

REPORT TO: Executive Board

DATE: 19 November 2015

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Resources

SUBJECT: Budget Proposals 2016/17 – 2nd Set

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council further revenue budget proposals for 2016/17.

2.0 RECOMMENDATION: That Council approve the budget proposals for 2016/17 set out in Appendix 1.

3.0 SUPPORTING INFORMATION

3.1 The Medium Term Financial Strategy (MTFS) forecasts potential revenue budget funding gaps for the Council, of approximately £16m in 2016/17 and £9m in 2017/18.

3.2 Budget saving proposals for 2016/17 are currently being developed by the Budget Working Group.

3.3 A first set of proposals totalling £7.8m was approved by Council on 14th October 2015. Appendix 1 presents a second set of proposals. It is proposed to implement these immediately in order to also achieve a part-year saving in 2015/16, which will assist in keeping the Council's overall spending in line with budget. In addition, a number of the proposals will take time to implement and therefore commencing the process as soon as possible will assist with ensuring they are fully implemented by 1st April 2016. Appendix 1 also presents the impact in 2017/18 of certain of the savings proposals.

3.4 The following table summarises the budget proposals of the Budget Working Group and identifies the remaining forecast budget gaps.

	2016/17 £m	2017/18 £m	Total £m
Forecast Budget Gaps as per MTFS	16.0	9.0	25.0
Less: 1 st Set of Budget Saving Proposals (approved 14 th October 2015)			
Community & Resources Directorate	-3.8	+0.9	-2.9
People & Economy Directorate	-4.0	+3.0	-1.0

Less: 2 nd Set of Budget Saving Proposals (as shown in Appendix 1)			
Community & Resources Directorate	-1.7	0	-1.7
People & Economy Directorate	-1.9	+0.8	-1.1
Remaining Forecast Budget Gaps	4.6	13.7	18.3

3.5 The Government will announce the outcome of its Comprehensive Spending Review on 25th November 2015 and then its Grant Settlement for Local Government in late December, at which point the Council's actual budget gap for 2016/17 will be known, along with indications for 2017/18 and 2018/19.

3.6 A third set of budget saving proposals is currently being developed by the Budget Working Group to enable the Council to deliver a balanced budget for 2016/17, which will be recommended to Council on 2nd March 2016.

4.0 POLICY IMPLICATIONS

4.1 The revenue budget supports the Council in achieving the aims and objectives set out in the Community Strategy for Halton and the Council's Corporate Plan.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications of these budget proposals are as set out within the report and Appendix 1.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children & Young People in Halton**

6.2 **Employment, Learning & Skills in Halton**

6.3 **A Healthy Halton**

6.4 **A Safer Halton**

6.5 **Halton's Urban Renewal**

The revenue budget supports the delivery and achievement of all the Council's priorities. The budget proposals listed in Appendix 1 have been prepared in consideration of all the Council's priorities.

7.0 RISK ANALYSIS

7.1 Failure to set a balanced budget would put the Council in breach of statutory requirements. The budget is prepared in accordance with detailed guidance and a timetable, to ensure statutory requirements are

met and a balanced budget is prepared which aligns resources with corporate objectives.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

9.1 There are no background papers under the meaning of the Act.

APPENDIX 1

	DEPARTMENT/ DIVISION/ SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM OR TEMP (P / T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2016/17 £'000	2017/18 £'000		
COMMUNITY & RESOURCES DIRECTORATE							
EFFICIENCY OPPORTUNITIES							
1	Legal & Democratic Svcs /Legal Services	Deletion of a part time HBC3 Keyboard Operator/ Clerical Post.	13	13	0	P	D
2	Legal & Democratic Svcs /Legal Services	Deletion of vacant HBC2 Clerical Officer post.	17	17	0	P	D
3	Legal & Democratic Svcs /Communications & Marketing	Deletion of vacant HBC6 Marketing Officer post.	30	30	0	P	D
4	Policy, People, Performance & Efficiency	Restructuring following consolidation of functions into the new Policy, People, Performance & Efficiency Division.	2,300	184	0	P	D

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				2016/17 £'000	2017/18 £'000		
5	Finance Dept/ Financial Mgt Div	Deletion of a vacant HBC7/8 Finance Officer post.	40	40	0	P	D
6	Policy, Planning & Transportation	Savings target for the Highways efficiency review currently being undertaken.	2,836	150	0	P	M/D
OTHER BUDGET SAVINGS							
7	Capital Financing	Revision of the Minimum Revenue Provision Policy in order to lengthen the period over which capital assets are written down within the accounts, to closer match the life of those assets.	2,306	520	0	P	D
8	Support Services	Use of grant funding rather than HBC core budget, to fund central support recharges provided to Public Health.	320	320	0	P	D
9	Community & Environment	Review the Youth, Sports and Community grants.	63	55	8	P	D

			TOTAL	ESTIMATED	PERM	MANDATORY OR
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	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	BUDGET £'000	BUDGET SAVING		OR TEMP (P / T)	DISCRETIONARY SERVICE AFFECTED (M / D)
				2016/17 £'000	2017/18 £'000		
10	Community & Environment/ Community Meals Service	Increase the charge for Community Meals by 50p per meal increasing income by £35,000 and make other operational efficiencies. Current charges for meals delivered to home are £3.35 and tea time packs £2.35.	50	50	0	P	D
11	Community & Environment	Delete vacant Events Officer post and improved operational efficiencies.	76	30	0	P	D
12	Community & Environment	Establish an SLA between Public Health and the Sports Development Team, to deliver specific services on behalf of Public Health.	221	60	0	P	D
13	Council Wide	Increase from 2.6% to 3.0% the existing staff turnover saving targets attached to the staffing budgets for all non-trading cost centres, to reflect the delayed/non-filling of vacancies.	1,637	250	0	P	D
TOTAL PERMANENT				1,719	8	P	
TOTAL TEMPORARY (ONE-OFF)				0	0	T	
GRAND TOTAL				1,719	8		
	DEPARTMENT/ DIVISION/	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM OR	MANDATORY OR DISCRETIONARY

	SERVICE AREA		£'000	2016/17 £'000	2017/18 £'000	TEMP (P / T)	SERVICE AFFECTED (M / D)
PEOPLE AND ECONOMY DIRECTORATE							
INCOME GENERATION OPPORTUNITIES							
1	Commissioning and Complex Care Dept	Additional income from charging against a client's 'disposable' income (non-residential care taking 100% into account). Relates to around 200 people.	1,583	250	0	P	D
EFFICIENCY OPPORTUNITIES							
2	Prevention and Assessment Dept	Deletion of a Practice Manager post in Care Management (postholder has requested voluntary redundancy).	40	40	0	P	M
3	Prevention and Assessment/ Commissioning and Complex Care	Redesign of Commissioning and Policy with the resulting deletion of two Commissioning Manager posts (both postholders have requested voluntary redundancy).	100	100	0	P	M
4	Commissioning and Complex Care Dept	Supporting People review of services to achieve a permanent on-going saving and also a one-off saving from a managed underspend in 2015/16.	3,590	200 300	0 -300	P T	D D

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				2016/17 £'000	2017/18 £'000		
5	Prevention and Assessment Dept	One off service efficiencies carried forward from 2013/14.	400	400	-400	T	D
6	Policy, Provision & Performance	Delete advertising budget which publicises the Family Information Service.	8	8	0	P	M
7	Policy, Provision & Performance	Delete professional fees budget from the Child Place Planning .	3	3	0	P	M
8	Policy, Provision & Performance	Delete subscriptions budget – all subscriptions in Child Place Planning have now ended.	2	2	0	P	M
9	Policy, Provision & Performance	Cease Childminder Start Up Grants – Training now offered direct by officers to support new start-ups.	1	1	0	P	M
10	Policy, Provision & Performance	Reduction of 5 posts and restructure of the Department. Two requests for voluntary redundancy have been received and three posts are to be placed At Risk.	935	204	0	P	M

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				2016/17 £'000	2017/18 £'000		
11	14-19 & Post - 16 Entitlement	Reduction in the Information Advice and Guidance Budget. This service provides information advice and guidance to 16-19 olds who are not in education, employment and training.	243	105	0	P	D/M
		One-off saving carried forward from 2015-16 from not recruiting to a Young Persons Case Worker post.	34	34	-34	T	D/M
12	IYSS & Commissioning	Cease the Play, Learn and Loan Provision. A range of resources are provided to families on loan.	3	3	0	P	D
13	IYSS & Commissioning	Cease funding the Halton Child Contact Centre. Provides a venue for estranged parents to meet their children.	2	2	0	P	D
14	IYSS & Commissioning	Cease funding provided to the Brook Centre – the Sexual Health Service is now commissioned by Public Health.	3	3	0	P	D
15	IYSS & Commissioning	Cease grant for Halton's Got Talent. The event will now need to generate sponsorship or sufficient income to cover all costs.	8	8	0	P	D
	DEPARTMENT	DESCRIPTION OF PROPOSAL	TOTAL	ESTIMATED		PER	MANDATORY OR

	/ DIVISION/ SERVICE AREA		BUDGET £'000	BUDGET SAVING		M OR TEMP (P / T)	DISCRETIONARY SERVICE AFFECTED (M / D)
				2016/17 £'000	2017/18 £'000		
16	IYSS & Commissioning	Cease funding C-Card a registration system for condoms for young people. This can now be delivered through the Youth Service Contract.	4	4	0	P	D
17	IYSS & Commissioning	Reduce the budget for Blitz Positive Activities (holiday activities) for young people.	39	20	0	P	D
18	IYSS & Commissioning	Cease to commission the Young Advisors Service.	38	38	0	P	D
19	IYSS & Commissioning	Cease provision of funding for Cheshire Fire and Rescue, as home safety advice is now delivered by them as core provision	3	3	0	P	D
20	IYSS & Commissioning	Cease secondment for the Young Persons Co-ordinated Action Against Domestic Abuse post, providing a one-off saving against the Troubled Families budget.	34	34	-34	T	D
21	IYSS & Commissioning	Reduction in Contract Manager hours.	40	8	0	P	D

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				2016/17 £'000	2017/18 £'000		
22	IYSS & Commissioning	Reduction of two posts within the Integrated Youth Support Service and Commissioning Division. Both posts to be placed At Risk.	59	59	0	P	D
23	Education Division	Restructure the Early Years Support and Intervention Team with the resulting deletion of one vacant Early Years Consultant Teacher post.	402	45	0	P	D
24	Education Division	Delete half of a vacant School Setting and Improvement Officer post and to then flexibly commission capacity required.	60	30	0	P	D
25	Inclusion 0-25 Division	Reduction in one post in the Attendance and Behaviour Team through voluntary redundancy.	603	38	0	P	D
TOTAL PERMANENT				1,174	0	P	
TOTAL TEMPORARY (ONE-OFF)				768	-768	T	
GRAND TOTAL				1,942	-768		