

Taunton Deane Borough Council

Executive – 5 February 2014

General Fund Revenue Estimates 2014/2015

Report of the Assistant Director - Resources

(This matter is the responsibility of the Leader of the Council, Councillor John Williams)

IMPORTANT NOTICE FOR MEMBERS

In order for this item to be debated in the most efficient manner at the Executive meeting, Members are requested to contact the Assistant Director - Resources in advance of the meeting with queries regarding points of detail or requests for further supporting information.

1 Executive Summary

This report presents the Executive's 2014/15 Budget for the General Fund for recommendation to Full Council for approval on 25 February 2014.

The Budget was previously presented to Members at Corporate Scrutiny on 21 January 2014. Subsequently Executive Councillors have finalised its budget proposals, which includes some updates to the previous draft as set out in this report.

The Executive is proposing to increase **Council Tax by 2% in 2014/15**. The Executive recognises that the extreme flooding events over the past two years have had a huge impact on members of our community, and is pledging to **contribute £50,000 towards a dredging scheme** that will help to mitigate the severity of potential flooding impact.

As a result of continued housing growth in the Borough, the New Homes Bonus Grant in 2014/15 is estimated at £2,302k. The Executive is proposing to allocate this funding with **£1.6m to boost economic growth and regeneration projects** locally, plus **£0.4m to help maintain services**, and **£0.3m to support investment in service transformation**. (see Para 4.19/4.20).

As previously reported, the Provisional Settlement for the Council's funding from central government has again seen a cut in general funding. The Settlement Funding Assessment (comprising Revenue Support Grant and the Retained Business Rates 'target') is **reduced by 13.4% in 2014/15**, with a further **reduction of 15.4% expected for 2015/16**. This would mean that the

Settlement funding from government will be cut by some **44%** or almost **£3.5m** over the five years to 2016. **Delivering a sustainable financial position for the Council over the medium term will be extremely challenging** (see Section 4).

In order to produce a sustainable and affordable budget for 2014/15 the Executive is proposing to implement Budget Proposals which will include **savings of over £1m**. This will include the deletion of nine vacant posts, with three staff redundancies. Every effort has been made to deliver savings that minimise the impact on frontline services. Efficiency savings will be achieved through sharing management and staff with West Somerset Council, as well as within other shared service partnerships such as for Waste Services.

Incorporating the above changes, the Executive is recommending a balanced budget having closed a significant Budget Gap for 2014/15.

2 Background

- 2.1 The purpose of this report is for the Executive to consider and finalise its Budget proposals for 2014/15, for recommendation to Full Council on 25 February 2014.
- 2.2 The General Fund Revenue Account is the Council's main fund and shows the income and expenditure relating to the provision of services which residents, visitors and businesses all have access to including Planning, Environmental Services, Car Parks, Leisure Services, certain Housing functions, Community Services and Corporate Services.
- 2.3 The Council charges individual consumers for some of its services, which means that less has to be funded from local taxpayers and central Government. The expenditure that remains is funded by central government via the Revenue Support Grant and Business Rates, other non-ringfenced grants, and the local Council Taxpayer.
- 2.4 Each year the Council sets an annual budget which details the resources needed to meet operational requirements. The annual budget is prepared within the context of priorities identified by Members which are embedded in the Council's Corporate Business Plan 2013 - 2016. The 2014/15 Budget is the first year within the Council's 5-Year Medium Term Financial Plan (MTFP) – which provides more of a forward look to resource planning and encourages Council's to plan its finances further forward than just one year.
- 2.5 It has been well reported that the Council faces significant and ongoing financial challenges, with a continuation of the annual reductions in Government funding for local council services as the Government seeks to reduce the national deficit.
- 2.6 The framework and approach for budget setting have previously been reported to Members in the following reports:

- Corporate Scrutiny 19 September 2013: Medium Term Financial Plan Update & Approach to Budget Setting 2014/15
 - Corporate Scrutiny 21 November 2013: 2014/15 Budget Progress Update
 - Corporate Scrutiny 12 December 2013: 2014/15 Initial Draft Budget Proposals
- 2.7 The approach to budget setting is different this year. Members have provided a clear steer on priorities through the Corporate Business Plan process. Within a framework of High Level Principles, CMT have developed an initial draft budget proposal that closes the Budget Gap whilst meeting the ambitions of the Business Plan. The proposals were reported to Corporate Scrutiny on 12 December 2013, and also shared with all councillors within the 'traditional' Budget Consultation Pack issued on 23 December 2013.
- 2.8 Executive Councillors have considered the initial draft budget prepared by CMT together with recent updated information from the Provisional Finance Settlement, and have also considered feedback from Members including comments from Corporate Scrutiny in December. The Executive's Budget proposals were presented to Corporate Scrutiny on 21 January 2014 for review and comment.
- 2.9 A budget consultation exercise with representatives of the business community (Taunton Chamber of Commerce) in January. The key points of feedback were:
- The Chamber shared concerns about reductions in funding for local services and wider economic factors, and also recognised the need to raise concerns with central government.
 - It is recognised that the Council continues to face a challenging financial position, and that some difficult choices need to be made to balance the budget;
 - There is a concern that Welfare Reform and reductions in public sector employment, together with reductions in services that could impact the local environment (e.g. public conveniences) would have a detrimental impact on the local economy;
 - The council should ensure it focuses on the local economy when considering priorities.

Corporate Scrutiny Comments

- 2.10 Corporate Scrutiny Committee debated the Executive's Budget on 21 January. There were no specific amendments proposed by the Committee, although a number of comments were made. These are summarised below.
- a) Mayoral support: the budget proposals in this area were debated at length. The Executive's proposal to not implement the savings in

respect of the Civic Officer was supported. A range of comments were made about proposals regarding the other support arrangements for the Mayor including: the use of a replica chain, the Sergeant at Mace and transport arrangements; issues of health safety and equalities. These can be summarised as

- Having a Mayor is an important issue and is linked to “Borough” status of TDBC
 - Some support for keeping existing level of support for the mayoralty in its entirety i.e. do not implement any of the related savings proposals
 - Recognised that budget savings have to be made, and need to accept that some cuts in mayoralty costs may be needed
 - There may be other ways of making savings to those proposed, e.g. cease attendance at ‘out of area’ events, cease Sergeant at Mace attending twinning events abroad, possible less costly transport arrangements
 - Concerns about potential vulnerability if the Mayor is attending events on their own i.e. ‘lone working’, even if using a replica chain
 - Concerned that non-drivers may not be able to become the Mayor in future
 - The “real” chain is special and should not be considered for sale
 - Considered that the public would support cuts in support for the mayor above cuts to other services
- b) Use of New Homes Bonus (NHB): clarification sought about the planned use of the £1.6m NHB allocated to Growth priority; reassurance was sought that specific proposals for schemes supported by this funding would be presented to Members for approval. *This assurance was provided at the meeting.*
- c) Shopmobility: some concerns about proposals to activate the 12-month notice period on the current contract for Shopmobility. Some councillors have had concerns raised by members of the public. It was clarified at the meeting that the number of regular users is relatively low (around 20). Could the support be targeted towards this group of users, or look at a reduction in service e.g. only selected days per week? Some concern that is proposed saving would impact in vulnerable people.
- d) Increased fees for pitch hire and open spaces: Some concerns that increase in fees affects the “less well off”. There were also concerns raised about possible health and safety issues with proposals such as removal of lifebelts and not locking parks at night.
- e) Council Tax: If there is a decision to freeze tax this would help thousands of people in the Borough. Councillors have had feedback from members of the public that they would prefer to keep tax low and increase specific service fees.
- f) Deane Helpline: It is recognised that this is a valuable and good

service but concerned about the cost to the Council as this traded service is not yet progressing to a breakeven position.

- g) Play equipment inspections: Concern about savings proposed regarding play equipment inspections, as lots of casework as Ward Member regarding play equipment.

3 The Robustness of the Budget Process

- 3.1 The Local Government Act 2003 (Clause 25) requires a report on the adequacy of the Council's financial reserves; this Act also introduces a requirement for the S151 Officer to report on the robustness of the budget plans. Both of these elements are included in the Strategic Director's/S151 Officers Statement which is included in Appendix A of this report.

4 Funding From Central Government

Provisional Finance Settlement

- 4.1 The MTFP has previously been updated for indicative estimates of potential funding from Government received in July/August. Details of the Provisional "Settlement Funding Assessment" for 2014/15 and 2015/16 were announced by CLG on 18 December 2013. The Final Settlement has not been issued by Government at the time of preparing this report – any changes will be reflected in the final budget report to Full Council on 25 February, and a verbal update will be provided at the Executive Committee if details have been received in time.
- 4.2 The funding settlement for the past three years (to 2013/14) has seen the Council's main general funding reduce by £1,866k in cash terms (27%). 2013/14 saw the introduction of changes to the main method of general funding, with core funding now received via Revenue Support Grant plus Retained Business Rates. A number of previously separate grants were 'rolled in' to the funding base including the 2011/12 Council Tax Freeze Grant, Homelessness Prevention Grant, and Council Tax Support Funding.
- 4.3 The "headlines" from the Provisional Settlement Funding Assessment (SFA) are:
- The Settlement Funding Assessment is a cut of 13.4% in 2014/15, with provisional figures showing a further 15.4% cut for 2015/16. This SFA comprises Revenue Support Grant (RSG) and Business Rates (BR) Baseline;
 - RSG is reduced by £847k (although the £57k Council Tax Freeze Grant for 2013/14 has been added into the RSG base for future years) plus a further cut of £865k in 2015/16;
 - BR Baseline has increased by 2%, from £2,366k to £2,412k;

- New Homes Bonus (provisional) grant increased by £575k, to £2,302k;
- Council Tax Freeze Grant of £57k available for both 2014/15 and 2015/16 tax setting. This grant would be rolled into the base for RSG and therefore rolled forward to future years beyond 2015/16 (subject to future Spending Reviews).

4.4 The following table summarises updated funding baseline based on the Provisional figures. The final Settlement is not likely to be received until February and there is a risk that final figures will be different – details will be reported to Members as soon as they become available

Table 1 – Provisional Settlement Funding Assessment headline figures

	2013/14	2014/15	Change		2015/16	Change	
	£k	£k	£k	%	£k	£k	%
Revenue Support Grant (RSG)	3,556	2,709	-847	-23.8%	1,844	-865	-31.9%
13/14 Freeze Grant rolled into RSG	57	57	0	0.0%	57	0	0.0%
Updated RSG Baseline	3,613	2,766	-847	-23.4%	1,901	-865	-31.3%
Business Rates Baseline	2,366	2,412	+46	2.0%	2,478	+66	2.8%
Total Funding Baseline	5,979	5,178	-801	-13.4%	4,379	-799	-15.4%

4.5 As can be seen the projected reduction in our funding baseline is £1,600k over the next two years. This is in addition to the £1,866k reduction seen in the previous three years, therefore representing a funding reduction of **£3,466k** or **44%** in cash terms over the 5 year period to 2015/16. The reduction is greater in real terms.

Revenue Support Grant (RSG)

4.6 As previously reported, it is anticipated that RSG will be the main area of funding the Government will target to achieve the reduction in national spending on local government. Our projections in the MTFP, updated following the Provisional Funding Assessment announcement on 18 December 2013, assume that RSG will diminish by 2020. However details beyond 2014/15 will be subject to future periodic Spending Reviews and annual Funding Assessments.

Retained Business Rates

4.7 Our budget figures for business rates will be based on local estimates of business rates income, which may be different from the Baseline figures shown in the table above. The Baseline is in effect the “target” set by Government based on historic trends when the Business Rates Retention scheme was implemented on 1 April 2013.

4.8 The Government issued the detailed guidance and forecast template for business rates (the “NNDR1”) on 20 January 2014 – much later than the previous year – and has since issued a number of updated versions. There is **still some uncertainty regarding the full accounting arrangements for the retained business rates system.**

This means that, although reasonable forecasts have been made regarding business rates income for next year, finance officers require further information to clarify the full accounting and funding implications. This is being sought from the Government and CIPFA (the public sector accounting body), however the uncertainty remains at the point of preparing this report.

- 4.9 Our initial estimates for business rates were included in the draft budget presented at Corporate Scrutiny on 21 January 2014. Having reviewed the estimates to take account of the latest available information and guidance, and recognising the uncertainty regarding the ‘full and final’ accounting arrangements for business rates retention, it is considered prudent to set the 2014/15 Budget to the same net position as previous estimates. As 2013/14 represents the first year of operating the rates retention system it is likely that further details of the accounting arrangements will be received to support the financial year end reporting requirements. Finance officers will review the overall funding position again at the year end, including any ongoing implications for the 2014/15 position, and will provide further details for Members as the detailed arrangements are finalised.

Table 2 – Business Rates Funding Estimates

	2013/14 Budget £k	2014/15 Estimate £k	Change
TDBC 40% Share of Business Rates Income	15,478	15,462	
Less: Tariff payable to Government	-13,214	-13,471	
Add: Renewal Energy Business Rates retained	Nil	70	
Add: Section 31 Grant (provisional estimate) to fund ‘Autumn Statement’ commitments		747	
Less: Share of Collection Fund Deficit 2013/14 (provisional estimate)		-345	
Add: Accrual for 2013/14 Safety Net payment (provisional estimate)		241	
Less: Business Rates Funding Smoothing Adjustment (provisional estimate)		-358	
Net Retained Business Rates Funding	2,264	2,346	+3.6%

- 4.10 The above table includes adjustments for provisional estimates regarding the Autumn Statement, and provisions for the Collection Fund deficit, Safety Net payments and a “smoothing adjustment”.
- 4.11 A significant risk within the business rates retention system relates to appeals. The significant provision for appeals is necessary, and this has contributed to a forecast deficit position for the Business Rates Collection Fund.
- 4.12 This Deficit will be mitigated in part by the Council being eligible for a Safety Net payment from Government, which provides some protection where retained business rates funding falls more than 7.5% below the Baseline. The provisional estimated Safety Net Payment for 2013/14 is £241k however the final accounting arrangements need to be

confirmed to provide certainty over this payment. The provisional estimates in the table above assume this payment will be accrued in a Business Rates Smoothing Account in 2013/14, to bring forward and partly offset the 2013/14 Deficit which is expected to be included as an adjustment within the 2014/15 Budget. However, this is subject to clarification of the final accounting arrangements (referred above). The allocation of £358k to this Smoothing Account in 2014/15 will provide a contingency to help mitigate any potential adverse when the full operating arrangements for business rates retention are certain. In addition, this helps to mitigate against volatility within the Collection Fund estimates e.g. regarding the cost of appeals, reliefs, business rates growth, etc.

Net Impact on TDBC Funding

- 4.13 The Budget estimates for the Council's core funding is therefore proposed as follows:

Table 3 – RSG and Business Rates Budget Estimates

	2013/14 £k	2014/15 £k	Change %
Revenue Support Grant*	3,613	2,766	-23.4%
Business Rates Retained Income	2,264	2,346	3.6%
Total Funding Estimate	5,877	5,112	-13.0%

**includes 2013/14 Council Tax Freeze Grant rolled into the baseline*

- 4.14 Over the longer term, the Revenue Support Grant is expected to reduce as the government continues to address the national debt position through reductions in public sector funding. The retained Business Rates income is more likely to be influenced by local business growth (although as shown in the Autumn Statement, Government policy remains influential). However there is a risk that rateable value appeals by businesses, which are beyond the control of TDBC, will diminish the impact of growth in real terms. For the MTFP this is estimated to increase in line with inflation, such that the impact of growth is projected to be offset by appeals, giving 0% growth in business rates funding in real terms.
- 4.15 The next Spending Review 2015 is likely to provide further indications of potential cuts beyond 2015/16. Our financial strategy will be updated as further information becomes available.

New Homes Bonus Grant (NHB)

- 4.16 The New Homes Bonus (NHB) Grant has been in place since 2011/12. It is funding allocated by Government, separate to Revenue Support Grant and Business Rates, which incentivises or rewards housing growth. The NHB grant is non-ringfenced which means the council is free to decide how to use it.
- 4.17 The scheme design sets out that each year's Grant allocation will be payable for six years. Assuming this funding mechanism remains consistent in future, the Council should receive six years' grant

allocations in each financial year from 2016/17 onwards.

- 4.18 The Government has very recently announced the Provisional NHB Grant allocation of £2,302k for 2014/15. This is £85k more than the previous MTFP forecast of £2,217k, and it is assumed this extra amount will be transferred to the NHB Reserve. The total grant is an increase of £575k compared to the grant for 2013/14. The following table summarises the grant income to date and future estimates currently included in the MTFP.

Table 4 – New Homes Bonus Grant Funding

	11/12 £k	12/13 £k	13/14 £k	14/15 £k	15/16 £k	16/17 £k	17/18 £k	18/19 £k	19/20 £k	Cumulative £k
2011/12 Grant	392	392	392	392	392	392				2,352
2012/13 Grant		648	648	648	648	648	648			3,888
2013/14 Grant			687	687	687	687	687	687		4,122
2014/15 Grant	-	-		575	575	575	575	575	575	3,450
Subtotal	392	1,040	1,727	2,302	2,302	2,302	1,910	1,262	575	13,812
2015/16 Estimate					480	480	480	480	480	2,400
2016/17 Estimate						474	474	474	474	1,896
2017/18 Estimate							468	468	468	1,404
2018/19 Estimate								469	469	938
2019/20 Estimate									469	469
Total	392	1,040	1,727	2,302	2,782	3,256	3,332	3,153	2,935	20,919

- 4.19 The current budget for 2014/15 (and longer term projections in the MTFP) assumes that **£392k of this grant will be used as ‘mainstream funding’ to support the annual budget.** This allows the Council to continue to support functions such as Regeneration, Economic Development, Planning Policy, Housing etc which will ensure that the benefits of growth are maximised for Taunton Deane and its communities. In addition, **£302k of this reserve balance in 2014/15 is committed to support the one-off transition costs for the implementation of Joint Management and Shared Services** (approved Full Council 12 November 2013).

- 4.20 Within the Executive’s final budget proposals, it is **recommended that £1,608k of New Homes Bonus funding is allocated to growth-related projects to support economic growth and regeneration.** This aligns with the strategic principle set out in the Budget Approach (Corporate Scrutiny, 19 September 2013). Promoting growth is a top priority for the Executive and this funding is envisaged as a vital catalyst to help to achieve the full potential of Taunton and the Borough as a quality destination within the region for business, retail, leisure and culture. Individual schemes to be supported through this funding will be worked up in full with key partners and be subject to approval through the Council’s normal decision making process. Types of scheme that are likely to fall into the following categories:

- Additional flood prevention to enable the future growth of Taunton

- Improvement to transport infrastructure and access.
- Investment in key sites to improve their readiness for development for business, retail and leisure.

4.21 The following table summarises how the NHB income is proposed to be allocated within the 2014/15 Budget.

Table 5 – Allocation of New Homes Bonus

	2014/15 £k
New Homes Bonus Income in 2014/15	(2,302)
Services expenditure within the annual budget	392
Transfer to Transformation Costs Earmarked Reserve	302
Transfer to Growth & Regeneration Earmarked Reserve	1,608
Total New Homes Bonus allocated	2,302

4.22 As part of the 2013 Spending Review, the Government commenced a consultation on proposals to top-slice £400m (nationally) from the NHB 'pot' in 2015/16 and distribute this to Local Enterprise Partnerships. In the Autumn Statement the Government has reported that, following the consultation, it will **not** be making changes to NHB for councils outside of London i.e. the TDBC Grant will not be top-sliced. **However**, it has indicated its intention to complete a review of NHB by Easter 2014, and "will consult on measures to improve further the incentive of the New Homes Bonus, in particular withholding payments where local authorities have objected to development, and planning approvals are granted on appeal."

4.23 NHB is a significant source of funding for the Council. Any future changes to the scheme following the Government's review will be reported to Members and reflected in future updates of the MTFP.

Housing Benefit & Council Tax Admin Grant

4.24 This grant is separate to the general funding provided through Revenue Support Grant and Business Rates. The national budgets that provide the source of this grant is being split – with a proportion being transferred to the Department for Works and Pensions (DWP) for Housing Benefit element, with the balance retained by CLG for Council Tax Support admin. The combined Provisional Grant allocation for 2014/15 is £631k which is £61k (9%) less than the grant for 2013/14. This reduction has been taken into account within the previously reported MTFP. The MTFP assumes this funding will reduce by a further 10% in 2015/16 and at this point we are unclear on the funding levels for future years. The implementation of Universal Credit will undoubtedly influence future funding allocations.

5 Funding from Council Tax

Council Tax Base

5.1 The Council Tax Base of 37,662.97 Band D Equivalents was approved

by the Executive on 15 January 2014.

Powers for the Public to Stop Excessive Council Tax Rises

- 5.2 Although the Localism Act abolishes central government power to cap tax increases, the Local Government Secretary has the power to set a threshold for “excessive” tax rises. At the time of preparing this report the threshold for 2014/15 has not yet been announced. In the 2013 Spending Review the Government indicated its intention to set a limit of 2% and this is our current assumption for financial planning purposes – although there is a risk that the Local Government Secretary will use his power to keep the downward pressure on tax increases, and set a threshold that is lower than 2%. In addition, we do not expect a repeat of the potential increase of £5 that was available to ‘lowest-tax’ councils (including TDBC) for 2013/14.
- 5.3 Members are also advised – for information only – that the Government has previously indicated it is considering extending the council tax referendum provisions to parish councils. It is believed to be too late for the Government to introduce legislation in time for 2014/15, but it is conceivable that parishes will need a referendum to support “excessive” tax rises in future years.

Council Tax for 2014/15

Proposed Council Tax Increase = 2%

- 5.4 The Executive is minded to implement a **Council Tax Increase of 2%** in 2014/15. The draft council tax calculation and formal setting resolution is included in a separate report later on this agenda.
- 5.5 The proposed tax rate charged will therefore increase to **£137.89 per year** per Band D Property, an increase of £2.70 per year
- 5.6 Therefore all Taunton Deane services are provided to a Band D household property at £2.64 per week, an **increase of 5p per week** on the current Band D tax charge).
- 5.7
- 5.8 The Executive recognises that the extreme flooding events over the past two years have had a huge impact on members of our community, and is pledging to **contribute £50,000 towards a dredging scheme** that will help to mitigate the severity of potential flooding impact in future. The Executive intends to use the additional income from this tax rise to support this pledge. It is also recognised that the Council continues to face a significant financial challenge, and a modest tax increase now will help to protect services in future years.
- 5.9 As referred above, there is a risk that the Secretary of State could set the referendum threshold below 2%. It is expected that this threshold

will be announced in early February – in the event it is lower than 2% the Executive has indicated it would seek to review the proposed tax increase.

- 5.10 The Council Tax Base for 2014/15 is 37,280.60 Band D Equivalents. The draft budget estimate for council tax income is therefore 37,662.97 x £137.89 = £5,193,350 (excluding parishes and special expenses).

Council Tax Freeze Grant

- 5.11 By recommending a Tax Increase the Council will not be eligible for a Council Tax Freeze Grant of £57k in 2014/15. This is (approximately) equivalent to a 1% tax increase. The Provisional Settlement Funding Assessment also confirmed that a further grant of c.£57k would be made available in 2015/16 in the event that Members decide to freeze Council Tax in 2015/16 (this would need to be decided as part of the budget setting process for that year).
- 5.12 Through the Provisional Settlement the Government have committed to transfer a 2014/15 and/or 2015/16 Freeze Grant into the RSG funding base. This would suggest that the funding is ongoing in 2016/17 and beyond **however** RSG will be subject to future funding settlements therefore there is a risk that this funding position will change in future funding settlements (our MTFP assumes that RSG will diminish to nil by 2020).
- 5.13 The following table shows the potential total Freeze Grant funding rolled into the funding base **if** Members decided instead to freeze tax in both 2014/15 and 2015/16.

Table 6 – Council Tax Freeze Grant Projections

	2013/14 £k	2014/15 £k	2015/16 £k	Status
2011/12 Freeze Grant	138	138	138	Included in RSG Baseline now
2012/13 Freeze Grant	0	0	0	One-off in 2012/13
2013/14 Freeze Grant	56	56	56	Included in RSG Baseline from 2014/15
2014/15 Freeze Grant		57	57	Added to RSG Baseline from 2016/17
2015/16 Freeze Grant			57	
Total Freeze Grant	194	251	308	

- 5.14 It is important that Members consider and understand the implications of a Tax Freeze on the ongoing funding base. By way of comparison, the following table provides Members with an indication of the impact of tax setting for the next two years, with a scenario comparing a freeze with a possible 2% tax increase each of the next two years would reduce the ongoing funding base by approximately £96k per year from 2016/17 (**subject to future funding settlements** and changes in the Tax Base)

Table 7 – Tax Freeze v Tax Increase Example Scenario

Tax Base – Band D Equivalents		37,280.60	37,662.97	37,662.97	37,662.97
		2013/14 Actual £k	2014/15 Forecast £k	2015/16 Forecast £k	2016/17 Forecast £k
A	Council Tax Forecast @ 2% increase in 14/15, 15/16 & 16/17	5,040	5,193	5,297	5,403
	Council Tax Forecast @ 0% increase in 14/15 & 15/16, then 2% in 16/17	5,040	5,091	5,091	5,193
	Tax Freeze Grant (14/15 & 15/16) – rolled into RSG from 16/17	-	57	114	114
B	Net Funding		5,148	5,205	5,307
C	Difference - A minus B	0	45	92	96

5.15 The Government has confirmed that parish councils will continue to be excluded from the Council Tax Freeze scheme, but any increase in Special Expenses levied by TDBC for the unparished area of Taunton would count against an option to claim the Council Tax Freeze Grant for TDBC.

Special Expenses / Unparished Area Budget

5.16 Special Expenses represent costs specifically arising in the unparished area of Taunton. The Special Expenses income raised through council tax in 2013/14 is £41,220, which is a Band D Equivalent charge per year of £2.92 for the Taunton unparished area.

5.17 It is proposed to continue the existing policy of matching the tax proposals for Special Expenses with that for Basic Council Tax for the whole area, therefore a **2% increase to Special Expenses is proposed**. This will increase the cost for a Band D from £2.92 per year to **£2.98 per year** (6p per year).

5.18 The tax base for the unparished area of Taunton in 2014/15 is 14,206.18 Band D Equivalents (2013/14 = 14,115.83). The budget for Special Expenses in 2014/15 is therefore estimated at 14,206.18 x £2.98 = £42,330.

5.19 In line with the Policy agreed by Full Council on 10 December 2013, it is proposed to ‘top up’ the budget for the Unparished Area by allocating £6,220 of the Council Tax Support Grant Funding (in the same way as proposed for town/parish councils). The total budget and funding for the Unparished Area is therefore as follows:

	2014/15 £
<i>Expenditure – allocated by the Unparished Area Panel</i>	<u>48,550</u>
<i>Funded By:</i>	
Special Expenses (Council tax)	42,330
TDBC Budget (share of CTS Grant Funding)	6,220
Total	<u>48,550</u>

- 5.20 The use of this budget is subject to a bid process during the year, and details of the allocation of funds will be included as part of the year end outturn reporting to Executive in June each year.

Council Tax Support (CTS) Grant and Funding for Parishes

- 5.21 The Government included funding for the Council's share of the cost of CTS within the baselines for Revenue Support Grant and retained Business Rates in 2013/14. As this funding is included in the baseline it is not transparent as to how much funding will be received for CTS in 2014/15. The Government has suggested that funding for CTS has been protected although this is difficult to evidence and the overall funding position for the Council is reducing through cuts in the Settlement.
- 5.22 At Full Council on 10 December 2013, Members approved the continuation of the current Local Council Tax Support Scheme from 1 April 2014. Included within the approvals was the preferred option to pass on funding for CTS to parish councils and the unparished area. This has resulted in the following total estimated grant funding from TDBC in 2014/15:

	£
Grants payable to Town and Parish Councils	40,940
Notional grant allocated to Unparished Area Budget	6,220
Total funding to be passed on for CTS	<u>47,160</u>

- 5.23 There is no statutory requirement or prescribed basis to allocate a proportion of the funding to parishes. It is for TDBC as billing authority to agree an appropriate allocation with parish councils.

6 The 2014/15 Budget Gap

- 6.1 The Executive's Budget Proposals for 2014/15 incorporate the Provisional Settlement information above, and builds on the initial budget proposals prepared by the Corporate Management Team.
- 6.2 The Executive's Budget closes the Budget Gap in full. This is a significant achievement in the face of continuing financial challenges and reductions in funding.
- 6.3 As reported to Corporate Scrutiny 12 December 2013, the estimated Budget Gap for 2014/15 (before savings proposals) had been updated to £1,053k. The following table provides a reconciliation of the Budget items that reduce this budget gap to nil:

Table 7 - 2014/15 Budget Gap Update

			£k
2014/15 Budget Gap (Corporate Scrutiny 12 December 2013)			1,053
Brewhouse maintenance costs	Para 6.4	70	
New Homes Bonus amount above previous estimate	Para 4.19	85	
Increased transfer to Growth & Regeneration Reserve	Para 4.19	-85	
Provisional Settlement and updated Business Rates	Para 6.5	-28	
Updated 2014/15 Budget Gap (23 December 2013)			1,095
Updated Pension Cost estimates	Para 6.6	-60	
Updated 2014/15 Budget Gap (14 January 2014)			1,035
Updated Collection Fund Surplus (Council Tax)	Para 6.7	-5	
Budget Savings Proposals (See Appendix B)	Para 7.4	-1,054	
Council Tax increase at 2%	Para 5.4	-102	
Council Tax Freeze Grant not taken	Para 5.9	57	
Contribution to river dredging scheme	Para 5.6	50	
Funding for Growth & Regeneration and Transformation priorities	Para 6.8	269	
Risk Allowance removed	Para 6.9	-250	
Updated Budget Gap (5 February 2014)			Nil

- 6.4 **Brewhouse Maintenance:** Further to the recommendation at Executive Committee on 4 December 2013 an annual provision of £70k is required to be added to the annual budget for five years, to provide a cumulative budget of £350k over the period for essential maintenance works on the building.
- 6.5 **Settlement Funding Assessment:** the Provisional Settlement Funding Assessment has led to a review of estimates for Revenue Support Grant and initial retained Business Rates funding estimates. The net impact as reported to Corporate Scrutiny on 21 January 2014 updated estimates including the settlement by £28k. (As explained in para 4.7 - 4.12 above it is proposed to retain the forecast in the final Budget at the same level as the previous estimates).
- 6.6 **Pension Costs:** The previously reported MTFP included initial draft 'high level' estimates of the impact on pension costs of the recent actuarial valuation. The finance team have now completed updated detailed costings – reflecting the detailed budget estimates for next year including savings proposals – reducing the forecast budget requirement by £60k against initial estimates.
- 6.7 **Collection Fund Surplus/Deficit:** The Collection Fund (Council Tax) surplus/deficit estimates are formally completed on 15 January each year under regulations. The final estimates have updated the TDBC share of the forecast Surplus by £5k, to £34,630.

- 6.8 ***Growth & Regeneration and Transformation Funding:*** Growth and Regeneration, and Transformation of services, are seen by Members as key priorities for this Council as set out in the Corporate Business Plan. This funding of £269k will provide support to these priorities, particularly as General Reserves are now very close to the 'safe' minimum recommended balance.
- 6.9 ***Risk Allowance:*** Owing to uncertainties within earlier estimates a £250k Risk Allowance has been included in the previously reported initial Draft Budgets. This allowance is now removed as although there remains some uncertainty a Business Rates Smoothing Account referred above provides some mitigation against changes to our retained rates funding estimates.

7 Budget Savings Proposals 2014/15

- 7.1 As reported to Corporate Scrutiny on 12 December 2013, CMT have prepared a range of proposals to deliver a balanced budget for 2014/15 plus further options for consideration for subsequent years, in the context of the over-arching objective in the Corporate Business Plan to achieve financial sustainability and to deliver Savings Targets that are weighted in line with service priorities indicated by Members through the preparation of the Plan. These proposals and options were subsequently included in the Budget Consultation Pack issued to all Members in December.
- 7.2 CMT Managers have prepared a business case to support the proposals and options for their Themes/Targets. As well as providing explanations for the proposals in terms of service provision, the business cases also include HR implications, risks and impact assessments, and full Equalities Impact Assessments as appropriate. The business case documents, updated to highlight changes in the Executive's budget, are **included in Appendices C-K of this report.**
- 7.3 The Executive's Budget closes the Budget Gap in full. This is a significant achievement in the face of continuing financial challenges and reductions in funding.
- 7.4 Details of a small number of changes to the initial proposals were shared with Members in the report to Corporate Scrutiny on 21 January, and are summarised below. These changes meant that Budget Proposals to deliver savings of £1,054k were included in the Budget at that stage:

Table 9 – Executive’s Changes To Initial Budget Proposals and Options

	Proposals 2014/15 £k	Indicative Options 2015/16 £k	Indicative Options 2016/17 £k
Budget Proposals and Options per CMT Initial Draft Budget <i>(Corporate Scrutiny 12 December 2013)</i>	-1,205	-340	-1,260
Changes proposed by Exec <i>(Corporate Scrutiny 21 January 2014):</i>			
Car Parking Charges	150		
Reduction in Public Toilet closures	33		
Retain Mayoralty support (Civic Officer post)	23		
Play Equipment Inspections review brought forward to 2014/15	-24		24
Dog Bin waste collection attributable to the HRA	-4	4	
CCTV attributable to the HRA	-27	27	
Subtotal – Changes	151	31	24
Total Savings in Draft Budget <i>(Corporate Scrutiny 21 January 2014)</i>	-1,054	-309	-1,236

7.5 **Car Parking Charges:** The initial budget proposals included a proposal to generate additional income through a review of parking charges. The Executive is minded to defer this review and consider outside of the annual budget setting process. Any proposals would be considered under the approved Parking Strategy and would be subject to consultation via the TRO (Traffic Regulation Order) Panel.

7.6 **Public Toilets:** The initial budget proposals included a proposal to reduce the TDBC-maintained public toilet provision within the Borough. The Executive is minded to reduce the number of closures by retaining public toilets in French Weir Park, Victoria Park and Canon Street Car Park in Taunton. In addition, the Executive has prioritised retaining the facilities in North Street, Wellington, instead of Longforth Road. These changes reduce the proposed savings by £33k. The full list of retained public toilet provision would be:

- | | |
|---------------------------------------|--------------------------|
| Wellington Park | Paul Street, Taunton |
| Vivary Park | Castle Green, Taunton |
| French Weir Park | Canon Street, Taunton |
| Victoria Park | North Street, Wellington |
| West Somerset Railway (funded by WSR) | |

7.7 **Mayoralty Support:** The initial budget proposals included a proposal

to reduce the support to the mayoralty resulting the in the removal of the Civic Officer post. The Executive has taken into account feedback from Members and is minded not to recommend the implementation of this saving of £23k.

- 7.8 ***Play Equipment Inspections:*** One of the options presented for consideration in 2016/17 was a proposal to reduce the frequency of play equipment inspections from weekly to monthly. As reported to Scrutiny in December, this will not have any adverse insurance implications, and can be managed through a reduction in agency staff therefore there are no redundancy implications. Please refer to Appendix H of the Initial Budget Proposals report to Scrutiny in December for supporting information including risk and equalities impact assessments.
- 7.9 ***Costs Attributable to the HRA:*** The Initial Budget Options included consideration of the HRA being allocated CCTV and Dog Bin costs specific to HRA estates. This is considered a relevant and legitimate charge to the HRA and the Executive is minded to implement this from April 2014.
- 7.10 The summary of the Proposals for 2014/15 and Options for 2015/16 and 2016/17, amended as reported to Corporate Scrutiny on 21 January 2014 is included in **Appendix B**.
- 7.11 ***Shopmobility:*** Although no decision is required for the 2014/15 budget, the Executive is minded to request officers trigger the 12-month notice period for the current Shopmobility service. This will provide flexibility to be able to implement this savings option in 2015/16, but allow officers in the meantime to explore alternative arrangements for the provision and/or funding of this service in future years.

8 HR Implications

- 8.1 The Budget proposals – if ultimately approved – will have staff implications. The 2014/15 proposals include the deletion of up to 3 full-time and 6 part-time vacant posts, plus the deletion of a further 3 posts which would result in 3 redundancies from a pool of 4 employees. The estimated cost of these redundancies is up to £72,500 – see Confidential Appendix O – therefore this report includes a recommendation to allocate £72,500 from General Reserves in 2013/14 to fund these costs.
- 8.2 A number of options for 2015/16 and 2016/17 include further reviews of services that fall in the lower priority areas in the Business Plan. These may have potential implications for staff, and HR support and consultation will be undertaken as necessary.
- 8.3 The initial proposals as reported to Corporate Scrutiny on 21 January 2014 were shared with UNISON, and the feedback from UNISON is included in section 9 below. The final budget details have been shared

with UNISON, and any further comments will be provided in a verbal update at the Executive meeting.

- 8.4 As previously reported the HR service has been working with Managers regarding the identified staffing implications arising from the budget savings proposals, and potentially affected staff have been consulted following the timetable as previously reported (repeated here for information):

Morning of 3 December 2013	UNISON Change Forum
Afternoon of 3 December 2013	Affected Staff advised by Managers with HR
3 December 2013	Consultation period commences
	Formal letter and draft report to Scrutiny/UCF Briefing Paper given to UNISON for comments.
4 December	Scrutiny Report published
12 December	Scrutiny Committee
Between 2 and 7 January 2014	HR to meet with affected staff
8 January 2014	Consultation period ends
23 January 2014	Scrutiny Committee report to include comments from consultation
January 2014	Feedback given to affected staff by HR
5 February 2014	Executive
25 February 2014	Council
February 2014	Affected staff seen by Line Manager and HR

- 8.5 Following the staff consultation period, there have been no consultation responses from staff currently at risk of redundancy.
- 8.6 CMT have considered a number of early ideas to address the estimated budget gap in 2015/16 and 2016/17, and these may have potential implications for staff when developed further. These are not formal proposals at this stage – they are simply options and further work will be needed. Members are not being requested to make formal recommendations or decisions related to future budgets at this stage.
- 8.7 Formal budget proposals for 2015/16 and beyond will be developed as part of future annual budget setting processes. In addition, as the joint working with West Somerset Council is embedded there will be implications for services and staff that will be closely linked. There may be sensible opportunities to review service requirements for Taunton Deane at the same time as services and their workforces are joining together.

9 UNISON Comments

- 9.1 Details of the Budget Proposals and Options have been shared with UNISON. UNISON have provided the comments below in relation to

the Draft Budget report to Corporate Scrutiny on 21 January 2014. The final budget details have been shared with UNISON, and any further comments will be provided in a verbal update at the Executive meeting.

“Legal and Democratic Services

It might be asked what kind of world we are living in when the Council cannot afford to provide the Mayor with a ‘real’ chain. What next – toy helmets for Avon & Somerset Police?

Public toilets

UNISON is glad to see that it is proposed to reduce the originally suggested number of public toilet closures. Toilet provision is a basic public service, and indeed it could be argued that, if anything, provision in Taunton Deane needs improving in some areas, rather than being reduced further. It’s not good enough to expect people – including Council staff in the course of their duties – to have to ask to use toilets in private business premises.

Once toilet buildings are demolished they cannot be re-opened.

UNISON remains concerned as to the impact of the proposed closures on the staff involved.

Street Cleansing

As with toilets, street cleansing is a basic public service, and people are likely to notice if there is a build-up of rubbish in between less frequent sweeping and litter picking.

As a practical measure, the Council needs to join forces with other local authorities and urge the Government to take steps to outlaw non-returnable drinks containers. Bottles and cans seem to be a major part of the litter build-up, and are a problem that has previously been highlighted by the Campaign to Protect Rural England and other amenity groups.

General

UNISON opposes compulsory redundancies. Cuts will not only have an obvious impact on the staff concerned, but will directly reduce the level of service provided to the public. Local government is being squeezed so hard financially that it is simply not the case that ‘efficiency savings’ can be made by ‘shuffling less paper’ or other pejorative concepts.

*In considering these proposed cuts, Councillors need to reflect on the advice previously given by their finance officers – on more than one occasion, **and repeated in this report**, implying that the level of Council Tax should be increased. A 1% rise would bring in around £50,000 and preserve current levels of street cleansing; a 2% rise would enable closures of public toilets to be avoided. Simply to match*

inflation – in real terms, to stand still – the Council Tax needs to rise by 2.5% per annum.

UNISON’s view is that the Council Tax should be increased in line with inflation – there is no reason why it should be falling in real terms when all other costs are rising. The Council cannot go on burying its head in the sand.

Freezing the Council Tax is not just storing up future service cuts, but is also unfair, as a disproportionate benefit is received by people in the most expensive, Band H properties.

Council Tax is supposed to be a local tax. It is therefore unreasonable for the level of such a tax to be effectively set by central Government. Taunton Deane needs to work in partnership with other councils and the LGA to press for the end of council tax capping and the curtailment of the Secretary of State’s ‘Henry VIII’ – style powers to intervene in respect of local taxes.

In terms of capital spending, the Council also need to join with other local authorities in calling for local government in Britain to be treated in the same way, for the purposes of reckoning the level of public expenditure, as it would be in the rest of Europe. Specifically, the Government should adopt the General Government Gross Debt (GGGD) measurement used by the EU, the International Monetary Fund and other organisations, bringing the UK in line with other European countries. In terms of the priorities of Taunton Deane this would, for example, enable a major increase in the provision of social housing. No other EU country treats social housing investment in the same way as the UK, where new borrowing is restricted because it counts towards public sector debt even though the cost of the borrowing is paid for from rental income.”

10 Fees and Charges

- 10.1 Fees and Charges for 2014/15 were approved by Full Council on 10 December 2013, and the impact of these is included in the Budget.

11 DLO Trading Account

- 11.1 Following the realignment of the cleansing and public toilets budgets from the DLO accounts to the General Fund during 2012/13 other adjustments were made in 2013/14 and have been included within the 2014/15 budget setting process. This will enable the budgets within each of the DLO services to be more accurately managed.
- 11.2 Members will be aware that a new ICT system is being installed with a view to “go live” in April 2014. Within this new system it will be possible to produce a more detailed analysis of spend and income within the DLO. It will also create a more streamlined working pattern enhancing productivity.

- 11.3 The changes to the normal week pattern, with a planned reduction of working hours from 39 to 37 per week has been in place for 2013/14 and has not affected the productivity of the DLO services and has produced the previously reported savings targets.
- 11.4 During recent months the DLO service has obtained new business which has increased the income expectations in 2014/15; however due to inflation, changes within the pension contribution budgets and increased charges on capital assets the net surplus has been maintained at £101,000. This ensures that DLO has maintained its contribution towards the General Fund however recharge rates will be higher due to these unavoidable cost pressures. In addition, the DLO is making an additional contribution to its vehicles and equipment reserve to provide flexibility to support new business opportunities.
- 11.5 The General Fund budget includes the trading surplus of £101k so that the DLO is contributing to the net income for the Council. Efficiency savings within the DLO have also been passed on to the General Fund and HRA, making DLO services better value for money. Any additional surplus would be transferred to the DLO Trading Account reserve.

<i>DLO Trading Account 2014/15</i>	Costs £k	Income £k	Net £k
Grounds	3,006	(3,047)	(41)
Building	5,232	(5,283)	(51)
Nursery	196	(205)	(9)
Grand Totals	5,992	(6,093)	(101)

- 11.6 The forecast reserves position for 2014/15 remains positive, and provides some resilience to volatility in trading performance and future investment needs.

<i>DLO Trading Account Reserves</i>	2013/14 £k	2014/15 £k
Estimated Balance Brought Forward	138	206
Forecast outturn	68	0
Estimated Balance Carried Forward	206	206

12 Deane Helpline Trading Account

- 12.1 The Deane Helpline is a stand-alone trading account service. In 2014/15 the estimated deficit is £86k, an increase of £21k compared to the original budget for 2013/14. This deficit will need to be funded by the General Fund.
- 12.2 The budget is based the increase of 10% for private customers with a freeze for Council Tenants, as approved by Full Council on 10 December 2013. This increases the weekly charges for all private customers by 45p to £4.99. The previous price cap for long-standing clients has been removed and all private customers are now paying for

the service at the same rate. This is generating an important increase in income.

- 12.3 The income budget is based on a prudent projection of income due for the year, and makes an allowance for income collection risks.
- 12.4 The nature of the service means that staff costs are susceptible to increase in order to maintain services through unplanned staffing absences. Some provision has been included within the expenditure budget to provide for essential cover arrangements, although the service manager has reviewed staffing rota arrangements to minimise costs in this area.
- 12.5 Costs have increased due to staff pay award, pensions and other inflationary pressures as well as essential IT system costs. However the Service Manager has taken action to reduce costs as far as possible without compromising continuity of service.
- 12.6 The summary trading account is as follows. There are no uncommitted reserves brought forward on this account.

Deane Helpline Trading Unit Estimates	2013/14 £k	2014/15 £k
Direct Operating Costs	972	995
Recharges and Capital Charges	77	78
Income	(984)	(987)
Estimated Deficit	65	86

13 Minimum Revenue Provision Policy

- 13.1 Before the start of each financial year, the Council is required to determine the basis on which it will provide for the repayment of borrowing undertaken for the purpose of financing capital expenditure. This annual provision, known as Minimum Revenue Provision (MRP), is designed to ensure that authorities make prudent provision to cover the ongoing costs of their borrowing.
- 13.2 In 2008, the Government became less prescriptive offering Councils a number of options for calculating MRP. For the financial year 2013/14, the Council determined to calculate MRP as follows:-
- for supported borrowing, 4% on outstanding debt;
 - for unsupported borrowing, the debt associated with the asset divided by the estimated useful life of the asset;
 - for capital grants and contributions to third parties, 4% (or 1/25th) per year on a straight line basis.
- 13.3 It is proposed the above policy remains for 2014/15.

14 General Fund Budget Summary 2014/15

- 14.1 The following table compares the proposed budget with the original

budget for the current year. The table has been completed assuming a Council Tax Freeze as per the current budget assumptions.

	Original Estimate 2013/14 £	Estimate 2014/15 £
Total Spending on TDBC Services	13,372,730	12,490,360
Capital Charges Credit	(2,537,430)	(2,702,150)
Revenue Contribution to Capital	524,590	528,590
Interest payable	0	0
Capital Debt Repayment Provision (MRP)	452,950	692,640
Interest Income	(317,750)	(313,750)
Transfers to/from Earmarked Reserves:		
New Homes Bonus Reserve (Growth)	1,334,690	1,608,030
Joint Management & Shared Services	0	302,000
Transition Costs (funded by New Homes Bonus)		
New Growth & Transformation Fund	0	269,040
Other earmarked reserve movements	-163,470	-233,360
Transfer to General Reserves	0	0
AUTHORITY EXPENDITURE	12,383,430	12,641,400
Less: New Homes Bonus Grant	(1,726,670)	(2,302,010)
Less: Revenue Support Grant	(3,556,140)	(2,765,610)
Less: Retained Business Rates	(2,263,980)	(2,345,800)
Less: Council Tax Freeze Grant	(57,000)	0
(Surplus)/Deficit on Collection Fund	(22,560)	(34,630)
Expenditure to be financed by District Council Tax	5,039,960	5,193,350
Divided by Council Tax Base	37,280.60	37,662.97
Council Tax @ Band D	£135.19	£137.89
Cost per week per Band D equivalent	£2.59	£2.64

[Further to clarification sought at Corporate Scrutiny, Members should note that although New Homes Bonus Grant funding is shown in its entirety as income in the table above, a significant proportion is allocated to reserves for specific priorities – see para 4.21]

15 Medium Term Financial Plan Summary

15.1 The Council prepares its annual budget within the context of the Medium Term Financial Plan. This provides estimates of the budget requirement and budget gap into future years. The following table provides a summary of the current indicative MTFP based on the Final Budget within this report.

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Net Expenditure	10,860	10,239	11,103	11,644	12,325
<i>Financed By:</i>					
Retained Business Rates	(2,346)	(2,411)	(2,471)	(2,533)	(2,596)
Revenue Support Grant	(2,766)	(1,901)	(1,309)	(720)	(324)
Tax Freeze Grant	0	0	0	0	0
Council Tax	(5,748)	(5,846)	(5,980)	(6,118)	(6,260)
Predicted Budget Gap	0	81	1,343	2,273	3,145

15.2 The Net Expenditure figure in the above table is net of New Homes Bonus. The above estimates include the following main **assumptions** related to funding:

- Revenue Support Grant for 2014/15 and 2015/16 are as set out in the Provisional Finance Settlement. It is then projected to diminish to nil by 2020.
- Retained Business Rates for 2014/15 is currently based on the provisional forecasts for 2014/15 – but Members are reminded that final estimates need to be reviewed once final guidance is received from Government. Broadly, funding in subsequent years is projected to increase in line with inflation.
- Council Tax is assumed to be frozen for the next two years, then increase by 2% per year from 2016/17.
- Council Tax Freeze Grant is estimated at £57k for 2014/15 and a further £57k in 2015/16. It is then assumed to be rolled into the RSG base, and be subject to the reduction in RSG in future funding settlements.

15.3 Beyond 2014/15, the MTFP includes anticipated inflationary pressures related to staffing pay awards, price inflation on services and major contracts, as well as the estimated funding position over the next five years. In addition, the efficiency savings that will be delivered through the implementation of Joint Management and Shared Services between Taunton Deane and West Somerset Councils have been included in 2014/15 and 2015/16 estimates.

16 General Reserves

16.1 The Council considers its reserves position as part of the overall financial framework that underpins the Budget Strategy. This framework includes an acceptable minimum reserves position of £1.5m, or £1.25m if funds are allocated to 'invest to save' initiatives. The current Budget for 2014/15 will maintain reserves above this minimum, but following a number of allocations from reserves agreed during 2013/14 there is limited 'headroom' in the current estimated balance. This will significantly limit the Council's ability to fund 'up front' service and transformation investment from revenue reserves. From a financial strategy perspective it will be sensible to take advantage of any opportunities to increase reserves, to increase flexibility and resilience to the challenges ahead.

16.2 In addition, the S151 Officer is currently reviewing the acceptable minimum reserves. A recommendation on this will be included in her “Robustness of Budget” statement and will be presented in the Budget reports to the Executive and Full Council for approval in February 2014.

16.3 Based on the MTFP position set out above the General Reserves forecast is summarised as follows:

General Reserves Forecast

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Estimated Balance B/F	(1,697)	(1,697)	(1,616)	(273)	2,000
Predicted Budget Gap	0	81	1,343	2,273	3,145
Estimated Balance C/F	(1,697)	(1,616)	(273)	2,000	5,145

16.4 Clearly the Council will need to ensure that further action is taken in future to balance the budget and maintain a sustainable reserves position. The Budget proposal for 2014/15 plus the savings that will be delivered through the Joint Management and Shared Services in 2014/15 and 2015/16 means that the reserves forecast for the next two years remains above the minimum requirement. However reserves are currently projected to fall below the acceptable minimum in 2016/17 if no further action is taken. The Council will need to continue to plan to deliver a sustainable financial position as part of the Corporate Business Plan and supporting financial strategy.

17 Finance Comments

17.1 This is a finance report and there are no additional comments.

18 Legal Comments

18.1 S.32 of the Local Government Finance Act 1992 sets out in detail how the Council must calculate its budget by estimating gross revenue expenditure, net income, and the council tax needed to balance the budget; S.25 of the Local Government Act 2003 requires the Chief Finance Officer (Strategic Director/S151 Officer for this Council) to report on the robustness of the budget-setting estimates and the adequacy of the proposed financial reserves.

18.2 Managers have considered legal implications in arriving at the proposed budget.

19 Links to Corporate Aims

19.1 The budget proposals have been prepared with consideration to links with the Corporate Aims. Further development of the MTFP will need to reflect the agreed priorities within the new Corporate Business Plan.

20 Environmental and Community Safety Implications

20.1 Environmental and community safety implications have been considered in arriving at the budget proposals.

21 Equalities Impact

21.1 Equalities Impact Assessments have been undertaken on proposed budget savings, in line with the Council's statutory obligations, and details are included within Appendices C - K.

22 Risk Management

22.1 The risks associated with the various budget proposals and options have been considered, with assessment details included in the Business Case within Appendices C - K. In addition, the overall assumptions, risks and uncertainties will be reported within the S151 Officer's Robustness Statement with the final Proposed Budget to the Executive on 5 February 2014.

23 Partnership Implications

23.1 The Council operates many key partnerships including but not limited to: Southwest One, Tone Leisure, and Somerset Waste Partnership. Engagement with partners will continue to be an important factor in addressing the funding gaps in the medium term financial plan, to help the council deliver a sustainable and affordable financial position.

23.2 In addition, the successful delivery of the Joint Management and Shared Services arrangements for Taunton Deane and West Somerset Councils is one of the key elements to achieving financial sustainability for both Councils. The significant efficiency savings of c£1.6m for Taunton Deane over the next two years has been incorporated into the Council's Budget and MTFP.

24 Recommendations

24.1 The Executive recommends to Full Council the approval of the General Fund Revenue Budget for 2014/15 as outlined above. In particular the Executive recommends to Full Council to:

- a) Note the S151 Officer Statement of Robustness in Appendix A, which applies to the whole budget including General Fund, Housing Revenue Account and Capital Budget proposals, and approve the recommended increase to minimum acceptable level of reserves to £1.5m, or £1.25m if funds are allocated to invest to save initiatives.
- b) Approve the General Fund Revenue Budget 2014/15 as summarised in Appendix M, including a Basic Council Tax Requirement budget of £5,193,350 and Special Expenses of £42,330 (noting formal resolution of Council Tax Requirement is included in a separate report).

- c) Approve the transfer of any under-/overspend in the 2013/14 General Fund Revenue Account Outturn to/from the General Fund reserves.
- d) Approve the Budget Savings Proposals for 2014/15 as set out in this report and summarised in Appendix B and note the Equalities Impact Assessments provided in the report and appendices as part of the budget decision process.
- e) Approve a Supplementary Estimate of £72,500 in 2013/14 to provide funding for the estimated redundancy costs related to the Savings Proposals, as shown in Confidential Appendix O.
- f) Approve the Minimum Revenue Provision (MRP) Policy with MRP calculated as follows:
 - for supported borrowing, 4% on outstanding debt; and
 - for unsupported borrowing, the debt associated with the asset divided by the estimated useful life of the asset
 - for capital grants and contributions to third parties, 4% (or 1/25th) per year on a straight line basis.
- g) Note the General Reserves position and Medium Term Financial Plan projections, and the ongoing financial challenge to address the Budget Gap for future years.

Background Papers

Corporate Business Plan

HRA 30-Year Business Plan

Corporate Scrutiny 19 September 2013 – Medium Term Financial Plan Update & Approach to Budget Setting 2014/15

Corporate Scrutiny 21 November 2013 – 2014/15 Budget Progress Update

Council 10 December 2013 – 2014/15 Fees and Charges

Corporate Scrutiny 12 December 2013 – 2014/15 Initial Draft Budget Proposals

Corporate Scrutiny 21 January 2014 – Draft General Fund Revenue Estimates 2014/15

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APPENDIX A

ROBUSTNESS OF BUDGET ESTIMATES AND THE ADEQUACY OF THE COUNCIL'S RESERVES

STATEMENT BY S151 OFFICER (CHIEF FINANCE OFFICER)

– Shirlene Adam, Director - Operations

1.0 Introduction

1.1 The purpose of this appendix is to outline and meet the statutory requirements contained in the Local Government Finance Act 2003 which requires the Council's Section 151 Officer to report to Members on:

- The robustness of budget estimates; and
- The adequacy of proposed reserves.

1.2 The conclusion of my review is set out at the end of this appendix. The remainder of this appendix provides detailed evidence of my assessments.

2. ROBUSTNESS OF BUDGET ESTIMATES

2.1 The proposed budget for 2014/15 (and the forecast position for future years) is the financial interpretation of the Council's strategic priorities and, as such, has implications for every citizen of Taunton Deane together with all other stakeholders.

2.2 The proposed budget reflects the Council's agreed Corporate Business Plan and the priorities allocated therein.

2.3 In commenting on the robustness of the budget and level of reserves and balances, the following factors have been taken into consideration and are considered in the remainder of this appendix:

Section 3	Government funding
Section 4	Capital programme funding & HRA changes
Section 5	Inflation and other key assumptions
Section 6	Delivery of savings
Section 7	Risks and opportunities with partnerships
Section 8	Financial standing of the Council (level of borrowing, debt outstanding)
Section 9	Track record in budget management
Section 10	Virement and control procedures
Section 11	Risk management procedures
Section 12	Key risk issues in 2012/13 budget
Section 13	Key risk issues in future budgets
Section 14	Adequacy of Reserves
Section 15	Conclusions

3. Government Funding

- 3.1 Last year we embraced a new system of funding for local government services. The current year's budget (2013/14) was the first set under this new regime and my robustness statement this time last year reflected some of the risks around this.
- 3.2 One year on, although we are becoming more familiar with the new regime, in my view the risks remain. We are still waiting for formal guidance to be issued on the detailed accounting arrangements of the Business Rates Retention scheme. It is hoped this will be published soon in order to safely close down the financial year 2013/14, but meantime we have to set a budget for 2014/15. We have used best endeavours (as all authorities have) to ensure the forecasts are robust and the Financial Services Manager has set out the detail on this in this report. In light of this uncertainty, we have taken a careful approach and set aside a sum to smooth the potential impact of business rates fluctuations on the Council's budget.
- 3.3 The provisional settlement was published, as last year, fairly late in the process (December 2013). This set out the provisional funding position for 2014/15 and the indicative funding position for 2015/16.
- 3.4 The headline reduction in Taunton Deane's government funding is 13.4% for 2014/15 (excluding the impact of the council tax reduction scheme). The indicative position for 2015/16 shows a further reduction of 15.4%. This is clearly a significant reduction in financial support and means the messages given to Members in my September Corporate Scrutiny Report are more relevant than ever.
- 3.5 The final grant settlement position will hopefully be announced in late January. At the time of writing the Government has not yet announced the referendum trigger levels re excessive increases in council tax. Government ministers have said this will be published in mid February – which for most Councils is simply too late to support their budget decisions.
- 3.6 The Executive's draft budget proposes a 2% tax increase – this will be reviewed when the referendum trigger is published.

4. Capital Programme Funding

- 4.1 In earlier years, the Council has relied on significant sums of Government Grant and Supported Borrowing to fund its capital programme. As with last year's budget, neither is available to Taunton Deane looking forward.
- 4.2 The Executive's draft budget proposals for the capital programme are set out in a separate agenda item at this meeting.

- 4.3 To support the spending plans, Councils are required to publish and monitor a set of Prudential Indicators (as set out within the Treasury Management Strategy Statement report on this agenda).
- 4.4 The Executive's draft General Fund and HRA capital programmes follow the principles of the Prudential Code. Both programmes do include borrowing requirements which are within affordable limits.

5 Inflation and Other Key Budget Assumptions

- 5.1 I have reviewed the budget proposals and confirm the following key assumptions:-

Area of Budget	How is this addressed within the TDBC budget process?
Inflation assumptions	<p>General – inflation has <u>not</u> been applied to budgets unless there is direct justification ie as a contract condition.</p> <p>Salaries – 1% for 2014/15, then 2% thereafter.</p> <p>Utilities - based upon estimated contract increases</p> <p>Pension Contributions – 19.5% (latest actuarial valuation requires a shift in funding formula moving forward. We will be paying 13.5% plus a lump sum of £760k per annum.)</p> <p>Major Contracts – as per the legal documents supporting the contracts</p>
Income Levels	Income projections are based on <u>realistic</u> assumptions, current usage levels and the most recent Government guidance on fee levels. They also take into account historic trends and current year variations against budget.
Economic assumptions	Investment interest assumptions are based on independent economic forecasts and include the impact of Treasury Management decisions made in earlier years.
Salaries Budgets	As one of the largest areas of spend, the salaries budgets have been reviewed in detail. They have been built up by costing each individual post. These have been

	discussed in detail and agreed with individual Service Managers.
Growth in service requirements	The MTFP identifies service growth areas eg refuse collection. This is then firmed up by detailed discussions with Managers during the budget process. Growth assumptions for future years in the Council Tax base have been held at 0.5% per year on a prudent estimate of the net effect of local growth, council tax support and other discounts.
Efficiency Initiatives	Where initiatives are sufficiently well developed, they are included in savings plans.
Significant Budget areas which are subject to change during the year	The high risk/high value budgets of the Council are rigorously examined and only prudent increases built into them. In addition when forecasting, the performance in both previous and current years is taken into account.
Choices available to Members	<p>We have followed a different approach to budget setting for 14/15 – as described in the report to Corporate Scrutiny in Sept 13.</p> <p>The Initial Budget Proposals were developed by the Management Team and shared at Corporate Scrutiny in December 13 for comment. They were then shared with all Councillors via the Budget Consultation Pack just before Christmas. All Councillors have had the opportunity to be briefed on the proposals during their Group Meetings in January 13.</p>
Changes in Legislation	Legislative changes are analysed by officers and their effect built into the MTFP and budget.
Sustainability	The proposed budget takes into account the future financial pressures faced by the Council. Effective financial planning for the medium term is in place, although there is some risk around the future grant levels. I am comfortable that best estimates have been used.

	<p>The Corporate Business Plan review has helped clarify the Council's vision and objectives moving forward.</p> <p>The Budget Proposals shared by officers present their views on how the budget challenges over the next 3 years could be met – bearing in mind Members priorities as agreed in the Corporate Business Plan.</p> <p>Members now need to decide whether they are acceptable – and if not – share alternative plans for reducing our net budget position.</p> <p>The proposals will help us maintain a sustainable financial position over the longer term. The decisions already taken by this Council to progress Joint Management and Shared Services with West Somerset Council clearly also deliver significant savings and play a crucial part of our financial sustainability plans.</p> <p>Any delay in delivering the savings required will impact on the robustness of our financial plans.</p>
Sensitivity Analysis	<p>The financial planning model allows the Authority to predict the likely outcomes of changes to key data ie inflation, council tax, government funding etc. This is helpful in sharing “what if...” scenarios internally and with partners and members.</p>
The impact of the Capital Programme on the Revenue Budget	<p>The MTFP identifies changes to the base budget as a result of the capital programme.</p>

6 Delivery of Savings

- 6.1 The savings proposals presented in this budget proposal have been reviewed for robustness, and are realistic and deliverable in terms of the level of saving and the timing.
- 6.2 Delivery of the proposals, when approved, will be the responsibility of the Joint Management Team and progress on this will be monitored during the year. Should there be any risk to the delivery of the

identified savings, this will be reported to Members via the budget monitoring regime.

7 Partnership Risks & Opportunities

7.1 The Council has now approved the Business Case to progress Joint Management and Shared Services with West Somerset Council. Robust governance arrangements are in place and will continue to be refined as the work progresses. It is essential that both Councils deliver on the timetable of savings. This will clearly be monitored closely during the year. Further, as we start to look at re-designing services (transformation) Members will be fully involved in shaping the future.

7.2 The Council has several other key partnership arrangements in place to support our ambitions and deliver key services. These are supported by contractual arrangements. There are performance management arrangements in place on each partnership to ensure the Council's interests are protected, and that the expected benefits are fully realised. Risk registers are kept for each key partnership and are regularly reviewed by lead officers.

8 Financial Standing of the Council

8.1 The Council fully complies with the Prudential Code.

8.2 The Council is operating within the agreed parameters of the Financial Strategy.

8.3 The Council has an up to date Treasury Management Policy and Strategy in place and is operating within the agreed parameters. The Council currently has £94.198m of outstanding debt (which is within our maximum borrowing level of £166.9m). The Council currently has £28.7m of investments placed in the markets in accordance with our policies.

8.4 The Council's Treasury Management Practices are prudent and robust, ensuring the Council is not exposed to unnecessary risk in terms of its investment policies. This does mean lower interest rates, but the first priority must be to protect the capital invested.

8.5 The adequacy of the Council's reserves is discussed later in the appendix.

9 Track Record in Budget Management

9.1 The Council has an excellent track record in budget management. The most recent years have resulted in the following outturn positions:-

Year	£Variance	%Variance of Approved Budget
2004/05	(£163,000)	(1.49%)
2005/06	(£45,000)	(0.39%)
2006/07	£242,000	1.9%
2007/08	£49,000	0.37%
2008/09	£46,000	0.09%
2009/10	£10,000	0.06%
2010/11	(£263,000)	(2%)
2011/12	(£535,000)	(4.4%)
2012/13	(£707,000)	(5.4%)
2013/14 * Qtr3 Est	(£158,000)	(1.2%)

9.2 In the context of a gross expenditure budget of £74m, the above results are reasonable. Members are provided with regular in-year updates on key budget variances (Corporate Scrutiny and Executive).

10 Virement & Control Procedures

10.1 The Financial Regulations contain formal rules governing financial processes and approvals (virements are simply transfers of budget between departments). The Council last updated its Financial Regulations during 2008. They were reviewed in 2012 and no updates were necessary. The detailed Financial Procedure Rules that sit underneath the Financial Regulations are out of date and are currently undergoing a fundamental rewrite.

10.2 The Financial Regulations are being complied with throughout the organisation. Any deviations from this flagged through audit reports are dealt with appropriately.

11 Risk Management

11.1 I am satisfied that the Council has adequate insurance arrangements in place, and that the cover is structured appropriately to protect the Council.

11.2 The Council operates a self-insurance fund and this is operating effectively. During 2013/14 we commissioned external advice on the minimum level of reserves that should be set-aside to support self-insurance. We have, during 2013/14 reduced our earmarked reserve accordingly.

11.3 The Council has a Risk Management Policy in place which defines how risk is managed at different levels in the organisation. It defines roles, responsibilities, processes and procedures to ensure we are managing risk effectively. This matter is reviewed regularly by the Corporate Governance Committee.

11.4 Equalities Impact Assessments (EIA) Reviews have been undertaken on all Budget Proposals, and where required full EIAs have been developed. Copies are set out in Appendices C-K of this budget report.

12 Key Risk Issues In 2014/15 Budget

12.1 There are some areas of the proposed budget for 2014/15 that I do not have full confidence in at this moment in time. They are detailed below for Members attention. The figures in the proposed budget for 2014/15 are based on our best estimates. These will require intensive monitoring throughout the year, and swift corrective action taken should they vary from budget. The issues I need to bring to Members attention are:-

12.2 **Business Rates Retention Scheme.** The new scheme comes into place at the start of the current financial year 13/14. The “forecast” of Business Rates income effectively forms a core part of the Councils budget at the start of the year. Ensuring this forecast is accurate and is effectively monitored throughout the year is crucial to understanding our financial position. I am satisfied that the Council has put in place sound arrangements to monitor the impact of changes throughout the year. The information coming from our Revenues team is robust, however, the lack of guidance available to authorities on the accounting implications of this regime is an area of concern. The key risks associated with this for Taunton Deane are:

12.2.1 Level of Appeals. These were previously funded by the National Pool but all appeals approved post 1/4/13 (regardless of how far they go back) will be funded 50:50 (Central Govt : Local Govt). The list of outstanding appeals for TDBC totals some £34m and this is clearly a high risk area for us moving forward. We have built good working relationships with the Valuation Office, but this is a huge area of uncertainty that directly impacts on our financial sustainability.

12.2.2 Collection Rates. The continuing “challenge” of collecting tax from businesses who do not have funds remains. Previously the national pool funded any reduction in collection rates. Again this will now be an issue to be funded locally. Although we haven’t noticed a massive impact during 14/15, we continue to monitor this closely.

12.2.3 Reliefs. All mandatory reliefs were previously funded nationally by the pool. Whilst this has been taken care of in the initial funding calculations, any new mandatory reliefs introduced by the Government would have to be funded 50 : 50 (Central : Local).

12.2.4 Safety Net. The safety net for TDBC has been set – meaning that any reduction in net retained business rates of more than £181k below the Baseline would be funded by the Govt. Clearly the £181k would need to be funded from this Council’s resources and impacts on our reserves position.

12.2.5 Levy / Growth. The “opportunity” is there for local authorities to benefit financially from growth. In simple terms, for every £1 of additional business rates generated (above the Govt set baseline) then TDDB will keep £0.20.

12.2.6 Accounting Arrangements: Until the full guidance is published it is difficult for us to be 100% confident in the assumptions underpinning the business rates figures in our budget. We have undertaken all the due diligence we can, and have in light of this uncertainty, taken a reasonable approach to budget setting. There is a sum of £358k (which equates to approx 1% of outstanding appeals) in a Business Rates smoothing reserve which will help us manage any fluctuations in our budget forecast over the coming years – making sure the impact is smoothed on our taxpayers and community.

12.3 Council Tax Reduction Scheme. The new scheme (replacing the Council Tax Benefit Scheme) came into place on 1st April 2013. Councillors recently agreed with recommendations that this scheme should remain in place for 2014/15. We are consulting the community (along with tax bills) on a new scheme for 2015/16 – which aims to reduce the funding required from the local authority. The key risks on this remain as last year – on the level of take-up. To date we are managing this within approved budgets, but it is something that we monitor very closely.

12.4 Housing Benefits / Subsidy. The Revenues and Benefits Service returned to “in-house” management by the Council during 2013/14. This transition has worked well and the team continue to deliver a high quality service to our community. will be managed directly by Taunton Deane during 2013/14.

The administration grant we receive from Government to support this function has been reduced by £61k for 2014/15 (on top of the £41k reduction in 2013/14 and £59k reduction in 2012/13). Subsidy budgets are always very difficult to estimate due to the fluctuating volume of claims received and the different levels of subsidy payable of types of claimant error. The challenge in 2014/15 continues to be great due to the expected growth in claims arising from the current economic situation. The total benefit subsidy budget is approx of £33m – and therefore small fluctuations in this budget can have a big impact on the budget of the Council. Systems are in place to ensure this is monitored on a monthly basis. In addition assumptions on the level of subsidy payable on Local Authority overpayments are at a prudent level.

12.5 Interest Rates – Interest rates have been at a very low level for a long time. The Executive’s draft budget has been based on cautious and prudent assumptions on interest rate movements taken from forecasts issued by our Treasury Management advisors, Arlingclose. The Treasury Management Strategy for 14/15 is currently being reviewed by

Councillors and sets out a different approach for our investments moving forward. This is to reflect the changing markets and regulations – effectively removing the current government protection on bank investments. We need to respond to this new risk, and ensure our portfolio is spread widely and thinly to protect the public resource.

12.6 Impact of Economic Changes – the Council’s budgets reflect our best estimates of the impact of current economic conditions. This is an issue we need to continually monitor through the budget monitoring process – particularly on income streams from car parking, land charges, building control and development control, and expenditure on issues such as homelessness.

12.7 Procurement Savings - The funding of the Southwest One transformation projects has been initially financed by prudential borrowing. The strategy is that this debt will be repaid once the procurement strategy of the council, in partnership with Southwest One, begins to deliver savings. Recent updates from Southwest One indicate lower levels of savings than originally forecast. Members have agreed to delay the repayment of this borrowing to allow greater time for the procurement savings to materialise. There is still some risk on the level of savings to be delivered, and the timing of their delivery although we are more confident than this time last year.

12.8 Car Park Fee Income – the latest projections for car park income in the current year (2012/13) show a continuing downward trend. For budgeting purposes, this is assumed to flat-line but continue in 2013/14. This will be reviewed closely during the year to ensure the budget estimates remain robust.

12.9 Trading Account – Deane Helpline. The Executive’s draft budget recognises the latest information on the expected financial position of the Deane Helpline (an anticipated trading loss of £86k in 2014/15). As reported to Members in 2011, the service delivered to the public is excellent, and this will continue in 2014/15, but the underlying financial position is not sustainable in the longer term.

12.10 Finally, the Council must continue to monitor the impact of the Welfare Reform agenda on our community and the resultant demand for service and support. The move towards Universal Credit will be challenging and will no doubt impact on both the General Fund and HRA.

13. ADEQUACY OF RESERVES

13.1 With the existing statutory and regulatory framework, it is my responsibility as s151 Officer to advise the Council about the adequacy of the Council’s reserves position.

- 13.2 All reserves are reviewed at least annually and my opinion updated during the budget setting process each year. The annual review considers not only the adequacy but the necessity of the reserves. Reserves are not held without a clear purpose. There has been a report on this during 2013/14 – returning a total of £498k from earmarked reserves to the General Fund Reserve. There will be further scrutiny of key remaining earmarked reserves over the coming months.
- 13.3 The Executives draft budget for 2014/15 does not rely on the use of General Fund Reserves.
- 13.4 My opinion is given in the knowledge that known risks (strategic, operational and financial) are managed and mitigated appropriately in line with the Council's policies and strategies.
- 13.5 The headlines of my findings on each key reserve are set out in the remainder of section 13 below. My conclusions / opinion is set out in section 14 below.

General Fund Reserve

- 13.6 The predicted General Fund Reserve position is set out in section 14 of the main report. The Executive's proposed budget for 2014/15 does not require the used of any General Fund Reserves. The predicted balance on this reserve, having set the 2014/15 budget is £1.611m. This will increase should the predicted underspend in 2013/14 materialise, net of the one-off redundancy costs for the 2014/15 Savings Proposals.
- 13.7 CIPFA make it clear that the level of reserves for each Authority cannot be decided by the application of a standard formula and each authority must assess their own reserve levels based on the specific risks and pressures which they face.
- 13.8 The Council agreed with my recommendation to increase the minimum level of reserves last year (to reflect the new risks re Business Rates Retention and Council Tax Reduction and the impact on collection rates). The General Fund Reserves should be maintained at a minimum of £1.5m (or £1.25m if being replenished via invest to save initiatives). Having reviewed this again I feel this remains appropriate in light of the challenges ahead.**

Housing Revenue Account Reserve

- 13.9 The housing Revenue Account balance is forecast to be £2.2m at 31 March 2014. The self-financing regime has been in place nearly two years now and the 30 Year Business Plan (refreshed annually) is being delivered. The minimum level of reserves for the HRA is £300 per

property (approx £1.8m). The business plan, and detailed budget for next year work within this parameter.

Earmarked Reserves

- 13.11 At 31 March 2014, the Council expects to have in the region of £4m in earmarked reserves. The main reserves include the self-insurance fund, asset maintenance, and the DLO trading reserve.

14. CONCLUSION

- 14.1 This Council continues to have a serious financial challenge ahead. The difficult economic conditions are forcing more of our community into circumstances where they require more support, and we simply don't have the resources to do this anymore. My clear message to all Councillors in September 2013 was that we needed to take action.
- 14.2 Since then, the Council has taken significant steps towards achieving financial sustainability with the approval to progress Joint Management and Shared Services with West Somerset Council. The ambition is to go further and this is progressing as part of the larger shared services agenda. There is however a long way to go before we can say we have a sustainable financial plan.
- 14.3 The Executive has presented for approval a budget for 2014/15 which does not rely on reserves. The medium term financial plan shows that even after delivering joint working with West Somerset Council, we will have a gap of around £81k for 2015/16 and this continues to grow thereafter, rising to £2.3m in 2018/19. Members are fully aware that difficult decisions lie ahead and need to work together to progress this in the best interests of our community. Some good work on this has been shared through the budget process – with Management sharing their proposals for beyond the one year time horizon. This needs to be progressed by Members now so we can effectively plan for the future.
- 14.4 The Councils level of reserves is at the lower end of the acceptable range. Whilst adequate in terms of our day to day operations, we have some tough challenges ahead and having sufficient reserves to facilitate that change (which will cost) is important. I would encourage Members to consider boosting the level in reserves to support the changes ahead.
- 14.5 Based on all the information above, I am pleased to report that I believe the Council's reserves to be adequate, and the Executive's draft budget proposals for 2014/15 to be robust.

Shirlene Adam
Director – Operations (s151 Officer)
January 2014

APPENDIX B

**SUMMARY OF BUDGET SAVINGS PROPOSALS FOR 2014/15 AND FURTHER OPTIONS FOR 2015/16 AND 2016/17
REFLECTING PROPOSED CHANGES TO INITIAL PROPOSALS AND OPTIONS BY THE EXECUTIVE
(Shaded boxes show where figures have changed since Corporate Scrutiny meetings on 12 December 2013)**

			Proposals		Indicative Options			
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k
THEME 1a - CORPORATE & CLIENT SERVICES - See Appendix C for further information								
1	Insurance	Budget no longer required		-3.3				
2	Corporate & Client Service	Stationery budget reduction		-2.5				
3	Off-Street Parking	Reduced management costs (post reduced from 1.0fte to 0.6fte)		-25.0				
4	Off-Street Parking	Parking contract reduced costs (30 min rule)		-55.0				
5	Off-Street Parking	Parking charges increase		0				-190.0
6	Off-Street Parking	Cash collection contract changes		-17.0				
7	Revenues and Benefits Service	Reduced in-house costs in 2014/15, with plan to deliver 5% reduction in service costs in 2016/17		-134.0				-80.0
8	ICT / Procurement / Finance	Top-slice overheads - minor adjustments		-3.1				
9	ICT	IT systems related costs no longer required				-20.0		
10	Tone Leisure	Funding payment reductions		-29.0		-5.0		
11	Household Waste Collection	Increased garden waste income for demand increase plus £1.50 price increase in 2014/15, then £2 per year increase in 2015/16 and 2016/17		-70.0		-17.0		-17.0
12	Shopmobility	Removal of the service, or transfer to another provider				-55.0		
13	Housing Standards	Reduction in funding in 2014/15, plus review of non-statutory requirements in 2015/16 for a 10% saving		-5.0		-26.0		
14	Property Management	Street Naming and Numbering Charges introduced				-16.0		
15	Support Services	Review & restructure of back office services						-70.0
16	Leisure services	Strategic review of leisure delivering 15% savings						-103.0
17	Waste & recycling	Service changes to reduce costs						-100.0

			Proposals		Indicative Options			
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k
18	HR	Training and OD budget reduction						-11.0
		Theme 1a Total Costs and Savings		-343.9		-139.0		-571.0
		Theme 1a Net Totals		-343.9		-139.0		-571.0
THEME 1b – STRATEGY AND PERFORMANCE - See Appendix D for further information								
1	Climate Change	Reduce funding for initiatives, partly mitigated by additional income, and remove vacant Climate Change Officer post on 2015/16.		-19.0		-42.2		
		Theme 1b Total Costs and Savings		-19.0		-42.2		
		Theme 1b Net Totals		-19.0		-42.2		0.0
THEME 1c – LEGAL AND DEMOCRATIC SERVICES - See Appendix E for further information								
1	Mayoralty	Alternative transport arrangements and reduced costs of Sergeant at Mace	4.2	-17.2	-2.0			
2	Mayoralty	Civic Officer support for mayoralty reduced		0				
3	Parish Liaison	Cease providing specific parish liaison role		-36.1				
	Note: these proposals would delete 3 posts, with potential redundancy costs funded in 2013/14 – See Confidential Appendix L							
		Theme 1c Total Costs and Savings	4.2	-53.3	-2.0			
		Theme 1c Net Totals		-49.1		-2.0		0.0
THEME 2a – GROWTH AND REGENERATION - See Appendix F for further information								
1	G&R Service Costs	Top-slice of Fees & Hired Services and Publicity & Promotions funding (50:50)		-5.8				-10.8
		Theme 2a Total Costs and Savings		-5.8				-10.8
		Theme 2a Net Totals		-5.8				-10.8
THEME 2b – PLANNING AND DEVELOPMENT - See Appendix G for further information								
1	Planning	Planning fee income growth based on application volumes		-80.0				
2	Planning	Pre-application fees 10% price increase		-20.0		-4.0		
3	Planning	Equipment lease savings		-4.0				

			Proposals		Indicative Options			
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k
4	Planning	Reduced service operating costs (stationery £3.5k, publications £0.5k)				-4.0		
5	Planning	Condition discharge fee increase				-5.0		
6	Heritage and Landscape	Reduce discretionary grant funding for Areas of Natural Beauty (AONB)				-6.0		
7	Housing Enabling	Housing enabling reduced operating costs				-2.0		
8	Various	Restructuring of Planning and Development services to deliver savings requirement				-10.0		-107.5
		Theme 2a Total Costs and Savings		-104.0		-31.0		-107.5
		Theme 2a Net Totals		-104.0		-31.0		-107.5
THEME 3 – COMMUNITY AND COMMERCIAL SERVICES - See Appendix H for further information								
1	Building Control	Delete 0.75fte of a vacant Surveyor post		-34.0				
2	Crematorium	Income base uplift as impact of competition less than anticipated		-30.0				
3	Priory Depot	Income from lease of land to third party		-10.0				
4	Public Conveniences	Closures/transfers. Costs shown relate to property holding costs prior to disposal. Potential redundancy costs (1 post) would need to be funded in 2013/14 – See Confidential Appendix L.	19.7	-115.3	-19.7			
5	Community Leisure	Managed reduction in service overheads				-3.4		
6	Arts	Reduction in Discretionary Grants savings (20%)						-2.4
7	Allotments	Managed reduction in maintenance costs						-0.5
8	Parks & Open Spaces	Remove planting schemes. Will require one-off up front costs in year of implementation.					10.0	-41.9
9	Parks & Open Spaces	Reduce baskets/containers						-10.1
10	Parks & Open Spaces	Reduce frequency of play equipment inspections		-24.0				0
11	Parks & Open Spaces	Remove life belts from riversides						-6.0
12	Parks & Open Spaces	Cease locking parks						-8.3
13	Parks & Open Spaces	Reduce subsidy of sports pitch through combination of reduced maintenance and increased fees						-20.0

			Proposals		Indicative Options				
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k	
14	Parks & Open Spaces	Review of Britain in Bloom arrangements and sponsored planting schemes							-16.0
15	Street Cleansing	Review frequency of street cleansing and remove out of town litter bins							-61.6
16	Nursery	Review Nursery provision to reduce costs and/or increase income generation							-40.0
17	Grounds Maintenance	Managed reduction in unplanned/responsive maintenance works				-29.7			-38.0
		Theme 3 Total Costs and Savings	19.7	-213.3	-19.7	-33.1	10.0		-244.8
		Theme 3 Net Totals		-193.6		-52.8			-234.8

THEME 4 – HEALTH AND HOUSING - See Appendix I for further information

1	Environmental Health	Senior vacant Environmental Health Officer part-time post removed		-24.0					
2	Environmental Health	Delete vacant Environmental Health Officer part-time post, and vacant Environmental Protection Officer full-time post		-47.0					
3	Environmental Health	Review Environment Health services to identify further savings							-38.0
4	Licensing	Reduce equipment budget		-15.0					
5	CCTV	Contract efficiency savings		-6.0					
6	CCTV	Costs of CCTV on council housing estates transferred to HRA		-27.0		0			
7	CCTV	Reduction in monitoring in various 'lowest risk' sites (7 sites in 2015/16, further 26 sites in 2016/17)				-14.0			-52.0
8	Housing Options	Delete vacant Housing Options Officer part-time post		-12.0					
9	Housing Options	Delete vacant Temporary Accommodation Officer post		-30.0					
10	Housing Options	Reduce service overheads		-7.0					
11	Housing Options	Reduce Temporary Accommodation budget		-41.0		-1.0			-25.0
12	Housing Options	Review service to identify further savings							-121.0
13	Business Support	Delete vacant Environmental Health Support post / Recharges to HRA		-25.0					

			Proposals		Indicative Options				
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k	
14	Community Safety	Cease budget for Community Safety grants							-17.0
15	Dog wardens	Reduced frequency for collection and disposal from dog waste bins (from 4 to 3 times per fortnight)							-10.0
16	Dog wardens	Costs of collection and disposal from dog waste bins on council housing estates transferred to HRA		-4.0		0			
17	Dog wardens	Costs of collection and disposal from dog waste bins transferred to parishes							-6.0
18	Business Support	Realignment of Recharges to HRA for Business Support Team Leader				-7.0			
		Theme 4 Total Costs and Savings		-238.0		-22.0			-269.0
		Theme 4 Net Totals		-238.0		-22.0			-269.0
THEME 5 – CORPORATE MANAGEMENT - See Appendix J for further information									
1	Corporate Management	Bank Charges reduction in budget requirement		-13.0					
2	Internal Audit	Updated audit plan resulting in reduced contract costs				-20.0			
		Theme 5 Total Costs and Savings		-13.0		-20.0			
		Theme 5 Net Totals		-13.0		-20.0			0.0
Theme Savings Target Overall Totals - Total Costs and Savings			23.9	-942.5	-21.7	-287.3	10.0		-1203.1
Theme Savings Target Overall Totals - Net Totals				-966.4		-309.0			-1193.1
ASSET MANAGEMENT - See Appendix F for further information									
1	Investment Properties	Rental income increase, net of financing costs (Thales property sale and acquisition)		-28.6					
2	Flook House	Flook House fully tenanted therefore income increased (£12k), plus NNDR liability transferred to tenants (£8.5k)		-20.5					
3	Property Management	Asbestos removal, Valuations and Surveys (£5k each)		-15.0					
		Asset Management Total Costs and Savings		-64.1					
		Asset Management Net Totals		-64.1		0.0			0.0

			Proposals		Indicative Options			
			2014/15 Costs £k	2014/15 Savings £k	2015/16 Costs £k	2015/16 Savings £k	2016/17 Costs £k	2016/17 Savings £k
ACCOMMODATION - See Appendix K for further information								
1	Accommodation	Top-slice planned maintenance provision for Council properties		-23.9				-43.5
		Accommodation Total Costs and Savings		-23.9				-43.5
		Accommodation Net Totals		-23.9		0.0		-43.5

APPENDIX C

Corporate and Client Services – Budget Savings Options Appraisal

1 Executive Summary

We have focussed on identifying specific, deliverable savings for year 1 (2014/15). The target for year 1 is £441k and we have identified savings totalling £499k, which can be delivered without redundancy implications for TDBC. This does, however, include a recommendation to increase parking fees.

The proposals for year 2 (2015/16) contain a mixture of specific options and areas which require further review and development. However, we believe we can hit the target of £139k but there are potentially some redundancy implications.

The approach to year 3 (2016/17) is to suggest specific options where we can sensibly identify them now, e.g. increasing parking charges and garden waste fees, and to identify areas where we need to fundamentally review and cut spending e.g. Waste, Tone Leisure etc.

2 Background

- 2.1 Corporate & Client Services are responsible for budgets totalling £11.3m over a range of services. In addition the service receives income totalling approximately £5m.
- 2.2 The services for which Corporate & Client are responsible are varied and include Parking & Civil Contingencies, Revenues & Benefits, Tone Leisure, the Somerset West Private Sector Housing Partnership, Southwest One and the Somerset Waste Partnership. The latter two partnerships comprise over 50% of our budgets (£6.6m), are contractually fixed prices and, as such, are very difficult to deliver savings against.

Summary of Savings Targets

	2014/15 £k	2015/16 £	2016/17 £	3-Year Cumulative £
Theme General Target	441	139	572	1,152

3 Scope

- 3.1 Summarised below are the various budgets managed by the Corporate & Client Services team with commentary regarding the areas considered for savings.

Budget	Gross budget £K	Comments re our ability to deliver savings
Corporate budgets (training, insurance, treasury management, drainage, flooding)	135	Savings restricted to minor savings against the insurance and corporate training budgets. The other budgets are already running at the minimum safe level.

Budget	Gross budget £K	Comments re our ability to deliver savings
Corporate & Client Service budgets (largely staffing costs)	450	Some scope to deliver small non-staff savings in year 1. Our ability to deliver significant savings in the longer term is linked to reducing the size of the SWO contract and the complexity of clienting that contract. In year 3 we will need to look at restructuring the client function and returned services with a view to delivering cost reductions.
Parking & Civil Contingencies	1,320	<p>The ability to reduce our contract price and staffing in this area is limited, although there is scope in 2014/15. Consequently for significant savings in the longer term we will either need to look to reduce services and/or increase parking income.</p> <p>The proposals for increased charges for 2014/15 (the first increase since March 2011) are the first move in simplifying the tariff bands as proposed in the approved Car Parking Strategy. They are based on the rationale of £1 per hour in the central Shoppers car parks and a cheaper rate in the more outlying ones. The outcome is some tariffs being increased, some reduced and others remaining unchanged. Proposals to amend car park charges are subject to a discrete legal process requiring their publication and a 21 day period for representations to be submitted. Representations are then considered in public by a Traffic Regulation Order Panel of Members. This results in a recommendation to the Executive Councillor who makes the decision on implementation. This is a separate process to the budget setting activities.</p>
Revenues & Benefits	1,730	There is scope to deliver significant further savings in 2014/15 resulting from the return in-house of the service in April 2013. In the longer term significant savings can only come from large cost reductions, which are likely to impact on service delivery and will potentially require a reduction in staff. A 5% budget reduction should be considered in year 3. (NB we must also factor in that reducing staff significantly in this area can have a detrimental impact upon income particularly against the backdrop of the welfare benefits changes).
Shopmobility	65	£51k of the £65k budget is to cover the cost of service provision. The £51k covers the contract cost for running the service. Options for charges (either per use or on subscription basis) have been looked at previously but not pursued as the amounts likely to be raised are not substantial. Major savings will only come following a fundamental review and reduction of our requirements from this service, finding a voluntary sector partner or ceasing to provide the service. The contract has a 12 month cancellation period so to deliver a saving from 1 April 2015 will require us to notify the contractor of our intention to terminate by 31 March 2014.

Budget	Gross budget £K	Comments re our ability to deliver savings
Somerset West Private Sector Housing Partnership	230	Our ability to deliver immediate significant savings is extremely limited. Significant savings will only come following a fundamental review and reduction of our requirements from this service. A small reduction in funding for shared posts is proposed in year 1. This needs to be followed by a more fundamental review of our ongoing requirements from this service in year 2.
Southwest One contract	3,606	The SWO contract is a fixed price contract. Whilst the contract price does include a price reduction mechanism our ability to deliver significant savings over and above this would require a significant and expensive renegotiation of the contract. Minor savings can be delivered in year 1 from adjustments to retained budgets which relate to in-scope services. Withdrawing further services in Feb 2014 will reduce the contract value by approx a further third. The services withdrawn will have to deliver savings in line with all other services.
Street naming & numbering	0	We are required by law to provide a street naming & numbering service. Currently we do not charge for this service, but other districts do. We are allowed by law to levy a charge for this service, although only to the extent of covering our costs. Our estimate, based on the number of requests over the past 4 years, suggests that this is costing us at least £16k per annum, which we should look to recoup.
Tone Leisure	714	The budget is split roughly 50:50 between grant and property maintenance. We are committed to the amount of spend on maintenance through our lease agreements for the properties. There is little scope for reducing the grant payments without there being a significant knock-on reduction in the services delivered, although small reductions are proposed for years 1 and 2. Significant savings can only be delivered in the longer term via a fundamental review of our leisure requirements. Such a review is proposed to be completed by 2016/17 with a view to delivering significant savings in that year.
Waste	3,059	There is scope to increase garden waste income for each year, but this is not significant in comparison to the overall budget. The budget mainly covers contract payments, which we are tied to. The only scope to significantly reduce these payments will be to accept fundamental changes to the waste collection service, which in practice would need to be agreed across the partnership. It is therefore suggested that we work with SWP to identify changes that could be made in order to deliver significant contract cost reductions in year 3.
TOTAL	11,309	

4 Options Appraisal

- 4.1 To identify savings proposals we have looked at all of our budgets. However, for the reasons outlined above, we are restricted by contractual constraints from delivering significant savings in respect of two of our key budgets – Southwest One and Waste.

- 4.2 In developing savings proposals we have focussed on identifying a number of specific proposals to achieve the savings target for year 1 (2014/15) (see Annex 2). The proposals identified can be delivered without any redundancy implications for TDBC employees and with minimal impact on service delivery.
- 4.3 The options for year 2 (2015/16) contain a mixture of specific proposals and recommendations for areas requiring further review and development (Annex 3 refers).
- 4.4 Identifying specific options for year 3 (2016/17) is more difficult (see Annex 4). The only areas where we can currently directly influence the costs are in the direct staffing budgets we control (i.e. Corporate and Client Team, Revenues and Benefits Service). To meet the target for year 3 from these budgets alone would require significant reductions in service and staff (which would actually be counter productive and potentially lead to increased costs). Consequently in a number of cases the proposed option is to fundamentally review our requirements from certain partnerships (Tone Leisure and the Waste Partnership) with a view to making significant reductions in our spending. A 3-year time frame should provide ample time for such reviews to be undertaken.

5 **Proposal for Budget Savings**

- 5.1 See above and Annex 2, 3 and 4.

6 **Affordability**

Summary of Financial Implications v Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs		0	0	0	
Ongoing Costs		0	0	0	
Savings – Staff (-)		0	-139	-571	-1,204
Savings – Other (-)		-494			
Net Costs / Savings (-)		-494	-139	-571	-1,204
Savings Target		441	139	572	1,152
Target less Savings		-53	0	1	-52

7 **Impact on Human Resources**

- 7.1 There are no anticipated redundancy implications for TDBC resulting from the year 1 proposal. The proposals and ideas have been shared with UNISON on 3 December.

8 **Dependencies**

Year 1 savings proposals (2014/15)

- 8.1 Agreement of flexible retirement for the Parking & Civil Contingencies Manager.
- 8.2 Car park charges are subject to a statutory consultation process before the Traffic Regulation Order can be amended.
- 8.3 Private Sector Housing Partnership – dependent upon SWPSHP reorganising shared funded resource provision.
- 8.4 Tone Leisure – any significant cost increase above the amount budgeted by Tone for pension auto-enrolment may jeopardise their ability to cope with a grant reduction without

having a significant impact on service delivery. Additionally, the ability to deliver these savings is dependent on the Station Road pool refurbishment being completed as planned.

- 8.5 Waste – dependant on garden waste income subscriptions hitting the estimated levels.

Year 2 savings options (2015/16)

- 8.6 Property – our being prepared to introduce charging for street naming and numbering.
- 8.7 Private Sector Housing Partnership – the delivery of significant savings will be dependent upon the completion & implementation of a fundamental strategic review and rationalisation of the service we require from the SWPSHP.
- 8.8 Shopmobility – the possible removal of the service if we cannot find another provider.

Year 3 savings options (2016/17)

- 8.9 Car park charges are subject to a statutory consultation process before the Traffic Regulation Order can be amended.
- 8.10 Corporate Services Restructure – our ability to deliver significant savings from within the various corporate services is dependant on, a) their being returned from Southwest One and, b) their being sufficient scope left to make savings following the delivery of shared service savings in year 2. These savings will also need to be delivered in addition to the shared service project savings.
- 8.11 Revenues & Benefits – our ability to reduce the budget will be dependant upon the actual impact of the introduction of Universal Credit and our willingness, if required, to accept the implications of a service reduction in this area. These savings will also need to be delivered in addition to the shared service project savings.
- 8.12 Tone Leisure – the delivery of significant savings will be dependent upon the completion & implementation of a fundamental strategic review and rationalisation of our leisure services.
- 8.13 Waste – the ability to deliver significant savings will be dependent on identifying changes in the collection process which can deliver significant cost reductions and which are acceptable to the other district partners

9 Procurement

Year 1 savings (2014/15)

- 9.1 Parking cash collection contract changes – this is in hand and involves our moving from our existing contract to 'piggy back' onto a contract already procured by SCC – no new procurement is required.

Year 2 savings options (2015/16)

- 9.2 No procurement implications identified.

Year 3 savings options (2016/17)

- 9.3 Corporate Services Restructure – this may involve our outsourcing some services, but until we review options and identify specific service proposals we will not know which services.

10 **Risks and Impacts**

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.

Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	5	1	3	1
Legal	0			
Human Resources	1	0	0	1
Equality	2	0	2	0
Crime and Disorder	0			
Health and Safety	0			
Data protection	0			
Safeguarding	0			
Sustainable Communities	0			
Environment	0			
Other	1	0	1	0

11 **Equalities Impacts**

- 11.1 Each savings proposal has been assessed to identify whether there are potential equalities implications and consequently where and when we need to undertake a detailed Equalities Impact Assessment. Where detailed EIAs are required they are included in Annex 5.

12 **Timescales for Implementation**

- 12.1 See Annexes 2, 3 and 4.

13 **Recommendations**

- 13.1 That the budget proposals outlined in this report are accepted.

Contact:

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Annexes

Annex 1 – Risk Register
 Annex 2 – C&CS Savings Proposals for 2014/15
 Annex 3 – C&CS Savings Proposals for 2015/16
 Annex 4 – C&CS Savings Proposals for 2016/17
 Annex 5 – Equalities Impact Assessments

Annex 1 – Corporate and Client Services Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
C&CS 1	15/10/2013	Cause: Reduction in hours of the Parking & Civil Contingencies Manager RISK: Insufficient cover at a senior level for the Retained Parking & Civil Contingencies functions Effects: Reduced ability to deliver key functions	Operational	Feasible(3)	Minor(2)	6	6 months
C&CS 2	15/10/2013	Cause: Increase in parking charges RISK: Those with no alternative to driving or on low incomes will be adversely affected and may lead to reduction in usage Effects: Reduction in income & detrimental impact on local businesses and rural communities	Operational	Feasible(3)	Significant(3)	9	3 months
C&CS 3	15/10/2013	Cause: Reduced grant RISK: Reduction in service delivery by Tone Leisure and/or potentially having to close some facilities Effects: Potential detrimental impact on health, may make Tone Leisure unviable	Operational	Feasible(3)	Significant(3)	9	6 months
C&CS 4	15/10/2013	Cause: Reduction in service of SWPSHP RISK: Reduced ability of SWPSHP to deliver/potentially fragments the partnership Effects: Impact on vulnerable groups (this option would require a detailed EIA). Potentially fragments the partnership	Strategic	Feasible(3)	Significant(3)	9 Amber	6 months
C&CS 5	15/10/2013	Cause: Increase in garden waste charges RISK: The proposed increase in garden waste charges results in a significant downturn in take-up Effects: Insufficient income to cover costs resulting in cuts having to be made elsewhere	Operational	Slight(2)	Significant(3)	6	12 months

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
C&CS 6	15/10/2013	Cause: Inability to complete contract changes to return services from SWO RISK: Unable to deliver savings against the SWO contract services Effects: Budget savings & services cuts will have to be borne by other services	Operational	Feasible(3)	Major(4)	12	3 months
C&CS 7	15/10/2013	Cause: 5% reduction in funding for Revs & Bens in year 3 at the same time as significant changes to the welfare benefits process nationally i.e. Universal Credit RISK: Significant service reduction in Revs & Bens impacts upon our ability to collect debt & quickly & accurately assess benefit entitlement Effects: Lost income, delays in processing time, backlog of recovery cases	Operational	Likely(4)	Major(4)	16	24 months
C&CS 8	15/10/2013	Cause: Waste partners unwilling to agree to service changes to deliver savings RISK: Unable to deliver significant savings for the Waste contract Effects: Service cuts will have to be made in other areas	Operational	Likely(4)	Major(4)	16	12 months
C&CS 9	15/10/2013	Cause: Withdrawal of funding RISK: The Shopmobility services ceases to be provided Effects: Potentially significant affect on services users	Operational	Likely(4)	Significant(3)	12	12 months

Annex 2 – Corporate and Client Services Budget Proposals 2014/15

Area	Specific budget	Details	Savings £	Detailed EIA Needed	Implementation timescales
Corporate Budgets	Insurance	Budget no longer required due to new insurance providers	3,250	Not required	No lead in time required - can be implemented from 1 Apr 2014
Corporate & Client Services	C&CS	Stationery budget reduction	2,500	Not required	No lead in time required - can be implemented from 1 Apr 2014
Parking & Civil Contingency	Off-Street Parking	Staff savings through reduction in management from full-time to part-time (3 days/week)	25,000	Not required	Can be implemented if & once proposal agreed
Parking & Civil Contingency	Off-Street Parking	Parking contract (30 min rule) adjustment	55,000	Not required	Already in the process of being implemented
Parking & Civil Contingency	Off-Street Parking	Parking charge increase. [Would require £5k to cover consultation & adjustment of parking machines] <i>Consideration of this item has been deferred in the Executive's Draft Budget</i>	150,000	Not required	21 day representation period subsequent to proposals being advertised, then a TRO Panel and Executive Member decision, then time to put into practice. Minimum eight weeks from decision to advertise.
Parking & Civil Contingency	Off-Street Parking	Cash collection contract changes	17,000	Not required	Already in the process of being implemented
SWPSHP (Housing Standards)	Housing Standards	Reduction in funding	5,000	EIA completed	Can be implemented from 1 Apr 2014.
Revenues & Benefits	Revenues and Benefits	Additional savings identified as a result of bringing the service back in-house	134,000	Not required	No lead in time required - can be implemented from 1 Apr 2014
SWO Contract	ICT	Minor adjustments	2,000	Not required	No lead in time required - can be implemented from 1 Apr 2014
SWO Contract	Procurement	Minor adjustments	530	Not required	No lead in time required - can be implemented from 1 Apr 2014
SWO Contract	Finance	Minor adjustments	600	Not required	No lead in time required - can be implemented from 1 Apr 2014
Tone Leisure	Tone Leisure	Grant reduction which can be delivered through projected utilities savings on Station Road pool (£20k) & through ceasing to subsidise Wellington Swimming Club (£9k)	29,000	EIA completed	No lead in time required - can be implemented from 1 Apr 2014

Area	Specific budget	Details	Savings £	Detailed EIA Needed	Implementation timescales
Waste	Household Waste Collection	Increased garden waste income through £1.50 increase in annual kerbside collection fee; plus increased demand. Based 2013/14 figures (8775 subscribers and estimated 1,000 sack sales)	70,000	EIA completed	Subject to agreement of fee increase through the budget setting process, but can be implemented for 2014/15
TOTAL			493,880		

Annex 3 – Corporate and Client Services Budget Options 2015/16

Area	Specific budget	Details	Savings £	Detailed EIA	Implementation timescales
Corp & Client Services	ICT (Retained)	Retained ICT budget and software licence fee budgets which are no longer required. Significant ICT changes will be required during 2014/15 and suggest retain this budget for a year to assist in delivery.	20,000	Not required	
Corp & Client Services	Property	Introduction of charges for street naming & numbering. We are required by law to provide a street naming & numbering service. Currently we do not charge for this service, but other districts do. We are allowed by law to levy a charge for this service, although only to the extent of covering our costs. Our estimate, based on the number of requests over the past 4 years, suggests that this is costing us at least £16k per annum. We would need to identify any legislative minimum lead in timeframe for introducing these charges.	16,000	Detailed EIA needed once the specific charging proposals are identified	We should look to implement for 1 Apr 2015 as part of the fee setting process for 2015/16.
Parking & Civil Contingency	Shopmobility	Significant savings can only be made by removing the services or transferring the cost of doing so to another provider. Options for charging have previously been considered and do not yield sufficient cost reductions.	55,000	EIA completed	To guarantee our ability to make the savings from April 2015 we would have to put the contractor on notice by 31 Mar 2014. However, that would then provide a year for us to try and identify an alternative delivery solution.
SWPSHP (Housing Standards)	Housing Standards	Review our non-statutory requirements from this service with the aim of delivering a 10% minimum reduction in costs.	26,000	Detailed EIA to be produced as part of review	Will follow the completion of a review during 14/15 or 15/16
Waste	Household Waste Collection	Garden Waste fee increase by minimum of £2.00 Assumes that the number of subscribers remains at current levels i.e. approximately 8775	17,000	Increase recommendation will include an EIA	Subject to agreement of fee increase through the budget setting process
Tone Leisure	Tone Leisure	Work with Tone Leisure to identify proposals that would provide for a grant reduction	5,000	Detailed EIA to be produced as part of specific proposal in year 2	How this will be delivered needs to be agreed with Tone Leisure.
TOTAL			139,000		

Annex 4 – Corporate and Client Services Budget Options 2016/17

Area	Specific budget	Details	Savings £	Detailed EIA	Implementation timescales
Corporate Budgets	Training & OD	Reduction in budget to reflect the reduction in the size of the Council	11,000	Detailed EIA to be produced with specific proposal	Can be implemented as part of the 16/17 budget setting process
Corp & Client Services Corp Admin, D&P, Finance Advisory, Facilities, HR Advisory & Property	Various	Review & restructure following the return of services from SWO with the aim of achieving a min 5% reduction in cost	70,000	Detailed EIA to be produced with specific proposal	Will follow the completion of service reviews during 14/15 & 15/16
Parking & Civil Contingency	Off-Street Parking	Parking charge increase Would require £5k to cover consultation & adjustment of parking machines	190,000	Increase recommendation will include an EIA	21 day representation period subsequent to proposals being advertised, then a TRO Panel and Executive Member decision, then time to put into practice.. Minimum eight weeks from decision to advertise.
Revenues & Benefits	Revenues and Benefits	5% cost/budget reduction	80,000	Detailed EIA to be produced with specific proposal	Can be implemented as part of the 16/17 budget setting process
Tone Leisure	Leisure services	Undertake a fundamental strategic review of leisure provision during 2014/15 & 2015/16 with the aim of delivering a 15% reduction in cost	103,000	Detailed EIA to be produced with specific proposal	Will follow the completion of a review during 14/15 or 15/16
Waste	Household Waste Collection	Garden Waste fee increase by minimum of £2.00. [Assumes that the number of subscribers remains at current levels i.e. approximately 8775]	17,000	Increase recommendation will include an EIA	Subject to agreement of fee increase through the budget setting process
Waste	Waste and Recycling	Ask SWP to implement changes to the waste collection process to reduce costs - lower frequency collection/higher diversion. (NB We will ideally need cross-partnership support for this)	100,000	Detailed EIA to be produced with specific proposal	18 months to 2 years
TOTAL			571,000		

Annex 5 – Corporate and Client Services Equalities Impact Assessments

Equality Impact Assessment – Private Sector Housing Partnership

Responsible person	Paul Harding	Job Title: Corporate & Client Lead
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Somerset West Private Sector Housing Partnership - cost reduction through introducing flexibility in the delivery of the empty homes function.	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To introduce greater flexibility with the provision of the work undertaken by jointly funded resources in order to deliver a saving for each of the partners whilst maintaining service delivery.	
Which protected groups are targeted by the policy/decision/service?	<p>1. Age 2. Disability; 3. Gender Reassignment; 4. Pregnancy and Maturity; 5. Race; 6. Religion or belief; 7. Sex; 8. Sexual Orientation; 9. Marriage and civil partnership</p> <p>None of the protected groups are targeted.</p> <p>There should be no adverse change felt by the public.</p>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used	The report to the SWPSHP Board of November 2013 by the Private Sector Housing Partnership Manager.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
There are no specific impacts on the public that result from the changes proposed. The officers affected, are employed by SDC and any staffing impacts associated with the change (redundancy and taking on additional work) will be identified and handled appropriately by SDC as part of their employer responsibilities.		

I have concluded that there is/should be:	
No major change - no adverse equality impact identified	
Adjust the policy/decision/service	
Continue with the policy/decision/service	Yes
Stop and remove the policy/decision/service	
Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
2014/15.	
Section Five – Sign off	
Responsible officer: Paul Harding Date:	Date:
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area		Date			
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Leisure Services

Responsible person	Richard Sealy	Job Title: Corporate & Client Services Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	
	Budget/Financial decision – MTFP	X
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	The proposal to reduce the Tone Leisure grant in 2014/15	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To reduce expenditure, but in such a way that minimises the impact on Tone Leisure’s ability to deliver services	
Which protected groups are targeted by the policy/decision/service?	<p><i>1. Age 2. Disability; 3. Gender Reassignment; 4. Pregnancy and Maturity; 5. Race; 6. Religion or belief; 7. Sex; 8. Sexual Orientation; 9. Marriage and civil partnership</i></p> <p>No specific protected groups are targeted by this proposal</p>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used	Detailed discussions have been held with Tone Leisure to understand how they will deliver the consequent savings required as a result of the grant reduction. It is understood that these savings can be delivered through utilities cost savings at the Station Road pool, which result from the refurbishment works, and through ceasing to subsidise the Wellington Swimming Club.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
No specific impacts for protected groups have been identified		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified	X	
Adjust the policy/decision/service		
Continue with the policy/decision/service		
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	The conclusion has been identified following the discussions with Tone Leisure to identify how they will deliver the knock-on savings required.
Section four – Implementation – timescale for implementation	
Can be implemented for 1 April 2014	
Section Five – Sign off	
Responsible officer: Richard Sealy Date:	Date: 19 Nov 2013
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table						
Service area				Date		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	
NO ACTIONS IDENTIFIED						

Equality Impact Assessment – Garden Waste Service

Impact Assessment Form and Action Table (Expand the boxes as appropriate, please see guidance to assist with completion)			
Why are you completing the Impact Assessment?			
Proposed New Policy or Service	Change to Policy or Service	MTFP or Paper	Service Review or SCC Change Programme
	X		
What are you completing the Impact Assessment on (which policy, service, MTFP reference, cluster etc)?		Somerset Waste Partnership Fees and Charges 2014/15	
Section 1 – Description of what is being impact assessed			
Changes to fees and charges for 2014 - 2015: (A) Garden Waste Collection Service – recommend charges are set at £46.50 for 1 year and £88 for 2 years for the garden waste bin collection service, garden sacks to remain the same; (B) Bulky Waste Collection Service to remain the same; (C) Container Charging (refuse bins) to remain the same; (D) Entrance fee to Community Recycling sites to remain the same; (E) Charges to deposit soil and hardcore, gas bottles and tyres at Household Recycling Centres to remain the same			
Section 2A – People or communities that are targeted or could be affected (for Equalities - taking particular note of the Protected Characteristic listed in action table)			
Residential population of Somerset			
Section 2B – People that the policy or service is delivered by			
Somerset Waste Partnership, Kier (MG) and Viridor			
Section 3 – Evidence and data used for the assessment (Attach documents where appropriate)			
Somerset Waste Partnership “Proposed Scale of Fees and Charges 2014/15” paper.			
Section 4 – Conclusions drawn about the impact of the proposed change or new service/policy (Please use prompt sheet for help with what to consider):			
Key issues to be fed into relevant Action Table			
Equality			

The impact of the recommended schedule of charges in the 2014/15 period will be limited.

Garden Waste: SWP recommend Garden Waste charges are set at £46.50 per annum and £88 for two year subscription for a wheeled bin service and £25.00 for 10 sacks. This means no uplift for sacks and the bin charge remaining subsidised with the addition of a two year option for the customer. No impacts have been identified as a result of adoption of these charges.

Bulky Waste: There is no uplift to charges recommended this year.

Replacement refuse bins: There is no uplift to charges recommended this year.

In general increases in charges may have a disproportionate impact on the post retirement age group; those on low incomes; people with mobility impairments, or people with sensory impairments that may impact on their mobility. We recommend we continue to subsidise garden waste collections; promote free and sustainable alternative disposal routes; and, as an alternative to purchasing a replacement refuse bin, allowing use of refuse sacks in appropriate circumstances.

People living in rural areas may be disproportionately impacted by the increase in charges, as might people with limited mobility and low income who would find carrying sacks difficult and paying for a replacement bin an unreasonable cost.

Health and Safety

Should residents decline replacement wheeled bins as a result of the charge (C) they will have the option to place refuse out in sacks instead. This creates a greater requirement for manual lifting by collection crews. Kier (MG) advise this increased requirement is acceptable and the increased risk is marginal but requires ongoing monitoring.

Sustainability

Based on the experience we do not anticipate a significant change to take up of services. Therefore there are no identified sustainability issues.

Community Safety

There has been no identified impact on public safety as a result of these changes.

Privacy

Personal data relating to uptake of these services will continue to be held on secure systems.

Business Risk

Status: Green.

- There is a slight risk that increased charges will lead to a lower take up rate, but experience to date does not suggest this will be the case.
- There is also a risk that the overall cost of the services to the general taxpayer will rise if the price to the customer does not keep pace with

- the inflationary increase in the contractual cost.
- The two year garden waste subscription option is £5 less than two single year subscriptions and protects the customer against any price increase in the second year. Subscribers last year saved £5 and avoided the proposed increase of £1.50 in the coming year. This means the value of the avoided costs and other benefits of offering this need to justify reduction of income of £6.50 per household subscribing to the two year option (25% of subscribers based on uptake in the South Somerset Pilot).
 - The two year garden waste subscription option will also “front load” income, so will result in significant rise in income in the first year, and a reduction in income in the second year. In order to manage costs against income consistently a mechanism for accruing year one revenue into the second year may be advisable.

Section 5 – After consideration please state your final recommendations based on the findings from the impact assessment. Also include any examples of good practice and positive steps taken.

The Equalities Impact Assessment process shows that there are some sections of the population who may be impacted by the changes more than others. However there are strong mitigating factors in each case and therefore the impact is marginal and is unlikely to be prejudicial to their access to waste services in Somerset.

Section 6 – How will the assessment, consultation and outcomes be published and communicated? E.g. reflected in final strategy, published.

This assessment will be briefed to the Somerset Waste Board meeting of 27th September 2013. It will then be reviewed following any amendments to the proposal required by the Board. It will then be published on the Somerset County Council web site.

Completed by:	Colin Mercer
Date	30/08/2013
Signed off by:	
Date	
Compliance sign off	
Date	
To be reviewed by: (officer name)	
Review date:	

Equality Impact Assessment – Shopmobility

Responsible person	John Lewis	Job Title: Parking & Civil Contingencies Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	✓
	Budget/Financial decision – MTFP	✓
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Taunton Shopmobility Scheme	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	<p>Taunton Shopmobility is a discretionary service fully funded by the Council. It was a Member-led initiative established in 1994 partly to provide alternative parking facilities for Blue Badge holders in recognition of the changes to dedicated on-street parking provision brought about by the Town Centre Enhancement Scheme. Shopmobility operates from the Orchard Car Park (with direct access to the shopping mall) through a agreement with the PLUSS organisation – previously Somerset County Council’s ‘Somerset County Enterprises’ - which provides employment for persons with disabilities</p> <p>The service provides wheelchairs (manual and powered) and Scootas free of charge for use by all persons with temporary or permanent mobility difficulties.</p> <p>The proposal is the total closure of the service. The contract with PLUSS includes a 12 month notice period. To effect full year savings in 2015/16 the decision to close down the service would need to be made prior to 31 March 2014 and notified formally to the service provider.</p>	
Which protected groups are targeted by the policy/decision/service?	<p>1. Age 2. Disability 3. Gender Reassignment 4. Pregnancy and Maturity 5. Race 6. Religion or Belief 7. Sex 8. Sexual Orientation 9. Marriage and civil partnership</p> <p>The Age and Disability groups are targeted by the proposal.</p>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	<p>The nature and purpose of the service means that its user base comprises primarily the elderly and disabled. Each individual joining the Scheme provides personal information including their mobility issue. These are retained in hard copy form by PLUSS.</p> <p>See usage spreadsheet below. This shows overall number of uses. The number if individual users is lower than this as some are regular service users, ie on a weekly basis</p>	

Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality

Closure of the service would impact on the Age and Disability protected groups as it would remove facility enabling them to come into Taunton, park in a secure environment free of charge and, using Shopmobility vehicles, visit the town centre shops and businesses.

In addition to the potential loss of spend within the town centre there are also social issues around support for carers and families, and the ability for some people to make visits they would otherwise be unable to do.

The potential alternatives to full service closure are

- Reducing the cost to the Council by introducing some form of charging (eg an annual joining fee or per usage fee)
- Seeking a voluntary sector service provider

Either could be investigated during the twelve month notice period if that decision is taken.

I have concluded that there is/should be:

No major change - no adverse equality impact identified	
Adjust the policy/decision/service	
Continue with the policy/decision/service	✓ - to meet the financial savings required of the Council
Stop and remove the policy/decision/service	

Reasons and documentation to support conclusions	Savings targets
--	-----------------

Section four – Implementation – timescale for implementation

Decision required by 31 March 2014 in order to give 12 months contract termination notice. Service would terminate as from April 2015.

Section Five – Sign off

Responsible officer: John Lewis Date: 28 November 2013	Management Team Date:
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Section six – Publication and monitoring

Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Taunton Shopmobility Scheme			Date	
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

APPENDIX D

Strategy and Performance – Budget Savings Options Appraisal

1 Executive Summary

The Business Case outlines the Strategy and Performance Unit proposal to phase out the funding of the Climate Change budget between 2014/15 and 2015/16 to deliver ongoing savings of £61,200 to the Council over this timeframe.

The proposal allows for the retention of a minimum of £13,500 per annum income from Solar PV schemes to be used to (a) update signposting information to the community on climate change best practice and guidance through its website; (b) provide grants to voluntary and community sector organisations to promote climate change initiatives and (c) investigate minor energy efficiency schemes within TDBC premises. Furthermore it is proposed that the Strategy and Performance Manager retains his remit to convene officers and members periodically to ensure the Council continues to retain an internal focus on energy efficiency.

The proposal has no redundancy implications.

2 Background

2.1 The Strategy and Performance Unit has been set a target for financial savings of £50,400 from a baseline budget of £376,990 by 2016/17. This equates to a budget saving of 13.4%.

2.2 It should be noted that although the Strategy and Performance Unit also oversees a budget of £200,000 community and voluntary sector grants, an agreed strategic financial principle is that expenditure on grants to the community and businesses will be frozen until 2015/16 after which a percentage saving of 10% has been indicated (MTFP update report to Corporate Scrutiny 19/9/13). Therefore an additional *indicative* saving of £20,000 is assumed from this budget in 2016/17. For the purposes of this paper, this target has not been discussed further as the recommendation would be that the Officer / Councillor Grants Panel consider this in 2015/16 to ensure this reduction is applied in the most appropriate manner and consideration is given to recipients on how best this can be mitigated.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Theme General Target	19	6	25	50
Discretionary Policies			20	20
Totals	19	6	45	70

2.3 The new joint Management Team for WSDC and TDBC will be established by January 2014 and further savings will be required from the Strategy and Performance Unit for 2014/15 and 2015/16 as a result of this, through sharing services.

3 Scope

3.1 The Strategy and Performance Unit budget funds a total of eight officers (7.6 FTE):

- Strategy and Performance Manager (1FTE)
- 2 x Strategy and Performance Leads (2FTE)
- Media and Public Relations Officer (1 FTE)
- 3 x Strategy Officers (2.6 FTE)
- Climate Change Officer (1 FTE).

3.2 A short summary of responsibilities is provided below:

Public Relations – Proactive and Reactive public relations for TDBC and projects and partnerships (E.g. the WSDC project)

Performance and Risk Management – Provide framework and lead for Council including benchmarking, monitoring and corporate governance

Programme Management – Co-ordination of council's major projects to ensure aligned, focussed and delivers benefits as well as complying with project controls and governance

Climate Change – Provides a lead to the organisation and community to reduce carbon emissions and promote renewables

Strategy – An assessment of government changes and impact on Council plus the development of the Council's Business Plan and strategic direction

Strategic Partnerships – Act as the Council lead in the TDP, ensuring focus on delivery of the Priority Areas Strategy (PAS) to tackle deprivation

Voluntary and Community Sector – Provides support to the VCS, assesses grant applications and monitors delivery against SLAs

Family Focus – Project Management of the TDBC and WSDC Family Focus projects to work with 262 troubled families (additional resource brought in for this). These 262 families are estimated to cost the public sector £20m pa.

Equalities – Provide a lead to the Council ensuring compliance with its statutory equalities duties

Safeguarding – Provide a lead to the Council ensuring compliance with its statutory safeguarding duties and respond to identified cases.

Health and Wellbeing – Provide a lead for the Council to ensure co-ordination and alignment to H&W Strategy and Council 'adds value' to this for residents

Housing Strategy – Provides a strategic focus to the organisation to consider the Districts housing needs (a statutory requirement) and ensure these are addressed (through HRA stock, registered providers and the private sector).

3.3 The breakdown of budget against budget codes is:

	£
Strategy (includes Unit Manager)	218,630
Housing Strategy	40,520
Public Relations	55,760
Climate Change	61,360
TOTAL	376,270

(A further £200k of Voluntary and Community Sector grant increases the total to £576k)

4 Options Appraisal

4.1 The work areas covered on the previous page are significant and the existing capacity in the team is fully stretched to be able to deliver against these areas. It is clear to the

Strategy and Performance Manager that attempting to share the impact across the range of functions ('salami-slicing') is no longer a viable option. Therefore to achieve the savings target, a decision is required on ceasing altogether (or significantly reducing) a function of the service.

- 4.2 All areas of the service were considered against their impact on the objectives of the Corporate Business Plan and against our statutory responsibilities. Using these criteria, one clear function emerged as the recommended area to deliver the savings target and this was the area of Climate Change.

Climate Change Background

- 4.3 The Climate Change Officer post was created as part of the Strategy Unit in 2010. The post had two main responsibilities: to provide focus on improving the energy efficiency of Council buildings and identify opportunities for renewable energy; and the to develop a Community Climate Change Strategy on behalf of the Taunton Deane Partnership, working with key partners such as Taunton Transition Towns.
- 4.4 Additional to this, the post also provided some support and input to planning policy, specifically where this related to environmental or climate change aspects of planning. The post was managed by a Strategy Lead and had additional support of around one day per week from a Strategy Officer.
- 4.5 In 2012, the Strategy Unit was restructured and Planning Policy moved across to the Growth Theme, and the officers involved in Climate Change moved across as part of this change. However the responsibility for Climate Change and budget remained with the Strategy and Performance Manager who continued to oversee, lead and actively champion this agenda.
- 4.6 At this point in time, the post is vacant and the Climate Change Strategy has been completed in draft and is close to being ready to publish. This includes actions for the Council within existing resources and services as well as actions for partners.
- 4.7 Rationale for Climate Change savings proposal
- a) Since April 2013, Climate Change is no longer a corporate priority but is embedded in the Council as a business principle: "we will minimise the environmental impact from our operations." This also reflects comments from the LGA Peer Review letter: "Climate change is important for the council, for example with the risk of flooding that the borough faces, but it could be subsumed within 'sustainable growth and regeneration' rather than being a headline priority."
 - b) The Climate Change Officer post is currently vacant and being filled on a one year contract basis only, therefore the budget could be significantly reduced without redundancy implications.
 - c) The Climate Change Officer post has been a great success for this Council. Between 2006/07 and 2012/13 the Council managed to reduce its carbon emissions by 12.5% or 599 tonnes of CO₂. This is estimated to have reduced our bills by £120,000 per annum. However more recently we have experienced 'the law of diminishing returns', where all of the 'quick wins' have been made and all of the affordable measures have been introduced. It now becomes harder to identify new savings measures with an appropriate pay back period.
 - d) Since the post was created, the Council has made additional investment in energy efficiency expertise within its Housing service, including dedicated officers and budget to improve housing stock, which is the area of council assets where the biggest impact can now be made.
 - e) The Carbon Management and Energy Resilience Plan is annually refreshed and would continue to ensure that there is an annual focus on energy efficiency measures with some budget remaining to support this. For example two of the most significant energy

efficiency measures currently taking place are related to improving the plant on Taunton Pool and replacing the servers in the Deane House IT suite. Both of these are seen as part of 'business as usual' (ie the embedded business principle) rather than requiring the intervention of a Climate Change Officer post.

5 Proposal for Budget Savings

- 5.1 2013/14 - 2014/15 – Within existing budgets to recruit into the vacant post a Climate Change Officer on a one year fixed term contract to:
- a) complete and publish the Community Climate Change Strategy;
 - b) provide a web presence of information, signposting and contacts for energy efficiency information;
 - c) Work with community group partners (such as Transition Towns) to agree the best support the Council can continue to provide within its limited means from April 2015
 - d) identify an appropriate business case for a further 'renewables' project to allocate the remaining climate change reserve (£29,200), plus any unused current year Climate Change revenue budget to provide an ongoing income for the Council's energy efficiency drive.
 - e) Continue to identify further opportunities for energy efficiency across the Council and its operations.
- 5.2 We are currently advertising for this post and anticipate having someone commencing by December 2013 or January 2014.
- 5.3 2014/15 – Reduce the Climate Change budget by £19,000 to meet the 2014/15 savings target. The balance left in the budget will be used to pay for the remaining contract of the Climate Change Officer plus any initiatives described above.
- 5.4 2015/16 – Consider a further option to reduce the Climate Change budget by a further £42,000. This will exceed the savings requirements for Strategy and Performance over the three years by £10,600, however will help other areas of the Council meet what is a very challenging savings target.
- 5.5 This will leave an estimated minimum annual income of £13,500 from renewables (with the potential for this to be higher, if a suitable project has been delivered in 2014/15). This £13,500 budget would be used as follows:
- £6,000 set aside to (i) be allocated to progress small energy efficiency feasibility works on Council buildings and (ii) to buy in temporary agency resource for small pieces of work (e.g. to update the directory and website). It should be noted that future energy efficiency work on Council buildings would need to be built into existing maintenance schemes and paid for from existing maintenance budgets.
 - £7,500 set aside to enable voluntary and community groups such as Transition Towns to promote energy efficiency and undertake relevant events within the borough. This could be determined through the Grants panel. The criteria for this will have been established through previous liaison by the Climate Change Officer.
- 5.6 This proposal would mean that it would not be possible to renew the Community Climate Change Strategy in future nor would there be specific resource to investigate new energy efficiency or renewable measures for Council office buildings, although we would still be able to explore opportunities and implement measures for Council HRA stock through the dedicated HRA officers.
- 5.7 The Strategy and Performance Manager would continue to hold quarterly Carbon Management officer and member meetings to ensure that actions continued to take place

across different council buildings and to ensure the council publicised its continued successes. For example there are currently significant energy efficiency improvements taking place as a result of the work of Housing, the Private Sector Housing Partnership, Swimming Pool improvements and IT server improvements – none of which require support from the Climate Change Officer.

- 5.8 Theme Managers will be required to monitor within their quarterly scorecards how they are proactively minimising environmental impacts of their operations.

6 **Affordability**

Climate Change budget

- 6.1 The Climate Change budget is broadly comprised of the following:

Staffing costs (Climate Change Officer)	£30.5k
Supplies and Services Budget	£30.7k

- 6.2 On top of this, the budget also receives £15k pa income from feed-in tariffs and related payments from Tone Leisure for the electricity generated from Solar PV on Taunton Pool and Blackbrook Pavilion Sports Centre. This income has an agreement in principle to be reused for energy efficiency measures.
- 6.3 Building in a 10% under-performance on feed-in tariffs and related payments and therefore assuming future contributions of £13.5k pa, there is in effect an annual climate change budget of £74.5k. This is felt to be prudent as feed-in tariffs are linked to RPI and therefore should increase in the long-term.

Summary of Financial Implications v Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Savings – Staff (-)			-30		-30
Savings – Other (-)		-19	-12		-31
Net Costs / Savings (-)		-19	-42		-61
Savings Target		19	6	25	50
Target less Savings		0	-36	25	-11

- 6.4 The savings proposals in the table still allow for the feed-in tariffs to be used to support the voluntary and community sector to promote climate change as well as retaining some income for the Council to update its website and signpost the community to best practice, as described in the previous section.
- 6.5 There are no redundancy implications or other costs to this proposal and the savings can be achieved with a high level of certainty.

7 **Impact on Human Resources**

- 7.1 The proposal has no redundancy implications as the Climate Change Officer post is currently vacant and only being recruited for a one-year contract where it will be clearly explained that the post will cease after this time. The proposal has been shared with UNISON on 3 December.
- 7.2 The Climate Change Officer post provided some ad-hoc support to the Planning Policy team which was not strictly Climate Change related, therefore there is potentially a

resource gap as a result of this. However if the proposal went ahead, it would free up time from the Policy Lead and from the Policy Officer who currently both invest time in Climate Change and would no longer need to. On balance this would result in no net loss in resource for the team.

- 7.3 The Council is still statutorily required to provide annually to DECC certain data on carbon emissions. Historically this has been collated and provided by the Policy Officer in the Policy Team and this could therefore continue on this basis.

8 **Dependencies**

- 8.1 The proposals described in this report have no dependencies.

9 **Procurement**

- 9.1 No commissioning or other procurement is required to implement the proposed changes.

10 **Risks and Impacts**

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.

10.2 Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	2		2	
Legal	0			
Human Resources	0			
Equality	0			
Crime and Disorder	0			
Health and Safety	0			
Data protection	0			
Safeguarding	0			
Sustainable Communities	0			
Environment	1		1	
Other	1			1

Significant Risks

- 10.3 There are no significant risks, but in brief, moderate risks include:
- Reputation and Partnership – There is a reputational risk that so soon after completing the Climate Change Strategy that the Council is looking to pull back from further commitments. The proposals outlined above allow for a level of support to be provided to community groups and partners and for us to maintain a signposting service of good practice and advice which will help mitigate this risk.
 - Future efficiency measures – The loss of Climate Change resource would mean less opportunity to identify future cost saving measures for the Council or income generation business cases through energy efficiency initiatives. However as previously described, all of the quick wins have been ‘won’ and new measures are difficult to identify.

- c) Risk of failed Solar PV Unit or reduced efficiency – The panels are guaranteed for 10 years and have a performance output guarantee of 80% after 25 years. The inverter also has a guarantee for 10 years.

11 Equalities Impacts

- 11.1 The proposal does not have any adverse impact on protected equality groups (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership) and therefore a full Equalities Impact Assessment is not required.
- 11.2 Although there will be less officer resource focussed on Council office buildings, there will continue to be a significant effort to improve energy efficiency of Council houses and to signpost good practice to the community through our Community Strategy and website. Further support and promotion will be available through support we will provide through the voluntary and community sector grants.

12 Timescales for Implementation

- 12.1 Timescales for implementation are covered under Section 5.

13 Recommendations

- 13.1 The proposals outlined in this report offer significant budget savings of £61,000 to the Council to close its budget gap. They also offer a pragmatic and affordable solution that will allow the Council to provide a signposting service to the community through its website; provide grants to voluntary and community sector organisations to promote climate change initiatives; and still retain a limited resource to ensure the Council keeps an internal focus on energy efficiency.
- 13.2 Councillors are recommended to approve the business case proposals as outlined under Section 5.

Contact:

Name: Simon Lewis
Job Title: Strategy and Performance Manager
Contact Number: 01823 356397
Contact email: s.lewis@tauntondeane.gov.uk

Annex 1 – Strategy & Performance Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
SP1	16/09/2013	The business case recommends that Feed-In tariffs and payments from Tone Leisure for Solar PV are used to provide a continued level of Climate Change service. Risk - The Solar PV system fails or underperforms Effects: loss of feed in tariff and no longer a budget to fix the problem	Project	Feasible(3)	Significant(3)	9 Amber	From 2023
SP2	16/09/2013	The business case recommends the loss of the Climate Change Officer: Risk - the lack of corporate monitoring and awareness raising will lead to energy bills increasing again for the LA	Operational	Feasible(3)	Significant(3)	9 Amber	From 2015
SP3	16/09/2013	Risk - The loss of the Climate Change Officer limits our ability to identify new energy saving and income generation opportunities through renewables	Operational	Likely(4)	Significant(3)	12 Amber	From 2015
SP4	16/09/2013	Risk - Reputational risk for reducing our commitment to Climate Change, especially with the community groups we have built a relationship with	Operational	Feasible(3)	Minor(2)	6 Green	From 2014

APPENDIX E

Legal and Democratic Services – Budget Savings Options Appraisal

1 Executive Summary

I have focussed on delivering the savings target for year one within these proposals as further budget reductions for years 2 and 3 will require some more research and careful consideration. In addition, they may also be subject to further work in the transformation of services should the business case for West Somerset be approved. It should be noted that although the overall target will not be met in year 1 due to redundancy costs, the savings options stated will over deliver once these costs have been paid back. The approach that has been taken when looking at the service and deciding on where to make these cuts has been to try to minimise the impact of the cuts on the public and to the other services that the theme supports therefore minimising an increase in an overall cost to the council.

2 Background

- 2.1 The overall the budgets for the theme total £1,071,690. That is mainly made up of staffing and ancillary costs with a very small income.
- 2.2 The savings targets that have been set for the next three years are set out below.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Theme General Target	38	13	51	102
Democracy and Governance	18	19	18	55
Totals	56	32	69	157

3 Scope

- 3.1 In assessing where to make savings I have not looked at the Electoral Services function as the budgets are all needed in order to ensure that the service can function. This is a statutory service and it will also incur additional expenditure in the coming months due to the implementation of Individual Registration. Until that has been implemented it will not be clear as to how much budget will be required. We already know that additional staff will be required during the implementation phase and then an assessment will need to be made as to what requirements will be needed after that.
- 3.2 In addition I have also not looked at the Legal Services function as this is subject to a separate business case which will be considered by members in due course.
- 3.3 The areas that have been looked at are the mayoralty and parish liaison. These areas can be reduced with minimal impact on the public and on other core services thereby not increasing additional cost to the Council, although that is not to say that these reductions will not have an impact on those that they service, but it is hoped that the impacts can be reduced by other mechanisms that can be put in place.

4 Options Appraisal

- 4.1 In assessing the options all of the budgets were assessed but there is very little other than staffing costs that can be cut or reduced as they have already been reduced to the minimum required in previous years.

- 4.2 As stated the Legal Services are being assessed as part of a business case for a shared service with Mendip but if there were to be cuts from this service then they would likely be staffing costs. This would have a direct impact on the costs to the council as the client departments would then need to look at external legal support for routine work which would be charged out at a far higher rate than the cost of employing the staff internally. The draft business case is highlighting savings that can be made but further work is currently being carried out to formalise the savings that have been identified.
- 4.3 The Parish Liaison Officer's role has decreased with the changes to the Standards regime and the need for visits to the parishes has reduced. In addition, this advice can be provided by the Somerset Association of Local Councils and therefore the parishes do have an alternative.
- 4.4 With regard to the mayoralty function, it is acknowledged that this would be a reduction in service but some of this work can be absorbed within the Corporate Support Unit. Clearly there will be an impact on the mayor and deputy mayor but the reduction is in line with a large number of other local authorities who have already made such reductions without a loss of reputation or credibility and is therefore seen as a relatively low risk option.

5 Proposal for Budget Savings

5.1 The proposals are set out in Annex 1 and are summarised as follows:

- a) Do not renew the lease on the mayoral car. This is due to come to an end next year. This will require the Mayor and Deputy Mayor making their own way to civic events. Should there be any need for a vehicle in the future for any Mayor or Deputy Mayor due to a disability then this will be assessed as soon as the Council becomes aware of the needs and will make any necessary adjustments;
 - b) Purchase a replica chain therefore negating the need for the Sergeant at Mace to be employed for the majority of civic events. Should a Sergeant at Mace be required to attend there are sufficient trained staff within the Council to be able to carry out these duties;
 - c) Remove the post of Civic Officer and absorb the diary management within the Corporate Support Unit. This will be a reduction in service as the current Civic Officer carries out a great deal more than just diary management but and does provide additional support to the Mayor but this is not a necessary requirement;
- Note: The Executive is not minded to implement this saving within its Budget Proposals**
- d) Remove the Parish Liaison Officer post. As stated above alternative advice can be sought by the parish councils.

6 Affordability

Summary of Financial Implications v General Theme Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs	47				
Ongoing Costs					
Savings – Staff (-)		-59	-4		-63
Savings – Other (-)		-2			-2
Net Costs / Savings (-)	47	-61	-4	?	-65
Savings Target		38	13	51	102
Target less Savings		-23	9	51	37

- 6.1 In respect of the Parish Liaison Officer, there will be no resources required to implement this proposal as the Parish Councils have access to Somerset Association of Local Councils and therefore have an alternative provision for advice.
- 6.2 With regard to the Mayoralty support, a faux chain will need to be purchased at an approximate cost of £2,000.
- 6.3 With regard to the loss of the Civic Officer, other resources will need to be found in the Corporate Support Unit in order to facilitate the diary management for the mayoralty but clearly the current level of support will not be available.
- 6.4 The loss of these posts and the car lease will mean that the savings target will be more than met in years 2014/15 and 2015/16 however further options will need to be identified for 2016/17 to meet the cumulative 3-Year Savings Target.

7 Impact on Human Resources

- 7.1 The proposals for 2014/15 if implemented would have redundancy implications related to 3 posts. The potential costs of redundancy are included in Confidential Appendix L. Due to the scale of the savings required it has not been possible to make the necessary savings without the loss of staff. I have set out in this report the implications on the Corporate Support Unit which will clearly be responsible for picking up some of the support that will be required by the mayoralty.
- 7.2 The proposals have been shared with UNISON on 3 December.

8 Dependencies

- 8.1 There are no other dependencies that will impact on the outcome of these proposals.

9 Procurement

- 9.1 There is no procurement required to implement these changes.

10 Risks and Impacts

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 2.

Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	1			1
Legal	0			
Human Resources	3	1		2
Equality	1			1
Crime and Disorder	0			
Health and Safety	0			
Data protection	0			
Safeguarding	0			
Sustainable Communities	0			
Environment	0			

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Other	0			

Significant Risks

- 10.2 The main significant risk is the loss of the Civic Officer and the reduction in role to diary management for the mayoralty. However, as stated elsewhere in this report, this is not dissimilar to what is provided in other authorities and in terms of impacts on the public this should not be noticeable.

11 Equalities Impacts

- 11.1 The proposals have been assessed for any adverse impact on protected equality groups (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership) – see Annex 3 for Equalities Impact Assessments.

12 Timescales for Implementation

- 12.1 In respect of the Sergeant at Mace and the Parish Liaison Officer both of these posts could be removed from the establishment from 1 April 2014. With regard to the Civic Officer it is recommended that this post is deleted from the 1 June 2014 in order for Annual Council to be carried out without disruption. Plans will then be put in place for future years.

13 Recommendations

- 13.1 That the lease on the mayoral car is not renewed
 13.2 That the post of Civic Officer is made redundant from 1 June 2014
 13.3 That the Sergeant at Mace is no longer required from 1 April 2014
 13.4 That the post of Parish Liaison Officer be made redundant from 1 April 2014.

Contact:

Name: Tonya Meers
 Job Title: Legal & Democratic Services Manager
 Contact Number: 01823 356391
 Contact email: t.meers@tauntondeane.gov.uk

Annex 1 – Legal and Democratic Services Savings Options Summary

	Notes	2014/15 Savings £k	2015/16 Savings £k	Cumulative Net Savings £k
Mayoralty				
Travel costs	Cessation of lease car saves £5.5k (including fuel costs), but estimated mileage allowance costs would be c£3.1k per year, giving net savings of £2.4k. Average annual miles = 4,800 approx	-2.4		-2.4
Sergeant at Mace	Propose to remove the SaM post. Propose also to acquire a replica chain at an approx cost of £2k.	-11.7		-11.7
Civic Officer	It is proposed to delete the Civic Officer post from the establishment for TDBC, effective from June 2014 therefore part of the saving will not be delivered until 2015/16. Note: The Executive is not minded to implement this saving within its Budget Proposals	-18.8	-3.8	-22.6
Parish Liaison				
Parish Liaison Officer	It is proposed to delete the Parish Liaison Officer post, effective 1 April 2014.	-28.2		-28.2
	TOTALS	-61.1	-3.8	-64.9

Note: Total estimated redundancy costs of approx **£TBCK** would need to be recognised in 2013/14 (see confidential Appendix L for further information). This will need to be funded from General Reserves unless in-year underspends can be reallocated.

Annex 2 – Legal and Democratic Services Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
L&D1	31/10/2013	The business case recommends the non-renewal of the car lease for the mayoral car thereby requiring the mayor to use their own form of transport. Risk - there is a potential for the increase in mileage costs Effects: There is a small financial impact however the Mayor does receive an allowance of £9,000 which could be used to mitigate this.	Operational	Feasible(3)	Minor(2)	6 Green	12 months
L&D2	31/10/2013	The business case recommends the non-renewal of the lease on the mayoral car. Risk - If a mayor is elected who has a disability. Effects: Reasonable adjustments would need to be made to enable the mayor to carry out their civic functions.	Operational	Slight(2)	Minor(2)	4 Green	unknown
L&D3	31/10/2013	The business case recommends that there is no longer a Sergeant at Mace. Risk - Possible increase in the use of permanent staff being required to cover events when the real chain of office is required. Effects: This is likely to occur very rarely and possibly only at full council when permanent staff are already available.	Operational	Slight(2)	Insignificant(1)	2 Green	12 months
L&D4	31/10/2013	The business case recommends loss of the Civic Officer post and a reduction in the service to diary management. Risk - The work would need to be picked up by other members of the Corporate Support Unit and therefore an increase in workload. Effects: The mayoralty would not be supported to the extent that it has been over the years.	Operational	Very Likely(5)	Significant(3)	15 Red	6 months
L&D5	31/10/2013	The business case recommends loss of the Parish Liaison Officer Risk - an increase in calls to the Monitoring Officer or Deputy Monitoring Officer Effects: This could have an effect but the Parishes have the ability to join the Somerset Association of Local Councils	Operational	Slight(2)	Minor(2)	4 Green	6 months

Annex 3 - Equality Impact Assessments

Equality Impact Assessment – Mayoralty Lease Car

Responsible person	Tonya Meers	Job Title Legal & Democratic Services Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)		
	Change to service	
	Budget/Financial decision – MTFP	Non-renewal of mayoral car lease
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Non-renewal of the mayoral car lease	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	Reduction to service to fund budget deficit	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by these changes, all changes that are to be made will include those who are covered by the range of protected characteristics as defined within the Equalities Act 2010 and include Age, Disability, Gender Reassignment, Marriage and Civil partnership, Pregnancy and Maternity, Race, Religion and Belief and Gender.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	This has been assessed based on the use of the car and the cost of the lease arrangements.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This does not affect the role of the mayor attending events as they receive an allowance and expenses. In addition should the Council have a disabled mayor then suitable arrangements will be put in place to ensure that they are able to attend events for their mayoral year. This will also apply to the Deputy Mayor if they are attending events in place of the mayor.		

I have concluded that there is/should be:	
No major change - no adverse equality impact identified	Agreed
Adjust the policy/decision/service	
Continue with the policy/decision/service	
Stop and remove the policy/decision/service	
Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
1 st April 2014	
Section Five – Sign off	
Responsible officer – Bruce Lang Date 22 nd January 2014	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Legal & Democratic Services		Date	14th January 2014	
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
If a disabled mayor is appointed alternative provisions may be required depending on the disability	All reasonable adjustments will be made dependant on the nature of the disability. An assessment will be made with the Deputy Mayor when they are elected to the role in order to prepare for their mayoral year and all adjustments can be trialled during the period of when they are deputy mayor.	Bruce Lang	On-going on an annual basis.	An assessment can be made following informal council	An assessment will be drawn up to assess needs.

Equality Impact Assessment – Sergeant at Mace

Responsible person	Tonya Meers	Job Title Legal & Democratic Services Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	
	Budget/Financial decision – MTFP	End of Sergeant of Mace contract
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	End of Sergeant of Mace contract.	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	Reduction to service to fund budget deficit	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by these changes, all changes that are to be made will include those who are covered by the range of protected characteristics as defined within the Equalities Act 2010 and include Age, Disability, Gender Reassignment, Marriage and Civil partnership, Pregnancy and Maternity, Race, Religion and Belief and Gender.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	This has been assessed based on the job description for the role.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This does not affect the role of the mayor attending events. A replica chain will be purchased. For event where the mayor has to wear the chain a member of staff will be in attendance, this is generally only 4 times in a year.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified	Agreed	
Adjust the policy/decision/service		

Continue with the policy/decision/service		
Stop and remove the policy/decision/service		
Reasons and documentation to support conclusions		
Section four – Implementation – timescale for implementation		
1 st April 2014		
Section Five – Sign off		
Responsible officer – Tonya Meers Date 2 nd December 2013	Management Team Date	
Section six – Publication and monitoring		
Published on		
Next review date	Date logged on Covalent	

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area			Date		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Civic Officer

Responsible person	Tonya Meers	Job Title Legal & Democratic Services Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	
	Budget/Financial decision – MTFP	Removal of the Civic Officer Post.
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Removal of the Civic Officer Post	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	Reduction to service to fund budget deficit	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by these changes, all changes that are to be made will include those who are covered by the range of protected characteristics as defined within the Equalities Act 2010 and include Age, Disability, Gender Reassignment, Marriage and Civil partnership, Pregnancy and Maternity, Race, Religion and Belief and Gender.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	This has been assessed based on the job description for the role.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This does not affect the role of the mayor attending events as diary management will still be provided for the mayor. There will be a reduction in the service provided to the mayor especially regarding fundraising and they mayor will be required to carry out more of this for themselves.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified	Agreed	
Adjust the policy/decision/service	The service will need to be adjusted to accommodate but it does not affect the protected groups.	

Continue with the policy/decision/service		
Stop and remove the policy/decision/service		
Reasons and documentation to support conclusions		
Section four – Implementation – timescale for implementation		
1 st June 2014		
Section Five – Sign off		
Responsible officer – Tonya Meers Date 2 nd December 2013	Management Team Date	
Section six – Publication and monitoring		
Published on		
Next review date	Date logged on Covalent	

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Date				
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Parish Liaison

Responsible person	Tonya Meers	Job Title Legal & Democratic Services Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	
	Budget/Financial decision – MTFP	Removal of the Parish Liaison Officer Post
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Removal of the Parish Liaison Officer Post	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	Reduction to service to fund budget deficit	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by these changes, all changes that are to be made will include those who are covered by the range of protected characteristics as defined within the Equalities Act 2010 and include Age, Disability, Gender Reassignment, Marriage and Civil partnership, Pregnancy and Maternity, Race, Religion and Belief and Gender.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	This has been assessed based on the job description for the role.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
The cut to this service will not have an impact on any protected groups. The parish councils are able to join Somerset Association of Local Councils to obtain the advice that this role often provides.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified	Agreed	
Adjust the policy/decision/service		
Continue with the policy/decision/service		

Stop and remove the policy/decision/service	
Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
1 st April 2014	
Section Five – Sign off	
Responsible officer – Tonya Meers Date 2 nd December 2013	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table						
Service area				Date		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	

APPENDIX F

Growth and Regeneration – Budget Savings Options Appraisal**1 Executive Summary****Theme 2a Growth and Regeneration**

The savings targets are £5,780 for 14/15, £0 for 15/16 and £10,790 for 16/17 (total saving on existing annual base budget, £16,570 by 16/17).

It is recommended that these targets are met 50/50 from the Growth and Regeneration Service budget (cost centre 111009) “Fees and Hired Services” and “Publicity and Promotions” for each of the three years. These recommendations achieve the full savings target.

Because this area of council activity is proposed for significant change in the latest planned restructuring, it may be that additional and/or alternative savings are identified in due course for both 15/16 and 16/17.

Asset Management

The savings targets are £31,760 for 14/15, £29,540 for 15/16 and £26,820 for 16/17 (total saving on existing annual base budget, £88,120 by 2016/17).

It is recommended that the targets are met in the following way:

- -£40,550 (additional income) to cost centre 102155 (TDBC Assets) for each of the three years. This income arises from the Thales Deal (-£28,550 after financing and other costs), and Flook House new lettings (-£12,000)
- £23,500 (savings) in each of the three years from Property Management. These savings arise from: £8,500 from NNDR; £5,000 from Asbestos General; £5,000 from Valuations; £5,000 from Routine & Technical Surveys

These recommendations achieve savings against existing annual base budget of £64,050 in 14/15, 15/16 and 16/17.

The savings targets for 14/15 and 15/16 are exceeded by £32,290 and £2,750 respectively, but the target for 16/17 is not met by £24,070.

For 15/16 and 16/17, certainty about how best to achieve further saving and/or increased income is less clear cut because of a number of factors, including:

- the likelihood of the Property Services coming back ‘in house’;
- the planned restructuring...which suggests that all property and asset management across both HRA and GF sits in one place;
- the asset strategy project, which will inevitably impact on the number and type of assets held by the council along with a wide range of other service delivery issues.

Additional and/or alternative savings will be achieved in 15/16 and 16/17 when the full implications of and opportunities arising from these changes can be fully evaluated.

Of the ‘extra’ savings achieved, it is recommended in 14/15 only, that £10,000 of this sum be used to help achieve the targeted savings within Theme 2b Planning, Development and Heritage.

2 Background

2.1 Theme 2a Growth and Regeneration comprises 8 FTE staff, including 3 managers.

- 2.2 As such it is a relatively small team delivering a wide range of services including:
- Business support and advice
 - Inward investment marketing and support
 - Providing the TIC service
 - Supporting and managing the council's relationship with the Town Centre Company
 - Supporting and managing the council's relationship with the cultural sector; particularly through support for the Brewhouse
 - Supporting rural regeneration
 - Delivering and promoting key regeneration projects through 'Project Taunton'
 - Leading on the delivery of a wide range of key projects such as strategic flood alleviation for Taunton, J25/A358 improvements, the delivery of strategic employment land allocations, etc
 - Providing the commercial client and property 'expert' role for the purposes of asset management and a wide range of other property related regeneration initiatives.
- 2.3 Although a significant number of revenue cost centres are managed within the team, the primary ones for the purposes of this exercise are considered to be 111009 (Economic Development and Regeneration), 102155 (TDBC Assets) and 102312 (Property Management)
- 2.4 The agreed savings targets are as set out below:

Summary of Savings Targets

	2014/15	2015/16	2016/17	3-Year Cumulative
	£	£	£	£
Theme General Target	5,780	0	10,790	16,570
Asset Management	31,760	29,540	26,820	88,120
Totals	37,540	29,540	37,610	104,690

- 2.5 Both areas of activity are high priorities with the council's Corporate Business Plan and the savings targets, particularly those for Economic Development and Regeneration, are relatively modest compared with those sought from other areas of the organisation.
- 2.6 The targets are considered to be achievable without significant impacts on the current quality or scope of service provision.
- 3 Scope**
- 3.1 Although a significant number of revenue cost centres are managed within the team, the primary ones for the purposes of this exercise are considered to be Economic Development and Regeneration, TDBC Assets and Property Management.
- 3.2 The former budget contains the majority of the team salary costs and day-to-day operational budgets and the latter two budgets contain the vast majority of the income and expenditure relating to the council's income producing assets.
- 3.3 Other budgets such as those providing the grant to the Taunton Town Centre Company or the Brewhouse Theatre have not been considered at this stage because of wider and significant issues affecting both areas of activity, i.e., BID 2 re-ballot in the case of the former and uncertainties about the future of the Brewhouse in the case of the latter.
- 3.4 In addition, both areas of activity are likely to undergo significant changes as a result of various factors, including the West Somerset project, plus, in the case of Asset

Management and Property Services, the likelihood of the service being brought back in house and the recommendations likely to arise from the soon-to-report Asset Strategy project.

- 3.5 In the circumstances, it was not felt appropriate at this stage to look at staffing or other associated issues and run the risk of prejudicing the best outcome of a more strategic consideration of those issues and opportunities in due course.
- 3.6 The required savings targets can be fully met (and exceeded) without looking at staffing costs or structures at this stage.
- 3.7 Three are considered to be no significant partner implications or dependencies associated with the proposed savings

4 Options Appraisal

- 4.1 Options were evaluated having regard to internal and external impacts on short and medium term service delivery, certainty of delivery, affordability, equalities impacts (if any) and the extent to which scope to achieve further and more strategic savings arising from the West Somerset and other projects might be prejudiced.
- 4.2 The conclusion was that the recommended areas of savings were those that best met these short and medium term criteria.

5 Proposal for Budget Savings

Theme 2a-Growth and Regeneration

- 5.1 It is recommended that the targets of £5,780 in 2014/15 and £16,570 in 2016/17 are met 50/50 from the Growth and Regeneration Service budget “Fees and Hired Services” and “Publicity and Promotions”. This recommendation achieves the full savings target.
- 5.2 Publicity and Promotions comprises a total annual budget of £64,000. It is the principle budget used by the team to promote and market the Borough. Although this is an important area of activity, the council is now working with Into Somerset and other partners and it is felt that a modest saving can be achieved without impacting unduly on the scope, quality and impact of this area of work
- 5.3 Fees and Hired Services comprises a total annual budget of about £46,000. It is the budget primarily used to procure specialist external advice to support the delivery of the council’s regeneration activity in Taunton town centre. It is considered that a modest saving from this budget is affordable without impacting on service delivery; especially if greater use is made of in-house property resources in future.

Asset Management

- 5.4 The savings targets are £31,760 for 14/15, £29,540 for 15/16 and £26,820 for 16/17 (total savings on existing annual base budget, £88,120 by 16/17)

It is recommended that the targets are met in the following way:

- -£40,550 (additional income) to TDBC Assets for each of the three years.

This income arises from:

1. The Thales Deal (-£28,550 after financing and other costs)
2. Flook House new lettings (-£12,000)

5.5 This additional income is predicted to continue across all 3 years and is considered at low risk of changing. Flook House may be affected by the outcome of the accommodation review but that is not expected to impact on the use of the Deane House site until after 2016/17.

- £23,500 (savings) in all three years from cost centre 102312 (Property Management)

These savings arise from:

1. £8,500 from provision for payment of NNDR
2. £5,000 from Asbestos General
3. £5,000 from External Valuations
4. £5,000 from Routine & Technical Surveys

5.6 It is considered that all of the above savings are realistic and achievable without impacts on core service delivery, income generation or tenants.

5.7 These recommendations achieve savings against existing base budget of £64,050 in 14/15, 15/16 and 16/17.

5.8 The savings targets for 14/15 and 15/16 are exceeded by £32,290 and £2,750 respectively, but the target for 16/17 is not met by £24,070.

5.9 For 15/16 and 16/17, certainty about how best to achieve further saving and/or increased income is less clear cut because of a number of factors, including:

- the likelihood of the Property Services coming back 'in house'
- the planned restructuring...which suggests that all property and asset management across both HRA and GF sits in one place
- the asset strategy project, which will report very shortly and which will inevitably impact on the number and type of assets held by the council along with a wide range of other service delivery issues.

5.10 Additional and/or alternative savings will be achieved in 15/16 and 16/17 when the full implications of and opportunities arising from these changes can be fully evaluated.

6 Affordability

Summary of Financial Implications v General Theme Savings Target:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Savings – Staff (-)					
Savings – Other (-)		-6		-11	-17
Net Costs / Savings (-)		-6		-11	-17
Savings Target		6		11	17
Target less Savings		0		0	0

Summary of Financial Implications v Asset Management Savings Target:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Savings – Staff (-)					
Savings – Other (-)		-64			-64
Net Costs / Savings (-)		-64			-64
Savings Target		32	29	27	88
Target less Savings		-32	29	27	24

- 6.1 The savings proposals achieve the target for the Theme. The proposal for Asset Management delivers the combined Year 1 and 2 targets in 2014/15, but further savings are required to achieve the Year 3 target.

7 **Impact on Human Resources**

- 7.1 There are not considered to be any human resource implications directly associated with these proposals in any of the three years.

8 **Dependencies**

- 8.1 The only dependency involved in the recommended savings is the formal completion of the legal work connected with the Thales deal. This is at a very advanced stage and is not considered to be 'at risk'.

9 **Procurement**

- 9.1 There are not considered to be any procurement issues directly associated with the planned savings.

10 **Risks and Impacts**

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.

Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	1			1
Legal	1			1
Human Resources				
Equality				
Crime and Disorder				
Health and Safety	1			1
Data protection				
Safeguarding				
Sustainable Communities				
Environment	1			1
Other	1		1	

Significant Risks

10.2 There are not considered to be any significant risks associated with the recommended savings.

11 Equalities Impacts

11.1 The proposals have been evaluated are not considered to involve any adverse or differential impacts on groups with protected characteristics.

12 Timescales for Implementation

12.1 Timescales for implementation are covered under Section 5.

13 Recommendations

13.1 The recommendations are those set out in the Executive Summary.

Contact:

Name: Mark Green
Job Title: Regeneration and Delivery Manager
Contact Number: 01823 354743
Contact email: mark.green@projecttaunton.co.uk

Annex 1 – Growth and Regeneration Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
1	30/10/2013	The Thales deal could fall through at the last moment and reduce the total amount of saving identified. Contracts have not yet been completed. The effect of non-completion would be to reduce the total amount of saving identified by £28,550 across all 3 years.	Operational	Slight(2)	Significant(3)	6 Green	3 months
2	30/10/2013	The reduction in the budget for dealing with asbestos may leave the council vulnerable to claims and/or criticism in the event of a major asbestos related problem being identified in one of its income producing assets.	Operational	Slight(2)	Significant(3)	6 Green	12 months
3	30/10/2013	The reduction in the budget for NNDR may coincide with an increase in voids triggering increased liability to empty property NNDR.	Operational	Feasible(3)	Minor(2)	6 Green	12 months
4	30/10/2013	The reduction in available budget for external and specialist advice could coincide with an increased need for such advice arising from the planned restructuring and/or specific initiatives such as the town centre 'rethink'.	Strategic	Feasible(3)	Significant(3)	9 Amber	6 months

APPENDIX G

Planning and Development - Budget Savings Options Appraisal

1 Executive Summary

This Business case relates to budgets covering all aspects of Town and Country Planning as well as Heritage, Landscape and Housing Enabling. It is proposed that year 1 savings be largely achieved through additional income associated with planning applications. I have identified some small scale options for savings around the Landscape and Housing Enabling services in year 2 as well as an increase in fees from conditions discharge. However, approximately £10,000 in year 2 as well the vast majority of the savings for year 3 are likely to need to be staff related and therefore will have to take into account outcomes from the proposals for shared services with West Somerset.

2 Background

- 2.1 Whilst planning fees make a significant contribution to the Development Management service, the service is not entirely self-funded. However, the economic upturn together with a spike in applications associated with the introduction of CIL, the preparation of the Local Plan and encouragement through the NPPF, have all meant an increase in income.
- 2.2 With the priority to progress the Local Plan to avoid unplanned and unsustainable developments, there are no obvious ways to make savings in this area in the short term. The delivery of affordable housing remains a high priority and the work the team undertakes with registered providers levers in considerable funding. There would again appear to be little opportunity for savings here in year 1.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Theme General Target	114	31	108	253

3 Scope

- 3.1 Whilst all areas need to be considered for savings over the three year period if the savings target is to be met, for the reasons set out above it has been decided to meet the year 1 target primarily through the capture of additional planning application related income. To look at savings with staff related implications ahead of any review associated with West Somerset could restrict options available later on and has therefore been discounted.

4 Options Appraisal

- 4.1 As stated above the preferred option for year 1 relates to the capture of additional planning income. Whilst I am confident that the increase in income will be sustained, I do not feel that there is likely to be scope for further additional savings from this area in years 2 and 3. The focus in these years therefore has to be on transforming the theme’s services to ensure that they can be maintained at a reduced level to be agreed, whilst at the same time making significant savings in staff related costs.
- 4.2 The capture of planning income may, on the face of it, look like a relatively pain-free option. However, the significant increase in income is equally a reflection of increased workload and therefore in circumstances where cuts were not necessary, the income would be invested in staff capacity. The outcome will therefore be additional workload with no

additional resource, which must have some negative impact upon planning performance.

- 4.3 The recently agreed Planning Protocol will go some way to mitigating the impact, but less resource per application received must impact to some degree upon speed of processing, quality of decision and the economic and environmental well being of our communities as a result. However, with the level of savings required there can be no option without impact upon service delivery. The emphasis will be on trying to maintain performance on the larger income generating proposals, whilst looking at potential for options that will involve spending less time dedicated to householder and some minor proposals.

5 Proposal for Budget Savings

- 5.1 The chosen option for year 1 is to capture an additional £80,000 of Planning Application Fee Income. This is considered to be a reasonable amount in terms of risk to the Council taking into account any potential future economic swings. An increase of 10% in pre-application charges is considered reasonable and implementation of the Planning Protocol should ensure that there is no drop off in demand for the service. This will increase projected income by £20,000.
- 5.2 A saving of approximately £4,000 has been identified through amendments to maintenance and lease agreements associated with office equipment.
- 5.3 The year 2 savings comprise a further increase in pre-application advice charges (£4k); reduction in local nature reserve budget and reduce the support to the AONBs (£6k); adjustment to stationery budget due to increase in digital communication (£3500); £500 from the publications budget and an increase in condition discharge fees (£5k) which is a knock reflecting the implementation of the increased numbers of applications currently going through the system. It is also proposed to reduce the Housing Enabling Service cost (£2k). The remaining £10k will need to be found through staff related costs over and above those identified through the shared services with West Somerset.
- 5.4 Year 3 options are likely to need to be staff related savings. This could result in the reduction in the level of service provided by Development Management which could impact upon the speed of decision making and therefore the delivery of the Growth agenda and New Homes Bonus income.
- 5.5 A reduction in Planning Policy resource would slow down Local Plan delivery which increases the risk of unsustainable development being allowed.
- 5.6 There may also be options for savings in Housing Enabling in light of greater focus on HRA Enabling Schemes.

6 Affordability

Summary of Financial Implications v Savings Targets

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Ongoing Savings		-104	-31	-108	-243
Net Costs / Savings (-)		-104	-31	-108	-243
Savings Target		114	31	108	253
Target less Savings		10	0	0	10

*For 2014/15 £10k agreed to be covered from Theme 2a Growth & Regeneration

6.1 I am confident that the year 1 and 2 savings are achievable and sustainable in the long term, although planning related income will always be dependent upon the level of activity in the construction industry. Further work will need to be done to develop the savings for year 3.

7 Impact on Human Resources

7.1 The year 1 savings will impact upon staff who will have to deal with greater workload. However, there are no redundancy issues involved in year 1. Any staff related savings in year 2 and 3 will inevitably have HR implications, but these are yet to be explored in any detail.

8 Dependencies

8.1 The year 2 and 3 savings will be formulated taking in account the Joint Management and Shared Services Business case.

9 Procurement

9.1 We will continue to monitor and review lease contracts as and when applicable through these periods.

10 Risks and Impacts

10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.

Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	7	1	3	3
Legal	3	0	3	0
Human Resources	4	3	0	1
Equality	1	1	0	0
Crime and Disorder	1	0	1	0
Health and Safety	1	0	1	0
Data protection	2	0	2	0
Safeguarding	0	0	0	0
Sustainable Communities	2	1	0	1
Environment	2	0	0	2
Other	0	0	0	0

Significant Risks

- 10.2 There are no significant risks, but in brief, moderate risks include:
- a) PD3.2 Reduction in Staff resources leads to significant reduction in the speed of decision making and New Home Bonus income.
 - b) PD3.3 Reduction in Staff resources leads to significant slow down in the delivery of the Local Plan.

- c) PD3.4 Reduction in Staff resources leads to poor level of service provided by Housing Enabling.

11 Equalities Impacts

- 11.1 The proposals do not have any adverse impact on protected equality groups (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership) therefore a full Equalities Impact Assessment is not required.

12 Timescales for Implementation

- 12.1 Timescales for implementation are as described above.

13 Recommendations

- 13.1 That the savings identified for year 1 is approved and the approach for years 2 and 3 supported.

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Annex 1 – Planning and Development Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
PD1.1	14/10/2013	The expected income not achieved	Operational	Slight(2)	Significant(3)	6 Green	12 months
PD1.2	14/10/2013	Fail to meet targets for the determination of Planning Applications (possibly resulting in special measures/refunds etc.)	Operational	Slight(2)	Major(4)	8 Green	Immediate
PD1.3	14/10/2013	Poor quality decision making - appeal cost, ombudsman	Operational	Feasible(3)	Major(4)	12 Amber	Immediate
PD1.4	14/10/2013	Ability to adapt to legislative changes	Operational	Feasible(3)	Significant(3)	9 Amber	Immediate
PD1.5	14/10/2013	Loss of key staff due to uncertainty	Operational	Slight(2)	Significant(3)	6 Green	3 months
PD1.6	14/10/2013	Developers not engaging as a result of increase in pre-app charges	Operational	Very Unlikely(1)	Significant(3)	3 Green	Immediate
PD2.1	24/10/2013	Reduction in local nature reserve budget lessens the influence of the Council on these sites	Strategic	Slight(2)	Minor(2)	4 Green	Immediate
PD2.2	24/10/2013	Reduction in AONBs funding may lessen the maintenance and enhancement of Nature Reserves	Strategic	Very Unlikely(1)	Minor(2)	4 Green	Immediate
PD2.3	24/10/2013	Lose of Partners who no longer consider the Housing Enabling service value for money	Strategic	Very Unlikely(1)	Minor(2)	2 Green	12 months
PD3.1	24/10/2013	Failure to meet Data Protection legislation	Operational	Feasible(3)	Significant(3)	9 Amber	Immediate
PD3.2	24/10/2013	Any potential reduction in staff resources leads to significant reduction in the speed of decision making and New Home Bonus income	Operational	Very Likely(5)	Significant(3)	15 Red	Immediate
PD3.3	24/10/2013	Any potential reduction in staff resources leads to significant slow down in the delivery of the Local Plan	Operational	Likely(4)	Significant(3)	15 Red	Immediate
PD3.4	24/10/2013	Any potential reduction in staff resources leads to poor level of service provided by Housing Enabling	Operational	Very Likely(5)	Significant(3)	15 Red	Immediate

APPENDIX H

Community & Commercial Services - Budget Savings Options Appraisal**1 Executive Summary**

In creating these proposals consideration has been given to the ongoing support required to deliver the existing DLO transformation business plan and to the effect on the public that each service proposal would have.

Attempts have been made to minimise the effects on the public by prioritising high profile services that have the greatest impact on residents and visitors. However with savings over the last few years, and now the required level of further savings to be found, there are very few reductions that do not have an effect on the way that services are delivered or the public perceptions of those services. Income generation is a continual consideration and where it can be guaranteed it has been included.

Theme 3 covers the following services:

Building Control	Parks and Open Spaces
Crematories and Crematoria	Street Cleansing
Priory Depot	Horticultural Nursery
Arts and Public Entertainment	Open Spaces DLO
Public Conveniences	Building Services DLO
Community Leisure	Local Land Charges
Allotments	

This report shows how the savings target of **£511,850** can be achieved across the three year period. The timing of delivering these proposals has been considered to ensure that the preparation works can be undertaken. This also minimises the Authority's exposure to redundancy costs by removing agency posts and redeploying employees where appropriate.

2 Background

- 2.1 The split of services across Theme 3 contains those that are income dependant but on a cost recovery only basis, i.e. the Authority can not make money from these functions. Those that are income generating and money can be made from them, and those that are supported by more traditional budgets.
- 2.2 The way in which a service is funded effects the savings proposals. Where services are cost recovery only any saving made would have to reduce the charge out rate for that service and not contribute to the Council's funding gap. Examples of these services are Local Land Charges and aspects of the Building Control service.
- 2.3 Services that are income generating may be put at risk by cutting out too much of the costs associated with delivering that service, i.e. the crematorium contributes a considerable amount of money to the Council, savings in this area might lead to less income and have a negative impact on the General Fund. Income increases are potentially possible but this is dependant on the uptake for these services.
- 2.4 Services that have a more traditional budget, and are not reliant on external income have less financial risk associated with budget reductions.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Theme General Target	211	59	242	512

3 Scope

- 3.1 As a result of the DLO transformation I do not believe that further reductions in management costs can be achieved at this stage without damaging our ability to deliver services to paying clients and therefore provide the income expected.
- 3.2 The cemeteries and crematorium budgets have been considered but for similar reasons have not suffered the same level of budget reductions as the risks to loss of income outweigh any potential saving benefit.
- 3.3 Local Land Charges and certain aspects of the Building Control function are cost recovery services, therefore reductions here will force us to reduce the charge out to clients and not create a net saving for the Authority. Service and cost management is a perpetual part of delivering good value for our clients.
- 3.4 With the above statements in mind there is a greater burden on the remaining services to achieving the required savings target. Some of the options have a two fold effect as there are savings from ceasing or significantly reducing the function as well as by disposing of the associated asset.
- 3.5 There is a reasonable assumption that any trading service should have a nil cost to the Authority; this assumption has been used in the creation of this report.
- 3.6 Where service reductions have been proposed the timing of these has been considered to minimise the Council's exposure to redundancy costs.

4 Options Appraisal

- 4.1 The method used to appraise the options has been to minimise the impact on the public by cutting services used by fewer number of people to a greater extent, rather than applying a standard percentage reduction across all services.
- 4.2 Some of the proposals are based on expected future changes such as the DLO relocation; these will have some estimated figures attached to them, but are never the less considered to be achievable.

5 Proposal for Budget Savings

- 5.1 The Theme 3 savings requirement is £511,850 over three years. Various Proposals and Options are set out below. Further information related to Proposals 4, 8,9,10 and 11 are included in Confidential Appendix Q.

Building Control (109979) – year one saving

- 5.2 This service has a mixture of cost recovery functions and income generation. The national picture for this service has been that income has been declining in recent years. There is currently a project underway to look at fast tracking a shared service in this area and the expected cost saving will be above and beyond this proposed saving.
- 5.3 Proposal 1 – Reduce the employee budget by 0.75fte of a surveyor post, currently vacant. Saving Proposal for 2014/15 = £34,000

Crematorium & Cemeteries (101431) – year one saving

- 5.4 Proposal 2 - An expected income reduction of £60,000 has been put in the MTFP as a result of the Bridgwater Crematorium opening. As yet we have not seen a reduction in demand on our crematorium and therefore it is being proposed that this figure is reduced by £30,000. Saving Proposal for 2014/15 = £30,000.

Priory Depot (102407) – year one saving

- 5.5 Proposal 3 - A lease agreement has been negotiated with Audi, who are now leasing an area of land within the Priory Depot site generating additional income for the Council of £10,000pa. Saving Proposal for 2014/15 = £10,000.

Public toilets (101563) – year one saving

- 5.6 Proposal 4 - Close all public toilets with the exception of those listed below:
Wellington Park
Vivary Park
Longforth Road, Wellington
Paul Street, Taunton
Castle Green, Taunton
West Somerset Railway (assuming the contribution from WSR continues)

Note: The Executive's Draft Budget amends this proposal to also retain public toilets in Victoria Park, French Weir Park, and Canon Street in Taunton.

- 5.7 Attempts will be made to hand over these facilities to other operators (Parish/Town Council's etc) or to gain a cost recovery income, but otherwise the proposal is that they close on 1 April 2014. The current managed budget is £231k. The cost of new service with fewer facilities is estimated at £83k (plus recharges), providing a full year saving = £148k.
- 5.8 TDBC will not make the full budget saving whilst the facilities are still in our ownership. For example, business rates and insurances will still be applicable and therefore diminish the savings possible. The Authority will need to either hand over or demolish these facilities; this will need to link with current work on the asset strategy. It is anticipated that there will be one off costs of £19,730 which are necessary to support the closures. It is also anticipated that there would be the need for one redundancy and one re-evaluation of a post in the event that the provision is reduced and not funded by another means. Saving Proposal for 2014/15 = £128,270 with further Savings Option of £19,730 for 2015/16 assuming asset disposals are completed within 12 months.

The Executive's Draft Budget proposal reduces the savings amount in 2014/15 by £33,000, to £95,270 net of one-off costs.

Community Leisure (excluding Tone) 111038 – year two saving

- 5.9 Proposal 5 – This sees various reductions in supporting overhead budgets as shown below. There would not be noticeable effect of this change on the public. Saving Option for 2015/16 = £3,370.

Sports Development	40009 remove budget for publications £100
102196	41502 remove budget for reprographics £180
	41505 remove budget for stationery £960
	43002 remove budget for subscriptions £130
Community Leisure	30101 remove budget for travel mileage claims £1000
111038	41000 remove ½ of the budget for clothing £1000

Arts and Public entertainment (excluding Brewhouse) 102188 + 102190 year three saving

- 5.10 Proposal 6 - Payments to recipients within this small budget are being rolled over each year. The High Level Principles for the Council's budget approach is to protect grant funding until 2015/16. This option therefore proposes to reduce the available budget by 20% in 2015/16. Saving option for 2016/17 = £2,400.

Allotments 102256 – year three saving

- 5.11 This function has a budget of £1,200.
- 5.12 Proposal 7 - Reduce maintenance budget and prioritise safety risks and essential maintenance remove £450 from 102256 20100. Savings Option for 2016/17 = £450.

Parks & Open Spaces (includes Vivary Trading acc) 101384 + 102246 – year three saving options

- 5.13 Proposal 8 – this incorporates all of the below suggestions.
- 5.14 Removal of planting schemes across the borough with the exception of Wellington Park and Vivary Park, thus reducing expenditure on plants plus the associated costs to plant and maintain these areas (also see proposal 10). This would provide ongoing savings of £41,900 in a full year, with one-off upfront costs of £10,000 for reinstatement of ground in the first year). Savings Option in 2016/17 = £31,900 which would increase by a further £10,000 in the following year.
- 5.15 Reduce hanging baskets and plant containers across the borough by half. Savings Option for 2016/17 = £10,100.
- 5.16 Reduce play equipment inspections from weekly to monthly. We have checked this option with our insurers and there are no implications from them of this change. This part of the proposal will lose one post within the structure; although this can be managed through a reduction in agency staff therefore there are no redundancy implications. Savings option for 2016/17 = £24,000.

In the Executive's Draft Budget this item has been brought forward for implementation in 2014/15.

- 5.17 Currently TDBC provide a number of life belts at locations along the river. This proposal is to remove these as they are a non statutory function. Savings Option for 2016/17 = £6,000.
- 5.18 Cease locking of parks at night. Savings Option for 2016/17 = £8,300.
- 5.19 Review the dedicated support to Britain in Bloom, and the sponsorship of roundabouts saving £16,000. A review in this area may have potential implications for staff that would need to be carefully managed. Savings Option for 2016/17 = £16,000.
- 5.20 Reduce the current subsidy for sports pitches through a process of increasing the hire charges and reducing the maintenance on these areas. This will give us a combination of increased income and maintenance savings of £20,000. There is a risk that some clubs will not be able to sustain the increase charges, and if there is decreasing demands on the pitches we may need to close some pavilions also. The above change does not apply to Galmington and Hamilton Gault as we had to put agreements on pitch hire charges in place in order to secure external funding for the pavilions in these locations. Savings Options for 2016/17 = £20,000.
- 5.21 Total cumulative 3-year savings options for Parks and Open Spaces, including confidential items included in Appendix Q, = £116,300 plus a further £10,000 in subsequent years following initial one-off costs.

Street Cleansing 101648

- 5.22 Proposal 9 - Reduce the provision of street cleansing across the borough. For example this option could deliver savings by extending the frequency of the mobile barrow service from 4-6 weekly to 6-8 weekly, whilst leaving mechanical sweeper frequency unaffected. A further option would be to remove all street litterbins outside of the town centre. There may be an increase in littering initially but over time we would hope the concept of taking your litter home would catch on. This does not include bins in parks as these are within a different budget.
- 5.23 It is anticipated this option would have a savings target of £61,650, and it is likely that such a review in provision would have potential staffing implications.

Horticultural Nursery – Stoke Road

- 5.24 Proposal 10 - With the reductions in planting proposed above, and with the main external clients being other Local Authorities, who are also making reductions in their requirements, there is insufficient current demand on the Nursery reducing its financially viable.
- 5.25 As mentioned above there is an assumption that any trading service must at least “break even” financially. As demand has reduced it is proposed to consider future options for the Nursery which could include seeking growth in the business or consider potential for sale of the site and buying in plants for our own limited needs. The latter option would provide a capital receipt from the sale of the site and a saving from the running costs, in the event that income generation cannot be improved. There could be potential staffing implications depending on the preferred option for future Nursery provision for the Council and DLO.
- 5.26 It is anticipated this option would have a savings target of £40,000.

Open Space responsive repairs and maintenance

- 5.27 Proposal 11 - Within the main budget for ground maintenance is funding to deal with responsive and otherwise unplanned maintenance; including things such as boundary walls for churches, pavilion repairs and decoration, fountains, bandstands, water features, lamp posts, bollards, floor lights, play equipment repairs, fence repairs, bridge repairs, litter bins, dog bins, goal posts, nets, flags, de-silting ponds/lakes, tree works and planting, and supporting community groups who deliver services on our behalf. In order to meet with the budget target it is proposed that the balancing figure comes from this area reducing works of this type. The full impact would need to be assessed in detail prior to any future decision to reduce this budget area, and there is potential that budget reductions could have implications for staff. Savings Option for 2015/16 = £29,680 plus a further Option for 2016/17 of £38,000. (Cumulative Savings Option therefore = £67,680 by 2016/17.)

Open Space DLO Management 101317

- 5.28 This is a cost that is recharged through the DLO to its clients. Reductions were made during the transformation program and the cost for this is recovered by the DLO charges out to clients. A reduction here is thought to reduce the opportunities to provide the service required thus affecting our income. No saving offered

Building DLO management 101291

- 5.29 This is a cost that is recharged through the DLO to its clients. Reductions were made during the transformation program and the cost for this is recovered by the DLO charges out to clients. A reduction here is thought to reduce the opportunities to provide the service required affecting our income. No saving offered

Land Charges

- 5.30 No reductions proposed as there remains uncertainty as to the effects of the new ICT system, and in any case any saving would have to be reflected in the fees recovered for this function. A saving here would have to be reflected in a reduction in charges as the

Council can only recover costs and not use this as an income stream.

6 Affordability

Summary of Savings Proposals

Ref	One off costs £k	Ongoing costs £k	Ongoing Savings £k	Proposals 2014/15 £k	Indicative Options 2015/16 £k	Indicative Options 2016/17 £k
1 – Building Control			-34.0	-34.0		
2 – Crematorium			-30.0	-30.0		
3 – Depot Lease			-10.0	-10.0		
4 – Public Toilets	19.7		-148.3*	-128.6*	-19.7	
5 – Community Leisure			-3.4		-3.4	
6 – Arts & Entertainment			-2.4			-2.4
7 – Allotments			-0.5			-0.5
8 – Parks & Open Spaces	10.0		-110.3			-116.3
9 – Street Cleansing			-61.6			-61.6
10 – Nursery			-40.0			-40.0
11 – Responsive Open Space maintenance			-67.7	**	-29.7	-38.0**
TOTAL	29.7	0	-524.2	-202.6	-52.8	-258.8

* Reduced by £33k in the Executive's Draft Budget, for public toilets proposal

** £24k brought forward from 2016/17 to 2014/1 in the Executive's Draft Budget, for play inspections proposal

Summary of Financial Implications v Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs		20	-20	10	10
Ongoing Costs					
Ongoing Savings		-222	-33	-269	-522
Net Costs / Savings (-)		-202	-53	-259	-514
Savings Target		211	59	242	512
Target less Savings		13	6	-17	-2

- 6.1 The proposals for 2014/15 plus options for 2015/16 and 2016/17 combined would achieve the 3 year Target. The Target is exceeded by £12k at the start of year 4 (2017/18) after one-off costs have been dispersed in 2016/17 (noting that option re Arts funding could be allocated to Discretionary Policies Target).
- 6.2 Where proposals result in posts being reduced the approach would be to remove agency employees first in order to limit the number of redundancies. There have been no estimates of termination costs in the above figures. It has been assumed that we would continue to freeze recruitment, unless critical to the business, to help reduce numbers through natural wastage if necessary.

7 Impact on Human Resources

- 7.1 Proposals for 2014/15 include the deletion of 3 posts (one currently vacant), which is likely to lead to one redundancy. Any staff related savings in 2016/17 will inevitably have HR

implications, but these are yet to be explored in any detail. Due to the generic nature of roles within the Open Spaces teams it is likely that whole teams will need to be put at risk if staffing reductions are required.

- 7.2 It is anticipated that these proposals will lead to services being operated differently with remaining employees being flexible in supporting and delivering those services. Employees will need to adjust to delivering services to a lower or minimal service standard due to the greater financial constraints.
- 7.3 Any affected services are delivered by TDBC, with TDBC and agency employees. This gives us the ability and responsibility to consult with our employees over the changes and future delivery processes. The proposals and options have been shared with UNISON on 3 December 2013.

8 **Dependencies**

- 8.1 There are a no perceived dependencies for the above proposals/options.

9 **Procurement**

- 9.1 There are no perceived procurement implications of the proposals with the possible exception of ongoing storage to be found for plants that would be bought in if Nursery is sold.

10 **Risks and Impacts**

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.
- 10.2 Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	5		3	2
Legal				
Human Resources	3		2	1
Equality	3		2	1
Crime and Disorder	1		1	
Health and Safety	3		3	
Data protection				
Safeguarding				
Sustainable Communities	3			3
Environment	4		4	
Other	3		2	1

Significant Risks

- 10.3 In creating these proposals consideration has been given to the risks associated and the mitigations that are available to us. There are risks to each of the services in making these changes and identification of these has been attempted in the section 5 of this report. It is not foreseen at this stage that there will be any significant risks to the Council.

11 Equalities Impacts

- 11.1 The proposal has limited adverse impacts on protected equality groups (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership).
- 11.2 Full impact assessments, where required, are included in Annex 2.

12 Timescales for Implementation

- 12.1 Timescales for each option can be identified in the table in section 6 above.

13 Recommendations

- 13.1 It is recommended that members approve the Proposals for 2014/15 to meet with the savings targets for the Community and Commercial Services Theme, and consider further Options for 2015/16 and 2016/17.

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Annex 1 – Community and Commercial Services Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
Financial							
1	18/10/2013	Building Control - The proposal sees further reductions in BC surveyors which limits the Council's ability to respond to increased work demands	Operational	Slight(2)	Significant(3)	6 Green	12 months
1	18/10/2013	Crematorium - The risks associated with this are that income is unpredictable at present with new competition opening up locally.	Operational	Feasible(3)	Significant(3)	9 Amber	6 months
3	18/10/2013	Depot Lease - This proposal is an increase to income but which may be terminated with notice	Operational	Very Unlikely(1)	Significant(3)	3 Green	12 months
5	18/10/2013	Public toilets - The financial risks are that we close the toilets and are left with the building and the associated costs	Operational	Feasible(3)	Significant(3)	9 Amber	6 months
10	18/10/2013	Nursery - This proposal relies upon the sale of the premises to remove the financial liabilities of site ownership	Operational	Feasible(3)	Significant(3)	9 Amber	36 months
HR							
5	18/10/2013	Public Toilets - The team of 2 would need to be placed at risk of redundancy in order to remove 1 permanent employee. Agency employee would also be removed.	Operational	Slight(2)	Minor(2)	4 Green	3 months
9	18/10/2013	Street Cleaning – This may lead to all employees in the team being put “at risk” due to the generic nature of their work this may increase termination costs.	Operational	Likely(4)	Significant(3)	12 Amber	36 months
Equality							
5	18/10/2013	Public Toilets - The reduction of available facilities will effect the young, the elderly and those who suffer from a condition which requires frequent or urgent use of these facilities the most.	Operational	Feasible(3)	Significant(3)	12 Amber	3 months
6	18/10/2013	Arts and Entertainment - The recipients of these grants need challenging to justify why their need is greater than others. There has been a process where there payments have been continued each year with seemingly little challenge.	Operational	Slight(2)	Significant(3)	6 Green	36 months

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
9	18/10/2013	Street Cleansing - There are areas of the Borough that will have to take more of the burden in the reductions than other areas which have been identified in the Business Plan as being priorities. Some members of the community may challenge this decision.	Operational	Very Likely(5)	Minor(2)	10 Amber	36 months
Crime							
5	18/10/2013	Public Toilets - There are anti social activities that take place in some of our public toilets currently, with the reduction in numbers of these activities are likely to move to other public places impacting more on the communities.	Operational	Likely(4)	Significant(3)	12 Amber	3 months
Health and Safety							
8	18/10/2013	Open Space Maintenance - The reduction of play equipment inspections may mean that damage goes undetected for longer and may expose the public to greater risks. This has been discussed with our insurer.	Operational	Likely(4)	Significant(3)	12 Amber	36 months
8	18/10/2013	Open Space Maintenance - Removal of life belts along the riverside will remove potentially life saving equipment	Operational	Slight(2)	Critical(5)	10 Amber	36 months
11	18/10/2013	Responsive Open Space maintenance - Priority will be given to those items that present the greatest risk, but once this budget has been spent there will be little or no money to deal with developing hazards, and other additional maintenance as it would currently.	Operational	Likely(4)	Significant(3)	12 Amber	36 months
Sustainable Communities							
6	18/10/2013	Arts and Entertainment - These are small grants given to community groups to host events, workshops and training. The reduction of these may make some groups unable to operate in their current form.	Operational	Feasible(3)	Minor(2)	6 Green	36 months
9	18/10/2013	Street Cleansing - In reducing posts we will be less able to support community activities and events leading to potentially less engagement from those groups who may chose to support other services in the community.	Operational	Feasible(3)	Minor(2)	6 Green	36 months

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
11	18/10/2013	Responsive Open Space Maintenance - Some of this funding goes to support community groups that deliver services on our behalf. Without this support funding some community groups may chose to support other functions in the community.	Operational	Feasible(3)	Minor(2)	6 Green	36 months
Environment							
5	18/10/2013	Public Toilets - With the reduction of public toilets it is anticipated that anti social behaviour in other public places will increase	Operational	Feasible(3)	Significant(3)	9 Amber	3 months
9	18/10/2013	Street Cleansing - The various reductions in these services will have a general reduction in "feeling" for the Borough, and may make the area less desirable	Operational	Feasible(3)	Significant(3)	9 Amber	36 months
8	18/10/2013	Open Spaces Maintenance - The various reductions in these services will have a general reduction in "feeling" for the Borough, and may make the area less desirable	Operational	Feasible(3)	Significant(3)	9 Amber	36 months
11	18/10/2013	Responsive Open Spaces Maintenance - The various reductions in these services will have a general reduction in "feeling" for the Borough, and may make the area less desirable	Operational	Feasible(3)	Significant(3)	9 Amber	36 months
Other							
1	18/10/2013	Building Control - Reductions in employee numbers lead to a less responsive services and longer turn around times in peek periods, this may in turn lead to paying customers going elsewhere	Operational	Feasible(3)	Significant(3)	9 Amber	3 months
3	18/10/2013	Depot Lease - This is an income generating scheme and as such relies upon future payments from a third party. Currently there is a lease for 3 year that has just begun but could be terminated with notice	Operational	Feasible(3)	Minor(2)	6 Green	36 months
10	18/10/2013	Horticultural Nursery - There are property disposal risks associated with this proposal, saving from this proposal include an assumption that the liability is not left with the Council.	Operational	Likely(4)	Significant(3)	12 Amber	36 months

Annex 2 – Community and Commercial Services Equalities Impact Assessment

Equality Impact Assessment – Public Toilets Closure

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Closure of public toilets across the Borough with the exception of 2 facilities in Taunton, 1 in Wellington, 1 in Miverton, and 1 in Wiveliscombe	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No groups are targeted by this change but there are groups who will notice the effects of it more than others, these include: The young, the elderly, those with disabilities, or otherwise require regular or urgent need of public toilets.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
There are disadvantages to all parts of the community and whilst the effects of this decision might be more widely felt by the groups mentioned above they are no more disadvantaged than other members of society.		

I have concluded that there is/should be:	
No major change - no adverse equality impact identified	
Adjust the policy/decision/service	
Continue with the policy/decision/service	Yes
Stop and remove the policy/decision/service	
Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval and subsequent consultation with parish councils and other community groups who may wish to take on the running of these facilities, they will be closed from 1 st April 2014 A third party transfer or contribution to costs is the preferred way forward.	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Closure of toilets	Attempt to transfer the assets to a third party or seek cost contributions	C.Hall	1/4/14	Theme scorecard	Attempt to keep facilities open.

Equality Impact Assessment – Arts and Entertainment grant reductions

Responsible person	Alison North	Job Title Community Leisure Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Reduction in this grant fund of 20% (£2,400) in 2015/16	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change but there are groups that rely upon this funding to deliver their arts and entertainment projects to the community. The grant fund will continue to exist but there will be a reduced pot to bid for leading to greater challenges for those groups bidding.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
Without the grant funding some groups may not be able to continue their work.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		

Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		
Reasons and documentation to support conclusions		
Section four – Implementation – timescale for implementation		
Subject to approval this proposal will be implemented on 1 st April 2016		
Section Five – Sign off		
Responsible officer Alison North Date 05/11/13	Management Team Date	
Section six – Publication and monitoring		
Published on		
Next review date	Date logged on Covalent	

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Community Leisure		Date	5/11/13	
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Grant reduction for arts and entertainment	Consultation with effected groups so they are aware of the change to the funding pot	A.North	1/4/16	Theme scorecard	Prepare groups for the change in the funding pot

Equality Impact Assessment – Reduction in play equipment inspections

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Reduce the frequency of play equipment inspections from weekly to monthly	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change but there are groups that may feel the effects of a reduced safety inspection more than others. Those users of the play equipment that suffer from disabilities may be less able to identify if equipment is damaged prior to using it. Children are less likely to recognise that equipment is damaged prior to using it. This may lead to an increase in injuries.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users. Discussions with insurers.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
It is concluded that the risk to the public of this change is minimal, inspections will continue to be carried out, repairs will be made on the basis of those inspections and any reports from the public.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		

Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		
Reasons and documentation to support conclusions		
Section four – Implementation – timescale for implementation		
Subject to approval this proposal will be implemented in on 1 st April 2016		
Section Five – Sign off		
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date	
Section six – Publication and monitoring		
Published on		
Next review date	Date logged on Covalent	

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces		Date	5/11/13	
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Removal of life belts

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Removal of all the life belts along the river	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users. Discussions with insurers.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
It is concluded that whilst there is a risk to the public of this change the risk is though to be minimal based on the number of times the lifebelts have been used. Anecdotal evidence, incidents reported to us, news reports and frequency that belts need to be replaced.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Cease locking of parks

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Cease over night locking of parks	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
It is concluded that whilst there are some risks to the Council of not locking the park the public will now be able to use these as thoroughfares when previously they would have been closed.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Cease dedicated support to Britain in Bloom

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Review the dedicated support to Britain in Bloom	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
A review of the support provided to the In Bloom functions of the Council may result in little or no support being available for community or friends groups that work in this area. This is possible that this will lead to the Council not continuing with the In Bloom competitions.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Reduce street cleansing round frequencies

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	To reduce street cleansing round frequencies across the borough	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This proposal will effect all members of the community although may impact more on those groups with visual impairments, and or guide dogs.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Reduce Open Spaces General Maintenance

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	To reduce the maintenance budget for general Open Spaces works	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This proposal will effect all members of the community. At this stage it is not clear which services will not be performed in the even of this proposal being approved. This part of the budget covers many maintenance functions, and a reduction of this size will see the manager have to prioritise the future spend on safety issues rather than some of the aesthetics of the borough.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	

Stop and remove the policy/decision/service	
Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

Equality Impact Assessment – Increase sports pitch costs / reduce the current subsidy for maintenance

Responsible person	Cyril Rowe	Job Title Open Spaces Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy/service	
	Change to Policy/service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which, service, MTFP proposal)	Increasing sports pitch hire costs and therefore reducing the amount of subsidy for their running and maintenance.	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy/decision/service?	To contribute to closing the Council's budget gap.	
Which protected groups are targeted by the policy/decision/service?	No protected groups are targeted by this change and all groups would be affected equally.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Officer knowledge of service users.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
This proposal may lead to some sports groups no longer being able to afford the pitch hire costs and access to pitch based sports may reduce. Alternatively the clubs may pass on the costs to the players meaning that some families may no longer be able to afford to play.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified		
Adjust the policy/decision/service		
Continue with the policy/decision/service	Yes	
Stop and remove the policy/decision/service		

Reasons and documentation to support conclusions	
Section four – Implementation – timescale for implementation	
Subject to approval this proposal will be implemented in on 1 st April 2016	
Section Five – Sign off	
Responsible officer Cyril Rowe Date 05/11/13	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Open Spaces	Date	5/11/13		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions

APPENDIX I

Health and Housing Services – Budget Savings Options Appraisal

1 Executive Summary

This report proposes savings of £529K from the Health and Housing Theme over the next three financial years. These proposals put forward savings on a ratio of 3:2 for staff and other budgets respectively. The implications of these proposals are very difficult to predict and potentially serious and significant, but unfortunately there are no practical alternatives to consider within the theme to achieve the savings targets set. The services considered for savings are Housing Options, Environmental Health and Community Safety. The remainder and largest part of the theme is comprised of services funded by the Housing Revenue Account.

2 Background

- 2.1 The Health and Housing Theme provides a range of front line services that are resourced by the General Fund (GF) along with the entire delivery of the Councils Landlord function funded by the Housing Revenue Account (HRA). This report considers only the GF aspects of the theme although there are some inevitable overlaps between the two.
- 2.2 Savings targets allocated to the service are £207K, £53K and £269K respectively over the next three financial years, which cumulatively make a 3 year target of £529k. These targets provide a significant challenge for the theme and the options proposed to deliver these will create significant disruption in the provision of those services.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £
Theme General Target	207	53	269	529

- 2.3 Service profiles describing each of the service areas in more detail are available separately to members.

3 Scope

- 3.1 For clarity the services included within the scope of these proposals are:
 - Housing Options (Homelessness and Housing Advice)
 - Environmental Health (Environmental Protection, Food and Health and Safety Regulation)
 - Licensing
 - Dog Wardens
 - Pest Control
 - Community Safety
- 3.2 Other GF funded services within the theme which have not been included are Deane Helpline where a separate detailed service review is underway, and Community Development which is now largely funded (85%) by the HRA with only a small residual funding from the GF making further savings in this area unrealistic.
- 3.3 There will be a range of impacts on partners arising from these proposals:-

- Community Safety grant and CCTV reductions will impact on Avon and Somerset Constabulary who are the main partner beneficiary of CCTV footage for crime and disorder purposes in particular. Fresh consultation is underway with the Police however consultation in previous budget rounds was undertaken with no proposals for budgetary contributions from the Police forthcoming.
- Housing Options reductions will impact on the Council's ability to undertake preventative work along with partners such as Taunton Association for the Homeless.
- Environmental Health staff reductions will reduce the Council's ability to fully deliver its statutory responsibilities such as inspection of food businesses which will impact on our relationship with partner agencies such as the Food Standards Agency.
- Proposals are included for the transfer of dog bin emptying to Parish Councils where they own the bins, which will require consultation with these stakeholders.

4 Options Appraisal

4.1 Due to the limited number of GF services within the Theme there are very few options for different ways in which such significant savings can be made. Therefore the only options that were not considered were those identified above where alternative work is underway or where GF reductions are not thought feasible.

4.2 Key factors that were considered were the impact on staff and so where posts have become vacant these have been put forward for deletion as a priority. In addition from a business continuity perspective a balance has attempted to be struck between reducing actual staff capacity to deliver services and reducing the budgets that they have to work with in broadly equal measure so that these two factors do not become disproportionate to each other. For example in Housing Options proposals to both reduce staff and temporary accommodation budgets.

4.3 Whilst the impacts of these proposals are very difficult to accurately predict, the key anticipated impacts are as follows:-

- Environmental Health
 - Reduced ability to meet statutory inspection duties such as food, health and safety and private water supplies inspections, leading to criticism from government agencies, and impacts on public health.
 - Reduced ability to investigate nuisance issues such as noise, leading to higher number of service and ombudsman complaints.
 - Greater pressure on remaining staff to deliver unrealistic targets that may impact on work quality and sickness absence rates.
- Housing Options.
 - Insufficient staff resources to effectively administer and prevent homelessness giving rise to increases in homelessness and associated costs for example expensive and unsuitable bed and breakfast accommodation.
 - Potential increase in rough sleeping.
 - Increased risk of legal challenge from applicants of decisions or extended illegal occupancy of temporary accommodation.
 - Reduced capacity to deliver Homelessness Strategy aspirations.
 - Greater pressure on remaining staff to deliver unrealistic targets in an already highly demanding role, which may impact on work quality and sickness absence rates.
- Community Safety.
 - Reduced ability to support community safety initiatives
 - Reduced crime detection rates arising from less CCTV coverage

5 Proposal for Budget Savings

Proposals	2014/15 £K	2015/16 £K	2016/17 £K
Environmental Health. Saving in Environmental Health budget by deleting vacant post following appointment of Senior EHO into the Corporate HS Advisor role (funded from Corporate HS Budget).	24		
Environmental Health. Delete vacant part-time District EHO post and vacant full time Environmental Protection Officer post.	47		
Environmental Health. Further service review to identify balance of savings required.			38
Licensing. Reduce equipment budget by £15K	15		
Community Safety. Remove Community Safety Grants currently used for such activities as supporting anti hate crime initiatives, and domestic abuse awareness. There is not a legal duty to hold a hate crime forum but it could be seen as good practice. There is a general duty on the Council under section 17 of the Crime and Disorder Act to do all we reasonably can to reduce crime and disorder.			17
Community Safety. CCTV transfer monitoring of cameras on estates to HRA. Proposal brought forward in Exec's Draft Budget to 2014/15 from 2015/16	27	0	
Community Safety. CCTV efficiencies on monitoring contract agreed with supplier.	6		
Community Safety. CCTV Cease monitoring at 7 sites in year two and 26 sites in year three.		14	52
Dog Wardens. Reduce collection of Dog Waste Bins from twice a week to three times a fortnight.			10
Dog Wardens. Transfer collection of Dog Waste Bins to HRA for bins on Estates Proposal brought forward in Exec's Draft Budget to 2014/15 from 2015/16	4	0	
Dog Wardens. Transfer collection of Dog Waste Bins to Parish Council's where they own the bin.			6
Housing Options. Delete part time vacant Housing Options Officer post.	12		
Housing Options. Delete vacant Temporary Accommodation Officer post from structure.	30		
Housing Options. Reduce minor budgets for mileage, legal costs and standby payments.	7		
Housing Options. Reduce Temporary Accommodation budget.	41	1	25
Housing Options. Further service review to identify balance of savings required.			121
Business Support. Minor re alignment of recharges for team between HRA and GF and deletion of remaining budget for vacant environmental health support post.	25		
Business Support. Re-alignment of re charge for Business Support Lead post.		7	
Total	238	22	269

6 Affordability

Summary of Financial Implications v Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs				?	
Ongoing Costs					
Savings – Staff (-)		-138	-7	-159	-304
Savings – Other (-)		-100	-15	-110	-225
Net Costs / Savings (-)		-238	-22	-269	-529
Savings Target		207	53	269	529
Target less Savings		-31	31	0	0

7 Impact on Human Resources

7.1 The proposals above for 2014/15, which include the deletion of a number of vacant posts. Options for 2015/16 and 2016/17 need further work, but it is feasible that future identified proposals could have implications for staff. The proposals and options have been shared with UNISON on 3 December.

8 Dependencies

8.1 Year 3 savings will be dependent on the extent of potential shared service savings taken in year 2.

9 Procurement

9.1 The reductions in payments to our third party contractor for the provision of CCTV monitoring may adversely impact on the financial viability of this exercise for the provider, leading to a withdrawal of the service. This would necessitate re-procurement of this service with uncertain cost implications.

9.2 Reductions are proposed to the existing Bed and Breakfast budget. This service in practice is delivered by one key supplier. In the event this service is withdrawn, re-procurement of bed and breakfast services would be required with uncertain future cost implications.

10 Risks and Impacts

10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex 1.

Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	3		3	
Legal	2	2		
Human Resources	1		1	
Equality				
Crime and Disorder	2	1	1	
Health and Safety	1	1		
Data protection				

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Safeguarding				
Sustainable Communities	3	1	2	
Environment	3	2	1	

Significant Risks

- 10.2 Staffing reductions in both Housing Options and Environmental Health both create significant risks in terms of the delivery of statutory functions and the consequent impact on some of the most vulnerable in society and public health. See detailed risk analysis.

11 Equalities Impacts

- 11.1 Equality Impact Assessments have been undertaken on the key service focussed options presented in this paper. The full assessments accompany this report in Annex 2, however no significant targeted impacts have been identified on the protected groups.

12 Timescales for Implementation

- 12.1 Unless stated otherwise the savings proposed will be delivered by the start of the relevant financial year.

13 Recommendations

- 13.1 That the budget proposals for 2014/15 outlined in this report are accepted, and consideration is given to indicative options for 2015/16 and 2016/17.

Contact:

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 Contact Number: 01823 356397
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Annex 1 – Health and Housing Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
1	14/10/2013	Environmental Health staffing: The Business Case recommends reductions in Environmental Health staff capacity, this will compound significant reductions over preceding years in this service and threatens the ability of the service to meet statutory responsibilities such as inspection programmes, it also further reduces the services ability to effectively deal with reactive nuisance issues such as noise. This in turn will impact on our relationship with Govt agencies that monitor regulator activities, public health and an increase in complaints about the service provided.	Operational	Very Likely(5)	Significant(3)	15 Red	1 month
2	14/10/2013	Community Safety Grants: Overall budget £17k. Historically this budget has been used to help with some equalities type work e.g. EID celebration, payment towards hate crime contract and domestic abuse awareness, all partner agencies are aware that the budget is at risk, the removal of such funding will impact on the ability of organisations to deliver services and activities.	Project	Likely(4)	Significant(3)	12 Amber	6 months
3	14/10/2013	CCTV: Reductions proposed in monitoring will impact on ASP ability to investigate crime and secure convictions and may also undermine the deterrent value of the CCTV system.	Operational	Very Likely(5)	Significant(3)	15 Red	6 months
4	14/10/2013	CCTV: Reductions proposed in monitoring will reduce the payments made to third party monitoring centre via the existing contract, this may undermine their commercial position resulting in potential re tender or re procurement of contract at potentially greater cost..	Strategic	Feasible(3)	Significant(3)	9 Amber	3 years
5	14/10/2013	Dog wardens: Reductions in frequency of bin collection may lead to nuisance issues in key locations giving rise to complaint and reputational risk	Operational	Feasible(3)	Significant(3)	9 Amber	2 years

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
6	14/10/2013	Housing Options: Reductions in the existing bed and breakfast budget. This budget supports a demand led service that is subject to volatility. New contracts have come into service i.e. P2I and P4A that has initially led to a reduction in the demand to place households in bed and breakfast accommodation. However, sufficient evidence does not exist for us to be clear, at this stage, about the long term outlook. In event of demand exceeding the bed and breakfast budget in 2015/16 there is an option to utilize existing Homelessness Grant to address any shortfall, although this facility is limited.	Operational	Feasible(3)	Major(4)	12 Amber	3 years
7	14/10/2013	Housing Options: Insufficient resource to effectively administer and prevent homelessness giving rise to increases in homelessness and associated costs e.g. use of expensive and unsuitable bed and breakfast accommodation. Increase in rough sleeping, compounded by poor and rushed decision making. Increase in the likelihood of legal challenge from applicants from decisions or extended illegal occupancy in bed and breakfast accommodation. Unable to achieve success against, previously agreed, Homelessness Strategy activities. Reduced ability to support community with Housing advice arising out of increased financial challenges created by Welfare Reform. Poorer service standards in relation to administration of Homefinder Somerset affecting the council's reputation with neighbouring local authorities, registered providers and customers. Result in poorer protection for the most vulnerable in society. Likelihood that the service would fall below a minimum acceptable statutory standard i.e. Unlikely to process new homelessness claims with statutory guidelines (Homelessness Code of Guidance).	Operational	Likely(4)	Major(4)	16 Red	3 years
8	14/10/2013	General: migration of charges to HRA creates the risk of undermining the HRA 30 year business plan such that adjustments have to be made in the HRA business plan to compensate; this may involve reducing expenditure in other areas.	Strategic	Feasible(3)	Significant(3)	9 Amber	6 months

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
9	14/10/2013	General: The impact on remaining staff in services such as Environmental Health and Housing Options should not be disregarded. Fewer staff remaining with the same work demands in many cases will lead to a more pressured working environment. Outcomes greater level of stress and absences.	Operational	Likely(4)	Significant(3)	12 Amber	6 months

Annex 2 – Health and Housing Services Equalities Impact Assessments

Equality Impact Assessment – Environmental Health staffing changes

Responsible person	Scott Weetch	Job Title: Community Protection Lead
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	The Council is considering reducing the Environmental Health complement to meet budget savings targets	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	The aim is to implement a structure for the Environmental Health service which reduces costs. A part time EHO post has been given up for savings, as well as an Environmental Protection Officer. Additionally, time is being lost to the service as a Senior EHO Health and Safety (p/t) moves to fulfil the Health and Safety competent officer post for the Council.	
Which protected groups are targeted by the policy?	The provision of the Environmental Health service will affect people in the following protected groups: Age, Disability, Race, Sex, Sexual Orientation, Transgender and Faith. No groups are specifically targeted or will be specifically affected by the removal of posts, but all may receive or access the service in some way.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	The Council undertakes a satisfaction survey with a proportion of our visited premises. The satisfaction rating of the service, based on phone surveys is above 95%. Additionally, the Council has a system in place for translation and interpreters if necessary/appropriate. This is particularly useful for food businesses where the owner may not have English as a first language. No complaints or observations have been received in how we deliver the service that relate to protected characteristics. This is also true for corporate complaints. Therefore it is a reasonable assumption that the way the service is delivered at the moment does not have an adverse affect on protected characteristics. Removing services is likely to affect the range and quality of functions that the Council undertakes in this area.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		
There should be no negative impacts from these changes but there is a reduction in the capacity of the food and environmental protection teams and this needs to be managed to ensure that we fulfil our statutory requirements.		
I have concluded that there is/should be:		
No major change - no adverse equality impact identified	No adverse impact identified at this stage. To be kept under review.	
Adjust the policy		

Continue with the policy	Yes	
Stop and remove the policy		
Reasons and documentation to support conclusions Feedback from service users will define any changes. Current feedback does not lead to major change being required. This will be kept under review. There are no protected characteristics represented within the team. Should anyone with protected characteristics join or the situation change then adjustment would be considered and implemented as appropriate.		
Section four – Implementation – timescale for implementation		
The new structures are intended to be in place for April 2014.		
Section Five – Sign off		
Responsible officer: Scott Weetch Date: 13 th November 2013	Management Team Date	
Section six – Publication and monitoring		
Published on		
Next review date	Date logged on Covalent	

Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Service area	Environmental Health		Date	13 th November 2013		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	
From feedback, taxi owners/drivers wish for greater clarity over how they may help disabled passengers	Invite Compass to taxi forum	Ian Carter	September 2014	By attendance at taxi forum and any subsequent actions	Greater awareness/understanding of the issue and how we can all contribute.	

Evaluate any negative impact of decreased inspections	Monitor number of inspections and interventions undertaken	Martin Stoyles	December 2014	Significant drops in inspection numbers or increases in intervention needed will be apparent from quarterly monitoring	Raise awareness at a corporate level if statutory functions are not fulfilled
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Equality Impact Assessment - Community Safety Grants

Responsible person	Scott Weetch	Job Title: Community Protection Lead
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	Potential removal of community safety grants from 2016	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	The decision will remove community safety grant funding	
Which protected groups are targeted by the policy?	The provision of community safety grants could affect people in the following protected groups: Age, Disability, Race, Sex, Sexual Orientation, Transgender and Faith. No groups are specifically targeted (though some eg race are more affected than others) or will be specifically affected by the changes, but all may receive or access the funding in some way.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	Consultation will be carried out with affected groups during 2015. This will include the race hate forum; and the disability forum. Analysis will be undertaken of spend in the previous 3 years to see which groups or individuals have benefitted and are therefore likely to be affected.	

Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality	
I have concluded that there is/should be:	
No major change - no adverse equality impact identified	Due to the low amounts of funding available for groups with protected characteristics, it is unlikely to have a major impact.
Adjust the policy	
Continue with the policy	
Stop and remove the policy	
Reasons and documentation to support conclusions: Community Safety Grant Budget	
Section four – Implementation – timescale for implementation	
The proposed changes are due to be implemented from April 2016	
Section Five – Sign off	
Responsible officer: Scott Weetch Date: November 2013	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date: November 2014	Date logged on Covalent

Equality Impact Assessment – Reduction in CCTV monitoring

Responsible person	Scott Weetch	Job Title: Community Protection Lead
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	The Council is considering reducing the number of CCTV cameras which it monitors	

Section One – Scope of the assessment	
What are the main purposes/aims of the policy?	The measure is to reduce the costs to the Council of CCTV provision. This will be achieved through efficiencies in service in 2014/15; then removing monitoring of least used cameras; moving costs of cameras on estates to the Housing Revenue Account; and finally a complete review of the service.
Which protected groups are targeted by the policy?	The provision of CCTV will affect people in the following protected groups: Age, Disability, Race, Sex, Sexual Orientation, Transgender and Faith. No groups are specifically targeted or will be specifically affected by the changes, but all may receive or access the service in some way.
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	The monitoring service providers (Sedgemoor District Council) have been consulted to provide their view. In addition, quantitative analysis has been undertaken to understand which cameras are used the least. The Police have been consulted as the main beneficiaries of the service. Finally, a strategic overview has been undertaken to ensure that there are no holes in the coverage. Taunton Deane tenants directly benefit from cameras positioned in Halcon, Duke Street and Priorswood areas of Taunton.
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality	
There should be no disproportionate negative impacts from these changes on the protected groups – any negative impacts would be quickly known by those providing and monitoring the service (Sedgemoor District Council) as well as the principal service users (Police). The proposal is to reduce coverage in the least used cameras. There is no evidence to suggest that those with protected characteristics are more likely to be involved in incidents captured on CCTV. However, it is known that racist and other hate crime eg homophobic incidents increase in the evenings and are more prevalent in the town centre than elsewhere.	
I have concluded that there is/should be:	
No major change - no adverse equality impact identified	No adverse impact identified at this stage. To be kept under review.
Adjust the policy	
Continue with the policy	Yes
Stop and remove the policy	
Reasons and documentation to support conclusions: Feedback from service users will define any changes. Current feedback does not lead to major change being required. This will be kept under review.	
Section four – Implementation – timescale for implementation	
The amended service is intended to be in place for April 2014. Other changes to the number of cameras monitored, the way it is funded and relating to service review will take place from April 2015 at the earliest.	

Section Five – Sign off	
Responsible officer: Scott Weetch Date: 12th November 2013	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date : November 2014	Date logged on Covalent

Equality Impact Assessment – Dog bin collection

Responsible person	Scott Weetch	Job Title: Community Protection Lead
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	Yes
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	The Council is considering reducing frequency of collection of dog bins	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	The measure is to reduce the costs to the Council of dog bin collection.	
Which protected groups are targeted by the policy?	The collection of dog bins will affect people in the following protected groups: Age, Disability, Race, Sex, Sexual Orientation, Transgender and Faith. No groups are specifically targeted or will be specifically affected by the changes, but all may receive or access the service in some way.	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	We have used our judgement to assess that differing protected characteristics are unlikely to be adversely affected by this policy. Race, sex, sexual orientation, transgender and faith could not be affected by the frequency of collection.	
Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality		

There should be no negative impacts from these changes – any negative impacts would be quickly known by those making the collections and through public complaints and could therefore be quickly rectified.	
I have concluded that there is/should be:	
No major change - no adverse equality impact identified	No adverse impact identified at this stage. To be kept under review.
Adjust the policy	
Continue with the policy	Yes
Stop and remove the policy	
Reasons and documentation to support conclusions Feedback from service users will define any changes. Current feedback does not lead to major change being required. This will be kept under review.	
Section four – Implementation – timescale for implementation	
The new service is intended to be in place for April 2015 if it goes ahead.	
Section Five – Sign off	
Responsible officer: Scott Weetch Date: 12th November 2012	Management Team Date
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

APPENDIX J

Corporate Management - Budget Savings Options Appraisal

1 Executive Summary

The scope of spend (and therefore the savings targets identified) in this area is limited to:

- The cost of employing the CEO and Directors
- The internal audit function (delivered to us by SWAP)
- The corporate management costs (as defined by CIPFA)

2 Background

- 2.1 This savings proposal is delivered in the context of the Councils overall financial position and is designed to meet the targets set for this part of the organisation over a 3 year period.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Theme General Target	7	7	7	21

3 Scope

- 3.1 The cost of employing the existing team has not been considered as this will be reviewed in any Corporate Management restructure proposal. That leaves the Internal Audit function (cost centre 102792) plus the Corporate Management costs (cost centre 101017) for review in this exercise to achieve the savings targets.

4 Options Appraisal**Corporate Management (101017)**

- 4.1 The budget for Bank Charges has historically been scattered throughout the organisation (with services budgeting and paying for their own bank transactions). I have asked Finance to review across the entire organisation and I am confident we can reduce the budget by £13k for 14/15 onwards. Finance will do the necessary tidying up of budgets across services to ensure this is done safely.

Internal Audit (102792)

- 4.2 The level of spend on the internal audit function has remained stable for the last 3 years. This has been a deliberate choice – in order to ensure the authority is sufficiently protected (in terms of internal controls) during the period of significant change.
- 4.3 Whilst we are not yet in a “stable” period in terms of organisation change, I do believe we have an opportunity to reduce the number of “audit days” we buy from SWAP moving forward. This is largely due to a slightly different approach being taken by our external auditors (Grant Thornton) to “reliance on internal audit”. Historically, the external audit function has relied heavily on the work carried out each year by internal audit in relation to “key control audits” (the reviews they have done annually on our main systems). This has now changed and Grant Thornton LLP is happy for us to move away from requiring full audits on these systems each and every year. I have agreed a “rotation” plan with SWAP to ensure all systems are reviewed over a 3 year period, with those historically given a “partial” audit score continuing to be reviewed annually.

- 4.4 I have approached SWAP with a view to reducing our audit days for 14/15. I have suggested we aim for a broad fee reduction of £20k (current budget of £117k per annum). They are currently co-ordinating these requests across all Partners and have committed to come back with a proposal (including details of redundancy implications) in December.

5 **Proposal for Budget Savings**

- 5.1 As set out above.

6 **Affordability**

Summary of Financial Implications v Savings Targets:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Savings – Staff (-)					
Savings – Other (-)		-13	-20		-33
Net Costs / Savings (-)		-13	-20		-33
Savings Target		7	7	7	21
Target less Savings		-6	-13	7	-12

7 **Impact on Human Resources**

- 7.1 There may be staffing implications from the request to SWAP – and we would be required to fund our share of redundancy costs. This won't be known until December.

8 **Dependencies**

- 8.1 SWAP being able to deliver on my request.

9 **Procurement**

- 9.1 None.

10 **Risks and Impacts**

- 10.1 Corporate Management Costs Proposal – this is simply refreshing / reducing the budget to reflect reality. There are no “Equalities” or “Risk” issues emerging from this proposal.
- 10.2 Internal Audit Proposal – this is simply reducing the number of audit days bought by TDBC. The key risk to consider is whether there is sufficient remaining audit days in the annual plan to safely cover off key internal control issues. This will need to be managed more carefully than previously, and robust “control” of the internal audit plan put in place. There are no “equalities” issues emerging from this proposal.

11 **Equalities Impacts**

- 11.1 The proposal does not have any adverse impact on protected equality groups (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership) and therefore a full Equalities Impact Assessment is not required.

12 Timescales for Implementation

- 12.1 The reduction in the bank charges budget can be made for 14/15 budget. The reduction is audit days can now be progressed “in principle” subject to more detail of the one-off costs being shared by SWAP in December. The one-off costs would need to be funded from reserves.

13 Recommendations

- 13.1 Should the items listed be progressed then the target set for this area of the organisation will be over-achieved. The internal audit saving will need to be reviewed in December to ensure it “stacks-up” across the Partnership, once the one-off costs are shared.

Contact:

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APPENDIX K

Accommodation Project - Budget Savings Options Appraisal**1 Executive Summary**

The budget saving target for this area is £67,150 over the next 3 years.

It is unlikely that any move from Deane House will be possible prior to the third year 2016/17 and may well happen within that year.

Without significant investment to the building it is impossible to sub let space and therefore any saving from running costs will have to be from the Planned Maintenance budget.

2 Background

- 2.1 There is a current corporate project looking at the future of Council Accommodation particularly relating to Deane House. A number of options are being investigated and members will be asked to give direction on which one(s) they prefer in November and December. A full business / implementation case will then be required.

Summary of Savings Targets

	2014/15 £k	2015/16 £k	2016/17 £k	3-Year Cumulative £k
Accommodation & Property	24	22	21	67

3 Scope

- 3.1 The scope of the above project is to reduce the Council's costs on accommodation and a full appraisal of options is being carried out. In the absence of this the only budgets which can be reduced in the short term are those relating to planned maintenance. For Deane House these are £58k Planned Maintenance and £13.5 Mechanical Maintenance. The only other budget which could be considered is security.

4 Options Appraisal

- 4.1 Option 1 – to reduce the planned maintenance budget to meet the 2014/15 target and then to push the year 2 target into year 3 when the final solution of move / refurbish / will be implemented. This option has some risk to it but until the final decision is made on the future of Deane House then it would be sensible to keep maintenance down to the essential elements only. It would leave £34k in the budget to cover the essentials.
- 4.2 Option 2 – to remove the security guard service but as this would add risk to those at the front end of our services, this has been discounted.

5 Proposal for Budget Savings

- 5.1 The preferred option is Option 1.

6 **Affordability**

Summary of Financial Implications v Savings Target:

	2013/14 £k	2014/15 £k	2015/16 £k	2016/17 £k	Cumulative Savings £k
One-Off Costs					
Ongoing Costs					
Savings – Staff (-)					
Savings – Other (-)		-24		-43	-67
Net Costs / Savings (-)		-24		-43	-67
Savings Target		24	22	21	67
Target less Savings		0	22	-22	0

- 6.1 The report to Scrutiny will describe the investment required in any new premises to achieve these savings. It will include a financial appraisal of each option.

7 **Impact on Human Resources**

- 7.1 No direct HR implications except that any move to new premises / new ways of working will require HR input.

8 **Dependencies**

- 8.1 Willingness of the organisation to make the investment and / or to move premises.

9 **Procurement**

- 9.1 Not known at present – depends on outcome.

10 **Risks and Impacts**

- 10.1 An assessment of risk has been carried out and a detailed risk register is available in Annex A.

- 10.2 Risk Summary

Risk Category	Total No of risks identified	Number of risks identified as		
		Red	Amber	Green
Financial	1		1	
Legal				
Human Resources				
Equality				
Crime and Disorder				
Health and Safety				
Data protection				
Safeguarding				
Sustainable Communities				
Environment				
Other				

Significant Risks

- 10.3 The risk of reducing the planned maintenance budget by 40% in year 1 means that general maintenance will fall behind schedule leaving the council more at risk of unexpected maintenance issues in the future.

11 Equalities Impacts

- 11.1 A full Equalities Impact Assessment will be undertaken as part of the Customer Access and Accommodation Project.

12 Timescales for Implementation

- 12.1 Initial implementation will be in 2014/15.

13 Recommendations

- 13.1 To reduce the planned maintenance budget in year 1 and monitor the impact.

Contact:

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Annex A – Accommodation Project Savings Proposals Risk Assessment

Ref	Date raised	Risk/Issue Description and Effects	Category	Inherent Risk Assessment (BEFORE any action is taken to manage / control the risk)		Score	Proximity
				Probability (pre-action / control)	Impact (pre-action / control)		
Acco mm	28/10/2013	The business case recommends the reduction in the planned maintenance budget for Deane House. The Risk is that a maintenance requirement may occur with insufficient budget to cover it	Operational	Feasible(3)	Significant(3)	12 Amber	3 months

GENERAL FUND DRAFT BUDGET REQUIREMENT 2014/15

	£'000
Net Expenditure Base Budget 2013/14	13,187
Inflation	516
<i>Other Cost Increases</i>	
Remove 2013/14 one-off items	36
Demographic growth demand on services	37
Individual Electoral Registration costs	65
Pension auto enrolment costs	80
Crematorium income base	60
Housing Benefit & Council Tax Support Admin Grant	61
Contribution to Home Improvement Agency	44
Parking Income trend for Vivary Park	30
Remove vacancy allowance	62
Pension contribution increase per triennial pension fund valuation	46
Brewhouse maintenance costs	70
Increase in Capital Debt Repayment	208
Growth and Transformation funding	269
<i>Savings</i>	
Procurement Savings increase	-193
Southwest One contract price efficiency savings	-60
TIC Net Sales increase	-15
Insurance savings for General Fund services	-128
Cemeteries & Crematorium Fees & Charges price increase	-41
Licensing Fees & Charges (new charges / price changes)	-12
Waste Partnership contract savings	-154
Land Charges net savings	-58
Net increase in Recharges to HRA	-70
Joint Management and Shared Services savings	-391
Budget Savings Proposals	-1,054
<i>Other Changes</i>	
Transfer to Growth & Regeneration Reserve (NHB grant funding)	575
Other earmarked reserve movements	-25
Other net changes in detailed estimates	-33
Parish Precept Demands and Special Expenses Increase	27
Net Expenditure Base Budget 2014/15	13189
Funding, Taxation and New Homes Bonus 2013/14	-13,187
Reduction in Revenue Support Grant	847
Retained Business Rates	-82
New Homes Bonus Grant increase	-575
Tax Base growth – TDBC Basic Council Tax	-52
Council Tax increase (2%)	-102
Council Tax collected for Parish Precepts Increase	-27
Collection Fund Surplus increase	-11
Funding, Taxation and New Homes Bonus Budget 2014/15	-13,189

APPENDIX M

DRAFT GENERAL FUND REVENUE BUDGET SUMMARY 2014/15

	Original Budget 2013/14 £	Draft Budget 2014/15 £
Service Portfolios		
Community Leadership	1,010,240	1,047,830
Corporate Resources	1,713,200	1,593,180
Economic Development, Asset Management, Arts & Tourism	1,442,540	1,127,360
Environmental Services	4,229,070	4,286,900
General Services	1,235,480	1,059,540
Housing Services	2,599,000	2,518,690
Planning, Transportation & Communications	(1,351,090)	(1,491,340)
Sports, Parks & Leisure	2,481,650	2,656,420
Joint Management Team Savings to be allocated to service lines	0	(340,000)
Net Cost of Services	13,360,090	12,458,580
Other Operating Costs and Income		
Interest Payable and Debt Management Costs	0	0
Interest and Investment Income	(317,750)	(313,750)
<i>Funding for Parishes:</i>		
Parish Precepts	479,220	505,580
Council Tax Support Grant	42,260	40,940
<i>Funding for Unparished Area:</i>		
Special Expenses	41,220	42,330
Council Tax Support Grant	6,500	6,220
DLO Trading Account	(101,000)	(101,000)
Deane Helpline Trading Account	64,820	85,620
Total Other Operating Costs and Income	215,270	265,940
Transfers To/(From) Reserves		
Transfers To/(From) Earmarked Reserves	1,171,220	1,945,710
Transfer To/(From) General Fund Reserves	0	0
Capital Financing from GF Revenue (RCCO)	524,590	528,590
Repayment of Capital Borrowing (MRP)	452,950	692,640
Transfers to Capital Adjustment Account	(2,537,430)	(2,702,150)
Total Transfers To/(From) Reserves	(388,670)	464,790
NET EXPENDITURE BEFORE GRANTS AND TAXATION	13,186,690	13,189,310
Government Funding & Local Taxation		
<i>Government Funding:</i>		
Revenue Support Grant	(3,556,110)	(2,765,610)
Business Rates Retained Funding	(2,263,950)	(2,345,800)
New Homes Bonus Grant	(1,726,670)	(2,302,010)
Council Tax Freeze Grant	(57,000)	0
Local Services Support Grant	0	0
<i>Council Tax:</i>		
Council Tax (Demand on Collection Fund)	(5,560,400)	(5,741,260)
Previous Year's Collection Fund Deficit/(Surplus)	(22,560)	(34,630)
Total Grants & Local Taxation	(13,186,690)	(13,189,310)

APPENDIX N

**GENERAL FUND REVENUE BUDGET SUMMARY 2014/15
COST CENTRE SUMMARY BY PORTFOLIO**

Cost Centre	Heading	Original Budget 2013/14 £	Current Budget 2013/14 £	Forward Estimate 2014/15 £
COMMUNITY LEADERSHIP				
103518	Strategy Unit	0	4,580	0
102100	Local Development Framework (LDF)	369,440	408,350	449,590
109509	Climate Change	65,300	59,490	49,620
109257	Community Grants	201,800	202,550	201,380
110448	Taunton Deane Partnership	(4,870)	(4,870)	(4,900)
101570	Community Safety	279,310	270,920	251,010
109643	Community Development	30,950	28,630	33,040
102129	Shopmobility	66,900	66,900	66,390
110787	Pool Cars	1,410	1,470	1,700
		1,010,240	1,038,020	1,047,830
CORPORATE RESOURCES				
101070	Council Tax Collection	596,580	596,580	495,200
101117	Council Tax Benefit Admin	238,230	238,230	244,170
101148	Council Tax Benefit	0	0	0
101149	NNDR Collection	120,650	40,650	8,670
101192	Register of Electors	161,830	162,680	238,700
101203	Conducting of Elections	23,930	2,400	21,530
101273	Local Land Charges	0	(380)	0
102019	Rent Allowances	304,650	304,650	337,490
102029	Rent Rebates	205,850	205,850	247,150
102038	HB Admin	0	0	0
102276	ICT	0	(70,840)	0
102281	Retained ICT	15,000	76,330	0
102310	Facilities Management	0	(13,900)	0
102329	Retained Property	0	40,000	0
102417	Wellington Office	0	0	0
102418	Deane House	0	(70)	0
102459	Flock House	0	0	0
102461	Procurement	0	410	0
102535	Design and Print	0	0	0
102567	Legal Services	0	7,480	0
102580	Customer Contact	0	0	0
102588	HR	0	(161,720)	0
102606	Retained HR	0	29,340	0
102627	Finance	0	830	0
102649	Retained Finance	0	8,400	0
102679	Insurance	0	104,540	0
102686	Treasury Management	0	0	0
102693	CTAX	0	22,920	0
102754	Benefits	0	6,300	0
102755	Performance & Client	0	94,880	0

Cost Centre	Heading	Original Budget 2013/14 £	Current Budget 2013/14 £	Forward Estimate 2014/15 £
102797	Training and OD	0	6,500	0
102803	CEO	0	0	0
102807	Director BC	0	0	0
102832	Director SA	0	0	0
102834	Director JW	0	0	0
109439	SW1 Transformation	0	0	0
110849	Corporate Support Unit	21,480	22,420	0
110989	Welfare & Finance Reform	25,000	40,000	270
111074	CEO & Directors	0	(24,560)	0
111321	Joint Management & Shared Services Project	0	181,000	0
111495	Customer Access & Accommodation Project	0	70,000	0
		1,713,200	1,990,920	1,593,180

ECONOMIC DEVELOPMENT & THE ARTS

101281	Economic Development Grants	21,290	42,360	21,280
102152	Market Undertakings	(11,650)	0	0
102155	TDBC Assets	451,680	440,890	71,520
102188	Art Development & Support	15,390	15,410	14,100
102190	Theatre & Public Entertainment	153,260	193,860	223,000
102265	Town Centre Management	69,500	120,490	68,380
102270	Visitor Centres (TIC)	122,120	121,960	118,750
102312	Property Management	0	(49,420)	0
102407	Priory Depot	0	0	0
103524	Project Taunton	0	0	0
103532	Economic Development	680	0	0
111009	Economic Development & Regeneration	620,270	638,720	610,330
111010	Eco Towns Project	0	0	0
111283	Business Investment Fund	0	300,000	0
		1,442,540	1,824,270	1,127,360

Cost Centre	Heading	Original Budget 2013/14 £	Current Budget 2013/14 £	Forward Estimate 2014/15 £
	ENVIRONMENTAL SERVICES			
101328	Cleansing	0	0	0
101431	Cemeteries	12,120	860	46,780
101451	Crematoria	(627,950)	(582,380)	(613,680)
101458	Food Safety	325,620	351,950	286,910
101464	Pollution Reduction	249,130	248,900	218,720
101478	Health & Safety	39,480	84,480	107,730
101495	Pest Control	50,320	50,340	63,660
101533	Dog Wardens	102,080	102,080	90,290
101542	Licensing	31,980	24,880	(1,950)
101563	Public Conveniences	291,100	291,130	226,120
101640	Flood Defences	201,710	219,710	282,610
101648	Street Cleaning	573,590	574,470	663,730
101689	Household Waste	1,095,240	1,095,240	1,034,720
101726	Recycling	1,803,620	1,803,620	1,803,070
109642	Business Support Theme 4	0	1,760	0
109644	Environmental Health Management	33,000	35,610	0
109669	Drainage Board	19,660	19,660	19,500
110591	Welfare Funerals	28,370	28,370	31,970
111556	Taxi Licensing	0	0	26,720
		4,229,070	4,350,680	4,286,900
	GENERAL SERVICES			
101015	Democratic Representation & Management	730,870	728,610	735,310
101017	Corporate Management	386,980	452,360	400,540
101055	Non Distributed Costs	141,900	141,900	150,550
101232	Emergency Planning	67,580	67,880	96,160
101287	Parish Liaison	38,810	38,810	0
102791	Internal Audit	0	0	0
109236	Appropriations	(130,660)	(417,660)	(323,020)
109237	Core Council Review	0	0	0
		1,235,480	1,011,900	1,059,540
	HOUSING SERVICES			
101291	Building Maintenance	0	0	0
101468	Housing Standards	822,320	822,320	502,400
101819	Housing Strategy	57,890	58,680	44,650
101822	Housing Advice	657,420	642,500	685,110
101838	Contribution to HRA	190,540	190,540	199,100
101944	Admin of Renovation	0	0	0
101987	B&B Accommodation	209,960	185,960	165,080
101993	Leasehold Dwellings	(6,940)	(6,920)	(7,460)
102007	Homelessness Admin	95,440	95,440	88,000
109227	Housing Enabling	448,740	478,600	721,360
109645	HIA	0	0	0
111097	Homelessness Prevention Grant	123,630	123,630	120,450
		2,599,000	2,590,750	2,518,690

Cost Centre	Heading	Original Budget 2013/14 £	Current Budget 2013/14 £	Forward Estimate 2014/15 £
	PLANNING, TRANSPORTATION & COMMUNICATIONS			
101734	On Street Parking	4,740	0	0
101779	Off Street Parking	(2,294,150)	(2,281,160)	(2,402,790)
101785	Concessionary Fares	0	0	0
101809	Public Transport Co-ordination	33,440	33,580	90,440
102045	Building Control - Fee Earning	(8,400)	(8,200)	(34,180)
102053	Building Control - Non Fee Earning	76,140	76,300	56,680
102058	Planning Advice	894,850	897,880	774,730
102059	Dealing with Applications	(516,100)	(500,610)	(465,000)
102083	Enforcement	164,580	164,580	110,260
102093	Regional Planning	0	0	0
102103	Conservation & Listed Buildings	245,720	246,300	228,100
102104	Sustainable Development	0	0	0
102783	Public Relations	0	(2,440)	0
109553	Business Support Theme 2	0	2,070	0
109979	Building Control – Services	48,090	49,270	35,800
111555	CIL Project	0	7,230	114,620
		(1,351,090)	(1,315,200)	(1,491,340)
	SPORTS PARKS AND LEISURE			
101317	Grounds Maintenance	0	0	0
101384	Vivary Park Trading Account	(19,600)	(74,740)	(47,330)
101818	Environmental Maintenance	0	0	0
102196	Sports Development	176,480	202,860	192,280
102212	Indoor Sports	28,040	28,040	(7,690)
102216	Outdoor Sports	360,290	(161,340)	0
102243	Golf Courses	350	26,020	410
102246	Community Open Spaces & Parks	849,390	1,428,110	1,440,470
102256	Allotments	(3,240)	(3,240)	(3,280)
109639	Tone Leisure	469,530	469,530	436,100
110369	Tone Leisure – Wellington Sports Centre	121,230	208,880	203,220
110370	Tone Leisure – Wellsprings	168,920	101,320	96,050
110371	Tone Leisure – Blackbrook Sports Centre	140,220	102,580	135,650
110372	Tone Leisure – Station Road Pool	141,090	171,000	154,460
110373	Tone Leisure – St James Street Pool	42,740	52,080	42,150
110590	Vivary Golf Course Club House	6,210	5,890	12,000
111038	Community Leisure	0	(22,080)	0
111119	New Swimming Pool	0	38,850	1,930
		2,481,650	2,573,760	2,656,420
	Joint Management Team Savings – to be allocated to specific services in a new code structure	0	0	(340,000)

Cost Centre	Heading	Original Budget 2013/14 £	Current Budget 2013/14 £	Forward Estimate 2014/15 £
	TRADING ACCOUNTS			
	Deane Helpline	64,820	100,850	85,620
	DLO	(101,000)	(68,820)	(101,000)
		(36,180)	32,030	(15,380)
	OTHER OPERATING COSTS & INCOME			
109229	Interest Payable	0	0	0
109230	Interest Receivable	(317,750)	(317,750)	(313,750)
101410	Pension Interest & Return on Assets	0	0	0
109228	Profit/Loss on Disposal of FA	0	0	0
109997	Housing Capital Receipts Pooling	0	0	0
109998	Special Expenses	47,720	47,720	48,550
109749	Parish Precepts	521,480	521,480	546,520
110430	Exceptional Items (JMASS Transformation Costs)	0	900,000	0
		251,450	1,151,450	281,320
	TRANSFERS TO/FROM RESERVES			
	Revenue Reserves			
109779	Transfer to/from Earmarked Reserves	1,171,220	(1,418,840)	1,945,710
109778	Transfer to(from) General Reserves	0	(2,845,580)	0
109772	Transfer to Financial Instruments Adj Acc	0	0	0
109773/7	Transfer to/from Pension Reserve	0	0	0
	Capital Reserves			
109775	Capital Financing from GF Revenue (RCCO)	524,590	4,017,310	528,590
109774	Repayment of Capital Debt (MRP)	452,950	742,650	692,640
109768-71	Other Transfer to Capital Adjustment Account	(2,537,430)	(2,537,430)	(2,702,150)
109999	Transfers to/from Capital Receipts Reserve	0	0	0
		(388,670)	(2,041,890)	464,790
	GOVERNMENT FUNDING & LOCAL TAXATION			
	Government Funding			
109234	Revenue Support Grant	(3,556,110)	(3,556,110)	(2,765,610)
109235	Business Rates Retained Funding	(2,263,950)	(2,263,950)	(2,345,800)
110693	New Homes Bonus Grant	(1,726,670)	(1,746,670)	(2,302,010)
110260	Council Tax Freeze Grant	(57,000)	(57,000)	0
110697	Local Services Support Grant	0	0	0
	Council Tax			
109233	Demand on Collection Fund	(5,560,400)	(5,560,400)	(5,741,260)
110001	Collection Fund (Surplus)/Deficit Share	(22,560)	(22,560)	(34,630)
		(13,186,690)	(13,206,690)	(13,189,310)
	(SURPLUS)/DEFICIT FOR THE YEAR	0	0	0