

Democratic Services

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20 January 2017
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To: All Members of the Resources Policy Development and Scrutiny Panel

Bath and North East Somerset Councillors: Sarah Bevan (Chair), Bob Goodman (Vice-Chair), Christopher Pearce, Jasper Becker, Colin Barrett, Chris Dando, Lizzie Gladwyn, Ian Gilchrist and Andrew Furse

Chief Executive and other appropriate officers
Press and Public

Dear Member

Resources Policy Development and Scrutiny Panel: Monday, 30th January, 2017

Please find attached a **SUPPLEMENTARY AGENDA DESPATCH** of late papers which were not available at the time the agenda was published. Please treat these papers as part of the agenda.

Papers have been included for the following items:

9. **BUDGET AND COUNCIL TAX 2017/18 AND FINANCIAL OUTLOOK 2017/18 TO 2019/20 (Pages 3 - 140)**

Please note that the Summary of PDS Panel comments are still being finalised and will be sent out as soon as possible.

Yours sincerely

Michaela Gay
for Chief Executive

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Bath & North East Somerset Council	
MEETING:	Resources Policy Development & Scrutiny Panel
MEETING DATE:	30th January 2017
TITLE:	Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report: <ul style="list-style-type: none"> • Appendix 1: Budget report (to follow) • Appendix 2: Equalities Impact Assessment • Appendix 3: Summary notes from the Area Forum Meetings • Appendix 4: Summary of other January 2017 PDS meetings (to follow) 	

1 THE ISSUE

- 1.1 This report presents the Council's budget report, feedback received from the other Policy Development and Scrutiny Panels and a summary of the Area Forum Meetings for consideration and comment.

2 RECOMMENDATION

The Panel is asked to:

- 2.1 Consider the budget report documents as well as feedback received on the budget and highlight any issues it would like the Cabinet to be aware of. The Panel may want to formulate some recommendations for the Cabinet but needs to recognise that such recommendations should be financially neutral as the Council has a requirement for a balanced budget.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The resource implications are contained within the budget report.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 This report sets out the framework for the service planning and budget processes which lead up to the statutory and legal requirement for the Council to set a budget in February 2017.

- 4.2 The Council is committed to ensuring that financial decisions and the budgetary processes are subject to proportionate equality analysis. Proportionate equality analysis is being carried out on the proposals within the Directorate Plans by the Council's Communities Team. An initial assessment is shown in Appendix 2 of this report.

5 THE REPORT

- 5.1 This report presents the Council's budget report for consideration and comment. The main budget report documents will be circulated to the Panel through a supplementary despatch as they are not available at the time of report pack circulation.
- 5.2 A number of Area Forum meetings were held during November 2016 in order to give partners, stakeholders and members of the public the opportunity to hear more about the budget challenge facing us, express views on potential impacts and local priorities and raise ideas and questions. The notes of these meetings can be found at Appendix 3.
- 5.3 During January 2017, the draft Directorate Plans were presented to the Policy Development and Scrutiny (PDS) Panels. Each PDS Panel was engaged in this process and Panels concentrated on the parts of the plan relevant to their own remit. The Panels were asked to consider the implication of the draft Directorate Plans and make recommendations to the relevant portfolio holders and Cabinet. A summary of the other PDS Panel discussions will be circulated to this Panel through a supplementary despatch as it is not available at the time of report pack circulation.
- 5.4 Cabinet will consider the budget feedback received as part of final consideration and agreement at Cabinet and Council in February 2017.

6 RATIONALE

- 6.1 The Council is required to set a budget which identifies how its financial resources are to be allocated and utilised.
- 6.2 The Directorate Plans sets out the context and process for the directorate's service and financial planning.

7 OTHER OPTIONS CONSIDERED

- 7.1 The Directorate Plans set out a package of options that reflect the Council's Corporate Strategy, and its overarching visions and values.

8 CONSULTATION

- 8.1 The Directorate Plans flow from the Corporate Strategy which was developed in consultation with Cabinet and Council officers. They also build on our 2020 vision which was developed in consultation with the Council, NHS, police, local businesses, fire service and voluntary sector.
- 8.2 Council meetings have been held with officers and cabinet members during the refresh of these directorate plans.

8.3 A short animation with information about the budget process has been developed and publicised online in order to raise awareness and communicate key messages: <https://www.youtube.com/watch?v=e1i-y34PVn4>

8.4 An online feedback facility has been provided to allow for feedback on the proposals which were published on the 3rd January.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	Andrew Pate (Strategic Director Resources)
Background papers	B&NES Corporate Strategy 2016-2020 <ul style="list-style-type: none">• http://www.bathnes.gov.uk/sites/default/files/bnes_corporate_strategy_2016-2020.pdf
Please contact the report author if you need to access this report in an alternative format	

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Bath & North East Somerset Council

MEETING:	Cabinet	
MEETING DATE:	1 February 2017	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2914
TITLE:	Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20	
WARD:	All	

AN OPEN PUBLIC ITEM

List of attachments to this report:

Appendix 1 – Budget Aims and Ambitions

Appendix 2 – The Budget and Council Tax Proposal of the Cabinet 2017/18. This comprises a covering document, plus 4 Annexes

Annex 1 Draft Base Revenue Budget 2017/18 – individual service cash limits

Annex 2 Section 25 of the Local Government Act 2003 - Chief Financial Officer's Report on Adequacy of Balances and the Robustness of the Budget

Annex 3 Draft Capital Programme 2017/18-2021/22 including other emerging projects and programmes on an indicative basis - items shown for provisional approval.

Annex 3i Highways Maintenance Programme 2017/18

Annex 3ii Transport Improvement Programme 2017/18

Annex 3iii Corporate Estate Planned Maintenance Programme 2017/18

Annex 4 Minimum Revenue Provision (MRP) Policy

Appendix 3 – 2017/18 – 2019/20 Budget Savings Details

Appendix 4 - Budget Setting Process – Advice of the Monitoring Officer

Appendix 5 – Council Pay Policy Statement

Appendix 6 – Equality Analysis on Budget Proposals

1 THE ISSUE

- 1.1 This report presents the Cabinet's revenue and capital budgets for the 2017/18 financial year together with a proposal for a Council Tax level for 2017/18.

2 RECOMMENDATION

The Cabinet is asked to recommend:

2.1 That the Council approve:

- a) The General Fund net revenue budget for 2017/18 of £112.796m and the associated Council Tax increase of 1.50% plus a further 2% precept for Adult Social Care, as set out in Appendix 2.
- b) That no Special Expenses be charged other than Town and Parish Council precepts for 2017/18.
- c) The adequacy of reserves at Appendix 2 Table 10 with a risk-assessed level of £13.5m.
- d) The individual service cash limits for 2017/18 summarised at Appendix 2 Table 6 and detailed in Annex 1.
- e) That the specific arrangements for the governance and release of reserves, including invest to save proposals, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Finance & Efficiency and the Chief Executive.

2.2 That the Council include in its Council Tax setting, the precepts set and approved by other bodies including the local precepts of Town Councils, Parish Councils and the Charter Trustees of the City of Bath, and those of the Fire and Police Authorities.

2.3 That the Council notes the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves (Appendix 2, Annex 2) and approves the conditions upon which the recommendations are made as set out throughout Appendix 2.

2.4 That in relation to the capital budget the Council:

- a) approves a capital programme of £56.083m for 2017/18 and notes items for provisional approval in 2017/18 and the programme for 2018/19 to 2021/22 (including invest to earn) as shown at Appendix 2, Annex 3 including the planned sources of funding .
- b) delegates implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 3i to Annex 3iii to the relevant Strategic Director in Consultation with the appropriate Cabinet Member.
- c) Approves the CIL allocations as set out in Appendix 2 and the proposed arrangements for agreeing the use of CIL for the unparished area of Bath.
- d) approves all other delegations as set out in the budget report.

e) approves the revised Minimum Revenue Provision Policy as shown at Appendix 2, Annex 4 with the changes to become effective immediately.

f) approves the Capital Prudential Indicators as set out in Appendix 2 Table 8.

2.5 That the Council agree the Council's proposed pay policy statement as set out in Appendix 5.

2.6 Authorise the Council's Section 151 Officer, in consultation with the Cabinet Member for Finance & Efficiency, to make any necessary changes and presentational improvements to the draft budget proposal for submission to Council.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 The resource implications are contained within the body of the report.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 The Council is committed to ensuring that our financial decisions and the budgetary processes are subject to proportionate equality analysis.

4.2 Bath & North East Somerset Council can demonstrate that it has taken due regard for equality in its decisions by carrying out equality analysis. Thus the Council has a record of the equality considerations, which including the actions that would help to avoid or mitigate any negative impacts on people of particular protected groups.

4.3 Our decisions are supported by a strong evidence base (through effective use of equality mapping and Joint Strategic Needs Assessment) which help to make our decision-making processes more transparent. Further equality analysis can be undertaken as new information is made available.

4.4 When a budget proposal has implications for people covered by the Equality Act 2010, equality analysis must be carried out and the results considered before decisions are taken on the proposal. The decision maker must assure themselves that they are fully appraised of the equality implications of the decision proposed and should not assume the proposal must be approved. The report should contain a summary of the key findings from the equality analysis and actions that can be taken to remove or minimise any potential adverse impacts.

4.5 An Equality Analysis on budget proposals is included in Appendix 6.

4.6 Other issues considered include Social Inclusion; Customer Focus; Sustainability; Young People; Equality; Corporate; Impact on Staff and Other Legal Considerations such as the requirement to set a budget and Council Tax.

5 THE REPORT

5.1 In this document the Cabinet sets out the following:-

- Its medium term financial planning assumptions which set the basis for the draft budget proposal for 2017/18.

- Its draft budget proposal for 2017/18 (Appendix 2). This provides the detail of the second year of the Directorate Plans and recommends revenue and capital budgets for 2017/18, together with capital commitments for future years, and recommends a level of Council Tax for 2017/18.
- 5.2 The budget proposal builds on the prudent financial management of the Council and is designed to maintain front line services as far as possible whilst recognising the significant financial challenge facing the public sector. The budget proposals include:
- A net £2.0m or 1.7% decrease in the non-schools budget to £112.796m
 - An increase in the DSG estimated at £5.3m with total funding of £128.8m (including academies). The majority of the additional funding relates to the additional resources provided to accommodate increased pupil numbers in our schools, and the changes announced in relation to additional resources for early years to enhance the provision for 2, 3 and 4 year olds. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.
 - An increase in the Council's level of Council Tax, comprising a 2% Adult Social care precept and a 1.50% general increase in order to help protect frontline services. This excludes Police, Fire and Parish precepts.
 - These budget proposals are set out in detail at Appendix 2.
- 5.3 It is important to be clear on the process to be followed in setting the 2017/18 Budget. The Monitoring Officer has given specific guidance which is set out at Appendix 4, and in particular the need for the Council to approve a balanced budget.
- 5.4 The Monitoring Officer has also highlighted the implications arising if it does not prove possible for the Council to set a budget at its meeting on 14th February and any decision having to be deferred until the reserve date on 23rd February. This includes potential delays to the Council Tax billing process.
- 5.5 The Council is required under the provisions of the Localism Act 2011 and associated statutory guidance to publish an annual statement of its policies relating to the pay of its direct workforce, in particular its 'Chief Officers' and 'lowest paid employees'. The purpose of the statement is to provide a clear and transparent policy to the public, which demonstrates accountability and value for money for the financial year ahead.
- 5.6 Appendix 5 sets out for Council approval the Pay Policy Statement for 2017/18.

6 RATIONALE

- 6.1 The rationale for the recommendations is contained in the supporting paper to this report.
- 6.2 The Council's Section 151 Officer is the Divisional Director – Business Support. As Section 151 Officer his duties include ensuring a prudent and balanced budget is set on time which properly takes into account the financial constraints and risks facing the Council.

7 OTHER OPTIONS CONSIDERED

- 7.1 The supporting paper and appendices also contain the other options that can be considered in making any recommendations.

8 CONSULTATION

- 8.1 Meetings have been and will continue to be held with staff, trades unions and other stakeholders during the development of Directorate Plans which have fed into this budget. This has included five budget engagement meetings across the area hosted by the Connecting Communities Area Forums (Bath, Bathavon, Chew Valley, Keynsham and Somer Valley), enabling cross service consideration of the range of proposals by a range of stakeholders.
- 8.2 Representatives of the business community were engaged in these consultations as part of the Budget Engagement meetings.
- 8.3 Comments received from consultation, including the Area Forums, Policy Development and Scrutiny Panels and Trade Unions have been provided for consideration by the Cabinet.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.
- 9.2 In addition Appendix 2 to this report includes (at Annex 2) the Section 151 Officer's assessment of the Robustness of Estimates and Adequacy of Reserves. One of the considerations taken into account is the Directors' Review of Robustness of Estimates and Budget Risks/Sensitivities and the Corporate Risk Register. This is completed by all Directors in respect of their own services.

Contact person	Tim Richens, Divisional Director – Business Support (01225) 477468
Background papers	Directorate Plan reports to Policy Development & Scrutiny Panels during January 2017. Consultation Response Summary – Report to Resources PDS 30 th January 2017 Financial Settlement 2017/18 and future years, CLG website
Please contact the report author if you need to access this report in an alternative format	

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Appendix 1 - Budget Aims and Ambitions

Bath and North East Somerset Council, in partnership with other local public sector agencies, has developed an ambitious 2020 vision for the area. This was reported to Council last year at the start of the 4 year financial plan and, together with the Corporate Strategy, remains the overarching strategic guide for future changes.

‘Bath and North East Somerset will be internationally renowned as a beautifully inventive and entrepreneurial 21st century place with a strong social purpose and a spirit of wellbeing, where everyone is invited to think big – a ‘connected’ area ready to create an extraordinary legacy for future generations’

The Corporate Strategy has been shaped by and will deliver the ‘Putting Residents First’ manifesto which contains three core aims and six key priorities for the Council to focus on:

Core Aims

- Efficient and well run;
- Invests in the future of the area; and
- Puts the interests of residents first

Key Priorities

- Tackling waste and increasing efficiency
- Improving transport
- Delivering new homes and jobs
- Investing in young people
- Supporting cleaner, greener and healthier communities
- Promoting choice and independence for older people

The Council is already making good progress in working towards this vision. This year’s budget sets out the position for the next 3 years in more detail. This is also reflected in the Directorate Plans which in addition refer to some of the achievements in the first year of the strategy.

These priorities will continue to guide Council activity and budget planning over the next year, ensuring that resources are allocated in a robust and sustainable manner and enable the Council to invest in the things that matter most to local people.

Below are some examples of how the budget will continue to deliver the Cabinet’s commitments:

Tackling waste and increasing efficiency

- Generating significant additional income by investing in new commercial property and other innovative projects such as the Council’s new housing company which will deliver additional local homes
- Customer services and digital transformation programme to enable a ‘digital by choice’ approach for all with simpler end-to-end processes, a more truly mobile and flexible workforce and better citizen engagement, improving efficiency and saving £2.8 million

- Moving towards commissioning the right services - in a more cost effective way - to protect, where possible, frontline services. Examples include Your Care Your Way and looking for independent partners to operate two early years nurseries currently run by the Council
- Modernising the library service by investing in new facilities, integrating this service with customer services in Bath and Midsomer Norton (building on the Keynsham model), and working with local residents on tailored solutions for our community libraries.
- Improving financial efficiencies and saving over £4 million through:
 - Securing lower interest rates and capital savings
 - Changing the way we make provision to repay borrowings on capital items
 - Departmental underspends and back office efficiencies
 - Reviewing organisational management and support arrangements

Improving local transport

- Investing £4.7 million to tackle potholes and improve road and pavement surfaces – including additional Government grant secured through the West of England Devolution agreement.
- Investing £2.2 million in local transport improvement projects, road safety initiatives, Safer Routes to School projects, cycle schemes, new bus shelters and improving traffic flows.
- Providing £0.5m to improve traffic flow at the A39 Two-Headed Man junction.
- Earmarking £110,000 to improve the pedestrian environment and public realm in Kingsmead Square.
- Seeking grant funding towards the £2.5m scheme to improve public realm on Keynsham High Street and enable a permanent one-way scheme should the forthcoming trial prove successful.
- Providing £15,000 to enable a detailed study of home to school transport needs and solutions.
- Continuing to provide support to, and encourage greater use of, community transport services such as our local Dial-a-Ride and Ring-and-Ride services.
- Supporting the creation of a new West of England Combined Authority to enable greater local powers over public transport, including the opportunity for more integrated or franchised local bus services.
- Preparing the Joint Spatial Plan and Transport Study in partnership with the other West of England authorities to deliver a long-term strategy of transport infrastructure improvements needed to meet the needs of a growing population and thriving local economy.

Delivering new homes and jobs

- Securing £500,000 from the Government's New Homes Bonus scheme as a result of delivering the highest number of new homes since B&NES was created over the past year.
- Investing more than £3 million to support the delivery of affordable housing schemes across the district as part of our commitment to delivering 465 new affordable homes over the 3 year period 2015-2017 comprising: intermediate housing; Starter Homes; and affordable homes for rent.
- Investing in infrastructure, such as the East of Bath Park & Ride, to support the Core Strategy target for delivery of new homes and jobs, including the delivery of around 3,900 new homes between 2016-17 & 2019-20 through the Placemaking Plan.
- Improving connectivity through continued support for rural broadband and the Digital B&NES project to enable the provision of WiFi, and ultrafast and superfast broadband;

- Investing up to £30 million to support the delivery of the Bath and Somer Valley Enterprise Zone. On Bath Quays this will lead to the creation of up to 2500 quality jobs for local people. Our ambition in the Somer Valley is to create up to 400 new jobs by 2020 as the first phase in a long term programme of investment in Old Mills and the surrounding area. Supporting local traders through investment in the public realm and 'Wayfinding' projects.
- Investing an additional £226,000 in the development of the setting for the educational facility (Archway Centre) at the Roman Baths

Supporting our young people

- Investing £18.3 million to expand local Primary School provision and improve and upgrade school buildings.
- Working to deliver innovative plans to enable the continuation of high-quality Children's Centre services - transferring some Children's Centre buildings to community organisations which can make better use of them and enabling local community groups to offer supplementary services for young people alongside our existing Children's Centre services.
- Review children's social care services to determine if new models of working can be developed which build upon the success in Connecting Families, strengthen early help and reduce reliance on more specialist or statutory interventions.
- Investing £760,000 over five years to upgrade and improve children's play areas across the district, recognising the importance of outdoor play to children's health and wellbeing.
- Developing plans to work more closely with local communities and Parishes to provide locally-tailored youth services.

Enabling cleaner, greener and healthier communities

- Creating a new £92,000 Community Empowerment Fund to enable local areas to bid for match-funding to improve their public realm and support community initiatives.
- Securing £3.2 million of grant funding to protect, restore and improve Sydney Gardens as a 21st century pleasure garden.
- Providing £10,000 to continue with a programme to increase allotment provision in Bath.
- Investing £1.68 million to support the transformation of Midsomer Norton Town Hall to expand and modernise this community facility for the benefit of the town and Somer Valley more widely.
- Bringing forward proposals for a local energy tariff that will help reduce residents' and businesses' energy bills.
- Investing in modern leisure facilities with our partner GLL by improving Bath's leisure centre and enhancing the leisure centre in Keynsham.
- Allocating funds to allow the continuation of measures to tackle urban gull problems – including a successful nest-removal programme – and working alongside the Bath Business Improvement District to continue with business waste enforcement measures.

Promoting greater choice and independence for older people

- Investing an additional £1.6 million to protect services to elderly and vulnerable residents through a ring-fenced 2% council tax precept for Adult Social Care.

- Allocating £733,000 to a Social Care Reserve to recognise the challenges posed in meeting demographic and inflationary cost pressures in Social Care, such as increasing numbers of elderly people and young adults needing care.
- Redesigning services to maximise people's independence as part of implementing new tailored community health and care arrangements developed through the Your Care Your Way project, including system-wide transformation and improvements to ensure that services are as integrated, effective and efficient as possible to meet the needs and priorities of our community, which they have told us are:-
 - A person not a condition
 - A single plan
 - Investing in the workforce
 - Joining up the information
 - A focus on prevention.
- Developing and implementing an Older People Five Year Strategy which goes beyond health, care and housing to encompass all of the services which impact upon older people's lives and which, if aligned and sign-posted more effectively, can positively manage demand and escalation of need through promoting independence and preventing the need for more specialist support.
- Investing £1.1 million a year in Disabled Facilities Grants – such as home adaptations and equipment – to support greater independence for elderly and vulnerable residents.

Further details on the context and strategic drivers of the budget are set out in the Council's Corporate Strategy 2016-2020. This strategy sets the Council's direction of travel over the next four years enabling it to shape its business so that it is able to deliver the Cabinet's manifesto commitments. Further details on context to the budget can also be found in the Council's press release and budget video:

- B&NES Council Corporate Strategy 2016-2020:
http://www.bathnes.gov.uk/sites/default/files/bnes_corporate_strategy_2016-2020.pdf
- Press release: <http://www.bathnes.gov.uk/latestnews/living-within-our-means-%E2%80%93-council-sets-out-budget-savings-proposals>
- Budget video: <https://www.youtube.com/watch?v=e1i-y34PVn4>

THE BUDGET PROPOSAL OF THE CABINET 2017/2018

Budget Headline

The proposed Budget for 2017/2018 covers the second year of the period covered by the Government's Comprehensive Spending Review for 2016/2017 to 2019/2020. This presents the Council with a significant and sustained financial challenge.

The Budget focusses on protecting high priority frontline services, delivering important manifesto commitments, growing income and further increasing the efficiency of Council services.

As part of the Local Government Finance Settlement, the Government continues to provide some recognition of the acute financial challenges facing Adult Social Care services and have continued the provision of a specific Adult Social Care council tax precept. Therefore, in order to protect frontline adult social care services, an additional 2% increase in the overall council tax precept is included for Adult Social Care in our proposed Budget.

Whilst significant savings and additional income generation proposals totalling £14.7m are included in our proposed Budget, we are also recommending that Council Tax is increased by 1.5% in 2017/2018 in order to avoid cuts to frontline services. The proposed band D Council Tax for Bath & North East Somerset Council next year is £1,284.33 (£1,240.90 in 2016/2017), an increase of £3.62 per month for a Band D property.

The proposed net revenue budget for Bath & North East Somerset Council next year, 2017/2018, is therefore £112.796m, a net cash decrease of £1.983m on the previous year. This includes the impact of significant reductions in government funding amounting to 15.8% (£5.7m) for 2017/2018.

The Budget Context

The Government Spending Review, announced in December 2016 confirms that the financial challenge facing local government will continue to 2019/2020 at least. The represents a full decade of sustained funding reductions which will fundamentally have changed the way in which Councils are funded for providing public services. Indeed by 2019/2020 we have confirmation that our core Government grant funding will effectively be removed.

Since 2012/2013 the reduction in Government Grant Funding has averaged over 11% per annum resulting in over £30M of savings and additional income generation over the last three years alone.

Table 1: Reduction in Government Grant Funding 2012/2013 to 2016/2017

	2012/13	2013/14	2014/15	2015/16	2016/17
Actual B&NES Funding Reduction	-8.3%	-9.4%	-9.6%	-13.7%	-17.7%

During 2016, the Council had provided an Efficiency Plan submission to the Government as part of a national scheme, to secure the basis of a 4-year financial Settlement through to 2019/2020. This was agreed by the Government and basically provides some protection to the Council against any additional funding reductions over this period.

This additional clarity around future financial planning confirmed the further grant funding reductions that are to be expected which, together with anticipated cost and demographic pressures currently require up to £37m in additional savings and income generation over the next three year period.

The provisional Local Government Finance Settlement announced on 15th December 2016 was therefore in line with expectations for reductions to core government grant funding as set out below:

Table 2: Reduction in Government Grant Funding 2017/2018 to 2019/2020

	2017/18	2018/19	2019/20
Actual B&NES Funding Reduction	-15.8%	-10.4%	-11.3%

In financial terms, the Settlement has confirmed the saving and additional income required of £37M over the next three year period broken down as follows:

Table 3: Estimated Budget Shortfall 2017/2018 to 2019/2020

	2017/18	2018/19	2019/20
Council Savings and Income Target	£16M	£12M	£9M

Also within the Settlement the Government have made a number of further provisions and funding changes as follows:-

- The inclusion of the West of England Devolution Authorities as a pilot area for 100% Business Rates Retention from 2017/2018. This provides a significant financial benefit to the Council estimated at some £2.5M in 2017/2018.
- Inclusion of a one-off Adult Social Care Grant for 2017/2018 worth £733K to this Council.
- An increase in the Adult Social Care Council Tax increase threshold from 2% to 3% in 2017/2018 and 2018/2019 although this 1% per annum addition is clawed back in 2019/2020 if used.
- Significant changes to New Homes Bonus funding although these were better for the Council than assumed mainly because of a very positive position on new housing delivery.

- The general council tax referendum limit remains at 2% (this excludes the ASC Council Tax increase).

Taking account of the net impact of the Settlement, the Budget proposal outlines savings and additional income totalling £14.7M for 2017/2018.

Whilst the Council does face an increasing challenge to deliver the financial plans set out in the Budget Proposal, the Council has a prudent level of reserves and can use these to support and smooth the effects of policy changes and delivery of the financial savings particularly recognising the ongoing reductions in Council funding to 2019/2020 and beyond.

Structure of the Budget Proposal

Section 1 sets out the approach to the revenue and capital budget and the build-up of the recommended revenue budget for 2017/2018. Annex 1 provides the breakdown of the Budget for 2017/2018.

Section 2 sets out the position regarding future years 2018/2019 to 2019/2020.

Section 3 sets out the recommended capital programme for 2017/2018 including the indicative capital programme through to 2021/2022. Annex 3 provides more detail.

Section 4 sets out the current position on revenue balances taking into account the proposals for prudent use of reserves.

Section 5 sets out the implications of the revenue budget for Council Tax levels for 2017/2018.

Table 4: Summary Net Revenue Budget and Capital Programme 2017/2018

	2017/18
Revenue Budget Funding:	£m
Council Tax	82.192
Retained Business Rates (after tariff)	31.261
Reserves & Collection Fund (one-off)	(0.657)
Total Funding	112.796
Net Revenue Budget Spend	112.796
Capital Programme – for approval	56.083
Capital Programme - for provisional approval (subject to)	126.584

Note: Some of the figures in the table are affected by rounding.

Section 1 – The Revenue Budget for 2017/2018

The Budget Proposal

Each Directorate of the Council prepared a detailed Directorate Plan covering the 2017/2018 Financial Year with specific proposals for the following 2 years to 2019/2020. These plans were reported to the relevant Policy and Development Scrutiny (PDS) Panel throughout January 2017.

The Directorate Plans set out the specific service and resource requirements for 2017/2018. Feedback from the individual PDS panels and the budget engagement with the Community Forums will be considered by the Cabinet in arriving at the proposed Budget for 2017/2018.

All of the detailed proposals for additional resources, savings and additional income to support this balanced Budget proposal are further summarised in Appendix 3 to this report.

The proposed Budget addresses the financial challenge facing the Council and presents a balanced budget for 2017/2018 together with proposals to reduce the budget gap in the following 2 years to 2019/2020. The Cabinet have identified three core aims as a focus to ensure the Council:

- Is efficient and well run;
- Invests in the future of the area; and
- Puts the interests of residents first

In order to present these proposals for covering the next three year period, the Cabinet have examined a range of options as part of its review of Council spending. This has included consideration of proposals provided by Management, the Council's finance business partner EY, and from a portfolio holder challenge process to generate the additional savings or income to address the Budget gap.

The Council's four strategic priorities as set out in the Corporate Strategy remain at the heart of this process:

- **A strong economy and growth**
- **A focus on prevention**
- **A new relationship with customers and communities**
- **An efficient business**

The proposals identified which form part of the Budget proposal for 2017/2018 and the following two financial years, are reflected in the Directorate Plans and set out at Appendix 3.

Corporate Assumptions

The assumptions which underpin the 2017/2018 Budget estimates are set out below:

- An estimated pay increase of 1% from 1 April 2017 which covers the period until 31 March 2018 (this is in line with the two year pay settlement agreed for 2016/2017 and 2017/2018).
- An increase in the employers local government pension contribution rate of 0.5% following the most recent actuarial review of the Avon Pension Fund.
- Continued very low rates of interest of under 0.3% per annum for treasury management cash investments. The Council will maintain a minimum cash policy.
- Balanced budgets are achieved for 2016/2017 with no new related on-going funding pressures beyond those identified within this Budget proposal.
- No general inflationary provision – specific inflation has been provided and identified on a limited basis as growth within service areas based on specific service circumstances and contractual commitments
- That new borrowing will be kept to a minimum to fund essential infrastructure and investment that provides a positive financial return to the Council, subject to market conditions and the overriding need to meet cash outflows.
- Fees and charges set by statute will be calculated in accordance with defined calculations under statutory guidance.
- Changes to existing, or the introduction of new fees and charges related to savings and income generation proposals included in Appendix 3 will be subject to the approval by the relevant Cabinet Member as detailed proposals are developed.
- Unless otherwise provided for, the level of discretionary fees and charges are delegated to Officers, in consultation with the relevant Cabinet member and, will generally increase in line with the increase in the costs of the relevant service.

Government Grant Funding

During 2016, the Council provided an Efficiency Plan submission to the Government as part of a national scheme, to secure the basis of a 4-year financial Settlement through to 2019/2020. This was agreed by the Government and provides some protection to the Council against any additional funding reductions in revenue support grant over this period.

The provisional Local Government Finance Settlement for 2017/2018 was announced on 15 December 2016 and, as expected, confirmed the figure set out in the 4-year financial settlement.

This showed the Council's funding baseline for 2017/2018 reducing by 15.8% which represented a reduction of £5.7M in cash terms. This reduction is in line with our current financial planning assumptions.

The Settlement also announced changes to the funding arrangement for the New Homes Bonus. The options for such changes were consulted on shortly after the

Settlement last year so changes had been anticipated. The thresholds have changed and the funding itself will also be reduced from 6 years down to 4 years. For the Council, the change produces a slightly positive position primarily due to the exceptionally good house building performance in 2016 – with an overall increase in grant of £126k.

Retained Local Business Rates – 100% Business Rate Retention Pilot

In 2016 the Government announced that it was introducing pilot schemes for 100% business rate retention from 2017/2018 in advance of a national scheme later in the parliament.

Only authorities with signed devolution deals are eligible to participate in the pilot: the pilot for the West of England therefore includes B&NES, Bristol and South Gloucestershire.

This pilot provides for the three authorities the opportunity to retain 100% of any business rates growth over the next two to three years, with no downside financial risk when compared to remaining in the national system. It also gives the three authorities the opportunity to help shape the national scheme.

Based on the budgeted level of business rates income, this will deliver an estimated benefit of £2.5M per annum for this Council and this has been factored into the Budget proposal for 2017/2018. This additional revenue income would not be available to the Council without the devolution deal for the West of England.

The pilot will run until the national 100% retention scheme is introduced in either 2019/2020 or 2020/2021. The Pilot will include the rolling in of the Revenue Support Grant with the WECA receiving a small share of the business rates to reflect the rolling in of the DfT Integrated Transport Block and Highways Maintenance Capital Grants; this is expected to be 5%.

As part of the proposed Budget, reasonable assumptions have been made for likely levels of future Business Rate income, together with specific provisions for appeals and growth. Any surplus or deficit on the Business Rate Collection Fund will be transferred to an earmarked reserve for consideration as part of the Business Rates calculations for future years.

Schools Funding

Schools are funded by the Dedicated Schools Grant (DSG) which is initially allocated to the Council by the Department for Education (DFE). The DSG supports all expenditure in schools (who set their own budgets) and the activities that the Council carries out directly for schools. It does not cover the statutory responsibilities the Council has towards parents. These responsibilities are funded through the Councils main revenue funding and included as part of the proposed Budget.

The Dedicated Schools Grant (DSG) increase compared to 2016/2017 is complicated by the conversion of several schools to academies, and the transfer of additional funding for new studio schools into the DSG from other funding routes. The overall

increase in the DSG is estimated for 2017/2018 at £5.336m with total funding of £128.77m. The additional funding relates to the additional resources provided to accommodate increased pupil numbers in our schools, and the changes announced in relation to additional resources for early years to enhance the provision for 2, 3 and 4 year olds. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.

The Pupil Premium, paid to schools to support pupils from deprived backgrounds has also had a cash freeze attached to its funding rates. This means that all school funding has been contained at the same funding rates as 2016/2017. The financial pressures on schools including pay awards, National Insurance changes and Superannuation charge increases will have to be found by schools through efficiency gains.

As schools convert to academies the DFE take back the element of DSG payable to the local authority in order to make payments direct to the academies. The DFE estimate of this will be £59.3m in 2017/2018 leaving £69.47m for LEA schools.

This recoupment by the DFE is based on 10 secondary, 3 special, 23 primary and 3 Studio academies in 2017/2018. These school numbers include 5 primary schools anticipated to convert to academies on or by 1st April 2017. It is difficult to assess the number of schools who will be converting to academies over the next year.

Further budget changes to council funding are generated by the changes to the Education Services Grant (ESG) which has been split into 2 sections. Retained duties will be paid to Local Authorities through the DSG for 2017/2018. The allocation for 2017/2018 amounts to £383,000. The second element is being cut as part of the government's savings plans and this has been incorporated into the overall funding set out in the Local Authority budget.

The DFE are currently consulting on changes to the allocation of funding to schools and the LA as part of the introduction of a National Funding Formula (NFF). The consultation (stage 2) is split into 2 parts, a school funding section and a Local Authority section covering high needs budgets.

The implementation of the new regime is anticipated to start in April 2018 with full operation in 2019/2020.

The consultation provides indicative allocations that may be provided to schools and the LA under the 2 sections. For B&NES schools (including academies) the anticipated impact shows a predicted £5.1m increase in resources which equates to a 5.46% increase.

The LA part (high needs) of the consultation suggests that the LA will be protected to current spend levels.

Adult Social Care

The Government has recognised some of the pressures facing Adult Social Care (ASC) authorities, providing for a continuation for a specific increase in the local council tax precept. The Settlement increased flexibility from the previously signalled 2% annual

increase by now allowing up to 3% in 2017/2018 and 2018/2019 although this 1% per annum addition is clawed back in 2019/2020 where it is used.

These costs pressures facing ASC have been identified by the Council as part of the financial planning process, and include:

- The ongoing impact of Government's national living wage;
- An increasingly challenged care market, struggling to recruit and retain staff, which is impacting on the quality and availability of care home placements, which, in turn is increasing the fee levels it is necessary to pay to secure placements; and
- Increasing demand and demographic pressures including Learning Disabilities care placements transitioning into working age
- Transitional costs for the mobilisation and service transformation through the *your care, your way* contract;

Taking account of these pressures, the Budget proposal includes the provision for an increase of 2% in the Council Tax to meet these ASC cost pressures. This will raise approximately an additional £1.6M which will be passed directly to the ASC Budget on the basis that the service continues to make every effort to ensure that costs pressures are contained within this provision.

This Government flexibility for a specific ASC Council Tax increase comes with a range of certification requirements to ensure the funding raised is spent on ASC, which effectively ring-fences the ASC Budget within the Council.

The 2017/2018 Adult Social Care Support Grant

The Government has listened to the concerns expressed about the pressures facing the adult social care market and the need to address these funding challenges. As a result £240m additional savings from the New Homes Bonus nationally will be released to authorities responsible for Adult Social Care. For the Council this has resulted in a one-off amount in 2017/2018 of £733k, it is proposed that this funding is held in a fund to be utilised for the implementation of the significant change programme required to meet the savings proposals outlined in Appendix 3 of the report.

The Better Care Fund

The Better Care Fund is intended to incentive the integration of health and social care, requiring Clinical Commissioning Groups and Local Authorities to pool budgets and agree an integrated spending plan. Greater integration is seen as a potential way to use resources more efficiently, in particular by reducing avoidable hospital admissions and facilitating early discharge from hospital.

In 2017/2018 nationally the fund increases from the £3.9bn in 2016/2017 with the addition of improved Better Care Funding to Local Authorities worth £105 million in 2017/2018, the local flexibility to pool more than the mandatory amount will remain. From 2018/2019 the government will make funding available incrementally to Local Authorities, £825 million in 2018/2019 and £1.5 billion in 2019/2020. For the Council,

indicative allocations of the funding are £0 in 2017/2018, £1.4 million in 2018/2019 and £3 million in 2019/2020.

Guidance on the BCF for 2017/2018 is yet to be published. Pending publication of the guidance, it is anticipated that it will be a 2-year plan covering 2017/2018-2018/2019. It is expected that this will be an evolution of the current plan and will, as is currently the case, align with other local plans, including those for the further integration of health and social care and reflect key strategic priorities including those in the Health and Wellbeing Strategy, CCG 5-Year Plan and development of the B&NES/Swindon/Wiltshire Sustainability and Transformation Plan (STP).

The 2017/2018 Budget proposal incorporates the following financial provisions as part of the Better Care Fund:-

- Revenue funding transferred from BaNES CCG for Council commissioned Better Care Fund schemes will remain consistent with the 2016/2017 allocation of £8.46m and include an inflationary uplift for the protection of social care.
- The BCF financial plan will hold a contingency in line with the 2016/2017 value to mitigate the cost of non-elective admissions if the targets set in the 2017/2018 BCF plan are not achieved.

In accordance with the normal process to access the fund, the Health and Wellbeing Board will jointly agree plans for how the money will be spent with sign off by the relevant Council and BaNES CCG groups.

Areas will be able to graduate from the existing Better Care Fund programme management once they can demonstrate that they have moved beyond its requirements. Further details will be set out in guidance during the year.

Health and Social Care Integration – *your care, your way*

Levels of health and social care integration have been greater in B&NES than most other areas with long established community health and adult social care provision and commissioning. The ambition is to develop a long-term, place-based and outcomes-oriented perspective, extending the breadth of integration including Primary, Acute and Specialist care, mental and physical health and the wider determinants of health and wellbeing such as employment and housing. This aligns to the local vision for health and care with a focus on a more community based, preventative approach and the establishment of the Council and CCG *your care, your way* Prime Provider contract with Virgin Care. The BCF Plan and associated pooled funding arrangements between the Council and CCG will act as an enabler for delivery of our local vision and help achieve the national ambition that by 2020 health and social care are integrated across the country.

Resource Allocation including Recurring and One-Off Funding

The Cabinet has considered the allocation of recurring and one-off funding to meet resourcing priorities. This recurring or one-off funding is created from a number of sources and can only be finalised once all assumptions and calculations are completed for the proposed Budget. These sources include:-

- Changes in financial planning assumptions
- Variations in local government finance settlement
- Full year effect of savings proposals
- Adjustments to corporate and capital finance items
- Calculation of the Council Tax Base
- Calculation of the Retained Local Business Rates

The Budget includes the following allocations of resourcing to meet specific commitments and priorities:

On-going Resourcing Allocations - £nil

No specific allocations of on-going funding have been made within the Budget proposal for new revenue Budget statutory or policy service commitments.

A number of cost, demand and legislative pressures have been recognised within the Budget Proposal as summarised in Table 5 of this Appendix.

One-off Funding Allocations - £1.374M

These following allocations are to be made from the anticipated Council Tax Collection Fund Surplus (£755K), one-off savings from transitional impact of growth assumptions (£559k) and a draw down from the Financial Planning Reserve (£60K):

- £950K to be transferred to the Business Rate Reserve to cover increased costs arising from increased levels and value of appeals.
- £57K to support ongoing actions and activities to manage the urban gull population.
- £50K to provide funding for the development of potential shovel ready schemes including highway verges and cycling to support and access Government capital funding bids.
- £15K for a detailed study of home to school transport needs and solutions.
- £92K to provide a "Pride in Your Place Fund" to support matched funded local parish initiatives linked to Community Forums.
- £150K to provide for Pearl Izumi Tour Series and related cycling events and activities across B&NES. This figure will be supplemented by sponsorship of the events and activities.

- £60K to meet the Council's contribution to external costs for professional advice and support in respect of the WoE Joint Spatial Plan (amount conditional upon all WoE authority contributions). This amount was agreed as part of the 2016/2017 Budget Report which included a 2 year allocation.

The £930k allocated by the government to meet transitional costs as one-off funding for 2017/2018 will be held corporately and released as further information on the budget outturn position is available (this is in line with the position taken in 2016/2017).

In addition to these specific proposals, under the Council's Invest to Save Scheme, the Section 151 Officer in consultation with the Cabinet Member for Finance & Efficiency, may authorise funding for robust and credible invest to save proposals from reserves (i.e. in the short term creating a 'negative ear-marked reserve' which is then repaid over time, usually 3 years, from the related savings).

West of England Combined Authority

On 14th November the Cabinet delegated to the Chief Executive, in consultation with the Leader of the Council, authority to take all decisions, to make all necessary appointments, arrangements and provide written confirmation to the Secretary of State consenting to the making of the Order creating a West of England Combined Authority (WECA). Subsequently on the 12th January 2017, the Chief Executive provided such confirmation to the Secretary of State.

Subject to Parliamentary Approval the WECA will come into existence on 1 February 2017 or shortly thereafter.

All the financial implications were set out in detail in the specific decision reports of 29th June 2016 and 14th November 2016. It is now anticipated that the WECA will meet on the 15th March 2017 to consider and set the Mayoral and WECA Budget 2017/2018.

In anticipating of this it is appropriate to include within the Council Budget reasonable financial provisions related to the financial arrangements for the WECA, in particular:-

- Capital Grant payments from the WECA to the Council in respect of Highways Maintenance and Transport Improvement funding (previously funded directly by the Department for Transport)
- Contributions to the WECA from the Council (from existing budgets) to meet the costs associated with transferring transport functions including concessionary fares and community transport.
- Appropriate commissioning payments from the WECA to the Council for delivery of transport activities to ensure continuity of service provision.
- Within the Business Rates Collection Fund to provide for an appropriate share of Business Rates to be allocated to the WECA in accordance with the 100% Business Rate Retention pilot to meet the costs of Highways Maintenance and Transport Improvement Grants (this does not impact on the Council's anticipated benefits from participation in the pilot).

The net impact of the above transactions is anticipated to be neutral for the Council as these merely reflect the appropriate movement of funds in line with the devolution deal.

In addition to the above, the Council will be working with the WECA to identify further opportunities to deliver efficiencies and savings particularly relating to transport and infrastructure functions. This will initially include consideration of how the one-off implementation costs could be reimbursed by the WECA (up to £250K for each of the councils).

In order to avoid any potential transfers from Council reserves and balances arising from the relative risks of the WECA functions and responsibilities, it is anticipated that the WECA will not initially seek to hold specific balances and reserves. The risks associated with these functions and responsibilities will instead continue to be met and underwritten by the constituent councils.

Council Tax

The Local Government Financial Settlement included provisions for councils to:

- Provide for a specific Council Tax increase of up to a maximum of 3% to be ring-fenced for the additional cost and demand pressures facing the Adult Social Care service. This provision is on the basis that overall the Council may provide for up to a 6% increase over the next three year period up to and including 2019/2020 with a maximum of 3% in each of 2017/2018 and 2018/2019 (implying 0% in 2019/2020). This provision includes a number of specific certification requirements to ensure all such funds raised are spent on delivering Adult Social Care services.
- A further general Council Tax increase of up to 2% beyond which a specific local referendum on Council Tax increases would be required.

The proposed Council Budget provides for the following:

- **In order to protect frontline Adult Social Care services, a specific council tax increase of 2%.**
- **A general council tax increase of 1.5% in 2017/2018 in order to avoid cuts to frontline services.**

The proposed band D Council Tax for Bath & North East Somerset Council next year is £1,284.33 (£1,240.90 for 2016/2017).

Revenue Budget Proposal – The Headline Numbers

The proposed revenue budget for 2017/2018 represents:

- A net £2.0m or 1.7% decrease in the non-schools budget.
- An increase in the DSG estimated at £5.3m with total funding of £128.8m (including academies). The majority of the additional funding relates to the additional resources provided to accommodate increased pupil numbers in our schools, and the changes announced in relation to additional resources for early years to enhance the provision for 2, 3 and 4 year olds. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.

We are recommending a net revenue budget for 2017/2018 of £112.796m. Table 5 below, and Annex 1 to this Appendix, show the build-up of the recommended 2017/2018 revenue budget, compared to the rolled forward base budget from the current year.

Table 5: High Level Build-up of the 2017/2018 Budget (detail in Annex 1)

Description	£'000
Total Base Budget rolled forward – 2017/2018 (after removal of one-off items in 2016/2017 Budget)	114,779
One-off Allocations (excluding transfer to Business Rates Reserve)	424
Contractual and Unavoidable Inflation	4,254
New Legislation / Government Initiatives	2,326
Demographic Growth	4,019
Other / Technical (Including Capital Financing)	1,713
Total including Growth	127,515
Efficiency Savings	2,740
Refinancing	3,965
Growth Avoidance	1,265
Increases in Income from fees, charges and other grants	5,350
Service Redesign	1,399
Total Savings	14,719
Recommended Net Revenue Budget 2017/2018	112,796

In recommending the overall revenue budget to the Council, this also includes the individual service cash limits for 2017/2018. These are shown in **Annex 1** to this Appendix. Table 6 shows the resource allocation for 2017/2018 by service area.

Table 6: Resource Allocation 2017/2018

SERVICE AREA	2017/2018		
	GROWTH (£M)	SAVINGS (£M)	CASH LIMIT (£M)
Adult Social Care & Health	4,042	2,391	59,548
Children's Services	2,464	191	25,285
Place	1,555	2,335	20,694
Resources & Support Services	1,660	2,379	6,435
Corporate & Agency	3,014	7,424	834
Totals	12,736	14,719	112,796

Note: Some of the figures in the table are affected by rounding.

Section 2 – Future Years 2018/2019 to 2019/2020

The Directorate Plans cover the period from 2017/2018 through to 2019/2020 setting out the proposals to address a significant element of the financial challenge over this period. Whilst there are still anticipated shortfalls in 2018/2019 and 2019/2020, these will be addressed as part of the specific Budget proposals for each of those financial years.

The Settlement for 2017/2018 provided firm figures for the period through to 2019/2020 for core grant funding streams. These figures should only change in exceptional circumstances. It should be noted however that not all funding streams are covered by this Settlement and there are still a range of national funding factors that could impact on the Council's future financial position as follows:-

- The arrangements for New Homes Bonus funding highlight the significant variability of this funding going forwards and is particularly sensitive to the level of actual new homes constructed in the Council area.
- The participation of the Council in the 100% Business Rates Retention Pilot provides a significant benefit from growth in business rates for the Council – however this also leaves the Council exposed to a higher degree of risk in the event of unexpected appeals or reliefs being granted.
- Future expansion of the Better Care Fund will need to be considered as distribution of this funding and any service or outcome delivery requirements accompanying this have not yet been set out.

In addition there are also a number of factors which we can identify that will impact on local government funding going forwards:

- The ongoing impact of demographic changes for Adults and Childrens Social Care.
- The likelihood of increasing pay inflation (direct and indirect).
- The potential impact of changes to interest rates and the revenue cost of meeting the Council's full borrowing requirement.
- The level of inflationary cost pressures arising on Council services.
- Unknown issues related to the impact of Brexit.

Given the scale of savings already achieved and those outlined in the Directorate Plans, it is likely that future savings will require further prioritised changes to, and redesign of Council services.

The Financial Planning work undertaken indicates the remaining future scale of the financial challenge for the remainder of the Spending Review Period to 2019/2020 requires the Council to deliver savings or additional income of £7M over this period. This recognises the significant achievement in identifying proposals to bridge the majority of the funding challenge.

Section 3 – The Capital Budget for 2017/2018

Introduction

The Cabinet's proposals for the Council's capital programme are limited to a number of specific new additions to the existing approved programme full details of which are set out in this Section.

This Capital programme proposals:

- Limits new commitments to items which are in line with Council priorities and objectives and which are funded either from external sources or from anticipated future capital receipts.
- Provides capital funding to support specific projects which generate new and additional income for the Council as set out in specific business cases. The borrowing costs associated with these projects are anticipated to be more than fully covered by the income generated.
- Recognises that careful consideration has been made by Officers and Members regarding future commitments and the direction of this programme.

The intention remains to minimise new borrowing in the current market climate and fund the capital programme from a mixture of future capital receipts and internal cash flow wherever possible. However the decision on the timing of new borrowing will be driven by market factors, particularly movements in interest rates to provide overall value for money to the Council.

The projected capital receipts were shaped by a Property Review of proposals for development of Council owned sites. These projected receipts are kept under regular review to ensure the latest position is reflected in budget planning. Going forwards it is anticipated that, with the exception of the commercial estate, and all existing and future projected capital receipts will be utilised to support the general financing of the Council's Approved Capital Programme.

The presentation of the Capital Programme retains the clear separation of schemes for **Full Approval** and those which are for **Provisional Approval**.

Items gaining **Full Approval** are clear to proceed to full scheme implementation and delivery, subject to appropriate project management and governance.

Items for **Provisional Approval** will require further Officer and Member scrutiny, including a formal Executive decision for Full Approval. The budget numbers for schemes shown for Provisional Approval are therefore included on an indicative basis, and as an aid to planning.

Recommended Programme for 2017/2018

On this basis the Cabinet is recommending the Capital Programme as attached in **Annex 3**, which reflects our ambitions for investment to generate additional income and is summarised in the table below.

APPENDIX 2

The proposed programme assumes total capital payments and funding in 2017/2018, comprising both the programme for Full Approval of £56.083m and a programme for Provisional Approval (subject to) of £126.584m, as shown in Table 7 below. This table also shows the indicative capital programme and funding at summary level for 2017/2018 to 2021/2022. **Annex 3** shows the total capital programme for 2017/2018 to 2021/2022 in more detail.

Table 7: Summary Capital Programme and Financing 2017/2018 - 2021/2022

For Approval

Capital Scheme	Budget 2017/2018 £'000	Budget 2018/2019 £'000	Budget 2019/2020 £'000	Budget 2020/2021 £'000	Budget 2021/2022 £'000	Total £'000
Place	31,793	4,450	0	0	0	36,243
People & Communities	4,206	258	0	0	0	4,464
Resources	20,084	2,635	2,367	0	0	25,086
Total	56,083	7,343	2,367	0	0	65,793

For Provisional Approval (Subject to)

Capital Scheme	Budget 2017/2018 £'000	Budget 2018/2019 £'000	Budget 2019/2020 £'000	Budget 2020/2021 £'000	Budget 2021/2022 £'000	Total £'000
Place	68,679	35,455	20,153	19,108	19,440	162,835
People & Communities	16,794	6,858	0	0	0	23,652
Resources	41,111	30,188	3,752	181	134	75,366
Total	126,584	72,501	23,905	19,289	19,574	261,853

Grand Total	182,667	79,844	26,272	19,289	19,574	327,646
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Funded By

Financing	Budget 2017/2018 £'000	Budget 2018/2019 £'000	Budget 2019/2020 £'000	Budget 2020/2021 £'000	Budget 2021/2022 £'000	Total £'000
Grant	40,742	16,269	5,357	5,906	5,758	74,032
Capital Receipts/RTB	9,993	6,590	590	635	605	18,413
Revenue	2,281	0	0	0	0	2,281
Borrowing	119,848	51,610	19,806	12,560	13,031	216,855
3rd Party (inc S106 & CIL)	9,803	5,375	519	188	180	16,065
Total	182,667	79,844	26,272	19,289	19,574	327,646

Note1: The figures in the table above include re-phasing from prior years.

Note2: Some of the figures in the above table are affected by rounding.

Note3: The Figures include capital spend of £109m to generate investment returns.

Funding

The revenue budget for 2017/2018 provides for the revenue consequences of the Council borrowing in support of capital expenditure where appropriate.

The Capital Programme assumes the achievement of £18.413m of capital receipts over the five year period 2017/2018 to 2021/2022.

Capital receipts arising from commercial estate transactions will be specifically ring-fenced and allocated to support funding of further commercial property acquisitions.

These prudent provisions recognise the difficulty in accurately projecting the actual level of capital receipts over longer-term periods, which will ultimately be dependent on the specific proposals for individual sites in the future.

Community Infrastructure Levy (CIL)

The Strategic CIL income up to March 2017 is forecast to be around £920,000. The priorities for determining CIL expenditure is the Council's Infrastructure Delivery Plan (IDP) which, identifies the essential infrastructure needed to support the Council's growth proposals, and the Capital Programme. The recommended CIL infrastructure spend items for 2017/2018 are as follows:

- Education provision in various locations across the Authority, including St Nicholas School in Radstock £450,000
- Flood mitigation to enable the development of Bath Quays North £200,000
- Bath Leisure facilities car park improvements £200,000
- Highway schemes in North East Somerset £70,000

Arrangements are in place to transfer the local CIL income to Town and Parish Councils. Bath is allocated 15% of CIL generated in the City (£140,000 for 2017/2018) but because it is unparished, the funds are retained by B&NES Council with decisions on spend made in consultation with the local community. It is proposed that the Bath City Forum will play a key role in acting as the conduit for local views. The forum has therefore established arrangements to fulfil this role so that it can make recommendations to Cabinet and Council along with the rest of CIL spend decisions.

New Schemes within the Capital Programme

PLACE

Environmental Services

Highways Maintenance Programme for Full Approval of £3.938m

The Highways Structural Maintenance budget is included for Full Approval at £3.938m. This is funded by Government Grant through the DfT, £3.352m of which relates to the main part of the maintenance block settlement and £314k is the incentivised element of the same funding block achievable in the 2017/2018 year as a result of having progressed the devolution deal. These two grants will initially flow to the West of England Combined Authority before being allocated to the Council, so approval will be subject to the WECA Budget setting meeting on 15th March 2017. The additional £272k has been provided from the DfT Pothole Action Fund.

This programme is a key component in achieving and maintaining the corporate objective of creating neighbourhoods where people are proud to live. By improving the overall condition of the highway network it serves to minimise road works with associated traffic disruption and addresses poor & visually unattractive surfaces and end of life assets. Improved street lighting leads to people in communities feeling more safe and happy with where they live. The transport network is crucial in maintaining a strong local economy and is a fundamental part of the local environment allowing local communities to thrive and flourish.

This will be used to address a programme of priority works across all highway asset groups namely carriageways, footways, structures (bridges, retaining walls, embankments & culverts), drainage and electrical infrastructure as identified through on-going inspection, monitoring and evaluation.

A detailed list of schemes, attached at Annex 3(i), will be subject to consultation with cabinet and ward members. Any amendments to the programme will be approved by the Divisional Director for Environmental Services in consultation with the Cabinet Member for Transport.

Transport Improvement Programme for Full Approval of £2.249m

The Transport Improvement Programme budget is included at £2.249m for Full Approval funded from £1.163m of Integrated Transport Block Government Grant (This grant will initially flow to the West of England Combined Authority before being allocated to the Council so approval will be subject to the WECA Budget setting meeting on 15th March 2017), £500k of Local Growth Fund to be confirmed, £70k of Better Bus Area Funding, £70k of CIL funding and £446k of s106 funds.

The programme delivers highway improvement works under the general headings of road safety, safer routes to school, pedestrians, congestion and traffic management schemes.

2017/2018 proposals continue a focus on supporting the five objectives identified in the West of England Joint Local Transport Plan:

- Reducing Carbon Emissions
- Supporting Economic Growth
- Promoting Accessibility
- Contributing to better safety, security and health
- Improving quality of life & a healthy natural environment.

A detailed list of schemes, attached at Annex 3(ii), will be subject to consultation with cabinet and ward members and the general public where appropriate. Any amendments to the programme will be approved by the Divisional Director for Environmental Services in consultation with the Cabinet Member for Transport.

Highways – National Productivity Investment Fund for Provisional Approval of £788k

An additional sum announced in the Autumn Statement to fund local highway and other local transport improvements, for example, highways and public transport networks, with the aim of reducing congestion at key locations, upgrading or improving the maintenance of local highway assets, to improve access to employment and housing, to develop economic and job creation opportunities.

A detailed list of schemes will be worked up in consultation with cabinet and ward members and brought forward for formal decision. This grant will initially flow to the West of England Combined Authority before being paid to the Council, so formal decision will be subject to the WECA Budget setting meeting on 15th March 2017. Any later amendments to the programme will be approved by the Divisional Director for Environmental Services in consultation with the Cabinet Member for Transport.

London Road Modification for Provisional Approval of £200k

Highway works were undertaken on the London Road in 2015. Experimental TROs were introduced in late 2015 and permanent TROs now need to be implemented. A wide variety of comments have been received from residents and interest groups. These have highlighted a number of issues that will need to be addressed to enable a permanent TRO to be implemented.

Dorchester Street, Traffic Review for Provisional Approval of £100k

The Dorchester Street traffic layout was introduced as part of the Southgate development in 2010. The existing layout has proven sensitive to variations in traffic conditions which can result in delays.

This proposed review will establish if there are options for reducing the occurrence of delays. The options will be tested and if acceptable the aim will be to deliver the improvements.

Somerdale Bridge, Keynsham (2017) for Provisional Approval of £70k

As part of the redevelopment of the Somerdale site for housing a number of highway and sustainable transport improvements are included in the Section 106 agreement. This includes a financial contribution towards a new cycle and pedestrian path and bridge over the River Avon. The first stage of the project will be a feasibility study which will inform the delivery and cost plans.

Kingsmead Square Improvements (2017-2018) for Provisional Approval of £110k

The capital bid will fund a feasibility study to establish options for public realm improvement with potential changes for access into Kingsmead Square. Vehicles access would be restricted during set times, which will be similar to Stall Street / Lower Boroughs Walls timings. The proposals will be discussed with business and the local community.

Keynsham Leisure Centre Refurbishment- Land Assembly (2018-2020) for Provisional Approval of £3.6m

This Funding request seeks to increase the provisional budget for Keynsham Leisure Centre of £6.416m (as per Feb 2016 budget report) by an additional £3.6m. The request is for £2m to be funded from additional income (£1.5m in 2018/2019 and £500k in 2019/2020) and £1.6m through capital receipt for the sale of land at the Keynsham site to ADL.

The current contract with Greenwich Leisure Limited (GLL - Leisure Operator) requires GLL to design and deliver a new build Leisure Centre at Keynsham. Consultation in September 2015 indicated a strong preference for the leisure centre to be developed on the Riverside site. Progression of wider options for the Riverside site have meant that the Council is currently positioned to lead on the design and construction of an enhanced facility in consultation with GLL.

Parks S106 Capital Projects (2017-2021) for Provisional Approval of £718k

This programme will deliver capital improvements at a number of sites identified as priorities for improvement in the Green Spaces Strategy and will discharge B&NES responsibilities for delivering S106 agreements associated with these sites. Total request is for £718k fully funded through S106.

More Plots for Bath for Provisional Approval of £10k

Final year of a seven year project to deliver more allotment plots in Bath, totalling £10k for 2017/2018 to be funded by Corporate Supported Borrowing.

This links to the development of new allotments in 2017/2018 in the Newbridge/Weston area identified within the S106 item above and would provide the additional funding required to enable the works.

Parks Action Response Work for Provisional Approval of £288k

This will be funded through S106 and is to invest in equipment and facilities, including building compost facilities, with a view to reducing contractor costs

and improving income generation. A full business case is under development, which will outline savings, incomes and ongoing maintenance of new facilities.

Parks Play Capital Programme (2017-2022) for Provisional Approval of £760k

This will enable continually improved standards of play equipment through replacement and regeneration of play areas, in consultation with local members and communities, which follows works in the last few years. The replacement and improvement of play equipment supports the Council's Green Space Strategy, Play Policy and Play Strategy as well as the Government's National Play Strategy.

The programme will enable the Council to meet commitments to safety and quality, and to help reduce increasing ongoing maintenance costs (as equipment ages).

Parks Equipment (2017- 2022) for Provisional Approval of £123k

Capital budget required as part of the Parks ongoing replacement programme of equipment to enable continuation of operations.

Parking Service – Equipment Replacement Programmes (2018-2022) for Provisional Approval of £190k

Capital budget required as part of the Parking Services ongoing replacement programme to enable continuation of operations relating to the following items:

- Parking Enforcement Hand Held Computer Terminal Replacement
- Park & Ride Traffic Control Equipment Replacement
- Replacement Mopeds for Outer Area Parking Enforcement
- Radio System Replacement

Air Quality Monitor Replacement (2017-2022) for Provisional Approval of £78k

The Authority has a statutory requirement to monitor air quality where the objectives laid out in the Environment Act 1995 are exceeded. There is currently a network of monitors that enable us to ensure that we have high quality information about the Air Quality and help inform the actions that arise from our Air Quality Management Areas. The Council is currently awaiting the outcome of a bid to DEFRA which includes for the purchase of new mobile monitors that will improve the frequency and precision of the data collected in a more flexible manner. In addition to the bid to DEFRA, the Council is looking to continue to upgrade its existing monitors to ensure that the current high level of accuracy of the data collected is maintained.

Environmental Neighbourhood Services Vehicle Replacement Programme for Provisional Approval (2017-2022) of £2.291m

Purchase replacements in respect of end of life fleet vehicles for the Cleansing, Parks and Public Protection teams covering years 2017/2018 through to 2021/2022.

Sydney Gardens: a 21st Century Pleasure Gardens (2017-2019) for Provisional Approval of £3.243m

This increases the existing capital programme amount of £372k to a total project of £3.6m. The total project will be funded by £2.973m of Heritage Lottery funding, £270k of other external funding (including s106) and £372k of Council funding.

The additionality is to recognise successful application to the Heritage Lottery Fund for support in developing a programme of heritage conservation works, landscaping and infrastructure improvements linked to community engagement.

This total budget recognises both successful development stage funding and pending application for funding on the delivery stage of the works, which still requires final application process following development stage completion.

The project looks to protect and restore 'at-risk' listed historical structures, generate new business opportunities and open up new areas of the park to the public. The project will rationalise and repair parks infrastructure and will create a more coherent and manageable landscape.

Litter Bin Replacement Programme (2017-2020) for Provisional Approval of £75k

This project will continue improvements to the street scene within Bath & North East Somerset Council. An asset survey of the litter bin stock has been completed and the investment will be targeted where the current stock is damaged or rusty and provide for additional areas where the need for litter bin provision is established. The new litter bins are of a uniform style and standard and bring a consistent approach to the street furniture.

Leisure - Car Park Works for Provisional Approval of £200k

To undertake works at the car park at Bath Leisure Centre and Odd Down Sports Ground. Ongoing current works of a refurbishment at the leisure centre, do not incorporate works to the car park belonging to BANES. Required works include resurfacing the car park, providing lighting (LED) and making the area more secure. Works at Odd Down Sports Ground will include the provision of LED car park lighting required for reasons of Health and Safety. This work is to be funded through the Community Infrastructure Levy.

Body Worn Video Cameras for Civil Enforcement Officers (2017-2021) for Provisional Approval of £50k

This is equipment worn by Civil Enforcement Officers to ensure their immediate safety and prevent or minimise the risk of serious injury. The use of this equipment has seen a 50% reduction in reportable incidents and the evidence captured allows the Police to take further action, including use in recent prosecutions.

The equipment is operated in all weathers and has a three year life and therefore requires replacement as part of a rolling programme.

Passenger Transport Vehicles (2018-2021) for Provisional Approval of £1,195k

The objective of the project is to have a reliable and safe passenger accessible transport fleet so that vulnerable adults can access facilities and the Council meets its statutory duty of providing transport to school particularly for children with Special Educational Needs and Disabilities.

This is to amend the existing capital programme entries and extend the rolling programme to reflect ongoing replacement requirements.

Community Regeneration

Roman Baths Archway Centre Public Realm for Provisional Approval of additional £226k

This new funding is to support funding already identified through the Roman Baths Improvement Programme and the Public Realm Improvement Programme to deliver essential safety and public realm works in the immediate area of the new Archway Project.

Roman Baths & Pump Room Infrastructure Programme Items for Provisional Approval of £495k

Managed through Heritage Business Plan this continues the rolling 5-year programme of projects to invest in the Roman Baths and Pump Room buildings, facilities and 'visitor experience' is reviewed by Cabinet each year as part of the integrated Heritage Services 5-year business and investment plan.

These projects are initially included within the provisional capital programme as a "block" of works for that year. Inclusion of each block of projects in the approved capital programme is subject to the normal capital approval process.

This is to extend the programme for the length of the capital programme and is likely to cover monument conservation works. Specific items are also included to replace heat-exchange equipment (£250k) and existing electrical distribution arrangements that are at maximum capacity and no longer fit for purpose (£45k).

Old Mills Enterprise Zone (2017 – 2019) for Provisional Approval of £220k

Following signing of the Enterprise Zone (EZ) Memorandum of Understanding by Government, the Old Mills site will be granted full EZ status on 1 April 2017.

A provisional line is therefore required in the Capital Programme to enable potential external funding sources to be drawn upon should the opportunity arise. These could include Devolution funding, or LEP funding through the One Front Door process such as Local Growth Fund (LGF), Revolving Infrastructure Fund (RIF), or the Economic Development Fund (EDF) which under the terms of the MoU is ring-fenced for the site.

Pioneer Office Space for Provisional Approval of £10m

Funded through Local Growth Fund (& potentially other grant funds) this will provide much needed follow-on office space for small to medium enterprises within the city of Bath, and will generate income for the Council.

Affordable Housing Capital Delivery (2017-2021) for Provisional Approval of £3.508m

This capital continues the programme of support linked to the Council's strategic aim of delivering Affordable Housing and if required the recovery of Empty Properties.

It is important to note that opportunities to develop bespoke affordable housing solutions or secure delivery where there are viability issues can arise at any time. The ability to react quickly through capital intervention is key to being a responsive Housing Enabling Service.

It is feasible that future enhanced AH delivery at Foxhill will require subsidy from the Council from 2018 onwards.

Disabled Facilities Grant Funding (2017-2023) for Full Approval of £1.1m in 2017/2018 and Provisional Approval of £4.4m from 2018/2019 onwards

The Housing Grants, Construction & Regeneration Act 1996 places a duty on Local Housing Authorities to fund certain types of adaptations for disabled householders, subject to a financial means test. Eligible adaptations are those designed to enable freedom of movement into and around the applicant's home. They encourage, promote and enable well-being within the home and reduce down-stream costs of acute service provision. This funding will support a demand led programme of around 200-250 p.a. Disabled Facilities Grants in accordance with above legislation, statutory guidance and best practice.

Cattlemarket for Provisional Approval of £150k

To enable works on delivery of a solution around cattlemarket that could be linked to disposal of the site.

Keynsham High Street: Permanent Scheme (2017-2019) for Provisional Approval of £2.52m

The High Street one way trial will be in place for up to 18 months from Spring 2017, during which time there will be comprehensive public engagement on the merits of the trial and the design options for a permanent scheme. If the trial is supported, the final scheme will require design work in 2017/2018.

The design of a final scheme which would include significant public realm improvements, would initially be worked up during 2017/2018, funded through corporate supported borrowing amounting to £120k, but will not be fully established until consultation has concluded.

External funding for the delivery phase would be sought in the first instance.

River Avon Park (2017-2020) for Provisional Approval of £532k

This project, which is linked to Bath Quays, is currently being scoped in more detail by the Water Space Study (due for completion Spring 2017).

The River Avon Park concept includes the following:

- (1) Improved public realm river path – including public realm, safety improvements, wayfinding, accessibility and linkages to adjoining green spaces;
- (2) Improvements to adjoining parks and spaces - play facilities, re-design of parks, heritage interpretation, wayfinding;
- (3) Improving relationships to the River e.g. access for boats, moorings, wildlife enhancements;
- (4) Identifying opportunities to reduce costs or fund long term maintenance, including income generation.

During Q1 2017/2018, projects will be worked up to deliver improvements using s106 funding which has already been received.

Midsomer Norton Town Hall Transformation Project for Provisional Approval of £2.68m

This is to take forward a project around transformation of Midsomer Norton (MSN) Town Hall (The Island, MSN). This is a community building used by 42 community groups and the project seeks to expand and develop facilities for the benefit of MSN & the Somer Valley (including housing a heritage collection). Grant funding helped achieve planning permission (in 2013) & initial feasibility investigations plus cost estimates, this capital programme entry seeks provisional approval of funding to advance the project through full feasibility, construction, delivery & operational hand over.

The project will require full business case to take forward and would be funded through a combination of grant from Heritage Lottery & Architectural Heritage Fund (subject to a successful bid process for £1m), Corporate Supported

Borrowing of £1.258m, scheme specific receipts of £300k & £50k of community & benefactors fund raising.

PEOPLE AND COMMUNITIES

Schools Capital Investments

Overview

The Council retains responsibility for capital funding of existing schools (excluding academies and free schools) and for the expansion of school places at all schools including academies and free schools.

Schools capital grant funding of £3.039m in 2017/2018 and £5.758m in 2018/2019 has been confirmed by the Education Funding Agency (EFA) for Basic Need to support the provision of additional pupil places where there is population growth. An allocation for Capital Maintenance funding has yet to be announced, but an indicative figure of £1.25m is assumed.

The following table represents the amount of funding carried forward and future allocations.

	Carried Forward from 15/16 & 16/17	2017/18	2018/19	Total
Basic Need Grant Allocation	£4.284m	£3.039m	£5.758m	£13.081m
Capital Maintenance Grant	£963k	£1.25m*	tbc	£2.213m

*assumed figure subject to Government confirmation

2017/2018 Basic Need Schemes

In 2017/2018 the level of Basic Need grant funding represents a 50% reduction on that received in the preceding two years, linked to academy conversions. The School Organisation Plan and annual School Places Return (SCAP) identify there is still an ongoing need to provide additional places in a number of areas across the Council. The funding is to provide the projected number of places that will be needed by September 2019. The allocation is non ring-fenced to enable the Council to fulfil its statutory duties in ensuring sufficient school places. There are no revenue implications for the Council arising from the expansion of schools as these will be met by the Dedicated Schools Grant (DSG).

The Council has a statutory duty to provide sufficient school places for every child resident in the Local Authority who requires a place with projects identified in line with these responsibilities. The key priority for investment is the need to provide additional primary pupil places driven both by underlying population growth and new housing. Funding has been provided for places required within the next two years and a number of schools have been identified where capacity will be required.

This list is not exhaustive as factors such as the need to revise projections as a result of updated information on births and resident population particularly when most primary schools are full or filling, may mean even a small number of additional pupils can trigger the need for additional classrooms. Other factors such as changes to the timescales of new housing delivery or a free school being approved can increase or reduce the need to add capacity.

Basic Need (BN) has been allocated for 2017/2018 for the following schemes which have been approved at the PID stage.

Castle Primary School for Provisional Approval of £1.295m Basic Need Grant & £1.261m Section 106 funding.

The final phase of expansion works to expand the school from 210 places to 420 places. The total project costs for phase 4 are £2.626m. Section 106 contributions totalling £1.261m have been received by the Council and a carry forward of £70k from the previous phase 3 project budget is available, leaving a balance of £1.295m to be allocated from Basic Need funding.

St Saviours Junior School for Provisional Approval of £147k Basic Need Grant & £18k Section 106 funding.

Remodelling works to accommodate a bulge class transferring through from St Saviours Infant School. Accommodation will be required for Year 3 pupils from September 2017. S106 contributions of £18k have been received, against a total project budget of £165k.

Whitchurch Primary School for Provisional Approval of £1.266m Basic Need Grant & £42k S106 funding

Expansion of the school from 210 places to 315 as a result of housing development and basic need pressures in the area. A S106 contribution of £72k has been received of which £42k remains available and further contributions of £706k are anticipated. Basic Need funding of £560k is required together with £706k basic need front funding, until the remaining S106 funding is received.

Feasibility Studies for Full Approval of £250k

The Council has a statutory duty to ensure there is sufficient provision of school places in the right areas to meet needs. Development work is required to inform detailed project plans for future capital schemes. It is proposed that delegated authority for approval of individual feasibility study budgets within the totals above is given to the Strategic Director, People & Communities in consultation with the Cabinet Member.

The following schemes are for provisional approval in 2017/2018 and 2018/2019 and will require future PID and Single Member or Cabinet approval

Bathampton Primary School for Provisional Approval of £750k

Replacement of two temporary classrooms, cloakroom facilities and toilets to provide permanent accommodation.

Bathwick St Mary Primary School for Provisional Approval of £2.792m Basic Need Grant & £208k S106 funding.

Expansion of the school from 210 places to 420 places to meet basic need pressures and provide places for the former MOD Warminster Road housing development. Section 106 contributions totalling £208k have been received with a further £494k expected. The total project cost being estimated at £3m. A basic need contribution of £2.298m is required plus front funding of the £494k outstanding S106 funding.

St Nicholas Primary School for Provisional Approval of £1.5m in 2017/2018 and £1m in 2018/2019

Expansion of accommodation from 280 to 420 places for September 2019. Additional places are required to meet the demand generated by housing development in the area. No S106 contributions were secured for the site. It is proposed to allocate a £450k CIL contribution to People & Communities which will be used to part fund the expansion. Basic need funding of £2.05m will be required to fund the project.

Midsomer Norton Area for Provisional Approval of £300k

To provide bulge class accommodation for September 2017 admissions at a Midsomer Norton Area primary school to be identified. This accommodation is required because of the delayed delivery of the Midsomer Norton Free School.

Schools Capital Maintenance Programme 2017/2018 for Full Approval of £500k

In recent years allocations from the Department for Education (DfE) for Capital Maintenance funding have been made on the basis of one year allocations. This funding is non ring-fenced grant funding to address the worst building condition issues at schools. To date the funding allocations have not been announced for 2017/2018 but are expected to be made by the DfE between January and February 2017.

In a change from prior years, the Annex containing a long list of school maintenance items is replaced with general allocations set out below and a specific allocation for Swainswick Primary School. In 2017/2018 it is proposed to allocate funding to the following items.

A budget for minor works and Disability Discrimination Act (DDA) works of £250k to address smaller condition issues such as replacement heating controls and obsolete distribution boards. This funding will be used to address ad hoc condition and health and safety issues as they arise throughout the year. Additionally, this budget can be accessed to address small future DDA adaptations at schools sites.

It is recommended that a £250k emergency works budget is allocated to meet unforeseen issues as they occur throughout the year. This may include items such as emergency roof or boiler repairs to ensure schools remain open.

It is proposed that delegated authority for approval of individual Minor Works/DDA and Emergency Works schemes within the totals above is given to the Strategic Director, People & Communities in consultation with the Cabinet Member for Children's Services.

Swainswick Primary School for Provisional Approval of £750k

Replacement of assets at Swainswick Primary School to address condition and health and safety issues of two temporary buildings and provide toilet facilities for KS1.

The balance of any remaining funding available for the 2017/2018 year is to be held provisionally at this time, for a large emerging scheme of works at Newbridge Primary School. The value to be confirmed once the grant notification has been received.

Special Education Needs & Disability (SEND) Education Provision Loan for Provisional Approval of £500k

Capital budget to create potential repayable loan facility to support the establishment of further provision for post 16 students with SEND within the Bath & North East Somerset area. Any loan would be subject to full business case review and due diligence with no revenue cost to the Council and potential savings in Home to School transport costs.

RESOURCES & SUPPORT SERVICES SCHEMES

Corporate Capital Planned Maintenance for Full Approval of £1.357m Equality Act Works for Full Approval of £100k

Capital Planned maintenance and Equality acts works will be undertaken on the Council Corporate Estate. Annex 3iii provides the detailed plan for 2017/2018. Any amendments to the programme will be approved by the Strategic Director for Resources in consultation with the Cabinet member for Resources.

Commercial Estate Investment for Provisional Approval of £53.6m

To allocate resources for the acquisition of property investments which will generate new income and contribute towards the rebalancing of the Estate through buying non-retail property or retail property that is strategically important to the rest of the retail estate. To maximise the effectiveness of these acquisitions, the Council will be looking at opportunities beyond the B&NES boundary, where there are likely to be significant opportunities to purchase non-retail investments in the adjoining Bristol area and the wider West of England Partnership area of appropriate property to increase the financial return of the council's property portfolio. This will also to provide capital investment in commercial offices on Bath Quays South.

Each investment will require a full business case before proceeding.

Cleveland Pools Capital Works for Provisional Approval of £200k

Working with Cleveland Pools Trust to support appropriate capital works and enhancements to this Council asset, subject to planning consent. This expenditure will be linked to the future development by the Trust of the pools supported by a substantial grant award from the Heritage Lottery Fund.

City Centre Protection Measures for Provisional Approval of £200k

Like many other authorities across the UK, the Council routinely works with partner organisations, such as the Police, to assess safety precautions and ensure that proportionate measures are in place to keep members of the public safe. As part of this, a provisional sum has been set aside in case it is required. There is no indication of any imminent threat to Bath in particular and no specific intelligence to suggest that Bath is at any more risk than any other busy urban area in the UK.

Corporate Estate – Remediation Works for Provisional Approval of £250k

Following the testing and servicing of the Councils assets, it is anticipated that there will be a substantial list of remediation works required. These remediation works will have to be prioritised and undertaken in accordance with statutory timelines in order for the Council to comply with its legal obligations towards its staff and members of the public.

Bath Area Forum – CIL funded Schemes for Provisional Approval of £140k

The Council is required to pass 15% of CIL funds to the relevant Parish or Town Council. If there is no Parish or Town Council, the charging authority will retain the levy receipts but should engage with the communities where development has taken place, and agree with them how best to spend the local funding.

The Bath City Forum has established a process for working with local elected members and communities to agree recommendations on using the local portion of CIL in Bath. As the Forum has no delegated powers or budgets, any Forum recommendations would need to be determined through an appropriate Executive Council decision.

Digital Programme (2017-2020) for Provisional Approval of £5m

Digital has been embraced by central government departments including DCLG, DWP, and DoH to name a few. Many services have been moved online rather than being paper-based.

Digital means enabling the Council to continue to function effectively with fewer resources. Fundamentally re-designing many services from end to end – the customer gets what they need as quickly as possible, in a way that works for them. Well-designed digital solutions are cheaper, faster and often better.

This will be delivered via IT (Information Technology) assets – hardware and software as well as changes to business processes to provide services which encourage customers and clients to opt for “Digital by choice”. This will deliver the proposed revenue savings.

IT Asset Refresh Programme (2017-2022) for Provisional Approval of £1.512m

The Asset Refresh programme is a rolling programme which covers all aspects of the council's IT Infrastructure assets including virtual Servers hosting systems as well as multiple in-depth firewalls and security hardware to protect the council's data, network routers enabling approximately 100 council offices to inter connect, and backup systems.

Depending on the hardware, each kit requires replacing every 5 to 7 years subject to the associated out of warranty revenue costs.

Income Systems Upgrade & Associated Works for Provisional Approval of £45k

New Payment Card Industry Security Standards are being introduced nationally which require all payment systems to be enhanced in accordance with new security standards. In order for the Council to continue to accept any Debit card or Credit card payments various works are required to be undertaken including upgrade of systems and replacement of Chip & Pin devices. The absolute deadline for the above work to be completed is March 2018 but it is advised that the work is undertaken well before that date. Failure to undertake this work will mean the Council would be unable to accept any debit card or credit card

payments, either via internet, telephone, or in person. This project should therefore be classed as essential maintenance.

Modern Libraries & Workplace Rationalisation for Provisional Approval of £5.953m

Work Places 2018 is a programme of works that enables the re-design of Library Services as described in the Strategic review for the service. It aims to replicate the Keynsham model for joint one stop shop and library service in Bath and Midsomer Norton whilst also continuing to develop the principles of the previous Work Places programme.

Radstock Healthy Living Centre for Provisional Approval of £1.046m

Project is to deliver a library and children's centre plus base for health visitors within a new mainly NHS England funded Healthy Living Centre on a Council owner site on Waterloo Road, Radstock.

The project is enabled by agreed external funding opportunity for a new improved doctor's surgery which will include appropriate local consultation. The integration of these services fits with the ideas in the national One Public Estate programme and potentially reduces running costs whilst improving local services and securing their long term future. The Council services will move from their current location in the town centre which will free up current sites. This is a joint project with Hope House Surgery.

Revenues & Benefits System Replacement for Provisional Approval of £750k

This is the IT system used for processing Revenues & Benefits. The system has been on a year to year renewal for some time awaiting implementation of Universal Credits. It is currently anticipated that any replacement system would be implemented during 2018/2019.

EMERGING CAPITAL SCHMES

The following schemes are not yet fully developed and outline business cases have not been produced at this stage so it is not possible to identify an appropriate provision for them within the proposed Capital Programme.

These schemes may require significant capital expenditure some or all of which may be met through external sources or the related service provider. As the specific business cases are more developed and the capital requirements are more fully understood these schemes will come forward for Council consideration and decision at that point.

The business cases will need to identify suitable capital and, if necessary, revenue funding provision at this time.

Manvers Street Highway Reconstruction - Future Programme

Manvers Street, Pierpoint Street and the section of North Parade adjacent to Parade Gardens, are built over cellars. The concrete slabs protecting the cellars are starting to move and break up in areas and will require replacing in the longer term.

Where cellars have been abandoned, a scheme would be developed to formalise the abandonment, fill the structure and use an alternative construction technique to minimise disruption.

The works are initially estimated in the region of £6m, although detailed costing would be required to fully assess costs, and external funding opportunities will be explored.

Utility companies could upgrade their apparatus during the period construction works and public realm improvements are being undertaken.

Bath Western Riverside Phase 2

With completion of the first phase of BWR (813 homes) in 2018/2019 the project can plan to continue delivery across the entire site, including the primary school, 1200+ new homes and commercial space.

In order to realise full regeneration in line with the Core Strategy, further capital investment may be required to support project partners in delivering comprehensive regeneration, some or all of which may be met through external sources.

Bath EZ including BWR Phase 2 – Potential Devolution funding to facilitate Housing delivery (2017-2020)

The Bath & Somer Valley EZ contains important projects to crystallise the housing delivery in the EZ (including Bath Quays and BWR). Significant grant funding may become available subject to ongoing discussions around devolution.

Link Road East of Bath

The Council aims to develop proposals to remove through traffic from the city. This work will continue with discussions with Wiltshire, Highways England and the DfT. The objective will be to develop these options for inclusion in Highways England's next funding programme which will be approved towards the end of 2019.

Schools Emerging Capital Schemes

In early 2017 feasibility studies will be undertaken to determine the accommodation needs for the Temple Cloud and Clutton areas from September 2019. Further development proposals will be brought forward at a later date for inclusion in the Capital Programme.

Three new primary schools will be required to meet future housing development by 2029. Of these schools, it is anticipated that one will be delivered by the housing developers and two are likely to be delivered by the Council. There may also be the potential for some of these schools to be delivered through the Free School process at no cost to the Council.

The following table provides information on development sites where agreement has been reached or discussions are ongoing to deliver new schools or expand existing schools.

Development Name	Developer	Provision to be delivered	Anticipated opening / completion date	Approximate Funding Shortfall
Keynsham East & South	Multiple	A new one form entry primary school on the Keynsham east site to provide sufficient places to cover demand in the Keynsham and Saltford planning area.	Post September 2018	Unknown, will include build and land costs.
Odd Down/Sulis Down	To be confirmed	Expansion of St Martin's Garden Primary School.	Not yet determined	Unknown
Bath Western Riverside - Crest	Crest	A new one form entry primary school delivered on site.	Not yet determined	To be delivered by developer
Bath Western Riverside - Other	Multiple	Additional one form entry primary capacity, site to be identified.	Not yet determined	Unknown

AMENDMENTS TO PREVIOUS CAPITAL PROGRAMMES

The following schemes are to be removed from the existing Capital Programme.

Digital B&NES Provisional £1m

Recent announcements from the Connecting Devon and Somerset Programme and commercial service deliverers such as BT and Virgin has resulted in the Digital BaNES team reassessing the expected amount of additional funding needed to fill any gaps in broadband provision in Bath and across North East Somerset once those programmes are concluded. The remaining funds will be utilised to address a small number of gaps and to enable extension of the public wi-fi project.

London Road Community Development Provisional £800k

No viable business case was forthcoming for this scheme and it has therefore been restricted to essential remedial works at Riverside Youth Centre.

Green Investment & Job Opportunities Fund Provisional £370k

The balance of the Green Investment & Job Opportunities Fund (£370K) is to be removed. This capital item was set up several years ago and has been used to invest in Wilmington Solar Farm and Bathampton Old Mill Hotel waterwheel. It has now been replaced by the Energy Services Investment fund (£3m).

The Energy Services Investment Fund (£3m) is to be invested in either renewable energy schemes or related energy services infrastructure over the budget period in line with Council policy and linked to the Energy Services income target. There have been some policy changes to the energy market, which is now in a readjustment phase and which has caused a delay in investment this year. The Fund will be re-profiled for investment over the budget period 2017-2020 to take advantage of new opportunities arising in this market.

Minimum Revenue Provision (MRP) Policy

The Council is required to make revenue provision to repay capital spend that is financed by borrowing (either supported or unsupported). This is called the Minimum Revenue Provision (MRP). The Department of Communities & Local Government has issued regulations that require full Council to approve a MRP Policy in advance each year, or if revisions are proposed during the year they should be put to the Council at that time. The policy defines how the Council will make a prudent minimum revenue provision for all new unsupported borrowing.

The Council implemented its current MRP Policy in 2008/2009 with only minor changes made in recent years. As part of the Council's strategic review, the Council's Treasury Management Advisors have undertaken a review of the current MRP Policy against the options suggested in the Department of Communities and Local Government's guidance, to ensure it remains fit for purpose and prudent as well as the potential to reduce the charge to revenue in light of the increasing pressures on the revenue budget.

As a result of this review some changes are being proposed to the MRP Policy, with a recommendation that these changes will come into effect in the current financial year (2016/2017). The effects of these changes have been reflected in the revenue savings proposals for 2017/2018 onwards and the reserves sections of this budget report.

The Council currently adopts the Regulatory Method of CLG's MRP Guidance for **supported borrowing**. This is for capital expenditure which was previously supported by the Government through the Revenue Support Grant (RSG) system. MRP is equal to 4% of the Capital Financing Requirement (CFR) at the end of the preceding financial year, less Adjustment A (an adjustment allowed to neutralise the impact of the change to the MRP regime introduced in 2004). Under this method, although the MRP charge reduces the balance outstanding each year the borrowing need is never entirely paid off. The proposal is to amend the annual MRP charge using an Annuity Rate of 2% over a 50 year period. The percentage chosen corresponds with the Bank of England Monetary Policy Committee's inflation target rate of 2%. MRP will increase by this percentage each year. This reflects the time value of money and produces a consistent charge to Council Tax payers both now and in the future. The annuity period of 50 years has been selected as a period over which the capital expenditure could be expected to provide a benefit to Council Tax payers. This has the effect of a lower MRP charge for the medium term (until around 2037/2038) while beyond this it will be higher. However, it has the advantage over the existing 4% reducing balance method as this element of the CFR will be fully repaid over a 50 year period which is more prudent than the current method which would leave £5.8million unfinanced at the end of the 50 year period.

MRP on **unsupported borrowing** is currently charged over the life of the asset financed by the borrowing on a straight line basis. The revised policy is that the MRP charge will still be charged over the life of the asset but will be calculated on an annuity basis (similar to a domestic repayment mortgage whereby in the early years of the mortgage less of the repayment goes towards repaying capital rather than interest, but over time the capital repayment increases and the interest amount reduces). The annuity method maintains a constant impact on the revenue account over the useful life of the asset being financed, once interest costs are taken into account, with no cost thereafter. The change is proposed as the annuity method provides a fairer charge than the straight line basis as it takes account of the time value of money, whereby paying £100 in 10 years' time is less of a burden to the taxpayer than paying £100 now. The schedule of charges produced by the annuity method thus results in a consistent charge over an asset's life, taking into account the real value of the amounts when they fall due. The annuity method is therefore a prudent basis for providing for assets that provide a steady flow of benefits over their useful life.

For expenditure financed by unsupported borrowing incurred before April 2016, an element of MRP has already been charged on the straight line method. By applying the straight line method rather than the annuity method an "overprovision" of £3.3m is released over a reasonable period of time.

The Council is recommended to approve the revised MRP Policy statement as set out in Annex 4 which has been updated to reflect the proposed changes as set out above (as per recommendation 2.4 (e)).

Prudential Indicators

The prudential framework for local authority capital investment was introduced through the Local Government Act 2003. The key objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. The Capital Prudential Indicators are shown in Table 8 below.

Table 8: Capital Prudential Indicators.

PRUDENTIAL INDICATOR	2015/16 Actual	2016/17 Probable Outturn	2017/18	2018/19	2019/20
Estimate of Capital Expenditure (£'000s)					
Actual/estimates of capital expenditure	39,999	82,109	182,667	79,844	26,272
Net Increase in council tax (band D per annum) Figures in £'s (not £'000's)					
The implied estimate of incremental impact of the new capital investment decisions on the council tax			£3.02	£1.86	£0.51
Cumulative totals:			£3.02	£1.86	£0.51
Capital Financing as % of Net Revenue Stream					
Actual/estimates of the ratio of financing costs to net revenue stream			11.05%	16.53%	18.91%
<i>Memo: estimates of the ratio of financing cost to gross revenue stream</i>			3.72%	5.38%	6.17%
Borrowing Limits (£m)					
Operational boundary – borrowing			£306m	£350m	£361m
Operational boundary – other long-term liabilities			£2m	£2m	£2m
Operational boundary - total			£308m	£352m	£363m
Authorised limit - borrowing			£338m	£382m	£392m
Authorised limit – other long-term liabilities			£2m	£2m	£2m
Authorised limit - total			£340m	£384m	£394m
Capital Financing Requirement (£'000s) (as at 31 March)					
Actual/estimate of capital financing requirement	182,475	223,396	338,311	381,541	391,669

Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that external debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding

year plus the estimates of any additional capital financing requirement for the current and next two financial years.

After reviewing the capital programme and borrowing proposals, the Section 151 officer reports that the Council will continue to meet the demands of this indicator.

Borrowing limits

The Authorised limits for external debt include current commitments and proposals in the budget report for capital expenditure, plus additional headroom over and above the operational limit for unusual cash movements.

The Operational boundary for external debt (or planned borrowing level) is based on the same estimates as the authorised limit, but including an allowance for cash flow funding of specific capital schemes and without the additional headroom for unusual cash movements.

Section 4 – Revenue & Capital Reserves and Contingencies

Significant Earmarked Reserves

In developing the proposed Budget for 2017/2018 all the Council's earmarked reserves have been routinely reviewed and the related potential liabilities assessed to establish the future requirements for each of the reserves.

Key requirements for earmarked reserves 2017/2018 and beyond will continue to be the funding for the ongoing transformation programme for Council services. This will include specific resourcing proposals as part of Budget proposals and related projects, together with related reorganisation and severance costs. The availability of unbudgeted Capital receipts may also support transformation costs in future years, subject to approval.

The proposals for significant earmarked reserves are as follows:-

The Revenue Budget Contingency – This reserve continues to be set aside to meet a range of potential in-year pressures and priorities including the management of the Budget Outturn. It is proposed to ensure this reserve is maintained at a level of around £1M for 2017/2018.

The Transformation Investment Reserve – will support the development and progression of the significant transformation programme to redesign and reshape a range of services to recognise the future shape of the Council. These changes primarily support the implementation of approved Budget proposals and related projects.

This reserve will be committed to meet the costs associated with these changes over the next three years and allocations will be subject to the approval of the Chief Executive in consultation with the Cabinet member for Resources and the S151 Officer.

The Restructuring and Severance Reserve – the significant financial challenge facing the Council will lead to some reductions in staffing number as savings and efficiencies are delivered.

It is estimated that this reserve will be available to help meet these costs, avoiding the need for subsequent additional service savings purely to pay such severance costs. This approach will be regularly reviewed to ensure it is being applied appropriately within the overall scale of anticipated staffing reductions.

Financial Planning Reserve – this reserve continues to support the future medium term financial planning of the Council. The reserve will generally be allocated as part of the Budget process each year to support the specific medium term financial proposals and priorities of the Council. The majority of this reserve has been allocated over the past 4 to 5 years.

The Affordable Housing Reserve – the capital programme includes a substantial £3.7M commitment to affordable housing funded through right to buy and S106 receipts. This reserve will therefore be reviewed regularly to identify actual commitments needed to meet Affordable Housing schemes. Any available surplus may be released to support Restructuring and Transformation costs as required and, the current forecast projects, this may be the case in 2019/2020.

Business Rate Reserve

This reserve manages the variations, commitments and liabilities against the Business Rate Collection Fund including the impact of business rate appeals. Projections for the use of this reserve are based upon the estimated impact of future appeals.

Table 9 below, sets out the projected level of the significant earmarked reserves taking account of anticipated commitments.

Table 9: Projected Significant Earmarked Reserves

	Revenue Budget Contingency	Transformation Investment Reserve	Restructuring & Severance Reserve	Business Rate Reserve	Affordable Housing Reserve	Financial Planning Reserve
	£'000	£'000	£'000	£'000	£'000	£'000
Estimated Reserves @ 1st April 2017	1,150	2,040	100	1,106	3,000	2,248
Reallocation of Reserves	0	2,000	2,480	0	0	-1,643
Allocation in 2017/2018	0	-3,230	-1,120	-643	0	-60
Balance C/F	1,150	810	1,460	463	3,000	545
Allocation in 2018/2019	0	-665	-715	0	0	0
Balance C/F	1,150	145	745	463	3,000	545
Allocation in 2019/2020	0	-145	-3,745	0	0	0
Balance C/F	1,150	Nil (est)	-3,000	463	3,000	545

Unearmarked Revenue Reserves

The Local Government Act 2003 contains a duty on the Statutory Finance Officer (s151 Officer) to report to the Council, at the time the budget is considered and the Council Tax set, on the robustness of the budget estimates and the adequacy of financial reserves. The report of the s151 Officer on this subject is included as **Annex 2** to this report and is recommended to the Council. The conditions of the report by the Divisional Director – Business Support are an integral part of our budget recommendations. This sets an increased unearmarked reserves target of £13.5 million based on a financial risk assessment including the delivery of the proposals contained within this Budget.

Table 10 below details the proposed movement in the level of unearmarked reserves over the period of the medium term service and resource plans. This analysis includes the proposed use of reserves to support invest to save proposals included within the Budget, specifically:

- The Leisure Contract - an allocation of up to £2.1m to cover the smoothing of Council and contractor costs in the first 6 years with this being repaid over a period of up to 10 years, as agreed by Cabinet at its meeting on 9th September 2015.

This actual level of unearmarked reserves will also depend on the Outturn position for 2016/2017 and on future decisions by the Cabinet about any overspends. The figures are therefore only an estimate at this stage and are without prejudice to future Cabinet decisions.

Budget Report 2017/2018 - Contingent Liabilities

Locally Retained Business Rates

A number of local billing authorities, including the Council, are the subject of an ongoing application by a national property agent acting on behalf of a number of NHS Foundation Trusts and NHS Trusts requesting mandatory business rate relief.

This is a complex legal matter and at this stage the Council would not accept any such request for mandatory relief. Representations have been made by the Council to the Department for Communities and Local Government on this matter and the Local Government Association are coordinating legal support with the local authorities concerned.

Whilst the Council's view is that the relief is not applicable in this case, if this position were to change, the granting of such a relief would present a significant challenge to the ongoing financial viability of the Council.

Adequacy of reserves

The s151 officer's report on the robustness of estimates and adequacy of reserves is set out at Annex 2. This provides a reserves strategy to maintain non-earmarked General Fund reserves at £13.5m based on a thorough risk assessment. This is an increase of £3m on the previous level of £10.5m and is

funded by a transfer of the 2016/2017 savings from the 2016/2017 MRP Policy changes referred to early in the report. The projected reserve levels are set out in Table 10 below.

Table 10: Projected Non-Earmarked Revenue Reserves

	2017/18 £'000	2018/19 £'000	2019/20 £'000
Estimated Reserves @ 1st April each year	12,536*	12,480	11,975
2016/2017 Projected Outturn Underspending	-	-	-
Projected Invest to Save Movements	-56	-505	-595
Estimated Reserves @ 31st March each year	12,480	11,975	11,380

* Increased provision to reflect risk & robustness assessment (£3m increase)

Based on anticipated invest to save commitments associated with the Leisure Contract, it is currently forecast that the Non-Earmarked Reserves will begin to be repaid in 2023/2024 and at no point will reduce below the risk assessed minimum level of £7.5M.

Under the Council's Invest to Save Scheme, the Section 151 Officer in consultation with the Cabinet Member for Finance & Efficiency can authorise funding from within the non-earmarked reserve for robust and credible invest to save proposals (i.e. in the short term creating a 'negative ear-marked reserve' which is then repaid over time, usually 3 years, from the related savings). This is subject to the overall level of non-earmarked reserves being maintained above the risk assessed minimum level of £7.5M.

Capital Risk Contingency

There are three levels of risk provision in relation to the capital programme.

Firstly individual major projects within the capital programme hold their own contingency in accordance with good project management practise to meet unavoidable and unforeseen costs;

Secondly, the capital programme includes a funded corporate risk contingency which will be maintained at £2m.

Thirdly the corporate risk assessment on which the general reserves target is based includes an element in the context of the capital programme based on the risks of the current programme.

As with all capital projects, relevant risks are being considered as part of the overall risk-assessed general reserves and the Corporate Risk Register.

Governance

The Council is requested to confirm the specific arrangements for the governance and release of Council reserves, including invest to save proposals, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Finance & Efficiency and the Chief Executive.

Section 5 – Council Tax

This section shows the implications of the recommended revenue budget for Council Tax levels for 2017/2018.

There were no provisions within the Settlement for the Government to provide grant funding support for council tax freezes, as had been the case prior to 2016/2017. The proposed Council Budget provides for the following:

- In order to protect frontline Adult Social Care services, a specific council tax precept increase of 2%.
- A general council tax increase of 1.50% in 2017/2018 in order to help protect frontline services.

The proposed band D Council Tax for Bath & North East Somerset Council next year is £1,284.33 (£1,240.90 for 2016/2017). Table 11 explains the calculation of this figure:

Table 11: Council Tax 2017/2018 for Bath & North East Somerset Council Services

Description	Amount	Comments
Recommended Net Revenue Budget	£112,796k	See Annex 1
Less retained business rates, reserves and estimate of Collection Fund position	£30,604k	See Annex 1 Sources of Funding
To be funded by Council Tax	£82,192k	
Tax base (Band D properties equivalent)	63,996.16	Approved by the Section 151 Officer in December 2016
Recommended Council Tax at Band D for 2017/2018	£1,284.33	
2016/2017 Council Tax Band D	£1,240.90	
Recommended Increase	£43.43	3.50% increase
<i>The increase comprises:</i>		
<i>Adult Social Care Precept</i>	<i>£24.82</i>	<i>2.00% increase</i>
<i>General Fund Precept</i>	<i>£18.61</i>	<i>1.50% increase</i>

The figures above exclude parish, fire and police precepts.

This Council collects Council Tax on the behalf of the parishes, Fire and Police Authorities and the final bills issued will include the Council Tax they have requested this Council to collect. These will form part of the Council's overall budget-setting resolution.

The Police & Crime Commissioner's current budget proposals include a planned increase in Council Tax of 1.99% for 2017/2018. The Final budget and precept proposal will be presented to the Police and Crime Panel at their meeting on 8th February 2017.

As part of its budget report last year, the Avon Fire Authority agreed “in principle” to a 2% increase in Council Tax for the period 2016/2017 to 2019/2020, “to provide a firmer medium term financial plan on which to base its financial strategy” and its draft budget for 2017/2018 has been built on this basis.

The Fire Authority will meet on 10th February 2017 to finalise its budget and set its Council Tax and precepts for 2017/2018.

The headline increase will be affected by the final decisions of the parishes, Fire and Police Authorities, and any decision made concerning special expenses (see below). Final figures will not be available until after Fire and Police meetings and decision dates highlighted above.

Table 12 sets out the composite Council Tax likely to be charged:

Table 12: Potential Total Council Tax 2017/2018 (Band D)

Council Tax charges (Band D) made by	Charge made now 2016/17 £	Proposed Charge 2017/18 £	% Change
Bath and North East Somerset Council	1,240.90	1,284.33	3.50% (£43.43 at Band D)
Avon and Somerset Police	178.26	TBC	Final Decision to be taken on 8 th February 2017.
Avon Fire & Rescue	67.93	TBC	Final decision to be taken on 10 th February 2017
Total excluding parishes	1,487.09	TBC	
Parishes (average)	36.80	TBC	Not known at time of writing report
Total	1,523.89	TBC	The 2017/2018 figure will depend on decisions taken by the Police, Fire and Parish/Town Councils

The precepts required by Parishes, Fire and Police will form part of the Council Tax setting resolution at Council on 14th February 2017, and so the necessary updated information will be set out in the report.

Special Expenses

As part of the 2016/2017 Budget preparation process no special expenses were declared (with the exception of Parish and Town Council precepts). It is proposed that this policy remains unchanged for the 2017/2018 budget.

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Portfolio Cash Limits 2017/18 - Revenue Budgets

APPENDIX 2 ANNEX 1

CABINET PORTFOLIO	Service	Current 2016/17 Cash Limits	Removal of One-offs (including one-off virements in 2016/17)	2017/18 Base Budget	MTSRP Growth	MTSRP Savings	Total 2017/18 Budget Changes	2017/18 Proposed Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Leader	Council Solicitor & Democratic Services	2,550		2,550	24	(90)	(66)	2,484
	Strategy & Performance	2,880	(242)	2,638	218	(105)	113	2,751
	PORTFOLIO SUB TOTAL	5,430	(242)	5,188	242	(195)	47	5,235
Finance & Efficiency	Finance	2,201	60	2,261	118	(131)	(13)	2,248
	People Services	527		527	19	(100)	(81)	447
	Risk & Assurance Services	1,016		1,016	38	(20)	18	1,034
	Information Technology	4,501		4,501	186	(100)	86	4,587
	Customer Services	2,606	(107)	2,499	525	(120)	405	2,904
	Human Resources	441		441	19		19	460
	Property Services	2,447		2,447	56		56	2,503
	Corporate Estate Including R&M	1,994		1,994	349	(50)	299	2,293
	Commercial Estate	(14,988)		(14,988)		(750)	(750)	(15,738)
	Traded Services	58		58	87	(25)	62	120
	Strategic Director - Resources	110	(166)	(56)	2		2	(54)
	Corporate items (Savings)	(150)		(150)		(788)	(788)	(938)
	Hsg / Council Tax Benefits Subsidy	(195)		(195)				(195)
	Capital Financing / Interest	7,480		7,480	150	(3,500)	(3,350)	4,130
	Unfunded Pensions	1,679		1,679				1,679
	Corporate Budgets incl. Capital, Audit & Bank Charges	879	(138)	740	2,485	(3,424)	(939)	(198)
	New Homes Bonus Grant	(5,199)		(5,199)	374	(500)	(126)	(5,325)
	West of England Combined Authority						TBC	TBC
	Magistrates	17		17				17
	Coroners	305		305				305
	Environment Agency	222		222	4		4	226
	PORTFOLIO SUB TOTAL	5,950	(351)	5,598	4,414	(9,508)	(5,093)	505
Adult Social Care & Health	Adult Services	57,357		57,357	3,809	(2,153)	1,656	59,013
	Adult Substance Misuse (Drug Action Team)	539		539	1	(6)	(5)	535
	Public Health				232	(232)		
	PORTFOLIO SUB TOTAL	57,896		57,896	4,042	(2,391)	1,652	59,548
Children's Services	Children, Young People & Families	12,579		12,579	753	(50)	703	13,282
	Learning & Inclusion	15,807	(108)	15,699	317	(88)	229	15,929
	Health, Commissioning & Planning	(108,743)	(23)	(108,766)	1,395	(53)	1,342	(107,424)
	Schools Budget	108,537	(5,039)	103,498				103,498
	PORTFOLIO SUB TOTAL	28,181	(5,170)	23,011	2,464	(191)	2,274	25,285
Homes & Planning	Development Management	1,740	(153)	1,587	103	(76)	27	1,613
	Building Control & Land Charges	220		220	17	(28)	(11)	209
	Housing	1,383		1,383	19	(301)	(282)	1,102
	PORTFOLIO SUB TOTAL	3,343	(153)	3,190	139	(405)	(266)	2,924

Portfolio Cash Limits 2017/18 - Revenue Budgets

APPENDIX 2 ANNEX 1

CABINET PORTFOLIO	Service	Current 2016/17 Cash Limits £'000	Removal of One-offs (including one-off virements in 2016/17) £'000	2017/18 Base Budget £'000	MTSRP Growth £'000	MTSRP Savings £'000	Total 2017/18 Budget Changes £'000	2017/18 Proposed Budget £'000
Economic Development	Economy & Culture	1,274	(112)	1,162	2	(177)	(175)	987
	World Heritage	147		147	9		9	156
	Heritage	(5,685)		(5,685)		(390)	(390)	(6,075)
	Regeneration, Skills & Employment	317	(93)	224	9		9	233
	PORTFOLIO SUB TOTAL	(3,946)	(205)	(4,151)	19	(567)	(548)	(4,699)
Community Services	Place - Overheads	329	88	417	69		69	487
	Public Protection & Health Improvement - Regulatory & Active Lifestyles	1,865	(285)	1,580	251	(60)	191	1,771
	Neighbourhoods & Environment - Waste & Fleet Services	14,330	(718)	13,612	637	(129)	508	14,120
	Neighbourhoods & Environment - Parks & Bereavement Services	1,578		1,578	63	(190)	(127)	1,451
	Libraries & Information	1,505	106	1,611	18	(100)	(82)	1,529
	Public Protection & Health Improvement - Leisure	670		670	13		13	683
	PORTFOLIO SUB TOTAL	20,277	(809)	19,468	1,051	(479)	572	20,040
Page 68	Highways & Traffic Management	7,500	(125)	7,375	206	(173)	33	7,408
	Transport & Parking Services - Parking	(6,644)		(6,644)	96	(335)	(239)	(6,883)
	Transport & Parking Services - Public & Passenger Transport	3,847		3,847	62	(477)	(415)	3,432
	PORTFOLIO SUB TOTAL	4,703	(125)	4,578	364	(985)	(621)	3,957
	NET BUDGET	121,833	(7,055)	114,779	12,736	(14,719)	(1,983)	112,796

Sources of Funding

Council Tax	77,847		77,847			4,345	82,192
Revenue Support Grant*	14,423		14,423			(14,423)	
Retained Business Rates	22,509		22,509			8,752	31,261
Collection Fund Deficit (-) or Surplus (+)	(385)	385				(185)	(185)
Balances	7,440	(7,440)				(472)	(472)
Total	121,833	(7,055)	114,779			(1,983)	112,796

* 2017/18 Revenue Support Grant transferred into Retained Business Rates under the 100% Business Rate Pilot

Council Tax - Calculation

Council Tax Debit £'000	77,847		82,192
Taxbase (No. of Band D equivalent properties)	62734.6		63996.16
Band D Charge £	£1,240.90		£1,284.33
%age Increase			3.50%

Chief Financial Officer's Opinion on Adequacy of Balances and the Robustness of the Budget

The Chief Financial Officer is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

(1) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major Precepting authority) or section 85 of the Greater London Authority Act 1999 (c. 29) (Greater London Authority) applies is making calculations in accordance with that section, the chief finance officer of the authority must report to it on the following matters-

(a) The robustness of the estimates made for the purposes of the calculations, and

(b) The adequacy of the proposed financial reserves.

(2) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.

Report of the Chief Finance officer and Divisional Director – Business Support:

I have examined the budget proposals contained in this report, and believe that the spending, income and service delivery proposals are achievable in terms of the requirement to set a balanced budget for 2017/2018.

I am satisfied that, in general, the requisite management processes exist within the Council to deliver this budget, although it will be increasingly challenging to deal with any recurring financial pressures which may unexpectedly arise throughout the year.

The key points to highlight are:

- Un-earmarked reserves will be maintained at prudent levels and this Budget proposes to increase this position. This reserve will continue to be utilised for invest to save initiatives going forwards but at no point is the reserve planned to fall below the risk assessed minimum level.
- This Budget provides for a balanced Budget in 2017/2018 together with identifying actions within Directorate Plans to address a majority of the anticipated savings required through to 2019/2020. Further work will be required to fully meet these requirements.
- A robust financial planning process is in place, and there is member scrutiny at appropriate stages.
- Revenue spend is closely monitored on a risk assessed basis and financial management reports are produced on at least a quarterly basis.

- Delivery of the specific Budget proposals set out within Directorate Plans will be monitored regularly by the Strategic Management Team and the Cabinet.
- Provision for inflation and demographic changes continue to be challenging and will require the focus on commissioning and procurement to be maintained to help ensure they are fully delivered.
- The new and additional income targets assumed within the Budget proposals will increase the overall risk to the Budget should they not be fully achieved.
- Retained local business rates have been budgeted at prudent levels allowing for anticipated appeals and collection risks. No provision has been made for exceptional changes from, for example mandatory reliefs.
- Capital schemes are generally managed through an integrated project management, risk and financial management process.
- Estimated provisions have been made within the Budget proposal to recognise the functions and funding of the West of England Combined Authority.

As part of the financial management and monitoring processes of the Council it will continue to be necessary to give a high priority to the monitoring and review of the savings delivery plans within each service area.

The capital programme for 2017/2018 continues to be of an exceptional scale, further increased by high degree of slippage from 2016/2017. This will require sound monitoring, review and programming of schemes for projects to meet delivery and funding expectations. Where capital projects form part of partnership, are of particular significance or are of a specialist nature, they will need to ensure that appropriate governance and management processes are in place to recognise the relative risks associated with the projects.

In considering the appropriate level of unearmarked reserves, I have continued to evidence this with the use of an internal risk assessment. The Council is increasing its unearmarked reserves to the appropriate risk assessed level for 2017/2018. The Budget proposal contains no reliance on the use of unearmarked reserves although some of these reserves (above a minimum level) will continue to be utilised on an Invest to Save basis under the parameters set out in Appendix 2.

In view of the challenging financial climate, it remains essential that unearmarked reserves are maintained at risk assessed levels, the only prudent exceptions being to fund invest to save schemes (provided a minimum level is maintained) and to enable exceptional risks or contingencies to be funded where no other funding is available.

It will be essential in the event of any exceptional use of unearmarked reserves for the Council to continue to put in place arrangements in future years' budgets to recover the level of reserves to at least the minimum level within 3 years.

From 2001/2002, the Council adopted a risk management approach, which assesses the level of unearmarked reserves required against a corporate assessment of the risk being carried. The assessed risk suggests reserves of £13.5M for 2017/2018 with a minimum level of £7.5M, excluding earmarked reserves.

My recommendation that the budget is robust and Unearmarked reserves are adequate is on the basis that the Council and the Cabinet:

- Understand that this Budget proposal represents the second year of a challenging Spending Review period to 2019/2020 and that the Budget proposals identified in Directorate Plans will need to be delivered in full to achieve a balanced outturn budget position for 2017/2018.
- Recognise the need to continue to regularly review the level of reserves in the light of the regularly updated corporate risk assessment.
- Recognise that in any use of reserves to fund 'one-off' corporate priorities on an invest to save basis, the Council needs to be clear that the overall level of reserves remains adequate and that the relevant business cases for such expenditure are fully scrutinised and monitored appropriately.
- Recognise that where there is a draw down on risk assessed reserves taking them below the minimum level, for whatever reason, this is repaid within 3 years.
- Maintain a rigorous approach to financial monitoring, particularly at this time when a significant level of savings is expected to be delivered in the financial years ahead.
- Ensures that capital schemes are funded prudently and do not rely excessively on revenue funding and do not create unaffordable revenue consequences including maintenance and other running costs
- Maintain a prudent approach to budgeting for capital receipts, given due consideration to the prevailing market conditions and the need to optimise value over the medium term.
- The Cabinet Members, Strategic Directors and budget holders deliver their cash limits for 2016/2017 except where recurring financial pressures have been specifically recognised in the 2017/2018 Budget proposal.

Processes

Budget estimates are exactly that - estimates of spending and income made at a point in time. This statement about the robustness of estimates cannot give a guarantee about the Budget but gives members reasonable assurances that the Budget has been based on the best available information and assumptions at the time. The budget process aims to set challenging budgets while recognising the risk of this within its reserves strategy.

In order to meet the requirement on the robustness of estimates a number of key processes are in place, including:

- Specific guidance to Directorates on developing their budgets.
- A Council wide risk assessment.
- The continuing use of budget monitoring and financial outturn information to identify risks.
- The Council's s151 Officer and his staff providing advice throughout the process of budget preparation and budget monitoring.
- The Directors' review of the robustness of their budgets and budget sensitivities.
- Member scrutiny of the Directorate Plans.

Notwithstanding these arrangements, which are designed to test the budget throughout its various stages of development, considerable reliance is placed on the Strategic Directors and Divisional Directors having proper arrangements in place to identify issues, project costs, service demands, to consider value for money and efficiency, and to implement changes in their service plans. This is supported by appropriately qualified financial support service staff.

Corporate and departmental processes will continue to develop over the future financial planning period to reflect the challenging financial position of the public sector. This will include the on-going development of risk assessed budget monitoring and enhancements to processes for monitoring implementation and delivery of savings.

Robustness of Estimates

The 2017/2018 Budget and the supporting Directorate Plans continue to link financial resources to corporate priorities and risks. The delivery of the savings and income targets in the 2017/2018 financial year will be increasingly challenging and have presented some complex and difficult choices for the Council:

- To realise ongoing efficiencies.

- To allocate appropriate financial resources to meet new obligations and increased demand.
- To reduce where necessary service levels and standards, frequency of service delivery, and eligibility for services.
- To ensure all resourcing decisions reflect statutory and other external requirements, as well as Council priorities.
- To manage risks and impacts appropriately.

As part of developing the Budget, Members of the administration have considered these options and they are reflected in the proposed Budget.

Most notably the Council has had to continue to address significant reductions in government grant funding, unavoidable cost increases, and demand pressures as well as the corporate priorities including;

- Significantly reducing Government Grant funding
- Changes to national taxation and employer costs
- Changing statutory service and operating requirements
- The on-going impact of welfare and benefits reforms
- Priorities as set out in the Corporate Plan
- Low levels of interest rates
- Demand and price pressures in Adult Social Care
- Demand and price pressures in Children's Social Care
- Realising and maximising capital receipts
- Need for capital investment in priority schemes

The assumptions used for the 2017/2018 Budget period will require the forecasts for future years to be reviewed in light of actual circumstances. This will be undertaken as part of the Budget development for subsequent years.

Given all these factors I, as the Council's Section 151 Officer, consider the estimates for 2017/2018 to be sufficiently robust, and the reserves adequate, to be recommended for approval by the Council.

The Capital Budget

All new projects included in the capital programme are all proposed for **Provisional Approval**. This reflects the relatively limited time available to consider detailed project plans. All new projects proposals were agreed by the relevant Strategic Director and Cabinet Member and have identified sources to

achieve a fully funded position. Prior to consideration for **Full Approval**, the Divisional Directors and managers will prepare detailed project plans in line with financial regulations and guidance. These will be reviewed through the Divisional Directors Group prior to consideration for the appropriate approval.

Projects have been estimated and at outturn prices with further work required as part of detailed project planning. Many of the projects will be the subject to tender process after inclusion in the programme and this may lead to variance in the final cost.

Directorates are required to work within the given cash envelope so any under or over provision must be found within these limits.

In addition, I will require a clear commitment from the Council to:

- Ensure that all future commitments on the capital programme provide for a prudent source of funding in terms of revenue provision, including where investment will lead to future revenue savings or income generation.
- Carefully consider and balance the use of capital receipts to ensure they are prudently applied to help the council manage its resources effectively and achieve its priorities
- Review capital commitments in light of any future changes to Central Government support for capital projects where they are dependant on substantial Government funding.
- Be aware of the potential risks associated with capital spend before the scheme is completed i.e. the potential for costs charged to capital budgets to revert to revenue in the event schemes are discontinued prior to completion.

The West of England Local Enterprise Partnership (LEP)

The Council currently acts as the Accountable Body for the West of England LEP for a range of capital and revenue funding streams to support infrastructure, skills and economic development across the sub-region. This function is expected to transfer to the West of England Combined Authority during the course of 2017/2018.

In fulfilling this role, the Council acts as “agent” for the LEP with governance through a “one front door” process in accordance with the Assurance Framework.

The Capital Programme does not include any projects for the West of England unless they relate specifically to funding for capital schemes to be delivered directly by this Council following appropriate approval.

Estimated Available Revenue Reserves

Earmarked Revenue Reserves

The Council's earmarked revenue reserves have been reviewed as part of the 2017/2018 Budget proposal and are generally committed either directly or as a contingency provision as set out in Appendix 2. This position will be regularly reviewed.

Non-Earmarked Revenue Reserves

Detailed in the table below is the estimated level of non-earmarked revenue reserves over future years, reflecting the specific elements within the Budget proposal as set out in Appendix 2.

Table: Projected Non-Earmarked Revenue Reserves

	2017/18 £'000	2018/19 £'000	2019/20 £'000
Estimated Reserves @ 1st April each year	12,536*	12,480	11,975
2016/2017 Projected Outturn Underspensing	-	-	-
Projected Invest to Save Movements	-56	-505	-595
Estimated Reserves @ 31st March each year	12,480	11,975	11,380

* Increased provision to reflect risk & robustness assessment (£3m increase)

Assessment of Adequacy of Reserves

Under the Local Government 2003 Act the Secretary of State has reserve powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their s151 Officer.

Determining the appropriate levels of reserves is not a precise science or a formula e.g. a %age of the Council's budget. It is the Council's safety net for risks, unforeseen or other circumstances and must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the Council as these can and will change over time.

Determining the appropriate levels of reserves is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budgets, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management. This judgement is subject to regular review as an integral

part of the Council's financial reporting cycle, and annual review by full Council as an integral part of budget-setting and medium term financial planning. Clearly, as circumstances change, the currently recommended level of reserves can be expected to change.

The recommendation on the prudent level of reserves has been based on the robustness of estimate information and the Corporate Risk Register. In addition, the other strategic, operational and financial risks taken into account when recommending the minimum level of unearmarked reserves include:

- There is always some degree of uncertainty over whether the full effects of any economy measures and/or service reductions will be achieved. Directors have been increasingly challenged to identify savings and opportunities to provide for a balanced Budget proposal. Whilst there should be clear action plans to deliver such savings, they are highly reliant upon the capacity of key individuals and teams to deliver.
- The Bellwin Scheme Emergency Financial Assistance to Local Authorities provides assistance in the event of an emergency. The Local Authority is able to claim assistance with the cost of dealing with certain emergencies over and above a threshold set by the Government.
- The extent to which the Council is dependent on traded, seasonal and demand related income.
- The changing nature of local government funding and the reliance upon differing funding streams which may be more linked to national and local economic factors.
- The risk of major litigation, both current and in the future.
- The risk of a significant and unplanned change to a major funding stream.
- Risks in the inter-relation between the Council and other partner authorities and organisations.
- The establishment of the West of England Combined Authority and related underwriting of risks.
- Unplanned volume increases in major demand led budgets, particularly in the context of high and accelerating growth.
- The need to retain a general contingency to provide for any unforeseen circumstances or emergencies, which may arise.
- The need to retain reserves for general day-today cash flow needs.

The recommendations of the Council's s151 Officer are:

- That the Council continues to maintain an absolute minimum prudent level of unearmarked reserves (excluding schools) of £7.5m at the end of any financial year, in addition to any specific earmarked reserves. The minimum level is designed to cope with risk and unforeseen circumstances that cannot be addressed by management or policy action within the year. Management and policy action should be the first actions taken before any resort to reserves.
- That an appropriate level of unearmarked reserves to provide resilience against day to day risks is £13.5m. This level of reserves is designed to allow the Council to withstand a measure of changes in circumstances during the year or minor variations in projected resources or spending over the period of the medium term service and resource plans.
- That the Council should restore unearmarked reserves to at least their minimum level within a period of 3 years in the event they are used to meet any risks that crystallise.

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Project Title	PY Spend pre 2016/2017	Forecast Outturn 2016/2017	Actual / Projected Spend pre 2017/2018	Projected Re- phasing from 2016/2017 to 2017/2018 and Future Years	Budget Required 2017/2018	Total Budget 2017/2018	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Cost 5 Years	Overall Project Total	Total 5 Year Funding	
													Borrowing/ Capital Receipts	Grants/ External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
PLACE														
Environmental Services														
Full Approval														
Highways Maintenance Programme*	12,273	5,409	17,683	0	3,938	3,938	0	0	0	0	3,938	21,621	0	3,938
Transport Improvement Programme*	2,976	2,789	5,765	0	2,249	2,249	0	0	0	0	2,249	8,014	0	2,249
Bus Lane Camera Replacement	0	0	0	0	300	300	0	0	0	0	300	300	300	0
Saltford Station - reopening feasibility work	0	0	0	250	0	250	0	0	0	0	250	250	250	0
Keysham Town Centre	0	133	133	67	0	67	0	0	0	0	67	200	67	0
Street Lighting - LED Replacement Programme	0	2,140	2,140	0	894	894	0	0	0	0	894	3,034	894	0
Passenger Transport Vehicles	0	180	180	260	100	360	0	0	0	0	360	540	360	0
Parking - Vehicle Replacement Programme	0	15	15	0	85	85	0	0	0	0	85	100	85	0
Waste Re-provision feasibility work	117	133	250	220	0	220	0	0	0	0	220	470	220	0
Waste Project - relocation of cleansing	0	200	200	342	0	342	0	0	0	0	342	542	342	0
Beechen Cliff Woodland & Other Open Spaces Improvements	331	108	439	0	40	40	50	0	0	0	90	529	90	0
Bath Leisure Centre Refurbishment	373	3,000	3,373	2,127	2,135	4,262	0	0	0	0	4,262	7,635	4,262	0
Leisure - Council Client / Contingency	37	200	237	1,113	650	1,763	0	0	0	0	1,763	2,000	1,763	0
Bath Recreation Ground Trust - Leisure	0	500	500	0	500	500	1,000	0	0	0	1,500	2,000	1,500	0
Subtotal Full	16,107	14,808	30,914	4,379	10,891	15,270	1,050	0	0	0	16,320	47,234	10,133	6,187
Provisional Approval														
Transport Improvement Programme**	0	0	0	0	0	0	1,163	1,163	1,163	1,163	4,652	4,652	0	4,652
Highways - Structural Maintenance Block**	0	0	0	0	0	0	3,034	3,034	3,645	3,645	13,358	13,358	0	13,358
Highways - National Productivity Investment Fund (NPIF)*	0	0	0	0	788	788	0	0	0	0	788	788	0	788
Existing Park & Ride Traffic Control Equipment	0	0	0	0	0	0	30	0	0	0	30	30	30	0
London Road Modification	0	0	0	0	200	200	0	0	0	0	200	200	200	0
Dorchester Street, Traffic Review	0	0	0	0	100	100	0	0	0	0	100	100	100	0
Somerdale Bridge, Keynsham – Initial Options Study	0	0	0	0	70	70	0	0	0	0	70	70	0	70
A36 Lower Bristol Road Bus Lane	0	0	0	500	1,000	1,500	1,500	0	0	0	3,000	3,000	3,000	0
Park & Ride East of Bath - Site Dependent Costs	0	0	0	5,000	0	5,000	0	0	0	0	5,000	5,000	5,000	0
Park and Ride East of Bath-Main Works	0	300	300	3,800	0	3,800	0	0	0	0	3,800	4,100	3,800	0
Speed Enforcement Cameras	0	62	62	63	0	63	0	0	0	0	63	125	63	0
Great Western Main Line Improvements	0	0	0	1,500	0	1,500	0	0	0	0	1,500	1,500	1,200	300
Office for Low Emission Vehicles (OLEV) Bid	0	0	0	178	304	482	609	210	148	0	1,449	1,449	0	1,449
Parking enforcement Hand Held Computer Terminal replacement	0	0	0	0	0	0	0	0	0	80	80	80	80	0
Body Worn Video Cameras for Civil Enforcement Officers	0	0	0	0	25	25	0	0	25	0	50	50	50	0
Passenger Transport Vehicles	0	0	0	0	0	0	485	405	305	0	1,195	1,195	1,195	0
Replacement Mopeds for Outer Area Parking Enforcement	0	0	0	0	0	0	0	0	35	0	35	35	35	0
Radio System Replacement	0	0	0	0	0	0	0	0	0	45	45	45	45	0
Kingsmead Square Improvements	0	0	0	0	10	10	100	0	0	0	110	110	110	0
Parking - Radio System Replacement	0	0	0	45	0	45	0	0	0	0	45	45	45	0
Parking - Pay & Display Replacement Programme	0	0	0	50	350	400	0	0	0	0	400	400	400	0
Parking - Enforcement Hand Held Computer Terminal Replacement	0	0	0	80	0	80	0	0	0	0	80	80	80	0
Transport Strategic Review Items	0	0	0	150	200	350	200	0	0	0	550	550	175	375
Litter Bin Replacement Programme	0	0	0	0	25	25	25	25	0	0	75	75	75	0
Waste Project	0	0	0	0	18,838	18,838	3,999	130	266	0	23,233	23,233	23,233	0
Environmental Neighbourhood Services Vehicle Replacement Programme	0	0	0	0	715	715	276	604	620	76	2,291	2,291	2,291	0
Allotments - More Plots for Bath	0	0	0	0	10	10	0	0	0	0	10	10	10	0
Parks Action Response Work	0	0	0	0	288	288	0	0	0	0	288	288	0	288
Parks Equipment	0	0	0	0	41	41	41	41	0	0	123	123	123	0

Project Title	PY Spend pre 2016/2017	Forecast Outturn 2016/2017	Actual / Projected Spend pre 2017/2018	Projected Re- phasing from 2016/2017 to 2017/2018 and Future Years	Budget Required 2017/2018	Total Budget 2017/2018	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Cost 5 Years	Overall Project Total	Borrowing/ Capital Receipts	Grants/ External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Parks s106 Capital projects	0	0	0	0	289	289	204	187	38	0	718	718	0	718
Parks Play Equipment	0	0	0	0	278	278	229	253	0	0	760	760	760	0
Sydney Gardens: a 21st Century Pleasure Gardens	0	0	0	0	242	242	3,001	0	0	0	3,243	3,243	0	3,243
East of Bath - Skate Park	8	10	18	87	0	87	0	0	0	0	87	105	87	0
Air Quality Monitor Replacement	0	0	0	0	20	20	16	16	10	16	78	78	78	0
Leisure Bath - Car Park	0	0	0	0	200	200	0	0	0	0	200	200	0	200
Keynsham Leisure Centre Refurbishment	0	0	0	0	0	0	3,100	500	0	0	3,600	3,600	3,600	0
Leisure facility modernisation - Keynsham Sports Centre	0	0	0	0	1,000	1,000	5,416	0	0	0	6,416	6,416	6,416	0
Energy Efficiency Fund (was Biomass)	0	0	0	500	0	500	0	0	0	0	500	500	500	0
Subtotal Provisional	8	372	380	11,953	24,993	36,946	23,428	6,568	6,255	5,025	78,222	78,602	52,781	25,441
Sub Total - Environmental Services	16,115	15,180	31,295	16,332	35,884	52,216	24,478	6,568	6,255	5,025	94,542	125,836	62,914	31,628
Community Regeneration														
Full Approval														
Visitor & Till Management System	86	0	86	0	100	100	0	0	0	0	100	186	100	0
Roman Baths Archway Centre	0	73	73	0	3,659	3,659	1,585	0	0	0	5,244	5,317	1,000	4,244
Disabled Facilities Grant	1,957	1,002	2,959	0	1,100	1,100	0	0	0	0	1,100	4,059	0	1,100
BWR - Council Project Team	1,854	101	1,955	40	0	40	0	0	0	0	40	1,995	40	0
BWR - Affordable Housing	6,688	0	6,688	212	0	212	0	0	0	0	212	6,900	-265	477
BWR - Infrastructure	5,949	0	5,949	1,550	0	1,550	0	0	0	0	1,550	7,500	1,550	0
BWR - Relocation of Gas Holders	2,075	347	2,422	1,321	357	1,678	0	0	0	0	1,678	4,100	0	1,678
BWR - Green Park	3	25	28	122	0	122	0	0	0	0	122	150	122	0
Public Realm-Northumberland Place	119	0	119	10	0	10	0	0	0	0	10	129	10	0
Public Realm-Pattern Book	279	5	284	61	0	61	0	0	0	0	61	345	61	0
Public Realm-Team Costs	116	0	116	10	0	10	0	0	0	0	10	126	10	0
Public Realm - City Information Scheme	1,281	1	1,282	118	0	118	0	0	0	0	118	1,400	118	0
Enterprise Area - Flood Mitigation Phase 1	1,733	4,300	6,034	0	94	94	0	0	0	0	94	6,127	0	94
Bath Quays Bridge & Linking Infrastructure	0	1,170	1,170	0	1,892	1,892	0	0	0	0	1,892	3,062	0	1,892
Bath Quays Delivery	0	3,547	3,547	0	3,808	3,808	1,565	0	0	0	5,373	8,920	5,373	0
River Corridor & RoSPA safety works	519	238	757	122	0	122	0	0	0	0	122	879	122	0
Saw Close Development Works	61	234	295	39	1,566	1,605	250	0	0	0	1,855	2,150	610	1,245
Somer Valley Business Centres	27	36	63	63	0	63	0	0	0	0	63	125	63	0
Radstock and Westfield Implementation Plan	8	16	24	76	0	76	0	0	0	0	76	100	76	0
South Road Car Park	0	8	8	147	0	147	0	0	0	0	147	155	147	0
Manvers Street	0	0	0	57	0	57	0	0	0	0	57	57	57	0
Subtotal Full	22,756	11,103	33,859	3,948	12,576	16,523	3,400	0	0	0	19,923	53,783	9,194	10,730
Provisional Approval														
Roman Baths & Pump Room energy reclamation	0	0	0	0	250	250	0	0	0	0	250	250	250	0
Roman Baths & Pump Room electrical distribution	0	0	0	0	45	45	0	0	0	0	45	45	45	0
Roman Baths & Pump Room – Infrastructure development	0	0	0	0	0	0	0	0	100	100	200	200	200	0
Heritage Infrastructure Development 17/18 onwards	0	0	0	0	200	200	100	200	0	0	500	500	500	0
Disabled Facilities Grant Funding	0	0	0	0	0	0	1,100	1,100	1,100	1,100	4,400	4,400	0	4,400
Affordable Housing	0	730	730	0	1,058	1,058	590	590	635	635	3,508	4,238	3,055	453
Archway Centre Public Realm	0	0	0	0	226	226	0	0	0	0	226	226	226	0
Midsomer Norton Town Hall Transformation Project	0	0	0	0	110	110	2,570	0	0	0	2,680	2,680	1,558	1,122
Keynsham High Street: Permanent Scheme	0	0	0	0	120	120	2,400	0	0	0	2,520	2,520	120	2,400
River Avon Park	0	0	0	0	100	100	250	182	0	0	532	532	0	532
Cattlemarket	0	0	0	0	150	150	0	0	0	0	150	150	150	0
New Enterprise Zone – Infrastructure Plan	0	0	0	0	110	110	110	0	0	0	220	220	100	120
Pioneer Office Space – LGF Funded	0	0	0	0	10,000	10,000	0	0	0	0	10,000	10,000	0	10,000
Public Realm Improvements Programme	0	0	0	113	0	113	0	0	0	0	113	113	113	0

Project Title	PY Spend pre 2016/2017	Forecast Outturn 2016/2017	Actual / Projected Spend pre 2017/2018	Projected Re- phasing from 2016/2017 to 2017/2018 and Future Years	Budget Required 2017/2018	Total Budget 2017/2018	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Cost 5 Years	Overall Project Total	Borrowing/ Capital Receipts	Grants/ External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Innovation Quay - Economic Development Funding Enabling Infrastructure	0	599	599	13,001	0	9,012	2,807	11,513	5,768	6,295	35,395	35,994	35,395	0
Somer Valley Business Centres	0	0	0	1,200	0	1,200	0	0	0	0	1,200	1,200	750	450
Sawclose Pedestrian Highway Space	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Radstock Pedestrian Bridge	0	0	0	174	0	174	0	0	0	0	174	174	0	174
River Corridor Fund	0	0	0	70	0	70	0	0	0	0	70	70	70	0
Wayfinding and Public Realm Improvements	0	0	0	100	0	100	0	0	0	0	100	100	100	0
Digital B&NES	0	0	0	1,250	0	1,250	0	0	0	0	1,250	1,250	1,250	0
Bath Quays Delivery	0	0	0	0	7,445	7,445	2,100	0	5,250	6,285	21,080	21,080	21,080	0
Subtotal Provisional	0	1,329	1,329	15,908	19,814	31,733	12,027	13,585	12,853	14,415	84,613	85,942	64,962	19,651
Sub Total - Community Regeneration	22,756	12,432	35,188	19,856	32,390	48,256	15,427	13,585	12,853	14,415	104,536	139,725	74,156	30,381
TOTAL PLACE	38,871	27,612	66,483	36,188	68,273	100,472	39,905	20,153	19,108	19,440	199,078	265,561	137,070	62,008
PEOPLE & COMMUNITIES														
Adult Care														
Provisional Approval														
PSS Grant Unallocated	0	0	0	798	0	798	0	0	0	0	798	798	0	798
Subtotal Provisional	0	0	0	798	0	798	0	0	0	0	798	798	0	798
Sub Total - Adult Care	0	0	0	798	0	798	0	0	0	0	798	798	0	798
Children and Young People - Schools														
Full Approval														
Schools Capital Maintenance Programme	2,525	1,325	3,851	0	500	500	0	0	0	0	500	4,351	0	500
Schools Devolved Capital	679	1,435	2,114	0	328	328	0	0	0	0	328	2,442	0	328
Basic Needs Feasibility / Option Appraisal	3	6	9	0	250	250	0	0	0	0	250	259	0	250
Ensleigh - New Primary School	187	2,500	2,687	64	1,016	1,080	258	0	0	0	1,338	4,025	0	1,338
St Mary's Writhlington Replace Classroom Block	99	197	297	158	360	518	0	0	0	0	518	815	0	518
Saltford Primary - Basic Need	211	850	1,061	361	605	966	0	0	0	0	966	2,027	0	966
St Michaels Junior School Replace temporary building	0	250	250	35	0	35	0	0	0	0	35	285	0	35
School Energy Invest to Save Fund	60	-0	60	230	0	230	0	0	0	0	230	290	230	0
Castle Primary School - Basic Need	539	642	1,181	58	0	58	0	0	0	0	58	1,239	0	58
Paulton Junior School - Basic Need	110	1,506	1,615	131	65	196	0	0	0	0	196	1,811	0	196
Bishop Sutton Primary School - Basic Need	1,264	675	1,939	45	0	45	0	0	0	0	45	1,984	0	45
Subtotal Full	5,677	9,387	15,064	1,082	3,124	4,206	258	0	0	0	4,464	19,528	230	4,234
Provisional Approval														
Castle Primary expansion (Phase 4)	0	0	0	0	2,556	2,556	0	0	0	0	2,556	2,556	0	2,556
Bathwick St Mary Primary expansion	0	0	0	0	3,000	3,000	0	0	0	0	3,000	3,000	0	3,000
Whitchurch Primary expansion	0	0	0	0	1,308	1,308	0	0	0	0	1,308	1,308	0	1,308
St Nicholas' Primary expansion	0	0	0	0	1,500	1,500	1,000	0	0	0	2,500	2,500	0	2,500
Bathampton Primary, replacement of temporary accommodation	0	0	0	0	750	750	0	0	0	0	750	750	0	750
Midsomer Norton area bulge class	0	0	0	0	300	300	0	0	0	0	300	300	0	300
St Saviour's Junior bulge class	0	0	0	0	165	165	0	0	0	0	165	165	0	165
Swainswick Primary School	0	0	0	0	750	750	0	0	0	0	750	750	0	750
Schools Basic Need Grant 18/19	0	0	0	0	0	0	5,758	0	0	0	5,758	5,758	0	5,758
Children's Education Management System	0	750	750	0	70	70	0	0	0	0	70	820	70	0
Schools Capital Maintenance Grant 17/18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Clutton Primary – reinstate classroom space	0	0	0	0	0	0	100	0	0	0	100	100	0	100
Special Education Needs & Disability (SEND) Education Provision Loan	0	0	0	0	500	500	0	0	0	0	500	500	500	0
Schools Basic Need Grant Unallocated	0	0	0	1,383	0	1,383	0	0	0	0	1,383	1,383	90	1,293

Project Title	PY Spend pre 2016/2017	Forecast Outturn 2016/2017	Actual / Projected Spend pre 2017/2018	Projected Re- phasing from 2016/2017 to 2017/2018 and Future Years	Budget Required 2017/2018	Total Budget 2017/2018	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Cost 5 Years	Overall Project Total	Borrowing/ Capital Receipts	Grants/ External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Capital Maintenance Grant Unallocated	0	0	0	998	0	998	0	0	0	0	998	998	0	998
Schools Basic Need Grant	0	0	0	2,605	0	2,605	0	0	0	0	2,605	2,605	0	2,605
Schools Capital Maintenance Grant	0	0	0	111	0	111	0	0	0	0	111	111	0	111
Subtotal Provisional	0	750	750	5,097	10,899	15,996	6,858	0	0	0	22,854	23,604	660	22,194
Sub Total - Children and Young People - Schools	5,677	10,137	15,814	6,179	14,023	20,202	7,116	0	0	0	27,318	43,133	890	26,428
TOTAL PEOPLE & COMMUNITIES	5,677	10,137	15,815	6,977	14,023	21,000	7,116	0	0	0	28,116	43,931	890	27,226
RESOURCES SERVICES														
Property & Project Delivery														
Full Approval														
Corporate Estate Planned Maintenance	2,041	2,005	4,045	0	1,357	1,357	0	0	0	0	1,357	5,402	1,357	0
Equality Act Works	907	465	1,372	50	100	150	0	0	0	0	150	1,522	150	0
Workplaces Programme Delivery	5,478	1,333	6,812	160	0	160	0	0	0	0	160	6,972	160	0
Keynsham Regeneration & New Build	31,338	2,138	33,477	30	1	31	0	0	0	0	31	33,508	31	0
Disposals Programme (Minor)	104	40	144	127	0	127	0	0	0	0	127	271	127	0
Commercial Estate Investment Fund	0	50	50	300	0	300	0	0	0	0	300	350	300	0
Grand Parade & Undercroft	466	50	516	4,774	0	4,774	0	0	0	0	4,774	5,290	4,774	0
Roseberry Place	18	20	37	28	0	28	0	0	0	0	28	65	28	0
7 - 9 Lower Borough Walls	80	20	100	19	0	19	0	0	0	0	19	119	19	0
Saw Close Development	91	17	108	40	0	40	0	0	0	0	40	148	40	0
Property Company Investment	0	2,633	2,633	2,260	10,240	12,500	2,500	2,367	0	0	17,367	20,000	17,367	0
Subtotal Full	40,523	8,771	49,294	7,788	11,698	19,486	2,500	2,367	0	0	24,353	73,647	24,353	0
Provisional Approval														
Commercial Estate Investment	0	3,138	3,138	0	29,100	29,100	24,500	0	0	0	53,600	56,738	53,600	0
Cleveland Pools Trust	0	0	0	0	200	200	0	0	0	0	200	200	200	0
City Centre Protection Measures	0	0	0	0	200	200	0	0	0	0	200	200	200	0
Corporate Estate – Remediation Works	0	0	0	0	250	250	0	0	0	0	250	250	250	0
Corporate Estate Planned Maintenance	0	0	0	0	0	0	1,357	1,357	0	0	2,714	2,714	2,714	0
Equality Act Works	0	0	0	0	0	0	100	100	0	0	200	200	200	0
Print Services - Equipment Investment	0	0	0	300	0	300	0	0	0	0	300	300	300	0
Disposals Programme (Minor)	0	100	100	0	100	100	100	100	0	0	300	400	300	0
Subtotal Provisional	0	3,238	3,238	300	29,850	30,150	26,057	1,557	0	0	57,764	61,002	57,764	0
Sub Total - Property	40,523	12,009	52,532	8,088	41,548	49,636	28,557	3,924	0	0	82,117	134,649	82,117	0
Strategy & Performance														
Full Approval														
LAA Performance Reward Grant	247	75	322	87	0	87	0	0	0	0	87	408	0	87
Subtotal Full	247	75	322	87	0	87	0	0	0	0	87	408	0	87
Provisional Approval														
Bath Area Forum – CIL funded Schemes	0	0	0	0	140	140	0	0	0	0	140	140	0	140
Energy Services Investment	0	0	0	750	750	1,500	750	750	0	0	3,000	3,000	3,000	0
Subtotal Provisional	0	0	0	750	890	1,640	750	750	0	0	3,140	3,140	3,000	140
Sub Total - Strategy & Performance	247	75	322	837	890	1,727	750	750	0	0	3,227	3,548	3,000	227

Project Title	PY Spend pre 2016/2017	Forecast Outturn 2016/2017	Actual / Projected Spend pre 2017/2018	Projected Re- phasing from 2016/2017 to 2017/2018 and Future Years	Budget Required 2017/2018	Total Budget 2017/2018	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Cost 5 Years	Overall Project Total	Borrowing/ Capital Receipts	Grants/ External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Business Support														
Full Approval														
Desktop As a Service - VDI Technology	780	100	879	103	90	193	135	0	0	0	328	1,207	328	0
Customer Services System	860	0	860	215	0	215	0	0	0	0	215	1,075	215	0
Agresso System Development & 5.6 Upgrade	0	40	40	45	58	103	0	0	0	0	103	143	103	0
Subtotal Full	1,640	140	1,779	363	148	511	135	0	0	0	646	2,425	646	0
Provisional Approval														
Digital Programme	0	0	0	0	1,850	1,850	2,020	1,130	0	0	5,000	5,000	5,000	0
IT Asset Refresh Programme	0	0	0	0	271	271	611	315	181	134	1,512	1,512	1,512	0
Income systems upgrade & associated works	0	0	0	0	45	45	0	0	0	0	45	45	45	0
Communications Hub	0	80	80	76	20	96	0	0	0	0	96	176	96	0
Civica Income Management System Developments	0	0	0	60	0	60	0	0	0	0	60	60	60	0
Subtotal Provisional	0	80	80	136	2,186	2,322	2,631	1,445	181	134	6,713	6,793	6,713	0
Sub Total - Business Support	1,640	220	1,859	499	2,334	2,833	2,766	1,445	181	134	7,359	9,218	7,359	0
Customer Services														
Provisional Approval														
Modern Libraries & Workplaces	0	0	0	0	5,953	5,953	0	0	0	0	5,953	5,953	5,595	358
Radstock Healthy Living Centre	0	0	0	0	1,046	1,046	0	0	0	0	1,046	1,046	760	286
Revenues & Benefits System: end of life replacement	0	0	0	0	0	0	750	0	0	0	750	750	750	0
Subtotal Provisional	0	0	0	0	6,999	6,999	750	0	0	0	7,749	7,749	7,105	644
Sub Total - Customer Services	0	0	0	0	6,999	6,999	750	0	0	0	7,749	7,749	7,105	644
TOTAL - RESOURCES	42,409	12,304	54,713	9,423	51,771	61,195	32,823	6,119	181	134	100,452	155,165	99,581	871
Corporate Capital Contingency	0	2,000	2,000	0	0	0	0	0	0	0	0	2,000	0	0
GRAND TOTAL	86,957	50,054	137,010	52,588	134,068	182,667	79,844	26,272	19,289	19,574	327,646	464,657	237,541	90,105

* Subject to confirmation of Mayoral Budget Allocation expected March 2017

** Subject to future Mayoral Budget Allocations and agreement of Key Road Networks

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Highways Maintenance Capital Planned Maintenance Programme 2017/2018

Programme	Project	Value
<u>Street Lighting Programme</u>	Sham Castle Lane, Bathwick	£13,800
	St Christophers Close, Bathwick	£4,600
	Minster Way, Bathwick	£19,550
	Bailbrook Lane, Lower Swainswick	£10,350
	Abingdon Gardens, Odd Down	£8,050
	Banwell Road, Odd Down	£11,500
	Monksdale Road, Oldfield	£6,900
	Arundel Road, Walcot	£4,600
	Clarence Street, Walcot	£4,600
	Pera Place, Walcot	£5,750
	Lynfield Park, Weston	£7,000
	Eastfield Avenue, Weston	£40,000
	Down Lane, Bathampton	£12,650
	Miller Walk, Bathampton	£3,450
	Holcombe Vale, Bathampton	£11,500
	Courtenay Road, Keynsham	£20,000
	Banwell Close, Keynsham	£6,250
	Charlton Lane, Midsomer Norton	£11,500
	Valley Walk, Midsomer Norton	£4,600
	Nightingale Way, Midsomer Norton	£8,050
	Haydon Hill/Haydon Gate, Radstock	£11,300
	Waterside Way, Westfield	£20,000
	Waterford Park/Maple Drive, Westfield	£50,000
	Birch Road, Westfield	£4,000
	Sub Total	£300,000
<u>Highway Structures Programme</u>	Cleveland Bridge, Walcot - Design	£50,000
	Camden Crescent, Bath - Arch Repairs Phase 1 Construction	£375,000
	Vineyards/Lansdown Road Retaining Wall & Railing Repairs - Construction	£125,000
	Structures Inspection Remedial Works Programme	£75,000
	Structures Assessment Programme	£75,000
	Sub Total	£700,000
<u>Highway Drainage Programme</u>	A37 Pensford Bridge - Highway Drainage Improvements	£10,000
	A368 Bishop Sutton - Various Highway Drainage Improvements	£50,000
	Pitway Lane, Farrington Gurney - Surface Water Drainage Improvements	£20,000
	Old Mills Lane, Farrington Gurney - Surface Water Drainage Improvement	£30,000
	Millenium Hall, West Harptree - Highway Drainage Improvements	£15,000
	Montrose Cottages, Lower Weston - Drainage Improvement Works	£25,000
	Sub Total	£150,000
<u>Carriageway Resurfacing & Major Re-Construction</u>	A4 Keynsham Bypass Phase 1 (Westbound), Keynsham	£500,000
	A37 Bristol Road, Pensford	£250,000
	A4 London Road & Cleveland Place Junction, Walcot	£250,000
	Weston Lane & Marlborough Buildings Junction, Kingsmead/Lansdown	£75,000
	Kelston View Trial Scheme, Whiteway	£125,000
	Wellow Lane, Wellow (In-situ Recycling Scheme)	£250,000
	Sub Total	£1,450,000
<u>Carriageway Surface Dressing</u>	A39 Wells Road, Corston	£106,498
	C492 Pennyquick, Newton St. Loe	£35,389
	A368 Wick Road, Bishop Sutton	£2,987
	A37 Bristol Road, Farrington Gurney	£58,328
	A362 Main Street, Farrington Gurney	£36,917
	Paulton Road & Farrington Road, Farrington Gurney	£45,639
	B3114 Bristol Road, West Harptree	£39,242
	Sub Total	£325,000
<u>Carriageway Micro Asphalt Surfacing</u>	Alpine Close, Paulton	£4,945
	Alpine Road, Paulton	£6,107
	Cadbury Road, Keynsham	£13,649

Highways Maintenance Capital Planned Maintenance Programme 2017/2018

Programme	Project	Value
	Castle Gardens, Bloomfield	£15,066
	Courtenay Road, Keynsham	£29,976
	Dragons Hill Gardens / Court, Keynsham	£14,259
	Dymboro Avenue, Midsomer Norton	£3,997
	Dymboro Close, Midsomer Norton	£7,657
	Dymboro Gardens, Midsomer Norton	£3,066
	Hatfield Road, Bloomfield	£9,025
	Hinton Close, Saltford	£9,305
	Homefield Road, Saltford	£10,525
	Iford Close, Saltford	£6,915
	Justice Avenue, Saltford	£6,313
	Kelston View, Whiteway	£30,232
	Maesbury Road, Keynsham	£10,542
	Morgan Close, Saltford	£4,789
	Park Road, Paulton	£23,622
	Pulteney Avenue, Widcombe	£2,951
	Pulteney Gardens, Widcombe	£15,709
	Pulteney Grove, Widcombe	£4,698
	Purlewent Drive, Weston	£6,091
	Rosslyn Road, Newbridge	£21,685
	Silbury Rise, Keynsham	£10,706
	St Lukes Road, Bloomfield	£6,486
	West Hill Road, Westfield	£24,471
	Windrush Road, Keynsham	£22,213
	Sub Total	£325,000
Footway Programme	Paving Programme	£100,000
	Asphalt Concrete Programme	£75,000
	Slurry Sealing Programme	£75,000
	Sub Total	£250,000
Other Programmes	Planned Patching Programme & Pothole Action Fund	£388,000
	Planned Road Marking Improvement Programme	£50,000
	Sub Total	£438,000
OVERALL 2017/18 TOTAL		£3,938,000

Transport Improvement Programme 2017/2018

Programme	Project	Value	Value
Local Safety Schemes	Anti-Skid Surfacing	10	£10,000
	Accident investigation and prevention (AIP) & scheme design	20	£20,000
	Ensleigh Zebra crossing S106 Funded	32	£31,983
	A4 Route Review works	100	£100,000
	A367 Route Review	20	£20,000
	Minor Safety Schemes	20	£20,000
	Bathwick Street Crossing Detailed Design + delivery	70	£70,000
	The Hill Freshford Footway construction/TRO	30	£30,000
	Marksbury Safety Improvements	25	£25,000
	Braysdown Lane Crown	20	£20,000
	Bathampton Road Safety Improvements - Phase 1 works and feasibility study	40	£40,000
	Sub Total	387	£386,983
Public Transport	Improvements to bus stops	35	£35,000
	Sub Total	35	£35,000
Managing Congestion	Two Headed Man - Capital contribution	155	£154,736
	Getting About Bath Modelling and Pedestrian Improvements	100	£100,000
	Parking Schemes TRO	45	£45,000
	Keynsham Strategy	50	£50,000
	Marlborough Buildings	70	£70,000
	A368/A39 Marksbury Junction assessment	20	£20,000
	Sub Total	440	£439,736
Safer Routes to Schools	Strategic Review Safe Routes to school	75	£75,000
	Lower Oldfield Park Zebra crossing	40	£40,000
Cycle Schemes	Sub Total	115	£115,000
	Cycle parking	5	£5,000
	Cycle Network Contribution Keynsham cycling S106	51	£50,761
	Sydney Gardens Cycle link from Great Pultney Street to K&A towpath	5	£5,000
	Sub Total	61	£60,761
Pedestrian Schemes	Aids to mobility	20	£20,000
	Public Rights of Way	70	£70,000
	Castle School footpath s106 contribution	42	£42,207
	Parkhouse lane/ St Clements close link S106	26	£26,378
	Midford Road Central refuge island	15	£15,000
	Knobsbury Lane, Writhlington Footway Improvements	20	£20,000
	Englishcombe Lane, Soothdown - Zebra crossing feasibility study & costing	5	£5,000
	Radstock Road M-S-N Zebra/Pufin crossing feasibility study	5	£5,000
	Prior Park Road - Rossiter Road washup.	15	£15,000
	Sub Total	219	£218,585
Traffic Management Schemes	Greenway Lane Traffic calming S106	36	£35,789
	Paulton Feasibility Salisbury Road crossing 106 funded	61	£61,475
	Frome Road/Knobsbury Lane speed limit/VAS/Speed camera S106	50	£50,000
	Mulberry Park - Feasibility design of ped crossings and cycle lane S106	20	£20,000
	Temple Cloud - Temple Inn Lane Speed restraint + signing rationalisation S106	10	£10,000
	Brougham Hays junction improvements Design S106	20	£20,000
	Wick Road, Bishop Sutton pedestrian improvements S106	15	£15,195
	Width/Weight limit TRO'S	25	£25,000
	Speed Limit TRO's	25	£25,000
	Batheaston fiveways junction improvement feasibility study	5	£5,000
	Sub Total	267	£267,459
Miscellaneous	JLTP Monitoring, Equipment and NHT survey	35	£35,000
	Programme Management	50	£50,000
	Sub Total	85	£85,000
Local Growth Fund Schemes	Two Headed Man	350	£350,000
	Employer Grants	30	£30,000
	School college cycle grants	25	£25,000
	Cycle link Mop up	20	£20,000
	Strategic Review Safe Routes to school	75	£75,000
	Better Bus Area Fund Schemes	70	£70,000
	Sub Total	570	£570,000
CIL	A37 Woollard Lane	70	£70,000
	Sub Total	70	£70,000
	OVERALL 2017/18 TOTAL	2,249	£2,248,524

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Corporate Estate Planned Maintenance Programme 2017/2018

Business Unit	Project	Value
Hampton Row from Cleveland Swimming Baths	Re-building section of stonework to western boundary wall with Fir Tree Cottage (sections A & B).	£40,000
Batheaston Gardens	Southern boundary stonework wall works. Lowering of stone pillars to central circular feature to reduce health and safety risk.	£21,000
St John's Church, Keynsham, Land at rear of (aka The Paddock)	Demolition of derelict building to corner of paddock.	£8,000
Southside Youth Centre	New surface to the basketball court.	£34,000
Welton Transfer Station	Block 006 Process Building Reception Hall, concrete floor surface wearing away due to the building being put back into full time operation. The use of grab loading machine has resulted in health and safety risk of accelerated surface wear to concrete floor and exposure of reinforcing bars. New floor required	£87,000
Lansdown Playing Fields (South)	New central paving slab area and paths.	£17,500
Royal Victoria Park Offices & Nurseries	Replace heavily damaged perspex panels to potting shed roof with 75mm profile pvc corrugated roof sheets.	£5,200
Royal Victoria Park - Offices & Nurseries	Emergency lighting required - commission inspection and	£5,500
Haycombe Crematorium	Fire Risk Assessment works.	£25,500
Peasedown St John Youth Club	Fire alarm works and new surfacing to the basket ball court surface.	£38,500
Lansdown Cemetery Closed Burial Ground	Re-building stonework wall facing road.	£20,000
Firs Field Play Area	Re-building stonework wall adjacent Children's Play Area.	£10,000
Millards Hill / White City PF Welton	Propane gas tank protection works	£14,000
Guildhall	Fire Risk Assessment works.	£34,800
12 Charlotte Street	Fire Risk Assessment works.	£17,500
Lewis House	New UPS batteries	£9,000
Lansdown Playing Field South	New fence	£6,500
Guildhall	New bin store	£3,500
Various properties across all council portfolios	Planet Cube system IT system	£50,000
Various properties across all council portfolios	Tree surveys and subsequent works	£35,000
Various properties across all council portfolios	Safety glazing survey and subsequent works	£55,000
Various properties across all council portfolios	Asbestos Management Surveys and subsequent works	£90,000
Various properties across all council portfolios	Legionella Risk Assessments and subsequent works	£97,000
Various properties across all council portfolios	Radon - Initial testing surveys and subsequent works	£50,000
Various properties across all council portfolios	Remedial works following 5 year electrical testing previous financial years	£175,000
Various properties across all council portfolios	Remedial works from 5 year electrical tests to be undertaken in 2016 & 2017	£175,000
Various properties across all council portfolios	Emergency Lighting remedial works following testing	£46,500
	MTCQS & Prelims	£86,000
	Contingency	£100,000
Total		£1,357,000

Equalities Act Works 2017/2018

Business Unit Name	Defect / works required	Value
Allotments	Disabled access provisions	£18,500
Bloomfield Road Play Area	New surface and handrail required from the gate on main road down to the flat area of the park.	£15,000
Guildhall	Fire Alarm - provide 11 No. sounder beacons in toilet areas.	£2,000
Guildhall	Line marking	£1,500
Excelsior Terrace M.S.N. Car park	new surface and line marking - Equalities compliant	£48,000
	Contingency	£15,000
Total		£100,000

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Council MRP Policy – (Revised 2016/17 Policy & 2017/18 Policy)

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

- For capital expenditure incurred before 1st April 2008 MRP will be determined as the principal repayment on a 50 year annuity with an annual interest rate equal to 2% which will fully finance this element of the CFR within 50 years, incorporating an "Adjustment A" of £38.8m. This is a change from original 2016/17 MRP Policy where the CFR was being financed on a 4% reducing balance methodology and whilst the change will generate savings it is also considered to be more prudent as it finances the CFR over a shorter period.
- For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity with an annual interest rate equal to the average relevant PWLB rate for the year of expenditure, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
- For assets acquired by finance leases or the Private Finance Initiative [and for the transferred debt from Avon County Council], MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP

Appendix 2 Annex 4

policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational.

Capital expenditure incurred during each financial year will not be subject to a MRP charge until the following financial year or until the year after the asset becomes operational.

Appendix 3 - 2017/18 - 2019/20 Savings Details

PLACE

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Efficiency Savings									
Commissioning of Destination Management (including Visitor Economy, markets, pop ups and events)	Supporting Bath Tourism Plus to become self sustaining	100	150	350	600	M/H	0	Work with Bath Tourism Plus on their property solutions.	Improved coordination of visitor economy activities for resident and visitors.
Street Lighting LED replacement	A replacement programme of existing lights with more efficient ones	28	5	0	33	L	0	Conversion of units to efficient LEDs & introduction of dimming technology.	Energy savings through more efficient lighting and more reliable lanterns. Achieved as an invest to save project
Investigate expansion of HMO licensing scheme &/or selective licensing	The Government has announced its intention to widen the criteria for properties to be included within the mandatory HMO licensing scheme. An element of this additional income will be used to purchase inspection and administrative support from existing staff resources in order to process the additional licences.	36	0	0	36	M	0	None	None
Depot Review	Rationalise depots to reduce costs and enable capital improvements to remaining sites.	62.5	37.5	0	100	L/M	Changes to working locations	Reduction in number of sites and improvement of remaining assets.	None
Service review within Development Management	Staff Restructure	21.4	7.1	0	28.5	L	0.6	None	None
Combine support functions - transport & licensing hub	Combine support functions - transport & licensing hub	20	0	0	20	M	0.5	None	Increased efficiency for the customer, but less capacity in highways to handle customer enquiries
Sub Total - Efficiency Savings		268	200	350	818				

Income Generating Opportunities									
Film Office Option	Increase in income generated from management of filming in BaNES and sales of stock video / drone footage to film makers.	20	20	20	60	L	0	None	Expanding the service offer to other partners in order to generate greater income, will improve further the overall perception of the service.
Heritage Services business plan	Continued progression of business plan in line with recent performance.	390	300	250	940	M	0	None	To be managed through Heritage business plan.
Increase Homesearch Marketing Fees	Increase the recharges for this service.	7.5	7.5	7.5	22.5	M	0	None	None
Increase income from weddings in parks	Continue to build upon and maximise this existing income stream by improving exposure & marketing opportunities.	50	0	0	50	M	Additional 0.5 FTE	Use of Parks sites for Weddings	Site improvements may be required to maximise the potential return and these will be considered through individual business cases.
Spring Water	Income through the supply of spring water to third parties.	20	0	0	20	L	0	None	Existing expertise in this area will be maximised to achieve a greater income

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
BaNES Enterprise Agency / SME Workspace Management	Development of a series of managed workshops in Bath(Quays) and Somer Valley (existing Wansdyke Business Centre) and a potential new facility managed by Basepoint who have expertise to generate an income.	0	50	0	50	L	0	None	Enhanced provision of managed workspace across B&NES
Income stream from Bath Casino	Receive an income stream through licensing agreement.	0	0	85	85	L	0	None	None
Transport & Parking Services review	A Parking Strategy Review will outline different parking charge options. This review will be concluded this financial year	335	227.5	0	562.5	H	0	None	A parking Review will ensure that spaces are optimised to support the local economy, it will also identify the appropriate location for cashless machines which will result in an efficiency saving.
Bereavement Service increase charges 12% Increase	Increase charges by 12%	60	60	0	120	L	0	None	None directly attributed. An offering for cheaper funerals will be developed for consideration .
Increase cost of Garden waste Collection	Increasing the charge for the collection of Garden Waste from £42 to £44	36	0	0	36	L	0	None	None
Increase Arboriculture Income	Increasing external tree inspection services to other organisations.	10	0	0	10	L	0	None	None
Increase Horticultural Income	Full cost recovery for the provision of floral arrangements and hanging baskets	20	0	0	20	L	0	None	None
Neighbourhood Planning applications from Parish Councils	Enabling further grant over 2 years by implementing with Parishes higher number of Neighbourhood Planning applications.	50	0	-50	0	L	0	None	Increased quality and support to Neighbourhood Plans would further enhance the relationships with communities and parishes.
Development Management Additional income streams	Increasing charges for householder enquiries and charging for reviewing Neighbourhood Plans produced by Town and Parish Councils	5	0	0	5	L	0	None	Slightly enhanced service delivery through offering of new service of checking neighbourhood plans. Service retained as is for householder enquiries.
Business Advisory Public Protection - Pre-apps	Deliver a Business led 'Sustainable Regulatory Delivery Operating Model'	30	0	0	30	M	0	None	Better relationships with businesses and new business engagement opportunities.
Sub Total - Income Generating Opportunities		1,034	665	313	2,011				

Refinancing									
Disabled Facility Grants - retained at current level and refinanced from grant.	Application of grant monies available.	265	0	0	265	L	0	None	None
Sub Total - Refinancing		265	0	0	265				

Service Redesign									
Transport - moving people from A to B	Through a cross Directorate Working Group looking at the opportunities to improve customer options whilst also being cost effective	477	525	568	1570	M	0	Infrastructure improvements to facilitate delivery changes.	Service delivery is being changed and structure reviewed to enable more interaction with the customer e.g. moving to more personalised budgets in relation to SEN transport options. Proposals will be discussed with the WECA where appropriate.
Arts Development	Phase out Art grants from the Council moving to a strategic support role.	57	57	319	433	L	0	None	The Council will cease to solely fund cultural activity via commissioning or grant except where match funding has been secured from strategic partners
Neighbourhoods& Environment - Parks	Reduce cost through meadow style planting and grass cutting regime	50	50	0	100	M	0	Long term growth on park land.	Areas of the district will retain short mown grass, however more areas will have longer meadow-style areas.

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Recycling Centre resourcing review	Reduce staffing at recycling centres during quiet periods	10	0	0	10	L	1	None	None
Review of Dog Warden Service	Provide statutory minimum service	30	30	0	60	M	Up to 2	None	Statutory duty in terms of the Dog Warden Service is to (i) collect; & (ii) kennel stray dogs for 7 clear days. The revised service will deliver on the statutory elements only.
Time banding vans at recycling centres	Time banding slots for vans at recycling centres to reduce trade abuse	10	0	0	10	L	0	None	Residents wanting to use the Recycling Centres with Vans and Trailers will only be able to so at specified times.
Proof of residency only change from electronic	Administratively change residents permits from electronic to "proof" of residency only	10	0	0	10	L	1	None	Residents will be required to show proof of residency when using the Recycling Centres.
Optimise (& prioritise) cyclic highways maintenance programme	Deliver savings through: - Optimising maintenance schedule - Prioritising spend areas within maintenance schedule - and placing controls around enabling spend against priority areas	125	125	0	250	M	0	Highway network managed decline.	Adoption of nationally recognised guidance for highway maintenance, which has moved to a risk based approach.

Sub Total - Service Redesign

769	787	887	2,443
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TOTAL PLACE

2,335	1,652	1,550	5,537
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Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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PEOPLE & COMMUNITIES

Adult Social Care & Health

Efficiency Savings									
Prime Provider Social Care & Health Contract	Incorporated into the Prime Provider contract and associated risk and gain share.	300	0	0	300	L	0	None	To be delivered through efficiencies, including as a result of implementation of the new social care IT system, Liquidlogic, which will support more streamlined business processes.
Community Support Services	Reduce cost of Community Support services through: Re-defining requirements - new specification with focus on maximising independence and reduce longer-term dependency on funded care. Utilise Prime Provider/DPS arrangement to achieve contracting efficiencies.	0	75	25	100	M	0	None	Improved outcomes for service users as they are able to access services that are focused on maximising their independence and not building unnecessary dependency.
Day Care	Reduce the cost of day care services through: redefining requirements - new specification with focus on maximising independence and reducing longer-term dependency on funded care and moving away from more traditional model of day care for people with a LD that have been day-centre based, standard activities. Also, revise approach to transport provision to reflect this new approach.	25	75	0	100	M	0	May impact the long term future use of two Council-owned day-centres	Improved outcomes for service users as they are able to access services that are focused on maximising their independence and not building unnecessary dependency. Potential reduced access to existing service for some people with an LD as the service model is redesigned with a shift away from the current, traditional day-centre model.
Provider Relationship	Strengthen the focus of providers on maximising independence by focusing on individual's strengths, interests, abilities and networks improving outcomes and reducing longer term dependency. Support with a risk and gain share model with community services providers to incentivise them to deliver outcomes and reduce package costs.	125	125	0	250	M	0	None	Improved outcomes for service users able to access services focused on maximising independence. Greater visibility of the available options for service users and carers, giving them greater choice and control. Services can be co-ordinated around the needs and wishes of the individual.
Residential and nursing re-commission	Reduce the cost of care home placements through: a) Refinement of eligibility criteria and active promotion of community based alternatives that focus on maximising independence; b) Ensuring consistency and equity in care home fees by implementing a new commissioning and contracting model informed by Fair Price of Care exercise undertaken in 2016/17; & c) Design and implementation of a brokerage service.	0	75	25	100	M	0	None	The assessed level of need is aligned with the cost of meeting that need avoiding "over-prescription" and increased dependency. Improved consistency and equity between service user groups. Improved cost control supported by efficient payment processes achieves better value for money.

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Assistive Technology	Increase the use of assistive technology to reduce overall package costs and reduce demand longer term for residential care a) Package cost reduction of existing service users b) Demand management - reduce future demand for more expensive care through early identification of service users who will benefit from assistive technology c) Income generation - charge service users without eligibility for Council provided care	50	50	0	100	M	0	None	Improved outcomes for service users able to access services focused on maximising independence. Greater visibility of the available options for service users and carers, giving them greater choice and control. Services can be co-ordinated around the needs and wishes of individuals. Some service users may be charged for their service, if not eligible for Council care.
Re-ablement	Maximise impact of re-ablement service promoting independence, avoiding unnecessary admission to residential and nursing care/hospital and supporting timely discharge from hospital. Streamline pathways into reablement to improve access, reduce waiting times and prevent a delay in individuals receiving a service. Improve service user outcomes and reduce dependency on long term packages of care.	125	125	0	250	M	0	None	Service users are supported to maximise their independence and packages do not build unnecessary dependency on funded services resulting in improved outcomes. The assessed level of need is aligned with the cost of meeting that need avoiding "over-prescription" and increased dependency. Improved access to reablement service and avoidance of delays. Some service users receiving reablement for longer than 6-weeks whilst waiting for an ongoing package of care may be charged for their care.
Page 97 Front Door Review	Redesign social care access as part of an integrated 'front door' to place greater emphasis on: a) providing information, advice and guidance; b) enabling people to access alternative preventative and self-care focused services including those provided by voluntary sector organisations; and c) ensuring that individuals who do need statutory social care services are able to access them without delay.	62.5	187.5	0	250	M	0	None	Service users are supported to maximise their independence and packages do not build unnecessary dependency on funded services resulting in improved outcomes. The assessed level of need is aligned with the cost of meeting that need avoiding "over-prescription" and increased dependency. Improved access to statutory health and care services and avoidance of delays in individuals receiving a service. Greater visibility of the available options for service users and carers, giving them greater choice and control. Service users are enabled to help themselves.
Incremental Package Costs	Analysis of package data indicates that in 2015/16 there were a significant number of incremental package increases. A proportion of these increases will have been appropriate to respond to an increase in need. However, existing controls and governance can be strengthened to reduce the volume, value and duration of incremental increases.	50	50	0	100	M	0	None	<ul style="list-style-type: none"> Reduced prevalence of incremental package increases, realising a cashable benefit Improved outcomes for service users by ensuring they receive the right level of care at the right time and dependency is not built unnecessarily Wider strategic objectives are supported by actively promoting and encouraging alternative ways to meet an identified need that does not necessarily rely on funded social care support, for example, assistive technology Decision makers are held to account which can result in a greater level of ownership for operational decisions to contribute to wider practice changes Greater visibility of incremental increases will inform practice change and market development work, by better understanding local drivers for package increases and being better equipped to respond to the reasons for those.

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Support Planning and Brokerage	Transform the approach and delivery structure of support planning and brokerage. This will involve implementing an asset based approach and separating the assessment from support planning and brokerage functions to improve operational efficiency, provide the framework for more innovative support plans and increase consistency to realise cashable and non-cashable benefits.	50	50	0	100	M	0	None	Service users are supported to maximise their independence and packages do not build unnecessary dependency on funded services resulting in improved outcomes. The assessed level of need is aligned with the cost of meeting that need avoiding "over-prescription" and increased dependency. Improved access to statutory health and care services and avoidance of delays in individuals receiving a service. Greater visibility of the available options for service users and carers, giving them greater choice and control. Service users are enabled to help themselves.
Review/restructure of Disabled Care Team (Adults & Children's)	The children's disability team is currently an in-house team whilst the Adult's team is externalised. An opportunity exists to merge the function through service restructuring.	50	50	0	100	m	Not known at this stage	None	The option of amalgamating the Adult and Children's services would provide an opportunity to develop a more seamless service and improve transition arrangements. This could also offer efficiencies in management and back-office costs.
Home Care Compliance	Develop the approach to home care commissioning to strengthen the focus on outcomes and maximising independence. Redesign the commissioning and contracting model to achieve efficiency, stimulate the market and incentivise providers to maximise independence. Streamline business processes to gain efficiencies from payment processes and cost controls.	50	50	0	100	M	0	None	Service users are supported to maximise their independence and packages do not build unnecessary dependency on funded services resulting in improved outcomes. The assessed level of need is aligned with the cost of meeting that need avoiding "over-prescription" and increased dependency. Improved cost control supported by efficient payment processes achieves better value for money.
Sexual health portfolio	Reduction in sexual health preventative and treatment services by ending contracts, reducing contract values and changing service specifications with service providers	31	0	0	31	L	0	None	Loss of service for some specific sexual health interventions as described in last year's plan
Health Improvement Programmes	Completion of last year's agreement to reduce some areas of contract spend on preventative services	157	0	0	157	L	0	None	Reductions across a range of service budgets as described in last year's plan
Public Health further savings	Savings in 17/18 will be made against health improvement programmes including from the DPH award (non-pay), NHS health checks and other lifestyle programmes not included in the Your Care, Your Way envelope. Savings in 18/19 will involve reduction in support to CCG health protection, internal intelligence posts, training budgets and possibly other changes to budgets for staff or commissioned services based on the Your Care, Your Way process.	50	50	0	100	L	0	None	This will have a small impact on a range of preventive services carried out in schools and in the community but no service will be lost entirely and direct client-facing services will be maintained and efficiency maximised through service remodelling in the Your Care, Your Way process
Sub Total - Efficiency Savings		1,126	963	50	2,138				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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Growth Avoidance

Adult Social Care Demographic Growth - Older People over 65	Fair Price of Care and modelling of alternative fee structures for care home placements has informed development of new commissioning and contracting approaches. However, this is in the context of increasing pressures arising from demographic change. Also in the context of market conditions, which are a significant constraint when negotiating and agreeing new contractual arrangements and fee structures and ensuring that the Council's statutory obligations are met. Very close links with the mobilisation, transition and transformation of community services (your care, your way), the establishment of the Prime Provider/Dynamic Purchasing System arrangements and the agreement of risk and gain share.	333	333	333	999	M	0	None	A strengthened focus on maximising independence by focusing on individuals' strengths, interests, abilities and networks is designed to improve outcomes for service users and reduce longer term dependency. Potential reduced access to their preferred care setting for some service users and carers as the Council balances the views, preferences and wishes of the individual with ensuring that the assessed level of need is aligned with the cost of meeting that need, avoiding "over prescription" and building increased dependency.
Adult Social Care Demographic Growth - Mental Health over 65		190	190	190	570	M	0	None	
Adult Social Care Demographic Growth - Learning Disabilities		348	348	348	1,044	M	0	None	
Adult Social Care Demographic Growth - Mental Health Adults of Working Age		75	75	75	225	M	0	None	
Adult Social Care Demographic Growth - People with Physical Disabilities		46	46	46	138	M	0	None	
Adult Social Care Placements & Packages Inflation	Links to comments above. Focus on delivery is to achieve commissioning and contracting arrangements that are financially sustainable for both the Council and for care providers.	252	0	0	252	H	0	None	Increasing concerns about the capacity, capability and diversity in the market may mean that some people are not able to access their care and support from their preferred care home or provider.
Adult Social Care Placements & Packages Inflation - stretch		0	250	250	500	H	0	None	
Social Work & Safeguarding Activity (Prime Provider Contract)	Incorporated into the Prime Provider contract and associated risk and gain share. Links to Strengthening Social Care initiative.	21	21	21	63	M	0	None	New approaches require significant culture and practice shift, which can be difficult and time-consuming to achieve.

Sub Total - Growth Avoidance

1,265	1,263	1,263	3,791
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Sub Total - Adult Social Care & Health

2,391	2,226	1,313	5,929
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Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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Children's Services

Efficiency Savings

Adoption Team regional approach	Combining adoption services with other Local Authorities	0	100	0	100	M	2	None	The creation of Regional Adoption Agencies is a national initiative. The proposed creation of Adoption West will transfer a number of current Adoption responsibilities and activities to a Regional Adoption agency from April 2018. The joining of six Local Authorities will provide children and adopters with a more consistent service as well as providing opportunities to develop more efficient and effective support systems to the process of recruiting and assessing adopters.
Increase the level of "In-house" Foster-Placements	Increase level of in-house foster placements through a combination of enabling in house carers to take more complex cases and/or increasing volumes of in house carers through increased recruitment	50	50	0	100	M	0	None	Initial review of new recruitment approaches (particularly through improving and increasing our social media presence) have resulted in an overall increase in expressions of interest in fostering and those which progress to assessment of carers. An increased number of in-house foster-placements may require additional capacity within the team to support the foster carers, but should still enable a net saving as shown
Children's safeguarding court proceedings	Reducing the numbers of those coming to court and then into care through preventative measures and changing the use of experts during the process e.g. a) reduction in cost of barristers a mediation approach to early prevention b) Early help preventative measures c) Review social worker use	0	100	0	100	H	0	None	The numbers of cases that have required the Local Authority to initiate Court proceedings in relation to young children has risen over the past two years, reflecting a national trend. Any changes to the decision making process will need to be made with consideration to evidence of an incremental and increased demand for legal intervention, but securing professional input in a more cost-effective way and increasing preventative measures can only have a positive impact.
Skills and Employment Funding Model	Reduction in level of funding from People & Communities to Place for Skills & Employment team, which will become self-funding through its work with employers. Consolidation of ad hoc internal savings used to fund this team, by deleting a post within People & Communities.	0	60	0	60	L	1	None	Minimal impact anticipated, providing focus on care leavers and other vulnerable young people is not lost as a result of new funding model
Home to School Transport funding arrangements	Reducing spend on home to school transportation through a) Recovering costs from other Local Authorities b) Not paying for Independent Fostering Agency placement travel as contracts include travel costs	25	0	0	25	M	0	None	None - this is about ensuring that we are recovering home to school transport costs where there is prior agreement that other organisations should be covering these costs.
Preventative Commissioning	Explore opportunities for further integration of commissioned services, creating more joined up approaches and creating some back-office efficiencies	12.5	12.5	0	25	M	0	None	Improved outcomes for families, by integrating services that are coordinated around their needs and preventing escalation into specialist social care services.
Sub Total - Efficiency Savings		88	323	0	410				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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Service Redesign

Children's Centres buildings management	Reduce cost of Children's Centres through 'asset transfer' of centres or finding a way to ensure services are delivered by others through existing buildings	25	75	0	100	M	0	Potential asset transfer	The current service will continue to run. The transfer of some Children's Centre buildings to community ownership could benefit local organisations through more effective use of the buildings as well as reduce unnecessary overheads for the Council. Already exploring this option for the 'spoke' centres (not hubs).
Review savings available from Youth Connect Service	Explore options to enable alternative delivery arrangements for services creating potential partnerships with local communities thus enabling local community groups to develop the additional capacity in key areas that will offer supplementary services for young people	0	200	300	500	H	7-10	Potential asset transfer	This proposal seeks to maintain the Council's commitment to delivering its statutory requirements, whilst also encouraging and enabling local community groups to develop the additional capacity in key areas that will offer supplementary services for young people. Any reduction in the size and remit of the Council-run service may impact on service delivery and our early help offer. The aim of the review will be to minimise any negative impact on outcomes for young people.
Music Service remodelling	Remove Council revenue funding from the Music Service	28	0	0	28	L	0	None	New model of delivery established, linking music development to government grants and selling services to schools and parents
Children's Services Collaboration with other LA	Combine smaller services with other local authorities to achieve efficiencies e.g. YOT, educational functions, admissions, school psychologists, school improvement service etc. a) Combining small services b) Removal of non-essential services	0	25	0	25	M	1	None	Minimal impact expected as this is about combining delivery with another LA. This could assist in making these smaller services more robust as well as providing efficiencies.
Early Years nursery provision	To review all of the existing Council owned and run nurseries and explore the option of assisting other organisations to take on the running and management of nurseries to ensure there are sufficient places available.	50	50	0	100	M	Some fixed term posts already terminated	None	There is now provision of sufficient alternative nursery places in some areas. The private sector has been able to absorb the movement of children to independent nursery providers from Council-run nurseries in some locations. The Council will explore the option of assisting other organisations to take on the running and management of nurseries to ensure that sufficient places remain available across communities

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Remodel Education Support & School Services	Scale down offer to meet remaining statutory requirements only, transferring responsibility to schools where appropriate.	0	250	0	250	M	Up to 5	None	This re-modelling follows national policy initiatives which have resulted in academisation of schools and the transfer of functions to schools, academies the Regional Schools Commissioner; Teaching Schools, Trust Boards of Multi Academy Trusts (MAT). Further government announcements are expected on the future role of Local Authorities in education, which may result in further changes in what we deliver. This could be achieved through greater trading with schools and academies and wider opportunities for income generation or working with neighbouring authorities, or simply scaling back the local authority's education support services to schools.
Sub Total - Service Redesign		103	600	300	1,003				
Sub Total - Children's Services		190.5	922.5	300.0	1,413.0				
TOTAL PEOPLE & COMMUNITIES		2,581	3,148	1,613	7,342				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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RESOURCES

Efficiency Savings									
IT Services – Core Efficiency Programme	Cost reduction and efficiency based on further centralising IT functions, consolidating the number of applications, sharing larger applications, a more flexible but lower cost infrastructure.	100	100	0	200	L	0	None	Capacity will be restricted especially for additional service requests
Business Finance – Income and Debt Transactional Services	To consolidate the approach to income collection and debt recovery services across the Council. May include referral to specialist debt recovery services.	75	50	0	125	M	0	None	
Lean Review of Transactional Services	To undertake a lean review of all Procure to Pay, including procurement cards transactional financial service activities across the Council. This may also include income collection activity as appropriate.	50	0	0	50	M	0	None	
Payroll and HR Services	To reduce HR and Payroll costs, improve efficiency using capability from new iTrent system to the full	100	0	0	100	M	0	None	
Digital and online	Reducing postal costs, issuing online bills and letters and increasing web form usage for Council Tax and other relevant services	0	0	100	100	M	0	None	Users without digital access will need to be accommodated to avoid any adverse impacts. Otherwise service should be faster and simpler plus more up to date.
Corporate estate	Further consolidation of corporate estate including the few small stand alone offices that remain	50	50	0	100	M	0	Releasing corporate assets to add to the commercial estate	None. Offices may include Charlotte St and Broad St.
Deliver Council Connect Magazine differently	Reduce the overall spend on Council Connect magazine through reprourement and reformatting plus use for internal adverts	15	15	0	30	L	0	None	
Sub Total - Efficiency Savings		390	215	100	705				

Income Generating Opportunities									
Property development company	<ul style="list-style-type: none"> To generate Revenue Income for the Council To hold, manage and operate market housing for private short-term lettings. To sell market housing for investment Provision of other market housing related activity Deliver and manage other commercial and property developments. To deliver long term capital appreciation 	225	150	200	575	M	0	Better use of underused or vacant Council sites	<p>Also generates new homes bonus, Council Tax, and capital receipts. Improves service delivery by fulfilling the agreed objectives:</p> <ul style="list-style-type: none"> Deliver new developments of market housing. To align with Corporate Priorities To manage market housing assets To stimulate / accelerate market housing and development delivery To improve supply, quality and quantity of private rented housing To act as a responsible private landlord
Communications Hub & CCTV Income Generation	Approach the external Market to use the spare capacity in our 24/7 Operation, including CCTV monitoring, Radio monitoring, Lone Worker Support, and Alarm Monitoring.	50	50	50	150	H	0	None directly anticipated.	Community benefits from increased security for those that use the service.
Energy services for B&NES	Local Energy Services in the form of a local tariff, energy supply and efficiency investments on Council buildings and investment in community led energy schemes	15	10	75	100	H	0	Renewable energy installations on some Council assets	Efficiencies but also positive impacts for the B&NES community especially those suffering fuel poverty

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Commercial Estate	Active commercial property investment approach targeted at acquisitions in line with the councils commercial estate strategy - which is being refreshed to include properties beyond B&NES boundaries and mainly in the WoE devolution area - and non retail investments	525	825	125	1475	M	2 additional	Increase in number of assets held by the commercial estate	The strategy relies on the Council's cost of borrowing remaining low relative to property returns. Fixed rates borrowing is to be used as investments occur. Some additional specialist staff may be required to support the active approach although external advice remains key.
Parish Councils to contribute to By-Elections	Parish Councils will be asked to contribute to the cost of running their by-elections - 50% for the first by-election and then 100% for future ones with discretion to waive the charge in specified circumstances.	10	0	0	10	M	None	None	More effective use of resources. The number of Parish Council by-elections and their cost has been increasing over several years.
Sub Total - Income Generating Opportunities		825	1,035	450	2,310				

Service Redesign									
Simplify administration of local council tax support scheme	Simplify Council Tax Support to ensure limited funds are targeted to the most disadvantaged, with application and administration aligned better with Universal Credit roll out	70	0	0	70	L	2	None	Better targeting of financial support and only administrative savings. The transition needs to be well managed and linked to UC roll out to achieve this.
Modern Libraries Review	Develop the Keynsham model for joint one stop shop and library service in Bath and Midsomer Norton Consult with local communities for alternative delivery of library services to reduce our staffing & resources commitment across the area including a review of mobile services. Savings achieved through staff reduction; efficiencies. Income from sale of assets and lettable space	100	0	700	800	M	25	Lewis house Bath OSS needs to be adapted. MSN Hollies OSS to be adapted. Existing libraries in Bath and MSN to be relocated into the extended OSS facilities. Other community libraries changes will be dependant upon locally agreed approaches.	Integrating services in 3 main population centres will see an increased focus on the new digital agenda; helping people to access resources and gain appropriate skills; with a focus on children and families and developing skills for the economy Access to 3 million books across Libraries West will be maintained with the browsing experience being enhanced through innovative use of digital technology In Rural areas the impacts will dependent upon local community solutions and have potential to enable longer opening hours and more vibrant community hubs and shared facilities.
Establishment of Internal Audit Trading Company	As part of the natural evolution of the Audit West Partnership with North Somerset Council to establish the organisation as a local authority controlled trading (ltd) company. Also possibly extend the partnership.	20	45	20	85	M	0	None	Possible TUPE implications - transfer of staff
Thermae Spa profit share	To reflect projected future increases in the Spa Profit Share agreement	150	0	0	150	L	0	None	
Business partnering - Accountancy	To establish an external business partner for the delivery of accounting and corporate financial services to the Council covering Business Planning, Specialist Financial Advice, Staff Secondment and Training and Development.	0	50	50	100	L	0	None	Offers improvements including additional specialist support paid for by projects that require it as well as enhanced due diligence work.
Legal Service review and business partnering	Implementation of Legal Service restructure with better targeted e of external legal advice	0	50	50	100	H	0	None	Improved value for money

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Traded services	Combining and co-locating Print and Post services followed by procurement to support specialist and bulky print requirements and linking this with support to move away from print to digital	25	25	0	50	L	2	Release of Dartmouth Avenue site back into Commercial Estate use	the strategy depends on costs of borrowing remaining low for the Council relative to property returns
Staffing reduction	As a result of further consolidation of policy functions the numbers of posts in the service will be further reduced.	75	75	0	150	L	4	None	Less capacity for new initiatives and new policy development and support
Reduce the number of formal elected member meetings	Review of Council meetings may result in savings to this budget	5	0	0	5	M	0	None	Improved value for money / more effective use of resources
Sub Total - Service Redesign		445	245	820	1,510				
TOTAL RESOURCES		1,660	1,495	1,370	4,525				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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ONE COUNCIL - CROSS CUTTING

Efficiency Savings									
Commissioning and Contract Management	Improvements to existing commissioning approaches including wider use of Dynamic Purchasing Systems, controls over contract variations and more effective Contract Management arrangements	87.5	262.5	0	350	M	0	None directly anticipated.	Potential to improve service delivery through more effective commissioning although increasing controls but will impact on management capacity and requires an agreed benefits realisation approach
Review and Reduce Discretionary Spend	Undertake a review of relevant commissioning discretionary spend	150	250	0	400	M	0	None directly anticipated.	This will focus on internal spend on day to day consumables and services not services for the public.
Review Purchase to Pay process	Undertake a review of purchase to pay process to ensure efficient payment of suppliers for approved spend ensuring invoices are processed efficiently	6.25	18.75	0	25	H	0	None directly anticipated.	May impact supplies if suppliers have not received official Council orders for goods and services.
Rightsize the organisation	Review of organisational, management and support arrangements to assess the opportunity for savings from changes to the operating model. This should reflect changes in Council activity resulting from budget prioritisation and new ways of working emerging from themes such as digital by choice, commercialisation, a stronger commissioning approach and better procurement	0	0	600	600	H	15	None directly anticipated.	The aim will be to avoid any impact but may result in less capacity and resilience
Apprenticeship Levy	A New National Apprentice Scheme comes into effect in 2016-17 with a levy to be paid by employers to meet recognised training cost. Full details are awaited and it is believed that there is an opportunity to offset some training costs for skills development against the levy.	0	25	0	25	M	0	None	Opportunity to enhance skills development across the workforce
Additional Savings expected from Legal Services when restructure fully implemented including external spend	Implementation of the proposed Legal Service restructure will enable a detailed review of the use of external legal advice, which it is anticipated will result in savings to client budgets. This is therefore a cross-cutting savings across all directorates. The Council is part of the Lawyers in Local Government (Southern) legal framework, which will be retendered in March 2017. This will secure savings when instructing external legal firms.	75	75	0	150	M	None	None	Improved value for money
Efficiency savings cumulative staffing impacts	The smaller efficiency targets above will in many cases impact on staff numbers required	0	0	0	0	H	12	Less office space	This shows cumulative staff impact of the smaller efficiency savings, which individually shown as having no staff impact, but when consider together are likely to have some impact. The larger changes affecting staff numbers are already separately quantified.
Finance Managers to undertake a review of reoccurring underspends	Undertake a review of existing and projected underspends from 2016/17 Outturn Budget.	550	0	0	550	M	0	None	May impact on some areas if underspends are being used to mitigate other cost pressures.
Sub Total - Efficiency Savings		869	631	600	2,100				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Service Redesign									
Devolution to town & parish councils	A number of Councils have devolved services and assets to town and parish councils. This has delivered savings through reducing duplication and leveraging-in additional resources such as volunteer time and the local skills and knowledge of town and parish councils. Before this is progressed in Bath and North East Somerset a devolution framework will be agreed with town and parish councils in our area.	0	25	0	25	M	0	Potential for asset transfer to town and parish councils	The aim is to improve efficiency and effectiveness of delivery through redesigning local services working with town and parish councils. There is the potential for pump-priming funds to be used from the Devolution Initiative Fund which would see investment in new ways of working to deliver savings.
Digital by Choice - digital services and customer services transformation	Digital means enabling the Council to continue to function effectively with fewer resources. Fundamentally re-designing many services from end to end – the customer gets what they need as quickly as possible, in a way that works for them. Well-designed digital solutions are cheaper, faster and often better. This is a truly council wide and cross cutting initiative.	0	0	2800	2800	M	70	new ICT and greater flexibility in working arrangements - less demand for office space	Services delivered more quickly and efficiently for customers & visitors. Also better use of date to target services. Benefits realisation approach will need to be developed. This is a truly cross cutting savings proposal and metrics and a methodology will be needed to both drive the creation of the savings and then apportion them. Shown as medium risk but the level of savings is high so at the margins the risk is high.
Sub Total - Service Redesign		0	25	2,800	2,825				
TOTAL ONE COUNCIL - CROSS CUTTING		869	656	3,400	4,925				

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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CORPORATE

Income Generating Opportunities									
Extra Business rate collection (improved tax base)		250	0	0	250		0		
City Deal Tier 3 Income	Recognition of projected Tier 3 income stream achieved from Business Rate growth in the Enterprise Area as part of the City Deal agreement.	45	80	60	185	L	0	None	This is extra revenue income derived from City Deal and linked to projected business rates growth - it is protected by the Devolution Deal.
Devolution - Business Rate Retention 100% Pilot	Council participation in the 100% Business Rates Retention Pilot for eligible Devolution Areas.	2500	0	0	2500	M	0	None	There is a risk that business rates appeals will erode this extra income.
New Homes Bonus	Additional New Homes Bonus as a result of increased housebuilding completions and empty properties brought back into use during 2015/16.	500	0	0	500	L	0	None	None
Sub Total - Income Generating Opportunities		3,295	80	60	3,435				

Refinancing									
Minimum Revenue Provision	A change in the Council's Minimum Revenue Provision (MRP) policy to move to a straight line basis over a period up to 50 years or the equivalent asset life.	3000	-140	-160	2700	L	0	None	None
Capital Financing Review	To review the financing of the Council's Capital programme to reflect sustained lower interest rates and actual scheme spend and delivery profiles.	500	0	0	500	L	0	None	None
Pension Deficit Prepayment	Utilising Council Cash flow to prepay the Council's pension deficit payments to the Avon Pension Fund for period to 2019/20 thus reducing the overall cost	200	0	0	200	L	0	None	None
Sub Total - Refinancing		3,700	-140	-160	3,400				

Service Redesign									
Parish Grants - Local Council Tax Support Scheme	Phased withdrawal / reduction in the Local Council Tax Support grant the Council currently makes to Parish & Town Councils and the Charter Trustees.	82	41	41	164	L	0	None	Parishes will need to allow for the impact on their budgets, precepts and associated Council Tax increase.
Sub Total - Service Redesign		82	41	41	164				

TOTAL CORPORATE

7,077	-19	-59	6,999
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OVERALL SAVINGS

14,522	6,932	7,874	29,328
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* Final calculations for Business Rate forecasts show additional Section 31 grants to cover extensions of reliefs announced by Government of approximately £200k in 2017/18

BUDGET SETTING PROCESS – ADVICE OF THE MONITORING OFFICER

PROCESS

1. It is important to be clear on the process to be followed in setting the 2017/18 Budget. This paper sets out the guidance provided by the Council's Monitoring Officer.
2. The Cabinet has the responsibility to prepare and propose a draft Budget to Council for its approval.
3. The Cabinet can, in its absolute discretion, receive from any political group that so wishes, an alternative budget proposal to that published in the Cabinet agenda papers. It can only consider such proposals if it is satisfied that they have been discussed with the Council's statutory officers and relevant Directors and that an impact statement from Officers about such proposals is available.
4. All proposals that the Cabinet meeting is prepared to consider will therefore be cleared with the Section 151 Officer, the Monitoring Officer, and relevant Strategic / Divisional Directors beforehand.
5. The Cabinet will formulate a budget proposal and Council Tax recommendation for the Council meeting on 14th February 2017. Such budget proposal may either take the form of a composite proposal or may include agreed core proposals and options for allocating parts of the budget.
6. The Council has available to it at the budget setting meeting two options. It can object to specific parts of the proposals and if it does so, must require the Leader on behalf of Cabinet to reconsider its proposals. The Council is required to give the Cabinet the reason(s) why it considers those proposal(s) should be changed and it is then for the Cabinet to consider those proposed changes and the reasons put forward. Alternatively it is, of course, open to the Council to accept the budget in its proposed form at the meeting, in which case no further action is necessary.
7. Council may then determine the budget on the basis of the Cabinet's recommendations as set out in paragraph 5 above, plus any insignificant changes adopted as amendments at the Council meeting. The Constitution provides that the meeting itself (on advice from the Chief Executive) will decide whether any amendment to the budget proposals is of such significance as to amount to an "objection" to the budget so as to require reconsideration by the Cabinet.
8. If a significant proposal is accepted on a vote at Council (from those proposals notified at the Cabinet meeting) this stands as a formal objection within the terms of the law and will be referred to the Leader for him to secure consideration by the Cabinet and report back to the Council meeting on 23rd February 2017.

9. When the Cabinet has considered the objections, it is required to put its proposals (which may or may not be revised) back to the Council Meeting. If the Cabinet does not agree with Council's views on a proposed change, it is required to state why and the Council can then take those reasons into account, along with its original thoughts as to why the change was desirable. At the meeting, it is open to Council to take such decision as it sees fit on any variation from the budget as originally proposed, that has been the subject of consideration under the process outlined in paragraphs 6 to 8.
10. In setting the budget the Council is required to approve a full budget resolution including the police, fire and parish precepts and the proposed Council revenue and capital budgets for 2017/18. That budget will include within it the overall proposed Council cash limits for 2017/18 including the provision for inflation, the proposed use of balances in the 2017/18 budget (if any) and the resulting budget requirement and Council Tax for Bath and North East Somerset including any recommendations for special expenses. The Council will also approve the borrowing limits for 2017/18 and prudential indicators.
11. Legally, the Council must set a balanced budget for the forthcoming year and determine the level of Council Tax. If a budget is not set by the date of the reserve budget-setting meeting (23rd February 2017), this will lead to a delay in billing and a loss in council tax cash flow. It is highly likely that this will also translate into a higher level of uncollectable debt and debt collection costs and in addition this will significantly impact on council tax performance indicators. A delay until 23rd February 2017 may also compromise the Council's ability to meet current billing deadlines, and there is a serious risk billing will also be delayed with negative cash flow impacts.
12. The final Council Tax set will encompass all parish and police and fire precepts (that is the money we collect on behalf of the parishes, fire and police and pay to them).

Maria Lucas

Head of Legal & Democratic Services (Monitoring Officer)

Pay Policy Statement 2017 -18

Purpose and scope

- 1.1 The purpose of the statement is to provide a clear and transparent policy to the public, which demonstrates accountability and value for money.
- 1.2 The policy statement meets the Council's obligations under the Localism Act 2011 [Section 38 (1)] and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013) together with the Local Government Transparency Code 2015 (February 2015)) from the Department for Communities and Local Government.
- 1.3 It articulates the Council's policies towards a range of issues relating to the pay (including severance pay) of its direct workforce, in particular its Chief Officers, as defined by the Local Government and Housing Act 1989 and lowest paid employees. Details of 'Chief Officers' employed by the Council can be found on the Council's public website. The policy will be reviewed, to reflect any statutory changes (particularly in relation to public sector severance payments), anticipated in the coming the year.
- 1.4 The Council's pay arrangements reflect the need to recruit, retain and motivate skilled employees to ensure high levels of performance balanced with accountability on the public purse. The policy recognises flexibility which is essential in delivering a diverse range of services and is underpinned by principles of fairness and equality.
- 1.5 The pay policy statement applies to both the lowest and the highest paid. In accordance with provisions of the Localism Act, it does not extend to schools and this statement does not, therefore, include school based employees.
- 1.6 The statement is approved by Full Council, i.e. not delegated as an executive or committee function, in advance of the financial year to which it relates and must be reviewed at least annually. Any amendments will be approved by Full Council.
- 1.7 The statement is published on the Council's public website.

Definitions

For the purposes of this Pay Policy Statement the following definitions apply:

- 2.1 **'Pay'** in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancement to pension entitlements and termination payments where applicable.
- 2.2 **'Chief Officers'** refers to the following roles in the Council:

Statutory Chief Officers (see also annex 1) are:

- Chief Executive, as 'Head of Paid Service'
- Strategic Director – People & Communities, as 'Director of Children's Services' and 'Director of Adult Social Services'
- Director of Public Health
- Head of Legal & Democratic Services as 'Monitoring Officer'
- Divisional Director –Business Support, as Section 151 Officer ('Chief Financial Officer')

Non- Statutory Chief Officers are:

- Strategic Director – Place
- Strategic Director – Resources
- Other Directors/Heads of Service are:

senior managers who report direct to/or are accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.

‘Lowest paid employee’ refers to those employees in substantive full time employment at the lowest scale point of the Council’s published pay scale. See paragraph 8.1 below

General principles & practice

- 3.1 All policy matters relating to the Council’s role as an employer including pay under section 112 of the Local Government Act, 1972 are delegated to the Employment Committee. The Restructuring Implementation Committee determine appointments to the posts of Strategic Director and other JNC Officers reporting to the Chief Executive, or Head of Paid Service, subject to there being no objection to the appointment being lodged by the Leader of the Council. The Council operates in accordance with The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 in respect of disciplinary action in respect of the Head of Paid Service, the Monitoring Officer and the Chief Financial Officer.

Principles:

- 3.2 Bath & North East Somerset Council values all its employees and aims to apply a consistent and fair approach to pay and benefits in line with the following principles:
- ❖ To work within financial constraints and use those limited funds in the most effective way to support the Council in the provision of quality cost effective services and its workforce needs
 - ❖ To aim for consistency and fairness in the processes used to manage pay and benefits, as appropriate to service delivery and in line with its commitment to remaining within the framework of the relevant national pay and conditions agreements
 - ❖ To promote an equal pay agenda by ensuring that pay and job evaluation systems, processes and systems meet legislative requirements and to actively work towards reducing any unjustified gender pay gaps
 - ❖ To ensure that pay and benefits processes and policies are transparent and accessible to all employees
 - ❖ To be mindful of the market in making decisions about pay and benefits
 - ❖ To take account of affordability in the introduction and maintenance of any changes to pay structure
 - ❖ To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level
 - ❖ To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts.
 - ❖ To enable the Council to attract and retain its employees and in order to do so, respond to situations where market forces dictate the necessity to apply supplements to established salaries.
 - ❖ To aim to retain a core set of benefits for all employees.

Practice:

3.3 Basic pay is determined through

- The job role and its accountability in the overall context of the Council's services and responsibilities using the HAY job evaluation process which is based on objective criteria and free from discriminatory bias.
- Ensuring that all employees are dealt with on this basis with no distinction being made for senior management appointments including Chief Officers and their Deputies.
- The terms of the relevant national agreements on pay and conditions of service.
- The amount available for the pay review process is also impacted by what the Councils which are party to the national agreements can collectively afford.
- A comprehensive pay and grading structure has been adopted that positions the Council against median salary benchmarking compared to a national data base maintained by the Hay Group, is affordable and offers recruitment and retention incentive. This is kept under review *and is benchmarked* against similar posts in other authorities.
- The outcome of reviews into the local pay and grading structures are determined within the terms of this policy and the Council's constitutional arrangements.

Note: This excludes apprentices, interns and trainees, whose pay rates reflect the degree of training and development required in the roles.

3.4 Pay on appointment

- Staff are normally appointed at the bottom scale point of the grade at which the post has been evaluated.
- Managers have discretion to appoint at a higher scale point within the grade band if the appointee can demonstrate that they are currently earning more than the minimum salary for the grade or there are other extenuating circumstances such as difficulties in attracting suitable applicants.

3.5 Pay review dates

- Grade progression (i.e. movement from a lower to a higher salary scale point (scp) within a grade where applicable) takes place on 1st April of each year until the highest scp in the grade is reached. Grade progression is subject to satisfactory performance (and may be withheld if performance has been unsatisfactory) and a minimum of 6 months service in the grade. Where 6 months service cannot be achieved by 1 April, progression is considered on the anniversary of six months service.
- Where an increase in pay has been negotiated through the national pay bargaining framework, it will be implemented with effect from 1st April of the appropriate year (unless alternative implementation arrangements are specified in the agreement). Where the negotiations have not been concluded by 1st April, the increase will be paid at the earliest opportunity together with back pay from 1st April.

3.6 Honoraria & other allowances

- Work outside the scope of the post can be recognised by the award of an honorarium. The conditions and framework are set out in the 'Recognition for work outside the scope of the post' policy. Assessment and payment will be based on non-discriminatory, objective criteria.
- Allowances, for example standby, may be made to employees below senior manager level in connection with their role or pattern of hours they work in accordance with national or local collective agreements.
- The Council does not normally pay market supplements (i.e. a salary greater than the evaluated rate for the post to match salaries paid by other organisations). This arrangement is, however, kept under review in light of the prevailing market and issues of staff attraction and retention.

3.7 **Re-employment of former local government employees**

- The Council retains sufficient flexibility in its response to the re-employment of former local government employees to enable it to respond appropriately to the particular circumstances. It ensures that an open and fair selection process takes place before any appointment is confirmed. 'Merit' is the sole criteria for engagement.
- If the Council were to re-employ a previous local government employee who had received a redundancy or severance package on leaving, or who was in receipt of a pension covered by the Redundancy Payments (Continuity of Employment in Local Government Modification) Order 1999, known as the Modification Order) (with the same or another authority), then the Council's policy is to ensure that the rules of the Modification Order are applied. The Council will keep these provisions of its policy under review to ensure compliance with any legislative changes which come into force during the course of the year.

3.8 **Use of consultants, contractors and temporary 'agency' staff.**

- Ordinarily staff will be engaged directly by the Council as employees but on an exceptional basis, where particular circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the Council will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements must be in accordance with the Council's code of practice.

Equal pay

4.1 The Council is committed to the principle of equal pay for all posts of the same size and value and has implemented the national 'single status' agreement. In order to put its commitment to equal pay into practice, the Council:

- regularly reviews its pay grade and rates for all current staff and starting pay for new staff in line with Equality and Human Rights Commission guidance and the Council's Equality policy.
- informs employees of how these practices work and how their own pay is arrived at.
- provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
- regularly monitors pay and grading data and statistics
- will publish pay equality data as statutorily required

Ensuring consistency

5.1 The Council seeks to ensure consistency through the following processes:

- All departments are provided with the same quality of internal support in the job evaluation process. The Human Resources Service (in conjunction with senior managers, as appropriate) has an on-going responsibility to review pay levels across the Council and highlight any potential anomalies.

5.2 If there is an exceptional need to review pay outside of the normal pay review timetable, proposals will be considered and approved by the relevant Director and the Head of Human Resources.

Pensions

- 6.1 Subject to the provisions of the relevant scheme, all directly employed staff who are the subject of this policy and are otherwise eligible are enrolled into a contributory statutory pension scheme. They may choose to opt out of membership. The Council has determined its policy in respect of discretionary provisions available within the relevant scheme in accordance with statutory requirements.
- 6.2 The Council has in place a policy for flexible retirement which is specifically authorised by statute whereby individual staff, with employer approval, may draw their pension and continue in employment at a lower pay grade/ working shorter hours. The Council considers all proposals on their individual merits but would not take any action beyond that authorised by existing policy without reference to the appropriate Council decision making body.

Senior pay

- 7.1 The remuneration of the Chief Executive and other senior management appointments in the Council (see Annex 1) is undertaken by external analysts using the Hay Job Evaluation process. Levels of pay have been market-related by being compared to a national data base maintained by the Hay Group of similar posts in a wide range of public and not for profit sector organisations. The pay structure for Chief Officers takes account of the clearly defined additional 'statutory responsibilities' (see section 2 above). Five pay bands will be available for the most senior officers as set out in the Annex 1.
- 7.2 Any increases in pay rates will normally be in line with those negotiated nationally by Joint Negotiating Committees (JNC's) for Chief Executives and Chief Officers respectively. The pay policy, whilst agreed in advance of the financial year to which it relates, can be amended during the course of the year to incorporate a pay award negotiated nationally or for other reasons.
- 7.3 Where there is a pay range for a job the Council's adopted aim is to offer an appointment to the minimum point of the appropriate salary band. In order to secure the services of the best candidate it may be necessary to offer a higher amount. In these circumstances approval by the employing Director or members of the appointing Member committee as appropriate, in consultation with the Head of Human Resources, is required.
- 7.4 Where a pay band consists of a number of different salary points, any progression to the next incremental point is subject to satisfactorily meeting performance criteria agreed in advance with the Chief Executive or Strategic Director, as appropriate (in consultation with the Group Leader. Any increase is paid from 1 April subject to 12 months service in that pay band and the maximum not being exceeded.
- 7.5 This is no provision for the Council to pay any bonuses, charges, fees or allowances, benefits in kind to senior employees or any other employees other than relocation allowances and expenses necessarily incurred in the performance of their duties. This provision is kept under review
- 7.6 Other conditions of service are those determined nationally by the JNC's specifically for these appointments or, as locally determined for all other Council staff.

- 7.7 Senior staff are not differentiated from other members of staff in terms of remuneration on resignation or termination. The Council's general arrangements for severance and scheme for discretionary payments apply to this staff group as to all employees.
- 7.8 Proposed severance packages in excess of £100,000 (this threshold includes [but is not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension entitlements and holiday pay as appropriate) are referred to the Restructuring Implementation Committee for consideration. This provision will be reviewed to comply with any legislative changes made during the coming year.
- 7.9 The Council's threshold level for disclosure of senior staff salaries will be at the minimum point of the senior civil service pay scale and above as at 31 March.

Relationship between senior pay and the 'lowest paid council employee'

- 8.1 The grading structure and pay line determine the salaries of the highest and lowest paid Council employees. The Council's highest paid employee is its Chief Executive (see Annex 1). The lowest salary offered for substantive, full time employment in 2017-18 will be £15,807 as determined by national negotiations within the National Joint Council for Local Government Services.
- 8.2 The ratio between the highest paid salary and the median salary for the whole of the Council workforce (£22,434) is 1:7. It does not currently have a policy of maintaining or reaching a specific ratio of pay multiple between the Chief Executive and that of the median earner.

Publication

- 9.1 The Council's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement is published on the Council's website: www.bathnes.gov.uk/services/jobs/

Further information

For further information on the Council's pay policy please contact the Council's Human Resource Service email: human_resources@bathnes.gov.uk. Tel: 01225 477203

SENIOR MANAGEMENT PAY & GRADING

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions
CHIEF EXECUTIVE & HEAD OF PAID SERVICE		
Band 1	Fixed/Spot	<ul style="list-style-type: none"> - A fixed salary within the range £145,000 to £155,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy - No variable element within the remuneration package. - All other conditions in accordance with overall Council pay policy.
STRATEGIC DIRECTORS		
Band 2	Fixed/Spot	<ul style="list-style-type: none"> • People & Communities [statutory roles for Adult & Children's Services] (PC) • Place (P) • Resources (R) - A fixed salary within the range £115,000 to £130,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy - No variable element within the remuneration package. - All other conditions in accordance with overall Council pay policy.

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions
DIVISIONAL DIRECTORS/Heads of Service		
Band 4	Minimum	£94,641
	Middle	£97,425
	Maximum	£100,209
NHS	Fixed	£90,263
Band 5	Minimum	£83,508
	Middle	£86,289
	Maximum	£89,076
Band 6	Minimum	£72,372
	Middle	£75,159
	Maximum	£77,940

Notes:

- 'Band 3' is not currently in use
- 'NHS' relates only to the Public Health statutory transfer provisions

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Appendix 6

Equality impacts: budget proposals, January 2017.

1. Introduction and legal background

This Appendix outlines how the impacts of the Council's budget proposals have been considered from an equality perspective within the People & Communities Directorate Plan, the Place Directorate Plan and the Resources Directorate Plan.

The Equality Act 2010 makes it unlawful to discriminate against an individual because of certain personal characteristics ('protected characteristics'). The law also requires that equality issues are considered by public bodies as part of decision making, especially where reductions or closures are proposed.

2. Actions so far

- Budget proposals in each of the Directorates have been considered individually and alongside each other to begin to identify and mitigate any unexpected or unintentional cumulative impacts.
- Potential equality impacts have been identified through documents produced for the medium term and strategic review proposals. The initial proposals set the high level intentions, identifying if service redesign was proposed and, where sufficient data was available, identifying any potential impacts upon different groups. The finer detail of how the proposals will be implemented will follow in due course, and it is recommended that comprehensive equality analysis is carried out as proposals are developed. This will help to ensure that opportunities to enhance equality are utilised, and any possible negative impacts or barriers for particular groups are identified and, if possible, mitigated.
- Budget proposals are being presented to Policy Development and Scrutiny panels during January 2017 and commentary from these panels will be reported to the Resources PDS Panel.

It should be noted that this is year two of a four year plan; the report appended to the 2016 budget papers contains detail of many budget items that are already being progressed.

3. Directorate Proposals

Across the Council, every attempt has been made to achieve efficiencies through service redesign, with minimum reduction in services or disproportionate increases in charges.

The Council's Human Resources policies already ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully taken into account.

In order to achieve our ambitious vision for the area, four corporate priorities have been identified in the Corporate Strategy 2016-2020. The intention is that these four priorities will drive the work of the Council. The four priorities are: a strong economy and growth; a focus on prevention; a new relationship with customers and communities; an efficient business

The budget proposals with the potential for particular equality impacts have been listed below under the relevant priority areas.

4. From reactive to preventative

- a. **The Front Door Review** will place a greater emphasis on providing health advice and guidance, and on preventative and self-care issues- along with further links with voluntary sector providers- will help to ensure that statutory services are made more easily available for those in need. Service users will be supported to maximise their independence and packages will not build unnecessary dependency on funded services, resulting in improved outcomes.
- b. **Remodelling Education Support and School Services**, scaling back the support to schools, in line with Government initiatives, may limit the scope of preventative work with schools that are vulnerable and in need of support. There may be opportunities for greater trading with schools and academies and wider opportunities for income generation or working with neighbouring authorities. We will continue to target vulnerable schools and ensure that if we do withdraw from some service areas, schools are sign-posted to alternative services.

5. Customer and community focus

- a. **The Modern Libraries Review** will see the Keynsham model (of a joint One Stop Shop and Library service) developed in Bath and Midsomer Norton. Integrating services in three main population centres will see an increased focus on the new digital agenda, helping people to access resources and gain appropriate skills as well as focusing on children and families and developing skills for the economy. Access to three million books across Libraries West will be maintained with the browsing experience being enhanced through innovative use of digital technology. In rural areas the impacts will depend upon local community solutions and have potential to enable longer opening hours and more vibrant community hubs and shared facilities. In the redevelopment of One Stop Shops, consideration needs to be given to improving disabled access to the external and internal environments. Specific equality impacts will differ depending upon geographical area: further

equality impact assessments will be undertaken as the proposals are developed.

- b. The transfer of some **Children's Centre** buildings to community ownership could benefit local organisations through more effective use of the buildings as well as reduce unnecessary overheads for the Council. The current service will continue to run.
- c. The **Youth Connect Service** proposal seeks to maintain the Council's commitment to delivering its statutory requirements, whilst also encouraging and enabling local community groups to develop the additional capacity in key areas that will offer supplementary services for young people. This could result in a change in the model and/or provider of services in some localities. Any reduction in the size and remit of the Council-run service may impact on service delivery and our early help offer. The aim of the review will be to minimise any negative impact on outcomes for young people
- d. Options to manage demands in **Adult Social Care** due to demographic increases (in older people, older people with mental ill health, people with learning disability and those with physical impairment) may have a number of impacts. In some instances, users and carers may have a more limited choice of care setting. Some people with lower level support needs currently accessing funded services may be unable to access such services in the future. They would instead be given advice, guidance and information on preventative services that are widely available, and also how they can take responsibility for their own health and wellbeing.
- e. Exploring efficiencies through **Day Care** services will involve maximising independence, realigning transport provision and reducing longer term dependency on funded care for people with learning disabilities. There is potential reduced access to the existing model of service for some people with learning disability as the service model is redesigned with a shift away from the current, traditional day-centre model.
- f. **Transport- Moving People from A to B** will look at the opportunities to improve customer options whilst also being cost effective. This will include a review of how we enable people to travel more independently when they are accessing special education or adult social care settings. Options will include working with service users to use community transport rather than dedicated buses and taxis; phasing in eligibility assessments for home to school transport and encouraging people to cycle or walk to their destination where possible. This will need to be considered in conjunction with the Mayoral Combined Authority (MCA) as bus subsidies will become a joint function managed under the power of the MCA. Any options including changes to eligibility times for concessionary fares will also need to be considered in the context of the MCA as this will be the Concessionary Travel Authority.
- g. Moving to a **Digital by Choice** approach will help customers access what they need quickly and more efficiently. Also this will enable better use of data to target services. Care will need to be taken to ensure that those who do not

currently access services online are given support to be able to do so, or alternative options put in place.

6. An efficient business

- a. Combining some **adoption** responsibilities and activities through the creation of a regional adoption service, Adoption West, will allow for family finding to become more effective and efficient. The joining of six local authorities will provide children and adopters with a more consistent service as well as providing opportunities to develop more efficient and effective support systems to the process of recruiting and assessing adopters
- b. The **Early Years nursery provision** proposal will see a review of existing Council owned and run nurseries. The review will ensure there is sufficient private provision and no impact on the overall capacity for nursery places. The private sector has been able to absorb the movement of children to independent nursery providers from Council-run nurseries in some locations. Elsewhere, the Council will explore the option of assisting other organisations to take on the running and management of nurseries to ensure that sufficient places remain available across communities
- c. Implementation of **Your Care Your Way** and the prime provider dynamic purchasing system for community services and home care and residential and nursing care home provision should realise improved outcomes for individuals as they are able to access services that are focused on maximising their independence rather than building unnecessary dependence, as well as achieving efficiencies in systems and processes.
- d. Simplifying the application and administration process of **the Local Council Tax Support Scheme** will ensure that funds are targeted at the most disadvantaged, whilst giving the best value for money.
- e. In respect of **transport**, service delivery is being changed and structures reviewed to enable more customer-focused arrangements- e.g. moving to more personalised budgets in relation to SEN transport options.
- f. Whilst **Bereavement Service** charges will be increased by 12%, an option for cheaper funerals will be developed for consideration.
- g. **Arts Development** will cease to solely fund cultural activity via commissioning or grant, except where matched funding has been secured from strategic partners where we are able to demonstrate we can add value with matched funding.

7. Cumulative impacts

The proposals identified in this report have the potential to impact on people across the full range of protected characteristics. In addition, whilst considerations of socio-economic status are not a requirement of the Equality Act public sector duty, the “narrowing the gap” agenda remains a key focus for the Council and its partners. It will be important to ensure that all these impacts are considered alongside each other as further details are developed (and within any consultation), in order to identify the cumulative impacts. These impacts will be assessed and managed

through the Council's relevant programme and project management and other governance processes.

8. Recommendations

The following recommendations have been identified to be incorporated into the Council's programme and project management for each change proposal, delivered as appropriate:

Inclusive consultation. Where consultation is arranged as part of taking any of these proposals forward, it is vital that a diverse range of people take part to ensure that any additional equalities impacts are highlighted and addressed. A variety of methods should be used to access consultees. The Equalities Team can advise on this and also on how to access participants from groups representing different equality strands. The [Independent Equalities Advisory Group](#) can also provide further guidance on likely impacts, and ways of mitigating these.

Clear communication. Wherever it is planned to introduce changes, it is important to ensure that the communication and publicity strategies are accessible to disabled people (for example, people with visual impairments or learning disabilities) and also those for whom English is an additional language. The Council has commissioned Language Empire to assist with [Interpreting and Translation](#) where necessary.

Incorporating equality issues within commissioning specifications. Where proposals include commissioning or recommissioning external providers, detailed equalities requirements should be built into contract specifications. This will ensure that best practice relating to equality in delivery of services is continued and improved upon when delivered by external partners.

Workforce training and development. A number of the proposals contained within this report hinge upon the ability of officers to recognise opportunities where it is possible to further advance equality (for example, to improve disabled access to facilities/services). It is also important that officers are aware of and sensitive to the particular needs of different groups of people. Equalities training is available as part of the Corporate Training offer, and bespoke training can also be arranged by the Council's Equalities Team.

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Appendix 2

Equality impacts: budget proposals, January 2017.

1. Introduction and legal background

This Appendix outlines how the impacts of the Council's budget proposals have been considered from an equality perspective within the People & Communities Directorate Plan, the Place Directorate Plan and the Resources Directorate Plan.

The Equality Act 2010 makes it unlawful to discriminate against an individual because of certain personal characteristics ('protected characteristics'). The law also requires that equality issues are considered by public bodies as part of decision making, especially where reductions or closures are proposed.

2. Actions so far

- Budget proposals in each of the Directorates have been considered individually and alongside each other to begin to identify and mitigate any unexpected or unintentional cumulative impacts.
- Potential equality impacts have been identified through documents produced for the medium term and strategic review proposals. The initial proposals set the high level intentions, identifying if service redesign was proposed and, where sufficient data was available, identifying any potential impacts upon different groups. The finer detail of how the proposals will be implemented will follow in due course, and it is recommended that comprehensive equality analysis is carried out as proposals are developed. This will help to ensure that opportunities to enhance equality are utilised, and any possible negative impacts or barriers for particular groups are identified and, if possible, mitigated.
- Budget proposals are being presented to Policy Development and Scrutiny panels during January 2017 and commentary from these panels will be reported to the Resources PDS Panel.

It should be noted that this is year two of a four year plan; the report appended to the 2016 budget papers contains detail of many budget items that are already being progressed.

3. Directorate Proposals

Across the Council, every attempt has been made to achieve efficiencies through service redesign, with minimum reduction in services or disproportionate increases in charges.

The Council's Human Resources policies already ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully taken into account.

In order to achieve our ambitious vision for the area, four corporate priorities have been identified in the Corporate Strategy 2016-2020. The intention is that these four priorities will drive the work of the Council. The four priorities are: a strong economy and growth; a focus on prevention; a new relationship with customers and communities; an efficient business

The budget proposals with the potential for particular equality impacts have been listed below under the relevant priority areas.

4. A Focus on Prevention

- a. **The Front Door Review** will place a greater emphasis on providing health advice and guidance, and on preventative and self-care issues- along with further links with voluntary sector providers- will help to ensure that statutory services are made more easily available for those in need. Service users will be supported to maximise their independence and packages will not build unnecessary dependency on funded services, resulting in improved outcomes.
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5. A new relationship with customers and communities

- a. **The Modern Libraries Review** will see the Keynsham model (of a joint One Stop Shop and Library service) developed in Bath and Midsomer Norton. Integrating services in three main population centres will see an increased focus on the new digital agenda, helping people to access resources and gain appropriate skills as well as focusing on children and families and developing skills for the economy. Access to three million books across Libraries West will be maintained with the browsing experience being enhanced through innovative use of digital technology. In rural areas the impacts will depend upon local community solutions and have potential to enable longer opening hours and more vibrant community hubs and shared facilities. In the redevelopment of One Stop Shops, consideration needs to be given to improving disabled access to the external and internal environments. Specific equality impacts will differ depending upon geographical area: further

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8. Recommendations

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Bath & North East Somerset Council

Budget Engagement November/December 2016

Feedback Report

Contents

1. Background
2. Summary of Forum Feedback and Responses
 - A) Concerns about the impacts of the Council budget direction
 - B) What communities can do to help
 - C) What participants think about what other councils have done
3. Third Sector Group Budget Feedback

1. Background

Bath & North East Somerset Council undertook a series of 5 budget workshops in November and December 2016, to help inform the development of its 2017/18 budget and future financial strategy. These workshops were open meetings, hosted by our Connecting Communities Forums, which themselves form part of our wider framework for local engagement and consultation. Our Third Sector Group (comprising local voluntary and community organisations) also met twice to discuss budget issues, attended by the Cabinet member for Policy, Localism and Partnerships. A summary of key points made at these meetings is also included in this report.

The budget workshops took place as follows:

Forum	Date	Venue	Chair
Somer Valley Forum	21 st November 2016	Town Hall, Midsomer Norton	Cllr Linda Robertson
Keynsham Area Forum	22 nd November 2016	Keynsham Community Space	Cllr Alan Hale
Bathavon Forum	28 th November 2016	St Gregory's School, Odd Down	Cllr Hugh Baker
Chew Valley Forum	29 th November 2016	Chew Valley School, Chew Magna	Chris Head
Bath City Forum	1 st December 2016	The Guildhall, Bath	Cllr Bob Goodman

At each workshop, the Council's Portfolio Holder for Finance and Efficiency and the Council's Strategic Director gave a clear presentation which covered:

- The background to the Council's financial position
- Savings that had been achieved so far
- The expected "gap" of further savings that needed to be achieved

The presentation then set out, under each Cabinet portfolio heading, the overall direction the Council was taking to drive efficiency and new ways of working. The presentation also highlighted some of the difficult choices which other authorities had been making with regard to service reductions.

The presentation finished with a series of questions designed to encourage debate and feedback on the open workshop session.

These questions were:

- A) What are your concerns about the impacts of the Council budget direction in your area?
- B) What can you and your community do to help?
- C) What do you think about what other councils have done?

Finally, following this feedback, attendees were invited to be further involved in the budget process through a detailed timetable, including the Council's Policy Development and Scrutiny Panels due to meet in January 2017.

The presentation given to the Forums containing this timetable can be found online [here](#).

2. Summary of Forum Feedback and Responses

Excluding speakers and support staff, 117 people attended the workshops in total. The highest attendance was in Bath, the lowest at Somer Valley. 174 separate questions, feedback points and comments were recorded. A number of questions were answered directly “on the night”- for example specific queries on factual matters relating to the presentation.

From analysis of the detailed points raised at the Forum meetings, a number of key themes have been identified, and these are set out below. It is important that the views and concerns of local people are taken into account as the budget process moves forward, and so a response to the key points made is also included in this report. A number of very useful suggestions have been made to help us address our local budget challenge and wherever possible these will be followed up and acted upon. Again, these are set out below.

A) Concerns about the impacts of the Council budget direction

“We are concerned about the budget reductions affecting vulnerable adults, affordable housing and passing on costs to Parishes.”

Comment at Chew Valley Forum

Participants raised concerns that:

- Budget reductions might hit those who need the most help. There was particular concern about impacts on vulnerable adults and young people.

Response: The Cabinet’s proposals result from a stringent and comprehensive review of all spending carried out over the past year, aimed at finding new ways to increase efficiency and grow income in order to protect priority front-line services as far as possible. The Cabinet has identified £41 million worth of potential savings so far; including £12 million already being delivered in the current financial year despite pressures in the priority area of Children’s Services. However even after driving out all these savings, more is still required and the Council will have to take some tough decisions to balance its budget. Demand for a range of services is also rising quickly as our population grows and changes and this puts pressure on resources. Our savings proposals will ensure that the Council continues to live within its means, whilst protecting frontline services as far as possible and continuing to invest in important local priorities such as affordable housing, transport improvements and economic growth to create good local jobs.

- There may not be sufficient volunteers coming forward to support local community projects, and volunteer projects may not be appropriate in some circumstances

Response: Our area is fortunate to benefit from a wide range of voluntary and community sector organisations and many enthusiastic volunteers. We work closely with the Volunteer Centre to ensure that we can match volunteer roles with those who wish to give of their time, and we are always looking for new ways to harness local energy and enthusiasm. A good example is the Good Gym which brings together a community of runners and qualified trainer in ways that help the community. Our Paulton Hub now has 70 volunteers and New Oriel Hall community library is run by the local community. New volunteer roles such as Snow Wardens enhance our local communities. However, we recognise the limits of volunteering and will always ensure it is used appropriately.

- Parish councils may not have the resources and capacity to manage services

Response: It is recognised that our town and parish councils are very diverse, and that local communities have a range of priorities. Parish councils already deliver a wide range of high-quality services tailored to local needs. Where there are opportunities to reduce duplication and improve services by working more closely with parish councils, we will consider these carefully. We are currently working with parishes on a new Parish Charter to develop further these new ways of working.

- There were uncertainties about the impact of proposed changes in Adult Social Care

Response: £5.6 million of cost increases have been avoided as part of increased efficiency and redesigning services to maximise people's independence. This links with planned developments through Your Care Your Way.

- Whether the Park and Ride to the East of Bath is deliverable

Response: Bath & North East Somerset Council's Cabinet will be considering a report setting out the possible locations for an east of Bath Park & Ride site on 25th January.

B) What communities can do to help

“Don’t waste opportunities to work together”

Comment at Somer Valley Forum

“Invest in behaviour change – especially in regard to recycling”

Comment at Chew Valley Forum

Participants identified opportunities to:

- Build on the wide range of good local projects - for example, the Keynsham Wombles

Response: The Council is very proud of the wide range of local and community groups which enhance our area. We have improved the information we provide on external funding and training opportunities we provide to such groups. Through the local Forums we will find new ways of sharing good practice and support. An information pack for volunteer litter pickers is also available.

- Work with parishes to utilise their local knowledge. Some “seed” funding would assist in fully realising these opportunities

Response: The Council fully agrees that parishes can use their local knowledge to improve their neighbourhoods. It is therefore exploring a Community Empowerment Fund to encourage and support projects that involve communities in enhancing promoting pride in local areas.

- Streamline and join-up services e.g. through better use of buildings

Response: Our work on local hubs continues to develop, drawing on the success of the Keynsham one stop shop, library and community space. There are plans to integrate our Library and one stop shop in Bath and Midsomer Norton as well as for a Library/Health Hub in Radstock. We are actively exploring the transfer of some Children’s Centre buildings to community organisations who can make better use of them- enabling the Council to make savings without reducing the front line service.

- To use the “local portion” of the Community Infrastructure Levy.

Response: Parishes already can allocate 15% of CIL funding to local schemes, rising to 25% where there are neighbourhood plans, of which there

are 4 in our area with 121 underway. The Bath City Forum has now agreed a process for working with local communities to bring forward recommendations for investing the neighbourhood portion within the City and this will be used on projects that meet the demands of development in localities.

C) What participants think about what other councils have done

“In Swindon it has been agreed that there will be three large parish areas created, this will allow additional precepts to be collected that could not be achieved through Council Tax which is capped”

Comment at Bathavon Forum

Participants identified examples from other areas as follows:

- Some Councils are introducing local lotteries

Response: Local authorities, subject to obtaining an operating licence from the Gambling Commission, may run a local lottery for any purpose for which they have the power to incur expenditure. The Council is aware of at least five Councils who are currently running or planning to run a Council lottery and would welcome any comments on such an idea.

- Consider introducing precepts to Bath through creating new Parishes, as in Swindon

Response: The Council has established a Bath City Forum following a detailed review of governance arrangements for the City. Any proposals for new parishes in the City would be considered through the proper processes, and due weight would need to be given by the Council to the various local identifies within different parts of the City. It should also be noted that central government are considering imposing limits on the increases to Parish Precepts.

- Consider congestion charging and workplace charging for Bath, as in some other cities

Response: There would need to be considerable local support for any such scheme, but to be viable it would probably also need to be approached across the whole of the West of England rather than a standalone scheme of the City of Bath.

- Introduce a tourism tax or levy

Response: There is currently no statutory basis for this, but if there is local support this may be something that could potentially be explored through further discussions relating to devolution.

- Increase taxes on second homes

Response: We charge the maximum possible Council Tax under government rules for second homes. We also charge 150% Council Tax on properties that have been empty for two years. The aim of this is to try and reduce the number of long-term empty properties in our area so we can get as many as possible back into use for local people.

- Consider asking students to make a contribution

Response: It is not possible to charge Council Tax to students. The Council has been lobbying government for the pressure on our services to be recognised as the new system of local government finance is set. Further details can be found [here](#).

3. Third Sector Group Budget Feedback (extracts from meeting minutes)

Meeting of 8th December 2016

Cllr Paul Myers opened the discussion on the budget and in particular highlighted the budget workshops hosted by the 5 Forums. Cllr Myers explained that his Cabinet role encompasses working with the third sector and parish/town councils to identify new ways of working to improve communities. Feedback from the discussion included:

- Some members of the group considered that the information that has been provided on the budget challenges so far have not been detailed enough to understand where the pressures exactly will be. If help and advice is needed from the third sector, there will need to be more information shared and at an earlier stage. Organisations at the meeting reported that no specific budget discussions had taken place with them at this stage in the process.
- Groups would welcome conversations to share information and use intelligence that the third sector organisations can bring to future planning.
- Members of the group identified specific impacts on the viability of organisations as a result of rent rises.
- Members of the group confirmed that they were very aware of the challenges facing councils and of the national context, but requested an open dialogue about local impact.
- There are opportunities for better signposting when dealing with the public. There are times where channelling people to the third sector for help can deliver a better overall user experience.

Cllr Paul Myers agreed that a framework was required so that there was greater clarity as to how the Council can work together with local organisations, for example on involvement in service delivery. The Parish Charter sets out how B&NES Council works together with Parish Councils, and this is currently being reviewed. There was the potential for this process to be drawn upon and for there to be a “Third Sector Charter”.

It was explained that the initial budget challenge presentations at the Forum meetings had been designed to provide an overview of the issues and to find ways to join up through ongoing conversations. In January 2017 there will be more specific detail that will be made available at the various panels, particularly through Directorate Plans. Impacts examined through the process include equalities, VCS impacts and staffing impacts.

Information was shared by group members on actions that have been taken by other Councils.

The group identified mental health services as an important area, if cuts are made to early intervention services the result will be an increase in level of services being needed “downstream”.

The Cabinet member thanked everybody for their input into a high-quality discussion. The feedback provided by this meeting will be added to notes taken at the five area forum meetings. This group will meet again on Thursday 5th January 2017 at 3pm to look at budget impacts in more detail.

Meeting of 5th January 2017

Hard copies of the Appendices to the Directorate Plans going before the PDS Panels were circulated. These had previously been sent as links on the day they had been published to the web. Dates of PDS Panel meetings were also made available. A number of points were made by VCSE representatives on these detailed proposals, as below:

- Some of the plans referred to “reducing dependency”. However, as people became older and frailer, it was likely that dependency would remain a key issue and that high levels of support would continue to be needed, for example in relation to transport. Services such as the Wellbeing College were not always appropriate for people with these higher levels of need.
- It was noted that there was also a positive emphasis in the documents on promoting and maximising independence, and that this reflected a shared approach to reducing dependency over the longer-term.
- Potential impacts of reductions in schools prevention programmes and sexual health were highlighted.
- Reference was made to figures in the press of £5.6m spending reductions in adult social care. The group noted however that the Council was in fact increasing its total spend in this area and there were considerable demographic and other cost pressures such as the national living wage with net additional funding of £1.6m.