Fully committed for Pride	
Reserves	Grounds & Cleansing Contract	(149,640.00)	149,640.00	0.00		0.00		0.00		0.00		To support the re-procurement of the Highways contract and Grounds & Cleansing contract. Will be used in 2018/19 for Legal, Commercial and Finance Support	
Reserves	Telford Town Park Commuted Sums	(59,970.00)	(19,990.00)	(79,960.00)	(19,990.00)	(99,950.00)	(19,990.00)	(119,940.00)	(19,990.00)	(139,930.00)		Balance to be built up over 10 years to fund management and maintenance plan for further ten years after 2020.	
Reserves	Parish Environmental Teams	(465,172.04)	465,172.04	0.00		0.00		0.00		0.00		Balance of Parish Contribution to scheme to fund materials/works.	Expected draw down against parish material spend and additional apprentice costs over and above Parish £5k contribution.
Reserves	Campaigns and Marketing	(219,360.96)	29,174.64	(190,186.32)	32,846.00	(157,340.32)		(157,340.32)		(157,340.32)		Funding to support pride programme	
Reserves	Capital grant funding held as a reserve	(728,691.46)	728,691.46	0.00		0.00		0.00		0.00		Committed to funding the capital programme. This is not the whole balance on the code	

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
Reserves	Changing Futures	(14,185.00)	14,185.00	0.00		0.00		0.00		0.00		Monies received from CCG to support Safeguarding initiative in relation to Family Nursing	
Reserves	Transport	(28,000.00)	0.00	(28,000.00)	28,000.00	0.00		0.00		0.00		Transport project work in Commissioning	
Reserves	SEN Review Reserve	(100,000.00)	55,000.00	(45,000.00)	45,000.00	0.00		0.00		0.00		To fund additional costs associated with review and introduction of EHCP including external support and to enable additional resources to be allocated to the rapidly growing area of post 16-25 SEN	
Reserves	New Technology	(47,899.92)	5,000.00	(42,899.92)	10,000.00	(32,899.92)	10,000.00	(22,899.92)	10,000.00	(12,899.92)		Committed to Financial Management system development	
Reserves	Catering Control Account	(11,545.42)	11,545.42	0.00		0.00		0.00		0.00		Funding to Support Lets Cook Project and other initiatives if required.	Committed in 18/19.
reserves	Organisational Development Training Reserve	(406,695.26)	100,000.00	(306,695.26)	100,000.00	(206,695.26)	100,000.00	(106,695.26)		(106,695.26)			
reserves	Arthog Trading Provision	(62,000.00)	62,000.00	0.00		0.00		0.00		0.00		17/18 year end bids of which £13k Climbing wall, £25k Bunk beds, £24k Minibuses.	
Reserves	Pride 2 Reserve	17,932.05	(17,932.05)	0.00		0.00		0.00		0.00			
Reserves	Library Book Fund	(1,909.17)		(1,909.17)		(1,909.17)		(1,909.17)		(1,909.17)		Income from sale of books to be retained to support the book fund budget	
Reserves	Crisis Assistance Reserve	(81,244.99)	28,983.00	(52,261.99)	10,000.00	(42,261.99)	10,000.00	(32,261.99)	10,000.00	(22,261.99)		To support work on crisis assistance scheme including a grant to Just Credit union.	
Reserves	Graphic Design - PC Replacement Reserve	(4,959.69)		(4,959.69)		(4,959.69)		(4,959.69)		(4,959.69)		For replacement equipment	
Reserves	Corporate Communications Reserve	(6,050.00)		(6,050.00)		(6,050.00)		(6,050.00)		(6,050.00)		To fund Gov Connect and training costs.	
Reserves	Car parking Enforcement	(10,500.00)	10,500.00	0.00		0.00		0.00		0.00		To support CPE	
Reserves	Delivery & Planning Reserve	(62,497.26)		(62,497.26)		(62,497.26)		(62,497.26)		(62,497.26)		IEWM Grant to fund training costs	
Reserves	Finance	(108,099.81)		(108,099.81)	9,190.00	(98,909.81)	98,909.81	0.00		0.00		Funding for Senior Accountant and Accountant posts until 31.03.21	
Reserves	Modern Apprentice Reserve	(20,000.00)	7,000.00	(13,000.00)	7,000.00	(6,000.00)	6,000.00	0.00		0.00		To fund modern apprentices across the 2 accountancy teams (no base budget).	
Reserves	Treasury Management Reserve	(30,000.00)	15,000.00	(15,000.00)	15,000.00	0.00		0.00		0.00		Set aside to provide support for any technical advice needed	
Reserves	Revenues Reserve	(160,000.00)	52,180.00	(107,820.00)	58,850.00	(48,970.00)	35,000.00	(13,970.00)	13,970.00	0.00		To fund 2 posts in staffing budget and one off additional Northgate costs	
Reserves	Resource Link Reserve	(80,000.00)	80,000.00	0.00		0.00		0.00		0.00		Committed for project costs incurred in 2018/19	
Reserves	Finance Income Equalisation Reserve	(44,279.00)		(44,279.00)		(44,279.00)		(44,279.00)		(44,279.00)		To support income shortfalls from conversion of schools to academies	
Reserves	Finance Workforce Development Reserve	(50,000.00)	10,000.00	(40,000.00)	10,000.00	(30,000.00)	10,000.00	(20,000.00)	10,000.00	(10,000.00)		Training costs of Finance staff	
Reserves	HR Income Equalisation Reserve	(60,000.00)		(60,000.00)		(60,000.00)		(60,000.00)		(60,000.00)		To support income shortfalls from conversion of schools to academies and reduction in external income	
Reserves	Rights of Way Reserve	(74,600.00)	(35,670.00)	(110,270.00)	110,270.00	0.00		0.00		0.00		contributions to projects	
Reserves	Public Protection Reserve	(10,406.29)	10,406.29	0.00		0.00		0.00		0.00		Required to support revenue budget	
Reserves	High Street Challenge	(653,292.10)	653,292.10	0.00		0.00		0.00		0.00		To support Pride programme. Partly funded by PRU	£653k to fund WCPS, £68K AHAF
Reserves	PCT Contribution to Health Hub	(30,000.00)	30,000.00	0.00		0.00		0.00		0.00		To fund channel shift costs	
Reserves	Co Operative Council & Commercial Projects Fund- Reserve	(47,250.26)	4,000.00	(43,250.26)	43,250.26	0.00		0.00		0.00		To be used for Commercial projects - and other issues - Wellington Health Suite / Private Wire feasibility. May not be required until 19/20.	
Reserves	Fleet Reserve	(128,774.00)		(128,774.00)		(128,774.00)		(128,774.00)		(128,774.00)		To be used to purchase outright Bus in 18/19 and lease others.	
Reserves	Town Park - High Ropes	(26,855.65)	26,855.65	0.00		0.00		0.00		0.00		To fund the I2S High Ropes development.	Committed in 18/19.
Reserves	Child Sexual Exploitation	(6,480.00)	3,240.00	(3,240.00)	3,240.00	0.00		0.00		0.00		Used to fund support for CSE cases	
Reserves	Transformation Posts Reserve	(98,000.00)	51,870.00	(46,130.00)	18,595.00	(27,535.00)		(27,535.00)		(27,535.00)		To support transformation of ASC	
Reserves	Unaccompanied Asylum Seekers	(45,604.36)	45,604.36	0.00		0.00		0.00		0.00		All to be applied in 18/19 to offset costs incurred supporting unaccompanied asylum seekers	
Reserves	Community Engagement Reserve	(44,896.76)	44,896.76	0.00		0.00		0.00		0.00		Cities of Service grant and community engagement projects,	
Reserves	My Options	(66,624.35)	0.00	(66,624.35)	0.00	(66,624.35)	0.00	(66,624.35)		(66,624.35)		Used to support social work placements	
Reserves	Social Work Training Reserve	(19,020.71)	19,020.71	0.00		0.00		0.00		0.00		Fully Committed for use in future years - ringfenced for Public Health purposes	
reserves	Public Health Grant	(602,263.31)	382,861.00	(219,402.31)	200,464.00	(18,938.31)	6,704.00	(12,234.31)	12,234.31	(0.00)		To fund the training of students on placements with the LA.	Planned to spend existing reserve over next year or two but may receive further funding from universities for a similar purpose.
Reserves	University Students	(25,744.10)	15,744.10	(10,000.00)	10,000.00	0.00		0.00		0.00			
Reserves	Early Help Partnership	(61,763.53)	7,500.00	(54,263.53)	0.00	(54,263.53)	0.00	(54,263.53)	0.00	(54,263.53)		Local Advisory Board Development – locality working. To build capacity within the voluntary sector to deliver the Healthy Child Programme, Children Centre Core Purpose and activity to support school readiness (as directed by the Early Help Partnership Board and in response to the recent Early Help and Support Restructure)	Has to be spent on Public Health outcomes
Reserves	Change Programme	(139,280.71)	45,782.00	(93,498.71)	89,413.58	(4,085.13)	4,085.13	0.00		0.00		To support transformation of ASC	

Schedule of Provisions, Reserves and Balances

Balance Sheet Structure	Description	April 2018 Opening		April 2019 Opening		April 2020 Opening		April 2021 Opening		April 2022 Opening		Purpose - brief reason for the reserve/balance	Comment on level/appropriateness of value held
		Actual Closing Balance 31/3/2018	Estimated Change during 2018/19	Estimated Closing Balance 31/3/19	Estimated Change during 2019/20	Estimated Closing Balance 31/3/20	Estimated Change during 2020/21	Estimated Closing Balance 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022			
Reserves	Workforce Development	(18,654.00)	7,000.00	(11,654.00)	6,000.00	(5,654.00)	5,654.00	0.00	0.00	0.00	0.00	This is required to ensure new ways of working re assessment & support planning are embedded in day to day working. As part of restructured workforce. Training in relation to changes (as agreed with CCG) in relation to brokerage and CHC referrals	
Reserves	Winter Pressures	(125,000.00)	50,000.00	(75,000.00)	50,000.00	(25,000.00)	25,000.00	0.00	0.00	0.00	0.00	To meet any additional costs as a result of pressure on ASC and the hospitals	
Reserves	Care Bill Phase 2	(140,000.00)	48,451.00	(91,549.00)	72,660.00	(18,889.00)	18,889.00	0.00	0.00	0.00	0.00	Supports a number of posts within ASC	Limited funding
Reserves	Capacity Building Projects	(160,000.00)	84,565.00	(75,435.00)	75,435.00	0.00	0.00	0.00	0.00	0.00	0.00	To fund additional posts as and when required to meet capacity issues	
Reserves	Adults Safeguarding Board	(39,455.53)	31,335.08	(8,120.45)	6,318.00	(1,802.45)	0.00	(1,802.45)	(1,802.45)	(1,802.45)	(1,802.45)	Relates to any carryforward of the funding made by the Council as part of the arrangement with Partners - to be reinvested in the work of the Board.	
Reserves	S75 BCF Pool	(100,000.40)	100,000.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Reinvestment of any underspend of the amount paid to the Council via the BCF pooled arrangement	
Reserves	BCF/TCP Section 75 Agreement Pooled Fund Reserve	(434,800.24)	68,296.60	(366,503.64)	151,000.00	(215,503.64)	200,000.00	(15,503.64)	15,503.64	(0.00)	(0.00)	In place for mitigation of any financial risks associated with BCF or TCP. Uncertainty around TCP funding transfers and pressure on BCF schemes to deliver target DTOC	A TCP placement due to complexity could be in the region of £200k per annum
Reserves	Childrens Grants	(1,926.80)	1,926.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Young Person's Grant	
Reserves	Safeguarding & Strategic Management	(100,000.00)	50,000.00	(50,000.00)	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00		
Reserves	Homelessness Prevention	(99,873.76)	56,380.00	(43,493.76)	43,493.76	0.00	0.00	0.00	0.00	0.00	0.00	Reserve to fund Homelessness prevention.	Committed in 18/19 & 19/20.
Reserves	Growth Hub Development	(10,045.95)	10,045.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Open book accounting arrangement for Growth Hub located at University of Wolverhampton.	
Reserves	Innovation fund	(107,308.85)	107,308.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Fund set aside to support promotions of High Streets and Local centres. Residual projects ongoing. Balance will be transferred to BDE.	
Reserves	Revitalise Fund (Pride In Your High Street)	(7,366.56)	7,366.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Revitalise fund approved to for 2 rounds of bidding - full amount allocated.	Full value committed to fund Revitalise Fund bids.
Reserves	Creative Development	(25,783.46)	0.00	(25,783.46)	0.00	(25,783.46)	0.00	(25,783.46)	0.00	(25,783.46)	(25,783.46)	Fund set aside for new culture zone website and events	
Reserves	Time for Me offer	(12,887.29)	12,887.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Pooled budget relating to ongoing projects supporting Mental Health.	
Reserves	Leisure/Aspirations Invest to Save Funding	(170,237.59)	50,000.00	(120,237.59)	120,237.59	0.00	0.00	0.00	0.00	0.00	0.00	To fund the ongoing replacement of Leisure equipment.	No budgeted provision
Reserves	ICT Reserves & Provisions	(118,030.24)	86,842.00	(31,188.24)	31,188.24	0.00	0.00	0.00	0.00	0.00	0.00	Support Pricing model, various posts and contributions to capital.	Fully required.
Reserves	Tennis Centre Sinking Fund			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Reserves	Procurement Advice reserve	(29,561.00)	14,230.00	(15,331.00)	15,331.00	0.00	0.00	0.00	0.00	0.00	0.00	For GPC Advice & Procurement systems	
Reserves	TCP Commissioning Contribution	(37,325.00)	37,325.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Contribution to the TCP Commissioning Team	
Reserves	World Heritage Lottery Fund	(5,000.00)	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Now agreed with IGMT	
Reserves	Young Persons Substance Misuse	(74,891.17)	0.00	(74,891.17)	0.00	(74,891.17)	0.00	(74,891.17)	0.00	(74,891.17)	(74,891.17)	funding of a peer support and mentoring offer for children and young people with drug and alcohol problems	Has to be spent on Public Health outcomes
Reserves	Street Games	(668.51)	668.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Grant funding	
Reserves	Culture	(11,179.07)	11,179.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To fund ongoing events	
Reserves	Carers Services	(29,500.24)	20,000.00	(9,500.24)	9,500.24	0.00	0.00	0.00	0.00	0.00	0.00	Supports delivery of future strategy-ie support for respite	
Reserves	Accommodation	(121,625.32)	101,000.00	(20,625.32)	20,625.32	0.00	0.00	0.00	0.00	0.00	0.00	To be used to support Accommodation Strategy. Plus £101k 17/18 year end bids for BiT held here and fully utilised in 18/19.	Committed in 19/20.
Total Specific Earmarked Service Balances		(23,697,385.68)	11,724,533.37	(11,972,852.31)	2,969,131.56	(9,003,720.75)	1,458,285.26	(7,545,435.49)	107,176.44	(7,438,259.05)			
Overall Total		(101,069,418.36)	22,340,585.74	(78,728,832.62)	9,616,370.07	(69,112,462.55)	6,108,205.26	(63,004,257.29)	522,197.00	(62,482,060.29)			



APPENDIX 7 - Section 106 Monetary Contributions Received and Expended for Education Purposes 01/04/18 to 31/10/19

	Planning Application No	Scheme	Bal brought forward	Income	Expenditure	Bal Carried forward	Project
E015	TWC/2012/0320 & TWC/2013/0720	Land off Sommerfield Road	0.00	-136891.99	0.00	-136891.99	Contribution towards HLC expansion
E020	TWC/2011/0821	Land at Wellington Rd Newport	-433119.18	0.00	0.00	-433119.18	New primary provision & expansion of secondary provision Burton Borough Music block
E637	TWC/2013/0297	Land off Edgmond Rd Newport	-207970.05	0.00	0.00	-207970.05	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
E643	TWC/2014/0484 & TWC/2016/0332	Land West of The Cedars Rodington	-27018.50	0.00	0.00	-27018.50	Contribution towards primary facilities towards the new Allscott Primary School
E645	TWC/2016/0535	Springfields Industrial Estate Newport	-94346.32	0.00	0.00	-94346.32	Contribution towards remodeling Newport Infant School & Changing Rooms at Burton Borough
E647	TWC/2013/0855	Land rear of Willow Tree Cottage Station Rd Newport	-122902.07	0.00	0.00	-122902.07	Contribution towards remodeling Newport Infant School & Changing Rooms at Burton Borough
E653	TWC/2015/0843	B1/B3 Apley Castle (Perigrine Way)	-96000.00	-38047.62	0.00	-134047.62	Contribution towards Milbrook Primary extention
E655	TWC/2015/0230	Back Lane/Plantation Rd Tibberton	0.00	-102086.75	0.00	-102086.75	Newport Junior Expansion & Newport Secondary transport costs
E663	TWC/2014/0415	Land at The Knoll Church Aston	0.00	-37599.00	0.00	-37599.00	Newport Juniors expansion
E666	TWC/2017/0714	Snedshill Way	0.00	-70000.00	0.00	-70000.00	Contribution towards St Georges Primary expansion
E668	TWC/2016/0560	Beech Hill & Blue House Barns	0.00	-73904.07	0.00	-73904.07	Newport Juniors expansion
E670	TWC/2017/0941	Land West of Castle Farm Way Priorslee	0.00	-415830.00	0.00	-415830.00	Primary Ed & Holy Trinity
YD28	TWC/2014/0333	Land at Corner of Stafford Rd/A41 Newport	-310321.40	0.00	0.00	-310321.40	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
YD30	TWC/2010/0828	Lawley Primary New School	-221048.34	0.00	0.00	-221048.34	1st & 2nd & 3rd installment re new School at Lawley & school expansion plan sum
YD63	TWC/2012/0650 & TWC/2014/0237	Land off Doseley Works	-230145.67	0.00	0.00	-230145.67	Ladygrove Primary Expansion
YD64	TWC/2014/0273	Land at The Barnes Church Aston	-1881.57	0.00	0.00	-1881.57	Moorfield Primary School Enhancement of classroom facilities
YD95	TWC/2014/0656	Land adj to Stone House Shifnal Rd Priorslee	-18837.48	0.00	0.00	-18837.48	Contribution towards St Georges Primary Extension

Totals	-1763590.58	-874359.43	0.00	-2637950.01
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To 31/10/18

APPENDIX 8
TELFORD & WREKIN COUNCIL
REVENUE BASE BUDGET - BEFORE ADDITIONAL SAVINGS AND INVESTMENTS

Service Delivery Unit	<u>2019/20</u> <u>GROSS</u> <u>EXPENDITURE</u> £	<u>2019/20</u> <u>GROSS</u> <u>INCOME</u> £	<u>2019/20</u> <u>NET</u> <u>EXPENDITURE</u> £
Health & Well-being	14,148,740	11,786,598	2,362,142
Governance, Procurement & Commissioning	9,218,000	6,444,820	2,773,180
Customer & Neighbourhood Services	105,010,585	75,761,493	29,249,092
Business, Development & Employment	14,689,257	16,121,701	(1,432,444)
Commercial Services	38,804,376	37,759,200	1,045,177
Finance & Human Resources	20,570,481	7,306,640	13,263,841
Adult Social Care	61,511,991	20,200,029	41,311,962
Safeguarding and Early Help	31,247,942	3,386,758	27,861,184
Education & Corporate Parenting	127,749,737	116,396,112	11,353,625
Co-operative Council	3,138,015	1,893,177	1,244,838
Corporate Items	17,665,368	25,895,924	(8,230,557)
Netting off of Internal Recharges included above	(50,415,676)	(50,415,676)	0
Total	393,338,816	272,536,775	120,802,040
Contributions To/From Balances	0	434,750	(434,750)
Net Total	393,338,816	272,971,525	120,367,290

Appendix 9		
Base Budget Movements from 2018/19		2019/20
		£'000
2018/19 Base Budget		121,067
Reversal of one off 18/19 transfers and balances		890
		121,957
<u>Inflation</u>		
General - major contracts	1,100	
Pay Inflation	2,138	
		3,238
<u>Council Wide Items</u>		
Pensions - Increases in employers contribution including the lump sum deficit payment and the potential impact of the triennial evaluation	(50)	
Pension - Reduction in provision set aside	(1,000)	
New Homes Bonus	112	
Cuts to Public Health Grant	321	
ICT Systems Costs	(17)	
Other	214	
		(420)
<u>Capital/Treasury</u>		
Cost of Capital Programme	3,407	
		3,407
<u>Service Pressures</u>		
Social Care Cost Pressures	874	
Reduced Planning Fee Income	220	
Impact of deferring Waste food contract implementation	150	
Waste - recyclates	(130)	
Granville House - loss of rent from TWS at end of contract	155	
		1,269
<u>Less Savings</u>		
Savings Proposals - approved in March 2017/March 2018	(5,896)	
Previous Investments falling out - Adults & Children's	(3,188)	
		(9,084)
Base Budget		120,367
<u>Less Funding</u>		
Council Tax Income	65,912	
Council Tax Collection Fund	1,750	
Revenue Support Grant	9,812	
Parishes CTS Grant - in line with reductions in RSG	(99)	
Top Up	4,698	
Retained Business Rates - local projection	35,915	
Section 31 Grant - local projection	2,562	
Total Funding		120,550
Base Funding Requirement		(184)

Appendix 10 - Children's Safeguarding & Early Help

Introduction:

Over recent years, Local Authorities have faced an unprecedented surge in demand for children's social care support, and that this is showing little sign of abating. The number of section 47 enquiries within this year alone has increased, from 185,680 in 2017 to 198,090 in 2018, an increase of 6.7%. There has been a significant hike across England with only 142,500 in 2013-14 – a 39 per cent increase in just 4 years.

In Telford & Wrekin:

- T&W is a town with a growing population. The population of the borough is projected to grow at a faster rate than the England population (T&W 13.4%, England 10.2%) and is projected to grow to 196,900 by 2031, an increase of some 23,300 people.
- There are round 43,900 people aged 0-19 in the borough, and around 55,800 in the 0-24 age bracket.
- The number of young people aged 0-24 is set to increase to around 62,200 by 2031 – an extra 4,800 0-15 year olds and an extra 1,700 16-24 year olds.
- Telford and Wrekin is estimated to have 1,000 children aged 5-10 and 1,400 aged 11-16 with a mental health disorder.
- Between 2012 and 2016, the proportion of pupils with Special Educational Needs and Disabilities (SEND) has grown from 13.0% to 18.7%.
- There remain challenges for some children and young people around levels of deprivation, with 23.9% (8,335 people) of children aged 0-15 living in income deprived households.
- The proportion of children (under 16) in low income families fell from 25.9% in 2011 to 23.5% in 2014. However, this proportion remained worse than England for each of these 4 years.
- The most common Mosaic Group in Telford and Wrekin is 'Family Basics' – families with limited resources who have to budget to make ends meet, with this group making up 16.8% of all households in the Borough.
- Families and vulnerable young people made up the majority of homeless acceptances in Telford and Wrekin in 2016/17, with more than two thirds (62%) of all acceptances being for those with dependent children or pregnant and a further 17% being 16 or 17 years old or a care leaver under 21;
- A total of 1,071 international migrants arrived in Telford and Wrekin in the year before the 2011 Census. This is in addition to the 5,507 migrants moving from elsewhere in the UK.
- The most common reason for safeguarding intervention is 'neglect'.
- The most common risk factors identified in family assessments are domestic violence, mental health and drug misuse.
- **There were 1379 children in need at year end (2017-2018).**

The Challenge:

The challenge for everyone in children's services is how to achieve positive outcomes for children and families in the context of rising demand and reductions in resources.

Current strategic planning for children's services is reflective of both demand, complexity and demographic pressures, where rising numbers of children particularly in areas of deprivation, continue to grow. In spite of this, we need to respond creatively by reviewing and re-modelling services and finding new and innovative ways of doing more for less. Whilst doing so, our foremost priority is to promote the wellbeing and safeguarding of vulnerable children and young people, and to meet our statutory responsibilities.

Our Approach:

New Services and Interventions:

We are now in our second year of developing Family Solutions which incorporates an Edge of Care, Family Group Conferencing and Changing Futures offer.

Family Solutions ensure that wherever possible children and young people have the chance to grow up in their family environment by offering a timely and effective family based intervention to keep families together where it is safe and reasonable to do so. As part of the offer, we have developed a respite/short breaks provision to provide planned, time-limited respite nights for children and young people who are considered to be at risk of entering local authority care while work is undertaken with the family to resolve underlying problems.

As part of Family Solutions, we use Family Group Conferencing to deliver voluntary family led decision making meetings which encompass the entire family network of blood relations, friends, neighbours and members of their community. The purpose of a FGC is to build on family resources and knowledge to better understand how they function, where their strengths are and where they may need a little support.

The Service also includes Changing Futures, who work with parents of children who have had a child or children removed for adoption. These parents are often vulnerable and likely to go onto have subsequent pregnancies with a poor outcome. Where parents under these circumstances have received this specific service, they are more likely to successfully delay a subsequent pregnancy or have been able to keep a child successfully in the future addressing the cycles of behaviour for the parents.

The Family Solutions Service offer means that children, young people and families have access to good quality interventions at an earlier stage, reducing escalation and demand on safeguarding services. These new approaches have already had a considerable positive impact in 2017/18 and 2018/19.

	2019/20 Proposed saving £'000s
Family solutions	2,000

Innovative Practice:

Systemic Practice:

We are now in the second year of working with the Centre for Systemic Social Work to make system changes to the way we work with children and young people. The systemic practice model is family-focused, and strengths-based, to build families and/or young people's capacity to address their own problems more effectively.

Telford and Wrekin are nearing the end of the second year of whole service implementation of the systemic practice model: with practitioners, managers and leaders having completed training through the Centre for Systemic Social Work. The practice model will enable our workforce to work intensively with families to empower them to solve their own problems and change behaviours instead of referring out to others.

These practices take some time to embed, but savings are anticipated in 2019/20 as follows:

	2019/20 Proposed saving £'000s
Systemic practice	312

NSPCC Reunification:

Returning home to a parent or relative is the most common outcome for children in Care. However, around a third of those who return home are back in care within five years. So for almost a third of the children who had returned home, evidence shows that the arrangements often do not last.

There is a high cost to local authorities of failed reunification of children returning home from care both in terms of the child and financial impact (£300 million a year). We are in the early stages of implementing the NSPCC Toolkit, an evidence informed framework for return home practice that supports practitioners to make structured decisions about whether or not a child should return home to the care of their parents or birth families. The framework outlines a staged approach to working with families and professionals, mandating that the needs of the child be kept paramount throughout the process.

Volunteers

We know that in the right circumstances, volunteer services can effectively contribute to delaying or preventing entry to more expensive systems of care and support and provide an effective mechanism for support for families through stepdown from practitioner led services. We have recently launched a new volunteer scheme made up of three volunteer roles:

Child and Family Ambassadors will provide one to one support and encouragement to families receiving support from our Early Help and Safeguarding Services. The Ambassadors will support families either alongside Practitioners or as part of an exit strategy to provide our families with additional support.

FGC Ambassadors will support the Family Group Conference (FGC) service in promoting the voice of the child, helping them prepare for the FGC and supporting them during the FGC.

Rights and Reps Ambassadors will support VOICE co-ordinators during meetings, seasonal activities and regional trips.

Reducing Spend and Delivering Better Outcomes:

We are increasing internal fostering capacity and have now embedded a 'Fostering Plus' offer following a successful pilot. We are continuing targeted recruitment of skilled and experienced foster carers to care for those children and young people who might have previously been harder to place within an internal foster care placement.

The 'Fostering Plus' carers also support children and young people moving from residential provision with the aim of children and young people living in family settings wherever possible. We have also further developed our internal parenting assessment team to reduce the number of high cost community based and residential based parenting assessments completed by external contractors.

There is a very large difference in the average costs of internal placements compared to those outside the borough and with outside agencies. Agency foster care is on average more than twice as costly as internal foster placements and external residential placements are several times as costly again.

Part of the strategy to avoid such placements is the investment in Family Solutions described above, but work is also underway to increase internal fostering capacity through better recruitment and more intensive support of existing foster carers where this can support and sustain placements. Proposed savings from these initiatives are as follows:

	2019/20 Proposed saving £'000s
Internal fostering capacity and Intensive fostering support	412

Workforce Investment:

One of the biggest enablers within children's services is the workforce. Ofsted reported that the staff we have "know the children and young people they are working with well. They are committed to ensuring positive outcomes for them". Our staff are committed, and are leading and embracing innovation and creativity in terms of an approach that will deliver the best outcomes for children and families.

As in other local authorities, recruiting and retaining appropriate social work staff is challenging, which has led to a persistent need to supplement permanent staff with agency staff. The cost of agency staff is significantly more than those directly employed and there are a number of strands of work underway to reduce our reliance on agency workers. These include developing progressive career pathways for social workers, monitoring of caseloads to ensure that they are not excessive and thus a disincentive for staff to stay or join, and focussed recruitment practices.

We are in the second year of 'Frontline' (a program of intensive practical and academic social work training for high potential graduates and others). The 'Frontline' initiative enables the Council to 'grow its own' social workers by recruiting newly qualified social workers to work at the Council. The four students from 2017-18 qualified in September 2018 and have now commenced in permanent social work positions at the Council. There is an up-front investment required in these staff as their caseloads must be lower in their first year than an experienced social worker. However, by improving the supply of social workers to the Council, the intention is that it will reduce the overall cost of staffing safeguarding by reducing the need to employ agency staff. On average, agency staff are almost 50% more expensive, around £20,000 per annum, than permanent employees.

The resulting proposed net savings in 2019/20 from a reduced reliance upon agency staff are as follows:

	2018/19 Proposed saving £'000s
Staffing	100

Another area where there has been a strong reliance on outside agency is family and parenting assessments. By bringing this work in-house, including the legal work associated with the assessment process, significant savings are possible.

A number of other initiatives are also planned, including a reduction in general legal costs associated with safeguarding, possibly by greater use of internal staff, and a general review of sufficiency to ensure that provision is appropriate and represents value for money.

	2019/20 Proposed saving £'000s
Internal parenting assessment	100
Internal legal support for the assessment process	15
Other initiatives	103

Our Approach

- We are working towards a whole-system approach to improve experiences for children, young people and families.
- We are creating common practice, language and understanding that will support multi-disciplinary working and promote consistency in families' experience.
- We are empowering professionals to use their own judgement in approaches that they believe will be the most influential.
- We are adopting a whole family approach where adult needs and behaviours are seen as important to address - alongside those of the child.
- We are taking a strengths based approach and working with whole families, where families and their networks are actively brought in to co-develop solutions with professionals - with the. seen as part of the solution and not as part of the problem, being We are prioritising relationships over transactions, and the strength and qualities of relationships promoted within families must be mirrored in those between families and services, and within practitioner teams.

The best option for children and young people is for them to be looked after at home or within their family network where it is safe for them to do so. Where children and their families are at a point where the children are at risk of becoming looked after, we will ensure that families have access to additional support to prevent this happening wherever possible.

Our service is working dynamically and innovatively to manage demand and work differently in areas where pressures are high, but more importantly we are working to deliver the best outcomes for our children and young people in Telford.

Appendix 11 - Adult Social Care Budget Statement

Introduction

Demand for Adult Social Care (ASC) rises each year, people are living longer and there are more people living with long term conditions, particularly dementia. There are increasing numbers of young adults in transition to adult services with complex needs.

In Telford;

- The proportion of the population aged over 65 is increasing (14.3% in 2010, 15.9% in 2015), with 27,200 residents now in this age group.
- The population of the borough is projected to grow at a faster rate than the England population and is projected to grow to 196,900 by 2031, an increase of some 23,300 people.
- Over half of the population increase will be in the over 65 age group (12,300 people), with the 85+ age group more than doubling (+117.6%) and the 65-84 age group increasing by a third (33.1%).
- Around 17,400 adults aged 16-64 have a common mental health disorder, 7,700 adults aged 16-64 with two or more psychiatric disorders.
- Around 700 older people aged 65 & over have severe depression. Around 1,800 residents aged 65 & over suffering from dementia.
- Around 4,000 residents have a learning disability. Around 1,400 residents have Autism
- Percentage of the council budget that is spent on Adult Social Care in 2018/19 is 35.04%.

This increased demand for services is at the same time that we are under unprecedented financial pressure with reducing Government grants and a reducing financial settlement for Telford. There is increased public expectation of ASC and rightly an expectation of personalised and flexible support for those who are eligible under the Care Act.

In order to respond to the monumental challenges described whilst continuing to deliver high quality support to those who meet the Care Act eligibility threshold, we will need to radically change our approach to the provision of ASC in Telford. If we want to maintain the level of access that we currently have for ASC we need to signal a different offer to everyone. Social care is often a vital part of enabling people to live independent lives but it is far from being the only component to enable people to live fulfilled lives. We must build and harness the contributions that communities can make to support themselves and the people living in them as outlined in the Commitment Statement March 2017 and the Local Account 2016-17.

We need to build a more sustainable ASC system that promotes and maintains greater independence for most people and which maximises the support available within local communities. We need to enable local communities to respond to the

needs within them to enable them to support each other for longer so that higher level statutory provision is available for those who need it. We need to change the relationship that Adult Social Care has with the public to one that fosters and promotes independence and self-management at every level. We need to ensure that we have different conversations with the public from the moment we first engage with them so that these expectations are understood, promoted and acted upon.

We need to foster independence, progression and recovery for all who use services currently so that they can live a more fulfilled and independent life.

Our Approach within Adult Social Care

We seek to provide advice and guidance as soon as an individual has questions around ASC either ourselves via our staff at Family Connect or with the My Choice service provided by the voluntary and community sector. Ensuring that people are not unnecessarily brought into statutory services before they need to be also helps better use our tight resources. We can't and shouldn't be doing this on our own, our strategy is as follows, with our partners across the whole economy, from within the NHS family, the care sector and the voluntary and community sector;

1. Managing demand

- Right information and advice at the right time to reduce the numbers coming into services.
- Proactively preventing further deterioration and delaying need for high cost services, working with GP's and other partners.

Effective management of the demand for services could save the Council around £1.2m per annum.

2. Promoting Independence

Re-assessing people who are already using services to ensure that we are doing all we can to maximise their independence, recovery and progression to greater independence with a focus on the strengths and asset based approach required in the Care Act.

Changes to care provision will involve providing care differently and innovatively and this will reduce the reliance on high cost care placements such as residential care placements. The overall estimated savings from this initiative is around £0.7m per annum after accounting for reinvestment in new services.

- 3. Managing the price of commissioned care** for those that need this to ensure sufficiency and best value and use of resources. Introducing new systems and effective procurement will reduce costs by an estimated £0.4m

In addition to the above around £0.7m of additional income is to be raised by further joint working with the NHS funding Continuing Healthcare Clients and by recognising the current overachievement of client care contributions. The total expected cost reductions and income of £3m will not be sufficient to align forecast expenditure with the expected base budget. The shortfall is as follows:

	2019/20 £
Investment required in Adult Social Care*	0.842m

- This is in addition to an investment of £770k already approved in March 2018 as part of the Council's Service and Planning Strategy 2018-20.

Strength's based approach

- With this approach we are seeing a **reduction in the number of people we are directly helping** with an increase in the numbers of people being helped within their communities outside of services.
- We are **seeing a reduction in the number of people who are being admitted to residential care** and more people are using community assets to meet their needs.
- We are seeing **an increase in the number of people successfully completing recovery and recuperation programs** and using assistive technology and good housing options to meet their needs.
- We continue to focus resources on **the most vulnerable people supporting them to be safe** with robust, local safeguarding arrangements in place.

We work with individuals using a **strengths and asset based approach which focusses on individual and community resilience** as required by the Care Act. This means we look at the person as part of their community and at the particular strengths they have and the people around them who could offer support. This includes those people who may have had funded services for some time when we will be reviewing and re-assessing the need for longer term support to ensure that we are supporting progression to increased independence and recovery in all that we do.

We seek at every opportunity to exhaust all forms of natural support for those that are eligible under the Care Act before considering funded support from the Council.

APPENDIX 12

TELFORD & WREKIN COUNCIL

EFFICIENCY STRATEGY

2016/17 TO 2019/20

December 2018

Foreword

This 4-year Efficiency Plan covers only the money the Council receives through Revenue Support Grant (RSG). It does not include all the funding received from Government e.g. other revenue grants such as New Homes Bonus or any capital funding. Total local authority funding is clearly in need of urgent review before it further entrenches this country into areas that “Have” and those that “Have-Not”.

The Council welcomes the Government’s current consultations on Fair Funding and how the business rates retention system may operate in future. However, the past impacts of the effects of damping rolled in to the opening position of the current system need to be unwound before we move forwards.

The reductions in Government grants both to RSG and other grants have a disproportionately higher impact on areas with greatest social need. This is primarily why those areas that had higher levels of grant received that funding i.e. to cover the additional costs that they face meeting pressures caused by significant levels of deprivation.

In Telford & Wrekin some of our wards are among the most deprived in England, areas with very high social needs.

At a time when grant is reducing, we are seeing greater demand than ever for many of our services, which are there to support those people with greatest social need. This simply isn’t happening on the same scale as in more affluent areas. In our borough, there are now very real pressures on our services such as those for children and adult social care. These council services play a key part in preventing pressures on an already over-stretched NHS. Without this support, the NHS will struggle.

This is core to our Fair Funding argument and why we believe the Government should raise the average spending power in the borough, which by its own measure is £12m below the England average.

This Council has constantly supported Government policies to help promote growth and is very pro-business. Through our Job Box programme, we have gone way beyond what is expected of a council, proactively tackling unemployment, boosting skills and training in our borough, halving youth unemployment here.

At the same time we are effectively penalised for supporting Government initiatives to restrict rises in council tax and for having one of the lowest council tax rates in the region.

We are penalised because average house values here are much lower, around two thirds are band A or B, yielding a proportionately smaller level of council tax than more affluent areas.

Given the lower average incomes of our residents, our scope to raise more through council tax is very limited compared with more affluent areas.

Add to this a population undercount that by 2020 we estimate will see Government’s calculations lagging behind the true figure here by around 7,000 people and the effect of damping that sees over £1m a year of Government grant that should come to this borough diverted to shore up funding in other parts of the country.

This is a toxic combination at the heart of a funding system that works against areas like Telford and Wrekin that strives so hard to do the right things.

This is why we ask our MPs and community leaders to join us in pushing for funding that is fair to all parts of the country - that recognises the advantages some areas such as the South East enjoy because of where they are, while helping those have-nots who do the right thing but lose out simply because of where they are on a map.

Cllr Shaun Davies
Leader

1. Introduction and Overview

This Strategy has been developed to ensure that the Council can continue to qualify for the 4-year funding settlement and for the Flexible Use of Capital Receipts from Government. A 4-year settlement is essential to the medium-term financial stability of the Council. It will help us to plan our future budget strategy and what services will be delivered; this is essential for both the community and for Council employees too. It will help the Council to take a medium-term view of service transformation and delivery and avoid year-on-year ad hoc responses to an ever changing financial landscape. Flexible use of capital receipts will provide the opportunity to fund expenditure which contributes to the delivery of ongoing savings, such as one-off costs relating to service rationalisation and restructuring, from capital receipts rather than from revenue.

The Council has an excellent track-record in financial management and innovation with spend being within budget for the past 10 years, despite unprecedented cuts to the grant that we receive from Government, and delivering efficiencies is a key component to this.

This efficiency strategy was initially built on the relevant sections of the Council's Service & Financial Plan for 2016-2018 which identifies how efficiencies and savings will be delivered. The Council's two-year Service & Financial Plan is updated annually and the plan for 2018/19 to 2019/20. The full report can be found at www.telford.gov.uk/budget

Since, the adoption of the [Service & Financial Planning Strategy](#) by the Council in March 2016, the Council has continued to develop its projections of the organisation's financial position to 2019/20.

The Council is projecting the need to find an additional £22.3m savings in 2020/21 and 2021/22 This is on top of the £117m delivered since 2009/10 and the £6m required in 2019/20 bringing the total expected savings through to 2021/22 to £146m. This has been, and remains, a huge task and one that has required fundamental redesign of the organisation and the ways that we do business.

Future savings will be more challenging as the "low hanging fruit" has already been harvested making medium term planning and increased certainty over grant levels essential. The proposed flexibility over the use of new capital receipts will greatly assist in funding the necessary one-off costs associated with the huge transformation programme that the Council is undertaking.

2. Telford & Wrekin: The Place

Telford & Wrekin Council serves a population of 177,000 people which is forecast to grow to around 196,900 by 2031. As our population grows, it is ageing and becoming more diverse.

The Borough is a key growth hub in the West Midlands in terms of both housing and the local economy and jobs. We have a strong track record at attracting inward investment from both the private and public sector including £70m from the Ministry of defence and in excess of £80m from Magna (automotive supply chain manufacturing). Manufacturing provides 16.3% (8% England) of jobs in the Borough.

Telford is the focus for much of our housing and economic activity, with the historic market town of Newport to the north and the UNESCO world heritage site of Ironbridge to the south on the banks of the River Severn.

Although at face value it is a successful and attractive place to live, Telford & Wrekin is an area of contrast with 15 neighbourhoods ranked in the 10% most deprived nationally bringing very real

challenges as to how we ensure that all of our population shares in the prosperity which our growing economy generates.

More information about the Borough's population can be found on our [Key Facts](#) webpage.

3. Our Strategy

Our Efficiency Strategy includes three themes:

1. Our approach to delivering efficiencies to make around £67.8m of savings from 2016/17 to 2021/22.
2. How new flexibilities in the use of capital receipts will be used
3. Prudential Indicators for 2016-19 to ensure borrowing by the Council is affordable in the medium to long term.

This strategy will be reviewed at least annually and updated with the progress made delivering each of these themes.

3.1 Delivering Efficiencies

Telford & Wrekin Council has a proven track record of delivering savings and efficiencies. Between 2009/10 and 2018/19 the Council has delivered £117m savings including:

- Reduced the number of jobs by over 1,577 since April 2010, saving around £30m pa following a major redesign and restructuring of the organisation. Reduced the size of the senior management team (Director and Assistant Director roles) by 57% - twice the national average reduction of "nearly 23.2%" as reported by the Municipal Journal
- Cut back-office costs by over 52% since 2009, saving £12m a year.
- Delivered £12.5m procurement savings over the past 9 years by renegotiating and retendering contracts for the provision of services.
- Secured savings of £30m over the lifetime of the waste collection and disposal contract.
- Secured savings of £0.7m p.a. and a better standard of service from the new Grounds and Cleansing contract
- As part of our business winning approach, forecast to generate an extra £7.5m income by 2018, through growth in business rates and council tax since April 2013.
- Receive £6.2m in 2018/19 from the New Homes Bonus paid by the Government to reward councils for increasing housing supply.
- Increased income from more commercial approaches across our services over the past two years, including increasing income from schools outside of Telford & Wrekin.
- Worked in partnership with other local authorities and statutory agencies. Including the West Mercia Youth Offending Service (WMYOS) established in partnership with Worcestershire, Hereford, Shropshire, health, police and probation.
- Reduced the office space we use by a third, saving the Council £2m pa.

Moving forward, the Council will focus on 4 themes to continue to deliver savings.

Theme 1: Focussing on Solving Problems and promoting Social Responsibility and action to manage and reduce demand for services:

- **“Demand Management”** - 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.
- **“Prevention”** – avoid problems which place demand on public services by encouraging people to help themselves to prevent needs developing in the first place.
- **“Early Help & the Right Help”** – when individuals and families do need help and support, we want to identify them quickly and identify the right, effective support first time to avoid issues escalating and requiring more intensive and expensive intervention but also to avoid long-term dependency on our services.
- **“Think Family – Strengthening Families”** – to target our resources at those families most in need of support by taking holistic approach through a key worker model to “turning around” these families. This is a partner-wide agenda and is linked with “Enterprise Telford” through which we aim to deliver more jobs to promote economic independence. **“Working in Communities”** – to reduce demand by targeting our resources at areas in the greatest need of support and working more effectively with the resources which are already in place in our communities. Strong communities place the least demand on public services.
- **“Building Community Capacity”** – the need to harness the resources of the community, community groups and Town And Parish Councils, in helping to improve outcomes for our residents – this is core to our “Co-operative approach”. This includes::
 - **Community self-help** – building people’s social support networks by making best use of the resources and assets which are available in a local area – this helps people remain in and be an active part of their local community
 - **Effective co-production** – supporting the development of service provision by communities and moving away from a narrow focus of meeting needs through practitioner provided services.

Theme 2: Challenging & Changing, Reviewing and Reimagining the way we do things

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:

- **Redesigning services and business 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” and “Family Connect”.
- **Challenging Policies** – e.g. for calculation of Minimum Revenue Provision (changing debt repayment from equal instalments of principal to an annuity basis with cumulative revenue benefits of over £40m by 2019/20).
- **Working with the private sector** – to drive economic growth in order to generate jobs, increase prosperity for the residents and generate additional income for the Council from business rates and New Homes Bonus and Council Tax on new homes built in the Borough. Examples include work with the Telford Business Board and major local employers, the management of the Telford Town Centre shopping centre, house-builders and our Universities.

Building on this progress, moving forward there are some major ways that we will change as an organisation:

- **“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 or face to face.

- **“Improving Business Intelligence”** – we are a data rich organisation, but all services need to be better at turning this data into intelligence to understand who is using our services and the outcomes they receive. As we continue to change the organisation we need to understand the impact of these changes both in terms of efficiency but also in terms of impact on budget and the community too.
- **“Developing new ways of delivering services”** – we will need to be working in an ever more integrated way with our partners including Telford & Wrekin NHS Clinical Commissioning Group, Town and Parish Councils and the Voluntary and Community Sector.

Theme 3: Reducing our Dependency on Government Grants

We have already taken significant steps to reduce our dependency on Government Grants and we will continue to drive them forward:

- **“Increasing income through trading our existing services”** – there are many Council services that already “trade” outside the organisation and secure income. For example Finance and HR and Catering.
- **“New commercial development/projects”** – we have developed a track record on taking on new ventures to deliver income to the Council and protect front-line services:
 - A solar farm providing £4.4m profit over the next 25 years.
 - Established “NuPlace”, a housing company which will provide over 400 new homes for private and affordable rent, with the first homes with the first homes now occupied.
 - Established a Growth Fund to invest in development of premises for businesses to encourage job creation and retention as well as generating additional rental income and business rates income

We will continue to research and develop new opportunities that can bring in an income stream to the Council. Our approach will always be business case-based.

- **“Maximising existing funding streams”** – there are 3 main areas which we are already progressing and will continue to drive:
 - **Business Supporting, Business Winning** – continuing to work to attract new investment and work to support the retention and growth of existing businesses. As well as being the right thing to develop jobs and growth in the Borough, the Council receives 49% of all new **business rates** rising to 73.5% in April 2020 subject to the implementation of the Government’s business retention rate programme.
 - **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 2018 Centre for Cities report as the top local authority for housing growth. Through this the Council will see **new Council Tax** and Business Rate receipts, as well as receiving the Government’s **“New Homes Bonus”** for new homes – until any major changes to the local government finance system.
 - **Property Investment Portfolio** - a property investment portfolio delivering £7m income per annum from rental income.
- **“Securing external funding”** – again we have successfully driven this agenda, including £18.79m capital funding through the Marches Local Enterprise Partnership Local Growth Fund. In addition, we have also joined the **West Midlands Combined Authority**

(WMCA) and are actively working through this to maximise future opportunities for the Borough to build on the £3.7m already secured from the WMCA. The £3.7m grant we have secured has kick-started building new homes on stalled brownfield sites in the borough and created new jobs. These new homes will generate additional ongoing income for the Council from Council Tax of over £0.5m pa and New Homes Bonus grant of a similar amount for the first 4 years after construction.

To continue to reduce our dependency on Government Grants, building on our achievements to-date, we must continue to be creative, fast-acting and smart to identify and realise opportunities.

Theme 4: Being a modern Organisation with Modern Practices and Where we Always Get the Basics Right

Core to being a modern organisation is continuing to reshape the Council's relationship with its staff. We must continue to move towards a more flexible, more pragmatic and less bureaucratic approach to decision making. This means:

- Increased autonomy for managers and staff to take decisions
- Greater focus on workforce development
- Greater flexibility including wider more flexible working and job descriptions for staff
- Encourage creative thinking and challenge
- Focus on efficiency and reducing bureaucracy
- Increased staff engagement so that employee representatives will have a greater influence in the organisation

Whilst driving change and reshaping the relationship between the Council and its staff, we will continue to focus on getting the basics right, including:

- **Safeguarding our most vulnerable children and adults**
- **Procurement and purchasing** – ensuring that we maximise value from the services which we procure
- **Contract management** – ensuring that we always receive the service or products which we have procured through effective monitoring of delivery and renegotiation of contracts.

Table 1: Projected Savings by Theme

	Savings Approved in 2016/17 £	Savings approved in 2017/18 £	Savings approved in 2018/19 £	Total Savings 2016/17 to 2019/20 £
1. Focusing on solving problems and promoting social responsibility and action to manage and reduce demand for services	0.6m	1.4m	0.5	2.5
2. Challenging & changing, reviewing and reimagining the way we do things.	15.0m	9.7m	5.3	30.0
3. Reducing our dependency on Government grants.	2.5m	3.1m	5.1	10.7
4. Being a modern organisation with modern practices and where we always get the basics right		0.5	1.8	2.3
Total in year savings	18.1	14.7	12.7	45.5

Risks to Delivery

As an organisation which provides a vast range of different services to the community and spends in excess of £420m revenue per annum, the management of risks is an important consideration. The Council has a strategic [risk register](#) which is used to identify the substantive issues which may have a financial impact. This is reviewed regularly by Senior Management Team to manage and mitigate risks. As part of the budget setting process, risks, impacts and possible mitigation are considered for each saving proposed.

Reductions in funding is an acknowledged risk and as the multi-year offer only covers specific funding streams (RSG, Transitional Grant and Rural Services Delivery Grant) there remains an element of uncertainty over other income levels. The Council undertakes a risk-based review of the level and adequacy of reserves and balances each year and will continue to do this in the context of a multi-year settlement.

Contingency arrangements are also key to a sustainable Service & Financial Planning Strategy. In 2018/2019 a general contingency was set aside to cover any unforeseen expenditure during the year as well as specific contingencies for Adult Services and Safeguarding, the two highest risk service areas. Consideration of contingency requirements is part of the annual budget setting process.

A robust monitoring regime is in place to identify any adverse variances early, including non-delivery of efficiencies, so that corrective action can be taken.

The Council has an Invest to Save/Capacity Fund created to support and accelerate the delivery of ongoing efficiencies.

3.2. Capital Receipt Flexibility

Telford & Wrekin Council welcomes the additional flexibility on the use of capital receipts generated in the six year period commencing 1st April 2016. This will enable some of the revenue costs associated with significant organisational transformation. This includes:

- the necessary costs associated with remodelling and reducing the workforce;
- invest to save projects;
- funding temporary additional capacity to project manage change programmes in key areas.

These would otherwise be a drain on scarce one-off revenue funds or alternatively delay the revenue benefits to the General Fund revenue account which would necessitate further cuts to front line services. We will be able to manage in a more strategic and planned way if this flexibility which has been requested by councils for many years is allowed.

We propose to use this flexibility as follows:

	2016/17 (£m) actual	2017/18 (£m) actual	2018/19 (£m) estimated	2019/20 (£m) estimated
Service transformation costs	£0.3	£0.9	£0.7	£0.5
Severance fund as the Council may lose a further 500 staff over the next 3 years	£4.9	£1.0	£2.0	£3.1
Invest to save fund to develop community capacity to deliver services which the Council will no longer provide.			£	£0.4
Total	£5.2	£1.9	£2.7	£4.0

3.3. Prudential Indicators

The Council's Service & Financial Plan for 2019/20 to 2020/21 sets out the Council's prudential indicators for 2019/20. These indicators are designed to ensure that the Council's capital borrowing is affordable and does not place undue burden on the Council's revenue budget or Council tax payers (i.e. the cost of servicing the interest paid on capital borrowing).

The Council's Prudential Indicators for the Medium Term Financial Strategy will be approved by Full Council on 28 February 2019.

December 2018

TELFORD & WREKIN COUNCIL**CABINET - 3 JANUARY 2019****APPLYING FOR CIVIL PARKING ENFORCEMENT POWERS****REPORT OF THE ASSISTANT DIRECTOR – CUSTOMER & NEIGHBOURHOOD SERVICES****LEAD CABINET MEMBER: CLLR RICHARD OVERTON, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING AND ENFORCEMENT****PART A) – SUMMARY REPORT**

- 1.1 Following approval by Cabinet on 31 May 2018 to develop a business case to apply for CPE powers a four week consultation was undertaken to understand the issues in relation to illegal parking across the Borough. The summary of results (**See Appendix A**) confirm that there are illegal parking hot spots across our borough particularly outside of schools, misuse of disabled parking bays along with a problem with on street parking. The results of the survey will feature in our application to the Department for Transport (Dft) to take over the powers from West Mercia Police. In doing so illegal parking will move from a criminal to a civil offence.
- 1.2 Subject to Cabinet approval our application will be submitted in January however Dft have confirmed that due to their current workload they are unlikely to consider transfer of powers until Autumn 2019. In the interim the Police will continue to oversee illegal parking in our borough.
- 1.3 The recommendation to take on these powers has been assisted by the £200,000 transitional funding, over the first 4 years of the scheme, provided by the Police and Crime Commissioner. Following positive discussions with a number of town and parish councils, who have already engaged in partnership deals to tackle parking enforcement through funding Police Community Support Officers (PCSO's), that their funding will also be diverted to continue to support the new Neighbourhood enforcement model as described below.
- 1.4 Having considered a number of operating models it is recommended that we adopt an in house model employing a team of 5 Neighbourhood Enforcement Officers. These officers would hold a number of powers not only to enforce on illegal parking offences but also on other crimes such as abandoned vehicles, fly tipping, littering and dog fouling. An in house team will allow the council to reflect the values and culture of the council. We will adopt an education first approach with enforcement being the last resort. We will not be a council that is chasing an income target as can be seen in other parts of the country. With the additional funding secured

through other partners our Neighbourhood Enforcement Officers would not be given any targets to meet.

- 1.5 The Council's cross party Finance and Enterprise and Community Scrutiny Committees have been assisting in the consideration of the business case for applying for CPE powers for the last 12 months. At their meeting on 28th November, 2018 they gave their support for the council to apply for these powers at the earliest opportunity.

2 RECOMMENDATIONS

- 2.1 Cabinet note the findings of the consultation on parking in **Appendix A**
- 2.2 Cabinet approve the submission of the council's application to adopt Civil Parking Enforcement powers to the Department for Transport at the earliest opportunity.
- 2.3 Cabinet to endorse the in house model of 5 Neighbourhood Enforcement Officers providing borough wide coverage for parking enforcement and other aspects of ASB.
- 2.4 Delegated authority be given to the Assistant Director: Customer & Neighbourhood Services in consultation with the Deputy Leader & Cabinet Member for Communities, Housing and Enforcement to approve the Council's Parking Strategy currently being finalised.
- 2.5 Delegated authority be given to the Assistant Director: Customer & Neighbourhood Services in consultation with the Deputy Leader & Cabinet Member for Communities, Housing and Enforcement to implement CPE subject to receiving approval from the Department for Transport.

SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes/No	These powers will assist in addressing illegal parking problems in many of our borough towns and high streets as well as addressing issues outside of schools thereby helping to improve safety within our communities.
	Will the proposals impact on specific groups of people?	
	Yes/No	Borough wide impact.

TARGET COMPLETION/ DELIVERY DATE	Business Case Submission – January 2019 Implementation – Autumn 2019 onwards (subject to Parliamentary time)	
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes/No	<p>The business case on CPE for the DfT demonstrates that no financial burden is placed upon the Council in taking on CPE powers. Should a surplus be generated from CPE it must be reinvested back into the highways and transport infrastructure.</p> <p>Funding from the Police Crime Commissioner of £200k in total will be received in the first 4 years to help support the implementation in the early years and running costs.</p> <p>At present 5 Town and Parish Councils contribute £120k in total per annum to the PCC towards work undertaken by the PCSO's. The work undertaken by Council officers under CPE will include enforcement activity currently carried out by the PCSO's. The Council will work closely with Town and Parish Councils to secure equivalent funding for the council run in house team deploying CPE.</p> <p>The CPE financial model includes costs of existing staff within the Councils own Enforcement Team and funding from the Police and Crime Commissioner and Town and Parish Councils. The net costs of the CPE model after accounting for external funding is estimated to break even with any risks of deficits being funded from existing budgets available for staffing and supplies and services in the Councils own Enforcement Team.</p> <p>MLB 22.11.18</p>
LEGAL ISSUES	Yes	<p>Legal Services have been advising the CPE Operational Board on this matter in respect of consultation, the application, implementation and subsequent enforcement of the CPE provisions.</p> <p>The relevant legal requirements have been identified and will be addressed in the Council's Parking Strategy and related Enforcement Policy.</p> <p>PM 29.11.18</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes/No	<p>Risks</p> <p>Our residents may perceive this is a revenue-raising exercise however that is certainly not the case and our efforts will be on prevention and education rather than adopting a culture of finding where we chase an income target as has been seen in other areas across the country and largely where an external company is fulfilling the role. The council is proposing an in-house</p>

		<p>team where the culture and approach on the ground can be managed and developed appropriately.</p> <p>Further education exercises will be undertaken prior to implementing CPE to ensure the public understand how CPE works to address poor illegal parking. Any income raised over and above the operating costs of CPE must by law be reinvested into improving highways and transport in the Borough such as maintaining our free car parking or investing in sustainable transport and improving off street parking.</p> <p>Opportunities Capability to enforce waiting restrictions and respond positively to community and school concerns over illegal and unsafe parking across our borough which has not been prioritised by our colleagues in the Police as their priorities more recently have been on tackling serious and organised crime in our borough.</p>
IMPACT ON SPECIFIC WARDS	Yes/No	Borough wide impact

PART B) – ADDITIONAL INFORMATION

3. INFORMATION

- 3.1 The enforcement of parking restrictions in the borough has been identified as an area of concern for town and parish councils and residents, following the withdrawal of the police's traffic wardens in 2009. At present the only organisation with powers to enforce on-street parking offences are the police, primarily through local policing teams. West Mercia police have locally acknowledged that parking enforcement is unlikely to be a long term priority, and that in many instances it is not possible to allocate the level of policing resource that parking enforcement requires.
- 3.2 In order adopt CPE powers the Local Authority must submit a business case to the DfT which considers the strategic, policy and financial case in respect of CPE. The application must cover five key areas: -
- A parking strategy for on-street and off-street parking.
 - A review of parking management identifying enforcement arrangements relating to CPE.
 - A financial assessment detailing the costs of a scheme and expected income.
 - A full review of all traffic regulation orders (TROs) in the borough.
 - That the authority has consulted as required and taken account of consultees' views in finalising the application.
- 3.3 Having adopting CPE powers a local authority can issue Penalty Charge Notices (PCNs) to motorists who have contravened parking restrictions (for example parking on double yellow lines, school keep clear or on the footway). Income raised through enforcement must first be used to cover the cost of enforcement and adjudication of any disputed PCNs. Any surplus revenue has to be reinvested into highways and transport for example:
- Maintaining free car parking in our local centre's
 - Helping to improving residential car parking
 - Investing in sustainable transport including cycling, walking, electric vehicle charging and public transport.
- 3.4 The consideration of adopting CPE powers has been subject to a review by the Council's Finance and Enterprise and Community Scrutiny Committee at the request of the leader of the Council in 2017. This included engagement with Parish and Town Council's and West Mercia Police. Following the Leaders discussions with the West Mercia Police and Crime Commissioner (WMPCC) Mr Campion confirmed his support and aspiration for the council to take on the powers and in doing so agreed to provide £200,000 in transitional funding. As a result it was agreed to seek approval to submit the business case to the DfT which was approved by Cabinet in May 2018.

4 CONSULTATION

- 4.1 A four week consultation was carried out between 17 September and 14 October 2018.
- 4.2 The national CPE guidance for Local Authorities states that the Council should undertake consultation including all stakeholders but specifically:
- Those with a disability that affects their mobility including eye sight and hearing
 - Shop owners including local High streets businesses
 - Town and Parish Councils particularly those funding PCSOs
 - Driving interest groups
 - Plus statutory organisations such as the Parking Tribunal
- 4.3 As a result of the above, with the exception of the last point that will be undertaken as part of the application phase, the consultation was developed with these key stakeholders in mind.
- 4.4 The purpose of the consultation was to improve the public's understanding of what CPE is, how it will operate, and to understand the public's key priorities and issues with regards to illegal parking.
- 4.5 Consultation was carried out via an online survey in which respondents were asked a series of questions relating to the following areas:
- Off street car parks
 - Disabled parking
 - School parking
 - Pavement parking
 - Permit parking schemes
 - Business waivers
 - Electric Vehicle Charging Points
- 4.6 In total 1,002 completed surveys were submitted. 957 of these responses were from people who identified themselves as borough residents (96%). The summary details are attached as an appendix to this report and will be used to finalise the Parking Strategy for Telford & Wrekin. Headlines from the consultation include 78% of respondents experiencing bad parking outside of most of our schools, 82% confirmed they found pavement parking to be a problem and there was evidence of misuse of disabled parking bays.

5 PROPOSED OPERATING MODEL

- 5.1 Work has been ongoing to assess potential operating models for CPE. This work has included reviewing partial or fully outsourced methods as well as an in house team.

- 5.2 It is clear that it would not be practical or cost effective for the authority to set-up its own back office operation which involves the management of appeals and given the high operating costs these functions should be managed externally. This is already the current operating model we use for managing council run car parks and a model we propose to deploy having adopted CPE powers.
- 5.3 The option to outsource our neighbourhood enforcement officers (the physical issuing of notices) has also been considered. However, due to the risk of losing an element of control, particularly around the 'education' element of enforcement it is recommended that the Council retains these functions in house to ensure the culture is managed appropriately. Retaining these functions support the Councils approach in ensuring that CPE is not driven by profit making that requires strict targets to be met, but is one that seeks to appropriately address parking issues fairly and sensibly across the Borough.
- 5.4 As part of introducing the new model there will need to be a transition period between the current PSCO's employed by the police and the new Neighbourhood Enforcement Officers being recruited to. Therefore, it has been agreed with the Police that they will continue to provide parking enforcement until the council has secured the powers and has the staff in place ready to operate.
- 5.5 The new Neighbourhood Enforcement Officers will continue to work closely with the existing Integrated Community Management model (ICM) in operation with the support of a number of town and parish councils. The model currently helps in responding to local community issues in relation to litter, fly tipping, highway encroachment and anti-social behaviour and is attended by the local neighbourhood policing team as well as council enforcement offers.
- 5.6 Assuming a Neighbourhood Enforcement Officer model, the financial business case has been updated, taking into account current expenditure around council owned car park management.
- 5.7 The Police & Crime Commissioner has stated that the Police will fund up to £200,000 in the first 4 years of CPE operation.
- 5.8 This business case overleaf shows that the net cost of implementing CPE for the first four years of the scheme which is cost neutral to the council. The model includes for a very low number of parking fines to be issued supporting an education first culture, the £200,000 funding from the PCC and funding from those town and parish councils who entered into a partnership deal with the council to enhance parking enforcement in their area currently facilitated by a Police Community Safety Officer (PSCO). The council's revenue budget used for car parking enforcement on council owned car parks has also been included. This revenue budget reduces overtime to facilitate savings already approved in a previous budget strategy. See table overleaf.

	Year 1 2019 £000's	Year 2 2020 £000's	Year 3 2021 £000's	Year 4 2022 £000's
Net Cost of Scheme (Yr1 including set up costs)	£223	£190	£190	£190
Police & Parish funding	£108	£140	£140	£140
Existing Council Revenue Enforcement Budgets	£115	£50	£50	£50
Impact on Council budgets	£0	£0	£0	£0

A review of the business model will be undertaken at the end of Year 3 with results presented to both Cabinet and Scrutiny.

6 PREVIOUS MINUTES

n/a

7 BACKGROUND PAPERS

Appendix A – Consultation Summary Report

Summary

Following approval by Cabinet on 31 May 2018 to develop a business cases to apply for CPE powers a four week consultation was carried out between 17 September and 14 October.

The purpose of the consultation was to improve the public's understanding of what CPE is, how it will operate, and to understand the public's key priorities and issues with regards to illegal parking.

Consultation was carried out via an online survey in which respondents were asked a series of questions relating to the following areas:

- Off street car parks
- Disabled parking
- School parking
- Pavement parking
- Permit parking schemes
- Business waivers
- Electric Vehicle Charging Points

In total 1,002 completed surveys were received of which 957 (96%) were from respondents who identified themselves as borough residents. 23 responses were received from respondents who work in Telford and Wrekin (2%), 11 from visitors to the borough (1%) and 11 from local businesses (1%).

Off street car parks

Respondents were asked about the different issues they had experienced in the Council's free and pay to use car parks in nine areas of the borough.

- In six of the nine areas the main issue experienced by respondents was not enough parking spaces (Newport, Oakengates, Wellington, Ironbridge, Dark Lane and Hall Court).
- Abuse of disabled parking was the main issue indicated for both Dawley and Hadley whilst the main issue experienced by users of Southwater multi storey car park was people parking outside of marked bays.
- In all car parks fewest respondents reported that they had experienced issues with unclear signage leading to and inside the car park.

Respondents were then asked to consider the impact that a new parking scheme with a three hour limit had made to short stay car parking in Wellington and whether this scheme should be extended throughout the borough.

- When asked whether they would like to see this introduced at other short stay car parks in the borough two thirds of respondents indicated that they would (66%).
- Newport (67%) and Oakengates (60%) were the areas indicated by the majority of respondents that would benefit most from a similar scheme.

Disabled parking

- 22% of respondents indicated that they were blue badge holders or regularly transported someone who was.
- 74% of these said that there are not enough disabled parking places for their needs.
- 85% of these respondents reported that they experience problems finding spaces in local centres and 69% in off street car parks.
- Nine respondents had a disabled parking space marking outside of their property. Eight of these reported that they had problems with other people using the bay (both other blue badge holders and non-blue badge holders), two indicated that they were prepared to pay an increased fee for parking in these bays to be enforced.

School parking

- 78% of respondents indicated that they had experienced bad parking outside of schools in the borough.
- Pavement parking and parking in restricted areas were highlighted as the main parking problems outside of schools.
- All but six schools in the borough were mentioned as having parking problems.
- Particular issues were highlighted in areas where schools are situated in close proximity to each other, e.g. Wrekin View and St Patrick's in Wellington and Moorfield Primary and Newport Girls' High School in Newport.

Pavement parking

- 82% of respondents indicated that in their experience pavement parking is an issue in the borough.
- 16% indicated that they regularly have to park on the pavement. The main reasons cited for this were the width of the road preventing parking fully on the road without causing an obstruction and a lack of available parking spaces.
- 86% said that pavement parking was an issue in residential areas and 64% found it to be an issue outside schools.
- When asked how they would like to see pavement parking restricted, there was little difference between the proportion in favour of lines preventing parking on the pavement and the road (49%) and signs allowing parking on the road but not on the pavement (51%).

Permit parking schemes

- 33% of respondents thought that permit parking schemes would improve parking in their area, compared with 46% who thought it would not and 22% who indicated that they did not know.
- Of those respondents who indicated that they thought a permit scheme would improve parking, more than half (55%) answered that they would be willing to pay for a parking permit to help cover the cost of running the scheme in their area.

Business waivers

- Of the 11 businesses responding to the survey, 8 indicated that they experienced issues undertaking their business due to parking restrictions in the borough.
- Four of the business indicated that they would use a waiver scheme. Of those four, one indicated that they would be prepared to pay for it.

Electric Vehicle Charging Points

- 2% of survey respondents indicated that they currently own an electric vehicle.
- 79% of electric vehicle owners indicated that they did not know where charging points are located within the borough.
- 14% of those respondents who did not currently own an electric vehicle indicated that they were considering buying one. 15% indicated that they didn't know whilst the majority (71%) responded no.
- When asked if they would consider buying an electric vehicle if there were more charging points available within their street, the number of respondents who said they would consider doing so more than doubled (29%).
- Southwater (81%), Wellington (66%), Ironbridge (60%), Newport (56%), Hall Court (55%) and Oakengates (51%) were identified as the most important locations for electric vehicle charging points.

Other responses

In addition to the online survey responses were also received by email from three parish councils highlighting particular parking issues in their areas. A letter in support of the application was also received from the Police and Crime Commissioner.

TELFORD & WREKIN COUNCIL

CABINET – 3 JANUARY 2019

SCHOOL FUNDING FORMULA 2019/20

REPORT OF THE ASSISTANT DIRECTOR: EDUCATION & CORPORATE PARENTING

LEAD CABINET MEMBER – COUNCILLOR SHIRLEY REYNOLDS

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 Each year we review the local funding formula for mainstream schools in the context of revisions to Department for Education (DfE) regulations or any other relevant developments. Although we consult with schools and the Schools Forum regarding any changes, the Council makes the final decision on the funding formula. The local funding formula applies both to academies and maintained schools and in 2019/20 will determine the distribution of around £116m of funding.
- 1.2 The following is proposed for 2019/20:

We continue to use the additional funding allocated by the DfE to move towards the DfE's National Funding Formula (NFF) model for school funding, details of which were published in 2017, and maintain local minimum funding guarantee protection at 0%, more generous than the national minimum of -1.5%.
- 1.3 The revised funding formula has to be submitted to the Education & Skills Funding Agency (ESFA), a DfE agency, by 21 January 2019.
- 1.4 This report seeks Cabinet approval for the proposed 2019/20 funding formula for Telford & Wrekin mainstream schools.

2. RECOMMENDATION

- 2.1 **That the 2019/20 funding formula for Telford & Wrekin mainstream schools, as consulted on with the Schools Forum, be approved.**

3 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-operative Council priority objective(s)?	
	Yes	By ensuring that as far as is possible schools receive fair funding for their pupils, this supports the objective to improve local people's prospects through education and skills training.
	Will the proposals impact on specific groups of people?	
	Yes	Children, young people, parents and the wider community served by schools.
TARGET COMPLETION/DELIVERY DATE	The revised funding formula will take effect from 1 April 2019 for maintained schools and from 1 September 2019 for academies. Details of the formula have to be provided to the ESFA by 21 January 2019.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	Most mainstream schools in Telford & Wrekin (T&W) are forecast to again receive an increase in funding in 2019/20, both in funding per pupil and in total funding. This is because the revised method of allocating funds to local authorities for their mainstream schools has benefited Telford & Wrekin and also because many local schools are experiencing increases in pupil numbers. For the small number of schools with a potential reduction in funding per pupil there is a Minimum Funding Guarantee (MFG). The national minimum is minus 1.5%, but in the context of the increasing funding for T&W, we propose to continue to set the local MFG at 0%, meaning that no school in T&W will experience a reduction in funding per pupil in 2019/20.
LEGAL ISSUES	Yes	The revised arrangements have to comply with the Government's School Finance Regulations.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	Yes	The revised funding formula will affect all schools in T&W, including academies, with the exception of nursery schools, special schools and independent schools and so will impact upon all Wards across the Borough.

PART B) – ADDITIONAL INFORMATION

4 THE FUNDING SYSTEM FOR SCHOOLS

4.1 Dedicated Schools Grant (DSG) is allocated to local authorities by the DfE in four blocks; Schools, High Needs, Early Years and Central School Services, using the following bases:

- Schools Block: Calculated by multiplying the number of pupils at the preceding October census (i.e. October 2018 for 2019/20) by a unit of funding, which is different for each local authority. The 2019/20 allocation for T&W is £117m
- High Needs Block: Calculated by a combination of historic allocations and a national funding formula. The 2019/20 allocation for T&W is £22m.
- Early Years Block: Calculated by taking the average pupils in the relevant two January censuses (i.e. January 2019 and January 2020 for 2019/20) and then multiplying by a unit of funding. The 2019/20 allocation for T&W is £12m.
- Central School Services block: Calculated by a mixture of historic expenditure levels and number of pupils. The grant was introduced in 2018/19 replacing (albeit at a much reduced level) the abolished Education Services Grant. The 2019/20 allocation for T&W is £1m.

4.2 There is some flexibility to move money between blocks, but any movement out of the Schools and Early Years blocks is limited in scale and subject to a Schools Forum vote. DSG as a whole is ring-fenced for schools.

4.3 The final distributions of DSG are notified in December, based upon October census data.

4.4 DSG is distributed to institutions as follows:

- Mainstream schools - via a locally determined funding formula, within the constraints of DfE regulations. The details of this are discussed in section 5 below.
- Special schools and pupil referral units (PRUs) - via a place plus top-up system, the place element being set nationally at £10,000, the top-up element being locally determined. The number of places is determined by a combination of the local authority and the ESFA.
- Nurseries, nursery classes and private, voluntary and independent early years providers – via an Early Years Single Funding Formula for 3 and 4 year olds, a locally determined formula, within the constraints of DfE regulations, calculated on the basis of a single hourly rate for 2 year olds (currently set at £5.11 in T&W).

4.5 A significant and increasingly high profile issue in the school funding system is the inadequacy of high needs funding allocations from the DfE, given legislative change and demographics. In recent years the DfE has extended the potential right to high needs support from 19 to 25, and reduced flexibility around DSG, whilst there are increasing

numbers of children and young people with high needs and higher expectations for provision. Recent research for the Local Government Association (LGA) and the Association of Directors of Children's Services (ADCS) show rapidly increasing levels of DSG deficits in local authorities as a result. T&W has a number of initiatives in place with the aim of delivering the most effective and cost efficient provision possible, but is experiencing similar difficulties to most other LAs in dealing with the fundamental problems in the system.

- 4.6 In response to this issue, the DfE allocated an additional – and unexpected - £250m to high needs revenue allocations in the December DSG settlement. T&W's share of this is £0.84m, £0.42m in each of 2018/19 and 2019/20. This will help to alleviate high needs pressures and this will be discussed at the Schools Forum in January.

5 T&W 2019/20 FUNDING FORMULA

- 5.1 The DfE is calculating 2019/20 Schools Block funding allocations to local authorities by continuing to move towards a National Funding Formula (NFF). This revised methodology replaced the existing historically based allocations in 2018/19.
- 5.2 The NFF is benefiting T&W schools. If fully implemented the DfE's illustrative increase for T&W is 6.8% per pupil. It will take at least a further two years to be fully implemented, but in 2018/19 the increase was 2.7% with a similar further increase in funding in 2019/20. This meant approximately £3m of additional resources in 2018/19 and will mean a further £3m being allocated in 2019/20. It is in addition to any increases arising from increasing pupil numbers. The 6.8% increase represents the 13th largest out of 152 local authorities in England. It is good news for our schools and provides some vindication for our long-standing belief that mainstream school funding for T&W has previously been held at an unjustifiably low level by the DfE. In 2019/20 mainstream funding per pupil in T&W ranks 84th out of 150 local authorities – still slightly below the mid-point, but in the context of much higher funding for London authorities due to area cost adjustments around the 'average' level for non-London authorities.
- 5.3 The local funding formula for 2019/20 was discussed with the Schools Forum on 20 September. The Forum agreed that we should continue with the agreed principles in 2018/19, which is to continue to move our local funding formula towards the NFF model, as more funding is allocated by the DfE and continue with a local minimum funding guarantee (MFG) of 0% per pupil, offering more protection than the minus 1.5% per pupil set nationally. An MFG set at 0% means that no school will experience a decrease in funding per pupil (subject to the possible top-slice outlined in paragraph 5.4 below).
- 5.4 The actual allocations to schools can only be finalised once the confirmed data from the October 2018 census is released by the DfE in December. The amounts received by schools will also depend upon the amount top-sliced from mainstream school budgets to support High Needs. The Forum has already agreed, at the meeting held on 22 November, a top-slice of 0.5% of the total mainstream school budget (i.e. around £570,000) in order to alleviate high needs budget pressures (see paragraphs 4.5 and 4.6 above).
- 5.5 Allocations to schools are also influenced by the amount allocated to growth funding. A number of secondary schools have agreed to increase their pupil numbers intakes from September 2019 in response to demographic pressures and we plan to fund such schools using estimated pupil numbers.

- 5.6 Cabinet approval is therefore for the principles behind the local funding formula for schools, rather than the precise amounts allocated to each school.

6 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 6.1 Schools continue to be protected by the national Minimum Funding Guarantee, which prevents any year on year reduction in funding for a school exceeding 1.5% per pupil. As noted above, T&W is proposing to continue with a local protection that amends this to 0%, a more generous level of protection.
- 6.2 Under current regulations, the formula can be reviewed and if desirable it can be amended by the local authority each year. This may change from 2021/22 if an NFF at school level is introduced by the DfE.

7. PREVIOUS MINUTES

- 7.1 Minutes of the meetings of the Cabinet held on 12 November 2015 (concerning the 2016/17 funding formula), 15 January 2017 (concerning the 2017/18 funding formula) and 4 January 2018 (concerning the 2018/19 funding formula).

8. BACKGROUND PAPERS

“Schools revenue funding 2019 to 2020: Operational guide”, Education & Skills Funding Agency, July 2018.

T&W Schools Forum, minutes and accompanying papers of meetings held on 20 September 2018 and 22 November 2018.

Report prepared by:

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Group Accountant

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TELFORD & WREKIN COUNCIL**CABINET – 3 JANUARY 2019****DECLARATION OF DAWLEY POOLS AND PITMOUNDS LOCAL NATURE RESERVE****REPORT OF ASSISTANT DIRECTOR: BUSINESS, DEVELOPMENT & EMPLOYMENT****LEAD CABINET MEMBER – CLLR J MINOR****PART A) – SUMMARY REPORT****1. SUMMARY OF MAIN PROPOSALS**

- 1.1 This report sets out proposals for cabinet to approve the declaration of Dawley Pools and Pit Mounds Local Nature Reserve under the National Parks and Access to the Countryside Act 1949.
- 1.2 The Council places great importance on the protection of, and the provision of access to, the natural environment. The Council has made a commitment to identify, retain and protect locally important green spaces valued by the local community for both the wildlife they support, the opportunities they provide for leisure and recreation and the positive impacts they bring to health and wellbeing.
- 1.3 The protection of the natural environment is delivered through a hierarchy of statutory and non-statutory site designations and a series of planning policies set out in the Telford and Wrekin Local Plan.
- 1.4 Telford and Wrekin's designated site network currently includes;
 - 8 Sites of Special Scientific Interest
 - 47 Local Wildlife Sites
 - 9 designated Local Nature Reserves
 - 5 adopted Local Nature Reserves
 - 3 proposed Local Nature Reserves (pLNR)
 - 200 Green Guarantee Sites
 - 52 Ancient Woodland Sites, and
 - 25 Local Geological Sites
- 1.5 Approving the declaration of Dawley Pools and Pit Mounds Local Nature Reserve will add to the fourteen reserves already approved by Cabinet, increasing the coverage of approved LNR's by 38 hectares to 515.36 hectares.

- 1.6 Dawley Pools and Pit Mounds proposed Local Nature Reserve is situated in the south-west of Telford. The site forms a network of protected sites with Lightmoor pLNR to the west and Rough Park pLNR to the south.
- 1.7 The site supports a network of wooded pit mounds and pools including:
- Castle Pool and The Dandy to the north
 - A collection of pools to the south including Wide Waters and Furnace Pools, and
 - The 'Sprynge' Pool to the south west
- The site supports a diverse bat assemblage with five species known to use the site. An un-named pool to the south of Wide Waters supports the only known site in the borough for Mare's-tail, a rare aquatic plant decreasing in range across Shropshire. Furnace Pools is also known to support the largest recorded population of great crested newts in the borough.
- 1.8 The site has high nature conservation value and a very high level of community interest and involvement with both Dawley Hamlets and Great Dawley Parish Councils supporting the newly formed Friends group.
- 1.9 Two areas of land immediately adjacent to parts of the proposed LNR are leased to the Telford Steam Railway Trust on a 999 year lease. Following consultation with the Trust, and following cabinet approval, a management agreement will be composed between the Council and the Trust to manage these areas of track bed for their nature conservation value whilst not constraining the future ability for the track bed to be reinstalled.
- 1.10 Maps showing the proposed LNR are presented in Appendix 1. The areas leased to the Telford Steam Railway Trust and proposed to be included in a future management agreement are illustrated in Appendix 2.

2. RECOMMENDATIONS

It is recommended that cabinet:

- 2.1 Approves, in principle, the declaration of Dawley Pools and Pit Mounds Local Nature Reserve; and
- 2.2 Delegates authority to complete the declaration process to the Assistant Director: Business, Development & Employment.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	The designation of the LNR contributes to several priorities, including: <ul style="list-style-type: none"> • ensuring that neighbourhoods are safe, clean and well maintained • improving the health and wellbeing of our communities and • addressing health inequalities
	Will the proposals impact on specific groups of people?	
	Yes	The proposed LNR is a beneficial resource to people who live and visit the area.
TARGET COMPLETION/ DELIVERY DATE	Agreement at Cabinet – January 2019	
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	<p>Legal and due diligence surveys including geotechnical risk assessments (prior to the legal designation) will be funded from within the Strategic Planning Team budget and from a dowry received from Homes England Land Deal. The surveys are estimated to be in the region of up to £4,500.</p> <p>The dowry arose from a wider transfer of land from Homes England and is to fund ongoing maintenance of sites transferred to the Council as part of the HCA Land deal.</p> <p>If reasonable and proportionate steps are required as a result of the geotechnical risk assessment (referred to above and in 8.1, a request will be made to secure further funding from the current dowry received from Homes England.</p> <p>The Council, in partnership with the newly formed 'Friends of' group will continue to manage and maintain the site at its current levels in accordance with the draft management plan. The 'Friends of' group will provide ongoing support and will be responsible for securing third party funding for any additional works or site improvements,</p>

		<p>over and above the current maintenance regime.</p> <p>Where opportunities arise future Section 106 contributions will also be sought from developments adjacent to, and in the vicinity of, the LNR to enable additional enhancements over and above the current site maintenance regime.</p> <p>Telford Steam Railway Trust have a 999 year lease, this area of land is excluded from this LNR. However to ensure these areas are conserved and protected a Management Plan will be agreed, this will also enable track beds to be reinstalled. The ongoing maintenance costs will be held within current levels.</p> <p>Furnace Pools, to the south of the site, is listed under the Green Guarantee and is eligible for £1000 of Legacy Funding. Opportunities to match fund this are currently being explored. The ERDF funding will be ringfenced and used to provide biodiversity enhancements at the site.</p> <p>The proposed LNR contains a single grazing paddock and fishing rights adjacent to Wide Waters. The income streams from these will not be affected by the LNR declaration. (AEM 29/11/18)</p>
LEGAL ISSUES	Yes	<p>The Council has power under the National Parks and Access to the Countryside Act 1949 to establish nature reserves by way of a declaration. The declaration will stand as conclusive evidence that the land is an LNR and will be managed as such. There is a making and publication procedure that needs to be followed regarding the declaration which includes prior consultation with Natural England. Legal Services will assist the Assistant Director: Business, Development & Employment as required regarding the process. Having a declaration in force will enable byelaws to be made, if required, for the protection of the LNR (Other legal points are set out elsewhere in this report) (IR 23/11/18)</p>

OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Two areas of land immediately adjacent to the proposed southern boundary of the LNR are leased to the Telford Steam Railway Trust on a 999 year lease. Following consultation with the Telford Steam Railway Trust, and following cabinet approval, a management agreement will be composed between the Council and the Trust to manage these areas of track bed for their nature conservation value whilst not constraining the future ability for the track bed to be reinstalled.
IMPACT ON SPECIFIC WARDS	Yes	Dawley Pools and Pit Mounds is partially within Dawley Hamlets and Great Dawley Parishes. However, the designation of the area as an LNR will deliver borough wide benefits.

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 This report sets out a proposal for the Council to agree to declare the statutory Local Nature Reserve known as 'Dawley Pools and Pit Mounds'. This is in accordance with the provisions of Sections 19 and 21 National Parks and Access to the Countryside Act 1949.
- 4.2 Local Nature Reserves provide opportunities for volunteering in the natural environment which increases physical activity, social interaction, encourages life long learning of new skills and allows individuals to give back to their local community which lead to increases in physical and mental wellbeing.
- 4.3 The site meets the necessary criteria for declaration and has a draft management plan. Informal engagement with Natural England has been undertaken. As part of the declaration process, and following Cabinet adoption, a consultation document will be issued to Natural England to seek their formal 'Welcome' prior to completion of the declaration and the associated legal seal.

5. STRATEGIC PLANNING

- 5.1 Following declaration the land shown in Appendices 1 and 2 will be managed as a Local Nature Reserve and will be protected from inappropriate uses or development.
- 5.2 The selection and declaration of Local Nature Reserves play an important role in maintaining a healthy balance in spatial planning between the built environment and green infrastructure. The Telford & Wrekin Local Plan Policies Map shows the site as a 'Proposed Local

Nature Reserve' (pLNR). A full list of adopted and proposed Local Nature Reserves is provided in Table 1. The Local Plan commits to completing the declaration of proposed Local Nature Reserves during the life time of the Local Plan - 2031.

Table 1: Local Nature Reserves in Telford

Declared Local Nature Reserves
Dothill
Limekiln Wood
Lodge Field
Madebrook and Stirchley Dingle
Madeley Pit Mounds
Telford Town Park
The Beeches
The Ercall and St Lawrence's Hill
The Granville
Adopted Local Nature Reserves in the declaration process
Apley Woods
Ketley Paddock Mound
Randlay Valley
Rough Park
Lightmoor
Proposed LNRs
Dawley Pools and Pit Mounds
Lillishall Hill
The Cockshutt

6. ACCESSIBLE GREEN SPACE STANDARDS (ANGST)

- 6.1 In 2010 Natural England, the countries statutory nature conservation authority, published 'Nature Nearby' setting out the recommended standards for Accessible Natural Greenspace:

"Everyone, wherever they live, should have accessible natural greenspace:

- Of at least 2 ha in size, no more than 300 metres from home;*
- At least one accessible 20 ha site within 2 km of home; and*
- One accessible 500 ha site within 10km of home; plus*
- A minimum of one hectare of Local Nature Reserve per 1000 population"*

- 6.2 At the time of Telford's inception it was intended that every 1000 of the population would have access to four hectares of green space (similar to the then current green space standard of the Greater London Plan of 7 acres per 1000 population). This standard was achieved by the 1980s.

- 6.3 In 2016 the Marches Ecosystem Assessment modelled accessible greenspace across Telford and Wrekin, Shropshire and Herefordshire. The analysis revealed that 89% of households within Telford and Wrekin are within 300m of accessible natural greenspace of at least 2ha in size.

- 6.4 The borough of Telford and Wrekin has an estimated population of 170,200 people (Understanding Telford and Wrekin 2017). The adoption

of Dawley Pools and Pit Mounds Local Nature Reserve will increase the spatial coverage of adopted LNR's in the borough by 38 hectares to 515.36 hectares. The declaration of these adopted Local Nature Reserves will result in approximately 3.02ha of LNR per 1000 of the population, triple the minimum recommended standard.

7. HEALTH AND MENTAL WELLBEING

- 7.1 During the 2011 Census, 80.2% of the population of Telford and Wrekin reported that they had 'good' or 'very good' health. However, the census also highlighted that 15,938 adults aged 16-64 within the borough were living with a long-term health problem or disability that limited their daily activities. Furthermore, it is estimated that 17,400 adults aged between 16-64 within the borough have a common mental health disorder¹.
- 7.2 Health inequalities within communities are increasingly being linked to individuals' access to nature. The evidence base illustrating how access to nature is vital for good mental and physical health highlights the need for increased efforts to provide accessible and well-maintained natural areas for particularly disadvantaged groups². It has been shown that living close to accessible green spaces can promote public health and reduce levels of obesity, heart disease, reduce stress and levels of depression.
- 7.3 The designation of additional LNRs further reflects the Council's commitment to promoting health and wellbeing. Urban green space interventions are most effective when a physical improvement to the green space is coupled with a social engagement/participation element that promotes the green space and reaches out to new target groups ("dual approach")³. The proposed designations will provide a framework to increase engagement with internal partners such as 'My Options' and 'Healthy Telford' and external partners including: The Telford Green Space Partnership and the Shropshire Wildlife Trusts 'Live Well/Work Well With Nature' project.
- 7.4 The 'Telford Woods' Partnership, an initiative between the Small Woods Association and Telford & Wrekin Borough Council's Community Participation Team, will seek to identify opportunities for local members of the community and community groups to be directly involved in the management of the woodland compartments at the site, or make use of any timber that can be extracted (e.g. for use in craft-making activities) where this may benefit the health & well-being or skills development of

¹ Understanding Telford and Wrekin 2017: A demographic, health and socio-economic profile of our communities

http://www.telford.gov.uk/downloads/file/4628/understanding_telford_and_wrekin_2017

² Institute for European Environmental Policy (2017) Nature For Health and Equity

³ World Health Organisation (2017) Urban Green Space Interventions and Health: A review of impacts and effectiveness.

those involved. There is a community centre and the Aquaduct Primary School, both immediately adjacent to the site, through which the local community could become involved for public healthcare, community or education purposes. The initiative would also seek to increase public awareness as to how the site is being managed (and the benefits of this to wildlife) via local facilities such as these.

8. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

8.1 Internal and external consultation with relevant stakeholders has taken place.

- Internal consultations with Engineering Officers have confirmed the need for geotechnical risk assessments: due to the presence of mining legacy features including mineshafts a geotechnical risk assessment will need to be undertaken. Following which proportionate steps will be taken to make the land safe e.g. by fencing, installing appropriate signs informing visitors of any risks and performing risk assessments.
- Internal consultations with Drainage Officers have highlighted the need for any future management plan not to conflict with the requirement to manage and monitor Wide Waters Reservoir
- External consultations with Severn Trent have been supportive of the principle of declaration with additional comments mirroring those of internal drainage officers.
- External consultations with the Telford Steam Railway Trust have agreed the principle of entering parts of the track bed leased to the trust into a management agreement that conserves and protects existing interest features whilst not constraining future reinstallation of the track bed.

9. NEXT STEPS

9.1 In the case that Cabinet approves the principle of declaration of the proposed Local Nature Reserve and the recommended delegation, then the required next steps include the following:

- A) A formal consultation process with Natural England will be undertaken in Winter 2018 which includes the submission of a formal consultation document and a site visit following which Natural England will write to formally 'Welcome' the site
- B) All necessary property/title enquiries and searches being undertaken regarding land in the Council's ownership.
- C) The Assistant Director: Business, Development & Employment making or authorising the making of the formal declaration

10. PREVIOUS MINUTES

10.1 Cabinet 15th November 2018: Declaration of Lightmoor Local Nature Reserve

10.2 Cabinet 15th February 2018: Declaration of two new Local Nature Reserves: Rough Park and Randlay Valley

11. BACKGROUND PAPERS

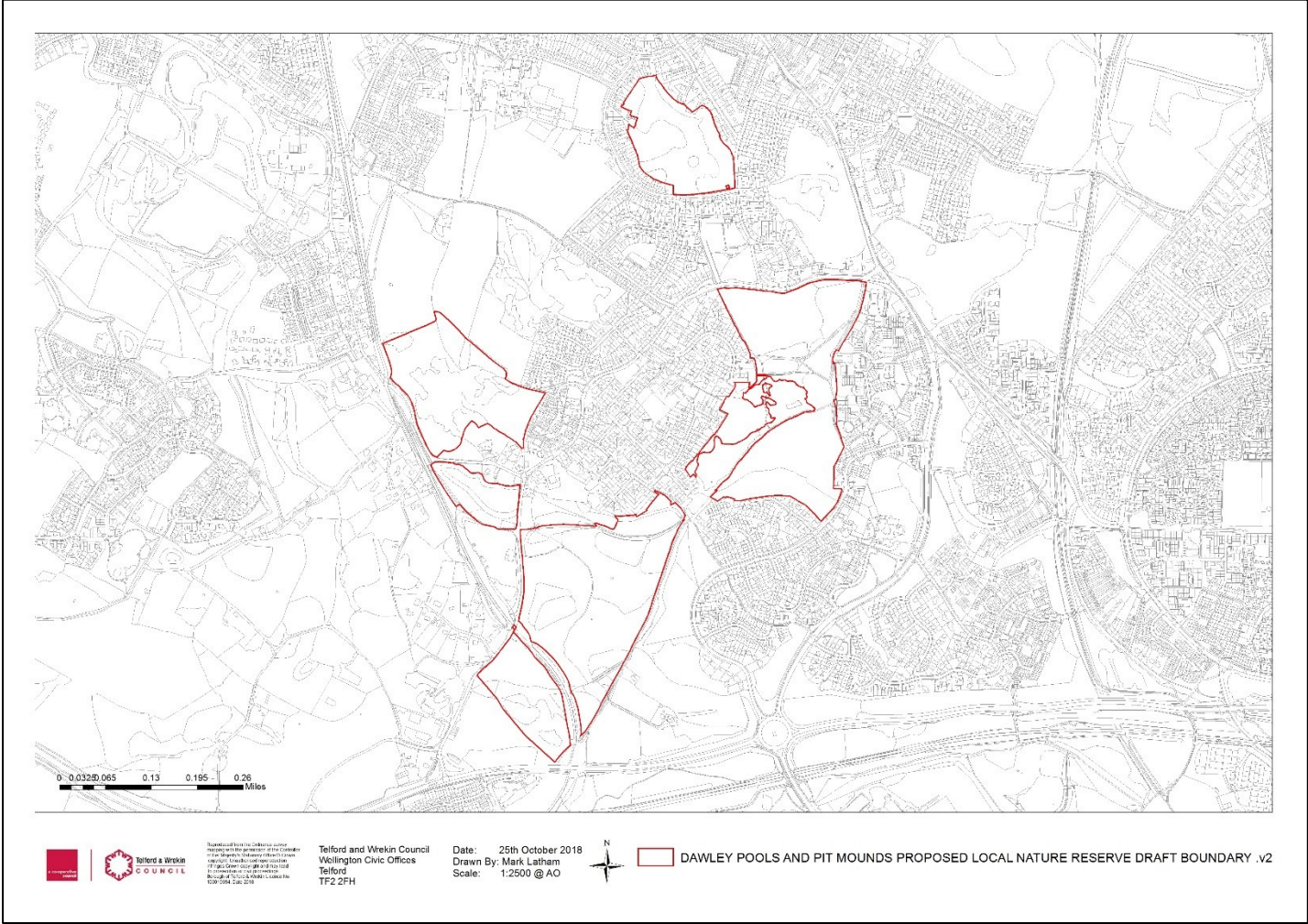
11.1 Local Nature Reserves in England: A Guide to their selection and declaration Natural England, 2009

11.2 Local Nature Reserves: places for people and wildlife (English Nature)

11.3 Accessible natural green space in towns and cities: A review of appropriate size and distance criteria (English Nature Research Reports No. 153)

Report prepared by Mark Latham, Ecology & Green Infrastructure Specialist.

Appendix 1: Dawley Pools and Pit Mounds Proposed Local Nature Reserve Boundary



Appendix 2: Dawley Pools and Pit Mounds Proposed Local Nature Reserve: showing areas under lease

