

# Resources Policy Development and Scrutiny Panel

**Date: Monday, 5th February, 2018**

**Time: 4.30 pm**

**Venue: Council Chamber - Guildhall, Bath**

Councillors: Sarah Bevan (Chair), Lisa O'Brien, Jasper Becker, Joe Rayment,  
Andrew Furse, Patrick Anketell-Jones and Sally Davis

Chief Executive and other appropriate officers  
Press and Public

Supplementary papers for Resources Report E3004 Revenue and Capital Budget



**Michaela Gay**

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## NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

Paper copies are available for inspection at the **Public Access points:-** Reception: Civic Centre - Keynsham, Guildhall - Bath, The Hollies - Midsomer Norton. Bath Central and Midsomer Norton public libraries.

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. **Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control.

Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator.

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4. **Public Speaking at Meetings**

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group. They may also ask a question to which a written answer will be given. **Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.** Further details of the scheme:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. **Emergency Evacuation Procedure**

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6. **Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

**Resources Policy Development and Scrutiny Panel - Monday, 5th February, 2018**

**at 4.30 pm in the Council Chamber - Guildhall, Bath**

**A G E N D A**

**8. BUDGET AND COUNCIL TAX 2018/19 AND FINANCIAL OUTLOOK (Pages 5 - 168)**

This report provides this PDS Panel with recommendations and context to enable it to consider the separately published draft Council budget.

The Committee Administrator for this meeting is Michaela Gay who can be contacted on 01225 394411.

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<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>Resources Policy Development &amp; Scrutiny Panel</b>
MEETING DATE:	<b>5<sup>th</sup> February 2018</b>
TITLE:	<b>Revenue &amp; Capital Budget 2018-19</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b> <ul style="list-style-type: none"> <li>• Appendix 1: Budget report</li> <li>• Appendix 2: Summary of other January 2018 PDS meetings</li> </ul>	

## **1 THE ISSUE**

This report provides this PDS Panel with recommendations and context to enable it to consider the separately published draft Council budget.

## **2 RECOMMENDATION**

The Panel is asked to:

- 2.1 Consider the budget report as well as feedback already received on the budget and highlight any issues it would like the Cabinet to be aware of.
- 2.2 Recognise that any 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 The budget report provides the framework for service planning and budget setting to enable the fulfilment of the legal requirement for the Council to set a budget in February 2018.
- 4.2 The Council is committed to ensuring that financial decisions and the budgetary processes are subject to proportionate equality analysis. This analysis is being carried out on the proposals within the Operational Plan by the Council's

Communities Team in conjunction with the relevant lead Directors. An initial assessment is attached to the draft budget report.

## **5 THE REPORT**

- 5.1 This report provides the Resources PDS Panel with recommendations and context to enable it to consider the separately published draft Council budget. 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. This is the standard approach and papers should be available on or about the 30<sup>th</sup> January 2018. The timetable is unavoidably constrained given the timing of Government announcements and consultation requirements. The Operational Plan has already been published and sets out the way in which the changes highlighted in the budget will be implemented.
- 5.2 A number of Area Forum meetings were held during November 2017 in order to give partners, stakeholders and members of the public the opportunity to hear more about the budget challenge, express views on potential impacts and local priorities and raise ideas and questions.
- 5.3 During January 2018, the draft Operation Plan has been presented to each of the other Policy Development and Scrutiny (PDS) Panels. Each PDS Panel was engaged in this review and concentrated on the parts of the plan relevant to their own remit. The Panels were asked to consider the implication of the draft plan and make recommendations to the relevant portfolio holders and Cabinet.
- 5.4 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.
- 5.5 Cabinet will consider the feedback as part of its final consideration at the Cabinet meeting on 7<sup>th</sup> February 2018 and will recommend a budget to the February 13<sup>th</sup> 2018 meeting of Council.

## **6 RATIONALE**

- 6.1 The Council is required to set a budget which identifies how its financial resources are to be allocated and utilised.

The Operational Plans sets out the context and implementation arrangements and highlights the expected impacts.

## **7 OTHER OPTIONS CONSIDERED**

- 7.1 The Operational Plan sets out a package of options that reflect the Council's Corporate Strategy, and its overarching visions and values. The available options were highlighted as part of the budget consultation meetings especially at the Area Forums.
- 7.2 The financial pressures facing the Council limited the availability of viable options with a significant element of the savings coming from reduced staffing levels.

## 8 CONSULTATION

- 8.1 The Operational Plan flows from the Corporate Strategy which was developed in consultation with Cabinet and Council officers. They also build on the Council's 2020 vision which was developed in consultation with the NHS, police, local businesses, fire service and voluntary sector.
- 8.2 Council meetings and briefings have been held with officers and members during the refresh of the plans.
- 8.3 A short animation with information about the budget process has been developed and publicised online.

## 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. This is incorporated into the budget report.

<b>Contact person</b>	Andrew Pate (Strategic Director Resources)
<b>Background papers</b>	<p>B&amp;NES Corporate Strategy 2016-2020</p> <ul style="list-style-type: none"><li>• <a href="http://www.bathnes.gov.uk/sites/default/files/bnes_corporate_strategy_2016-2020.pdf">http://www.bathnes.gov.uk/sites/default/files/bnes_corporate_strategy_2016-2020.pdf</a></li></ul> <p>Area Forum Feedback</p> <ul style="list-style-type: none"><li>• See attachment below</li></ul> <p>Budget information on Council web site</p> <ul style="list-style-type: none"><li>• <a href="https://www.youtube.com/watch?v=teev4Wdzu_w">https://www.youtube.com/watch?v=teev4Wdzu_w</a></li></ul>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

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# Bath & North East Somerset Council

## “Changing Together”:

## Budget Engagement November/December 2017

## Feedback Report

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# January 2018

## 1. Introduction

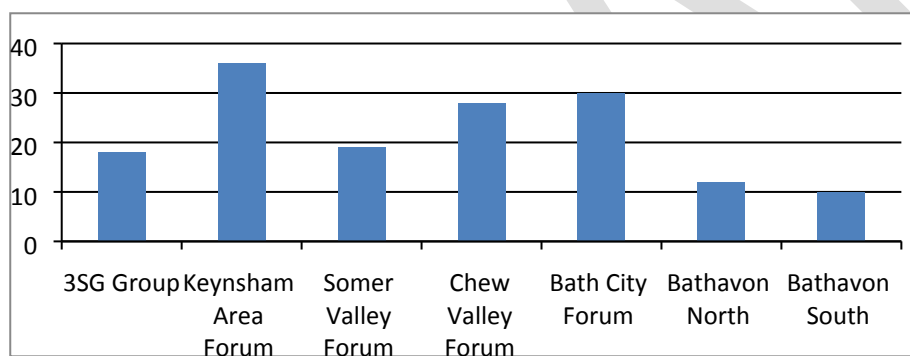
A series of “Changing Together” presentations, followed by “Question and Answer” sessions, was hosted by our Connecting Communities Forums and by the 3SG (Third Sector Group) in November and December 2017.

The presentations were given by Cllr Charles Gerrish, Bath & North East Somerset Cabinet Member for Finance and Efficiency, and covered:

- The Council’s changing role
- The pressures and challenges we face
- What we’re doing about these
- What we can do together to help

The presentation given to the Bath City Forum can be found [here](#)

These were open meetings and a total of 153 people, excluding officer support and presenters, attended. The highest attendance was Keynsham. Detailed attendance figures are set out in the table below.



Our thanks go to the hosts for these sessions and in particular to the Forum Chairs and Vice Chairs.

## 2. Summary of Key Issues raised

In total, over 70 specific questions and issues were raised in the “Q and A” sessions which followed the presentations. These are set out in detail in the body of the report. However, a summary of the key issues raised is set out below:

- **Key Issue 1: Understanding the scale of the challenges and impacts facing Adult Social Care, Children’s Services and protecting the most vulnerable.** These were referred to at all engagement sessions and generated the highest number of questions overall. There was specific interest in the cost of placements
- **Key Issue 2: Understanding the challenges of Business Rates, Council income, use of Council assets and the Council Tax regime.** This elicited the second

## Changing Together: Budget Presentation 2017- Feedback Report

highest number of questions across the Forums and there was also interest in the impact of the University sector.

- **Key Issue 3: The budget process, next steps and how to work with the Council to address the issues identified.** The 3SG session broke into workshops to highlight the opportunities under the themes identified in the presentation made to them.

In addition, a wide number of specific questions were asked about Council services and schemes including recycling, traffic and leisure facilities. These key issues as well as the detailed information set out below were reported to a special meeting of the Chairs and Vice chairs of the Forums and of 3SG on 11 December. The meeting also received an update on the next stage of the budget process.

### 3. Detailed Questions and Answers recorded at the Presentation sessions

#### **Bathavon South Forum, 15<sup>th</sup> November 2017**

- Q: Where shop owners have properties with residential units above them there are rules around SIPP's (Self-Invested Personal Pension (SIPP)) that makes it unattractive for people wishing to invest in making the units suitable for the rental market. Could the Council lobby for changes that could help with this?**
- Q: The Council owns a lot of the properties in the city and stores that had been here for a long time appear to be disappearing. What can be done to prevent the loss of popular city centre shops?**
- A:** The Council is one of the bigger owners of commercial shops in the city and it does benefit from the business rates that it collects. It does not set business rates as this is done by central government. The Council works flexibly with tenants to provide help where they can. Occupancy rates in Bath show void rates of around 5%, nationally the figure is double that.
- Q: The level of commerce that is now conducted on the internet has weakened the ability for the traditional shops to be able to compete. Where cafes come along to replace the shops that close they are seen as an offering. That is an offering to people that have additional free time to fill.**
- Q: Where so called useful shops in the city do disappear these are often replaced with numerous coffee shops and cafes.**
- A:** Where a property is banded for use that allows the change to take place there are no powers to stop this when we are not the landlord, where a change is required, then change of use must be agreed. Where the Council is the landlord then we do have the right to decide on the mix of tenants we wish to have.
- Q: Will the Council be the landlord for all of the Bath Quays Development?**
- A:** We are presently asking for expressions of interest for sections in the development. We expect to see partnerships that we will be part of and this will give a mixture of different types of employment.

Permitted developments such as the one on the Pickfords' site in Bath can be seen as having a double impact on then Council finances. Not only does the Council not have business rates

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to collect, it also has no Council Tax to collect from the student block that replaces the existing business.

**Q: Why has the situation got so bad with Adult and Children's Care requiring 80% of the overall budget?**

A: The presentation outlines the pressures: the ageing population in B&NES is increasing at a higher rate than the national average. In addition, the quality of many of these services (for example, special needs schools places), are seen as attractive to people moving into B&NES.

It is also worthy to note that there are positive things we need to reassure ourselves of. These include success with Ofsted, quality care home delivery, staff success and huge savings already made. There are many things we are still doing but in a different way.

**Q: What is the situation with the link road?**

A: There is investigation still to come on this. Conversations with and lobbying of government on funding are awaiting feedback.

**Comment:** The issue of cycle lane safety was highlighted; it was suggested that installing raised middle separators would increase safety.

**Comment:** The issue of communal waste collect points such as those used in Europe was a suggestion.

### **3SG , 21<sup>st</sup> November 2017**

**Q: Is there transparency at looking at opportunities and future arrangements? A lot of people in attendance today are part of the Virgin contract: will the health and social care savings be required from the Virgin contract and then trickle down to the small organisations?**

A: There is a series of efficiencies and planned savings within the life of the Virgin care contract. Part of the saving will be made through exploring new digital platforms. There are currently no concrete plans for exactly how these savings will be made.

**Q: As the plans are not fully formulated, is there still an opportunity for us to work with you to develop them?**

A: More detailed plans will be developed in January and we have an opportunity to look at specific areas. The relationship and discussion need to be on-going.

**Comment:** The local authority should take a view about the best way for communities to help with the demand. They should set out a vision and focus on the areas with greatest need.

**Q: Not every organisation represented here today is part of the Virgin contract. The advice and information service had been part of the contract until recently was removed from the scope. Is it likely that it will be part of the contract in the future?**

A: The majority of services have been now transferred. We have confidence in the model and we are in the process of TUPE-ing over some of our commissioning capacity to Virgin. We will be talking to all those affected in advance of any further changes that may take place.

**Q: Practically, what can we offer you over the next three weeks? The third sector is good at identifying creative solutions but there isn't a lot of time.**

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A: The budget pressures don't go away. If we are making progress towards the savings then we could explore opportunities for these to take place in 2019. We have to start now and we would like to work with you. The local authority's role is changing and we will, in the future, not be delivering all services ourselves. Councils can over-complicate things, so we need to have simple solutions to dealing with issues.

**Q: The sector is good at delivering value for money. We recognise that the Council needs to save money and therefore we wouldn't want the Council just to commission a service with a larger provider as it is cheaper. Everyone here today works at a micro level. "Grants" are not seen as helpful necessarily and the Council instead needs to see funding as "investment" into the local community. The sector is really hard working and delivers on the ground.**

A: We need to look at doing things differently. To support this, we have identified a small grants programme this year. The take up has been slow but there have been some good ideas coming forward.

**Comment:** We need to recognise the hidden investment that the sector brings – eg the room offered by Bath Football Club for this meeting. Someone needs to absorb these costs as they are real and actual costs. There is an opportunity to explore ways to make things easier for us.

(See Annex for details of workshop sessions)

### **Bathavon North Forum, 22nd November 2017**

**Q. What are the reasons behind the pressures now being felt on children and adult services?**

A: There is a combination of factors: more children, an increase in 'stressed families', more complex needs and an increase of 14% in care packages that are costing over £50K per year. There are some young adult packages that are costing over £100K per year.

**Q. How is the Council dealing with the issue of the lack of financial contributions being made by the Universities in Bath? The City is losing out due to the loss in business rates caused by the levels of accommodation for students and then with the students not having to pay council tax we lose again.**

A: Discussions are taking place with the Universities and this work is still ongoing. The rent that is being paid by the University of Bath was set out in the 1960's on a lease for 150 years; the rent was set at a peppercorn rate.

**Q. The investment being made in leisure facilities is a positive move, what more can be done to increase cycling to school?**

A: The Council does look to provide safe routes and pathways to schools; we do see the health benefits that come with cycling.

**Q. Are there caps on Council Tax increases? And is it too radical to say levels need to be higher?**

A: There is a 2% maximum rise that can be made for Council Tax, if we wanted to raise this by any greater level then we would have to hold a referendum; this would cost around £200K to

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do so. The additional precept for Adult Social Care is again 2%, we do plan to ask to split this down over the next two years so that the next increase is 3% and the year after that is 1%.

**Q. If the public want decent services should it not be an expectation they need to pay for these?**

A. Many people do not see the services that are putting the greatest pressure on our finances and do not see why there is a greater need for us to ask them for more money.

**Q. Sure Start and Children's Centres are of great assistance to families that are coming through with greater care needs, is it a false economy to cut back on these?**

A. The Council has retained a number of children's centres, some are now becoming community assets, whilst other authorities have taken the decision to close them.

**Q. The expansion of Universities in Bath without enough campus accommodation being built has and continues to put ever increasing pressures on the City. Residents are being displaced and replaced by students - £20 million in lost Council Tax over five years and if this continues this rises to £40 million in five years' time. This is money that the Council is missing out on. The Universities should be made to make contributions as they are causing pain to public finances that is doing more harm than good.**

A. A document is due to be published next week that shows how we have been looking at this issue. We have to strike a balance at the same time as working under government directives. Cllr Bob Goodman has been working on this issue and is continuing to look at ways that will help.

**Q. It is good to see that the presentation says that you are putting residents first. FOBRA feels that there needs to be a student housing strategy that the Universities and signed up to. Other local authorities have taken a much harder line; can we expect to see B&NES getting tougher?**

A. New HMOs do have restrictions and we are tackling the issue where we are able to do so, where there are existing dwellings that are HMOs there are no restrictions we can apply.

**Q. Where does the Council receive its finances from?**

A. £50 million comes from Council Tax which is around 30%.

**Q. What is the position with the rate support grant?**

A. The Council will retain the full 100% of business rates from 2020, but there is a lot of volatility around this income. There is a balance that we have to get right. There is a new action plan for shops and we are lucky that we have tourism that drives business. The internet offering has eaten into the customer base for many shops and we have to be realistic around the impact that this has.

**Q. Are there any plans to introduce a Tourism Tax?**

A. Yes, we are going to central government asking for more freedoms for local authorities to decide on what is best for their locality.

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## **Bath City Forum, 27<sup>th</sup> November 2017**

**Q: Is the investment that has been made in leisure facilities part of 'invest for funding' strategy?**

A: No, the investment has been made to give people the opportunity to improve their health and wellbeing.

**Q: Where recycling has been mentioned in this presentation the focus is on saving the Council money; there has been no mention of the importance of saving the planet.**

A: We agree that the environment is important and every effort needs to be made to encourage everybody to do the right thing.

**Q: The figure quoted of a 14% increase in children going into care sounds high, what are the reasons.**

A: The starting point is very low, with all additional cases there are court fees. Some of the complex cases can require care packages that are very expensive.

**Q: Last year there was a discussion around tourism tax - are there any plans to continue looking at this possibility? How likely is it that the government will listen and how quickly can we expect this to happen?**

A: The Council Leader has meetings planned with central government in the near future to look at how local authorities can be given new income-raising powers that can be used to meet the local needs; this includes looking at tourism tax.

**Q: What can we expect to see as the alternative meals on wheels offering? Will this just be a drop off service?**

A: The final decision has not yet been agreed. We have looked at the option of working with Age UK as the care element of the service is seen as important.

**Q: The slides in the presentation show overall totals that do not add up from the information shown on the slides.**

A: These are illustrations, there are areas such as Council Tax rises, revenue from Heritage and our property company that all need to be included.

**Q: Local authorities across the UK are struggling, how can we tell how B&NES fits into the scale of the impacts versus others? Are the efficiencies that we are seeing comparable when you take into account the level of assets that B&NES have available to them?**

A: The presentation shows a table on Council Tax which illustrates what B&NES charges compared to others. A combination of factors makes this year's position tougher. Other authorities were earlier in making the cuts and we are playing "catch up." B&NES does benefit from the income from visitor numbers but also has the downside of having to pay for higher numbers of ageing residents and the way our high quality special schools offering attracts people from outside the area.

**Q: Bath is now the most student populated city in England with its student population making up proportionally 25% of the people living here. The students are paying no**

## Changing Together: Budget Presentation 2017- Feedback Report

**Council Tax and the government are not compensating B&NES for this missing income. The government need to understand the impact on communities, there needs to be a student accommodation document that sets out a strategy that also deals with the loss of business rates. What are the Council doing about this and is there dialogue taking place with the Universities?**

A: The Leader of the Council is working with the University cities of England in putting forward a joint case to government. The Universities are talking to the Council; this is important as there are more HMOs, more Students and the loss of the rate support grant.

**Q: What additional reduction in Council offices will we be seeing?**

A: The move of the one stop shop to the Podium will free up space in Manvers Street for other uses.

**Q: How are people to be supported in staying well if funding is to be reduced?**

A: Support from within communities will be required and different approaches will need to be taken.

**Q: This year the presentation that has been given is an improvement on last year. I do think that the idea that this is a consultation on the budget does not feel right. From what I see we are in a real financial mess and are being forced to make 300 people lose their jobs. Are we considering a referendum for a high increase in Council Tax?**

A: It is too early in the process to say what the level of Council Tax increase will be. If however we did hold a referendum the cost would be around £200,000 and it is not certain that residents will be in agreement. Additionally the delay caused would lead to a hold up in collections that would result in losses that we would never get back. We will consider the option to increase the Adult Social Care precept.

**Q: The recycling methods that we have always adopted could be changed so that we look at sorting increased levels of recyclables “downstream”?**

A: We will look at the contract for recycling when it comes up for renewal. We all should encourage and educate our neighbours into doing everything possible to maximise recycling.

**Comment:** It is looking likely that residents will be looking at a 5% overall Council Tax Bill increase, 2% on Council Tax and 3% on Adult Social Care. There needs to be effective lobbying of central government to compensate for the additional burdens that are happening now with Adult Care numbers and extra places needed for children's needs.

**Q: The introduction of a Metro Mayor seemed to imply that the full business rate retention would be given as part of the deal; please could we have clarification if this is still only a pilot period or if it is being implemented fully?**

A: The business rate retention scheme was introduced after WECA came into being, this was not offered as an upfront benefit.

B&NES did join the pilot scheme for the localisation of business rates, and by joining we have benefited through immediate growth gains. There is still going to be an evolution of national policy that will determine how the rate will be revenue neutral.



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The lobby of government will continue and we are highlighting a number of areas such as, student numbers, tourism levy, charitable business rate relief, permitted development rights and special education needs.

**Q: As a headmaster in the City, I see the discussions with children about the importance of recycling and they see this as the right thing to do.**

A: Thanks for the efforts that you are making.

**Q: The message that the most vulnerable people are being taken care of is good to hear and is linked to the point I made about funding for schools.**

**School funding over the next two years sees an extra £3.5 million being shared across the area. If however the choice is made to move to the new formula for allocation of the funding the five most deprived schools in the area will lose out on £200,000. It is now up to Councillor Paul May to make a decision.**

A: The decision is scheduled on the forward plan, the Council does not make the decision alone, and the Schools Forum will be involved with this. Councillor Gerrish said that he will look to see what can be done on this.

**Q: How can the Council's consultation be widened to involve the harder to reach residents and get a cross range of organisations and residents better informed?**

A: This presentation is only the starting point and we recognise that the process will take further engagement sessions that will look ahead to further years. Getting a wide range of people involved is important and the Third Sector Group and the Forums are part of the overall methods we will use.

**Q: The setting of expectations needs to be carefully managed when delivering awareness. The broader picture needs to be looked at and avoidance of just listening to the loudest voices only is needed.**

A: The role of the Council is changing and a broader role for the community will be required. We want greater engagement with proactive and positive groups.

All of the Directorate Plans will be published and will go to Scrutiny in January 2018, including a range of plans for savings. Any proposals for alternative savings will need to be set out with the financial implications.

**Q: This year's plans from Bristol City Council were set out in November 2017 line by line. We should aspire to reach this level of detail for the next years round at around September 2018. As adult social care is such a large part of the budget it would be encouraging if the cabinet member could attend these meetings to give greater levels of detail.**

A: This year saw late pressures from social care and the overspend was not identified until August 2017.

**Q: Have the two MPs been invited to give their opinions on the budget?**

A: Yes, the MP for North East Somerset has already met with us and the meeting with the Bath MP is planned for next Friday.

**Q: Have the changes that are being made to parking charges within residential zones in Bristol been looked at?**

# Changing Together: Budget Presentation 2017- Feedback Report

A: This is something that we will be looking into.

## **Somer Valley Forum, 29th November 2017**

**Q: In the 'Changing Together' document, you state that you will 'manage and contain demand for adult and children's services'. How will you do this?**

A: We need to try and manage the associated costs.

**Q: In the 'Changing Together' document, you state that 'There are 14 per cent more children in Bath & North East Somerset Council's care than last year'. Why has it increased?**

A: The numbers of children are low and, as such, any increase will represent a larger percentage. The reasons children go into care vary but include factors such as family break up.

**Q: Is it cheaper to take them into care than resolving the issues that led to this?**

A: The Council protects children in two ways: child protection plan or in Council care. We do try to support families for as long as we can but, if we cannot protect the child, steps need to be taken. A Court will make the decision. This is a lengthy and costly process. A child in need will cost £5k per year, a child with a child protection plan will cost £10k per year, looked after children cost £50k per year.

**Q: How do we stop it reaching this point in the first place?**

A: We continue to invest in early help and although we have had to make some reductions here, we have protected these services. Numbers of children in care has increased but is still lower than the national and regional average. The Council is keen to recruit more foster families – private foster agencies cost the Council significantly more.

**Q: You mentioned the cost of closing care homes and having to move residents. Does the figure relate to the residents that pay privately or not?**

A: Both – High Littleton is an example. All 160 residents had to be relocated and the additional cost to rehome residents was £1m. Finding 160 beds at one time is a pressure on the service.

**Q: If people pay for their care, why is that a cost to the Council? If they need to move, why is the Council paying?**

A: Market forces – care homes know they can ask the Council to pay more in these circumstances so sometimes we have to.

**Q: Do you not run any of your own homes now?**

A: No, but we would consider it. The care homes in question did not work with us early enough to work out a deal – we were given a week's notice.

**Q: Would you be willing to speak to someone as we have an idea about this? (Paulton Parish Councillor)**

A: Yes

## **Changing Together: Budget Presentation 2017- Feedback Report**

**Q: Local authorities will pay £4k a month for care when private individuals are paying £11k a month for the same care. The Council says to care homes they have to accept this amount. It therefore becomes economically unsound for the care home, so they close, then the cost goes back to the Council.**

**A:** Over the last year, we have engaged with care home providers to work out what is considered a fair price for care. There is a representative group that meets. It is difficult but a lot of other local authorities are in the same position.

**Q: Do you use consultants to help you make these efficiencies and if so, do you know how much they cost?**

**A:** Yes. We have a contract with Ernst Young and they work with us on a range of support services including project assessment. They have brought experience in terms of the Bath Quays development and to Bath Tourism Plus. They work closely with other local authorities that have been through the same challenges – Bath & North East Somerset Council has been cushioned to date due to the income from tourism and property rental.

**Q: Having worked for Central Government I am aware how much has been spent on consultants in the past who then tell you what you already know.**

**A:** Ernst Young have been very helpful – with Bath Quays they used their expertise to get us into the market with 16 expressions of interest as a result. Sometimes it is more cost effective to bring in relevant expertise as required rather than keeping a team in-house. We no longer have the resources.

**Q: The Christmas Market must bring in a lot of money for the Council, can we capitalise on this further?**

**A:** Yes there is potential for future years. Unfortunately this year the Christmas Market did not get planning consent for further stalls. However, there does need to be a balance between income and impact.

**Comment:** No-one has ever been asked whether they would be happy to see Council Tax increase to help mitigate these reductions. Government has capped local authorities who are now turning to parishes to pick up services and costs.

**Comment:** There needs to be a notice period built into contracts with care providers.

**Comment:** Residents do not understand that they pay a precept. If Parish Councils raise their precept, the money will stay locally rather than if B&NES increases the tax and the funding is spread across the whole area.

### **Keynsham Area Forum, Thursday 30th November 2017**

**Q: If 300 people are losing their jobs, will there be compulsory redundancies?**

**A:** We can't answer that at this stage – there will be some voluntary redundancies and natural wastage.

**Q: What proportion of the total budget are the savings?**

**A:** The net budget is £112m, the savings are in excess of 10%.

**Q: What reserves do you have?**

## Changing Together: Budget Presentation 2017- Feedback Report

A: There are two types of reserves – some are earmarked for specific purposes and not available for general revenue use. We also have a statutory duty to keep a proportion of reserves for emergencies – Kelston Road emergency works is an example of something funded from reserves.

**Q: My question was how much?**

A: The statutory requirement is £13m.

**Q: There are good ideas on how past and future savings can be made but to pay 80% for social care is becoming ridiculous. What is the Council doing to make a view known from a Conservative Council to a Conservative Government?**

A: We are liaising via the Local Government Association and have spoken with Jacob Rees-Mogg MP

**Q: Thank you for a great presentation. Do you know how much you spend on outsourced contracts? Can you negotiate them down?**

A: We are looking at this but some, such as Highways, have increased.

**Q: You mentioned that Keynsham's CCTV provision was going to be enhanced – what about speed cameras – they must generate income for the Council?**

A: They are paid for by the Council and some additional cameras have been installed. We do not receive all of the fine money. Some goes to the Police and to a Road Safety Fund.

**Q: You said there had been a 40% reduction in funding but not the time period for this.**

A: Since 2010.

### **Chew Valley Forum, Monday 4th December 2017**

**Q: A plea made from Bath City College, Adult and Community Learning Team. Up-skilling people to get into work is important and the Adult and Community Learning team provide courses to support them. However there is also the need, particularly in the Chew Valley, for upskilling older people to use the internet and get on-line. The team provide courses to support older people to improve their skills. It is important that future funding provides flexibility for people to get back into work but also to allow people to upskill and be more independent, living healthier lives.**

A: It will become the responsibility of the West of England Combined Authority to allocate the funding for Adult Education, however we will ensure that the funding is allocated based on local needs and demands.

**Q: There have been on-going discussions with Highways regarding the A37 traffic issues in Pensford particularly safety improvements which is greatly needed outside of the school. There were plans for kerb improvements and bollards. We have heard nothing since the last meeting. We would like to receive an update.**

## Changing Together: Budget Presentation 2017- Feedback Report

A: Ashley Ayre agreed to follow this up. Cllr Gerrish commented that Councillor May has been lobbying for improvements at the Bellution junction and there has been a focus on the A37 to ensure it is identified as a key route. This will enable additional funding to be released through the West of England Combined Authority.

**Action:** Chris suggested that a sub group of the Forum be set up to look at the A37 issues.

**Q: I came along this evening to find out how to get our views across. You mentioned in the presentation about how we can give our views, but it is still not clear. We need clear channels of communication.**

A: The Council has committed to engaging with the Forums and the wider community over the next 12 months and tonight is the start of the conversation. In the past the Council has just presented the Budget to the Forums. The Forums are a perfect opportunity to discuss local issues and challenges. There is a meeting next week of all the Forum Chairs where we will be discussing how to take this forward. Please ensure that you give your details to the Communities Team who will add you to the Forum circulation.

**Q: I have been unable to find the business plan for Environmental Services on the Council's website. How does the Council measure service performance against individual's performance in order to make greater efficiencies? How can you make decisions on budgets if this information is not available?**

A: Public Protection has been streamlined and has delivered savings. Cllr Bob Goodman is the Cabinet member responsible for this service area. Cabinet members are regularly briefed on issues within their areas of responsibility.

**Q: As a GP I regularly visit vulnerable people in their homes within our rural community and these people are least likely to have internet connection or a mobile, or have the skills or interest. We therefore need to ensure we have the support available to our communities.**

A: We have no intention of delivering all our services on-line. We will still ensure our Council Connect service and One-stop-Shop remains. However, we do recognise that more people are IT literate and prefer to access some services on-line.

**Q: I care for a resident who has early onset Alzheimer's. It is important that we continue to care for vulnerable people and acknowledge the resources needed. A study by Newcastle University identified that 1.2 million people in the UK are suffering from a lack of care. We need to ensure we offer support not just find alternative ways of doing things.**

A: The Council has delivered efficiency savings within Adult and Social Care. We have reviewed the way undertake our assessments. In the past some people received assessments unnecessarily - they had just required signposting to services. It is important that the Council assesses people at the right time in order to integrate the right health services they need at the right time.

# Changing Together: Budget Presentation 2017- Feedback Report

Annex

## Notes of Group Workshop discussions- – 3SG 21 November 2017

### “Going Digital” group

- Council could provide a crowdfunding / grant-making platform (example - Frome Town Council have developed this). Simplify access to information and funding. Could be a way to encourage charities to embrace digital.
- Moving services to digital can exclude groups of people. Limited access / ability.
- Distribution of small grants could go on-line.
- Libraries are used for digital access / printing. Could use other spaces eg. Community hub at Mulberry Park.
- Design of digital services needs to be inclusive.
- Use of purchasing power and reducing duplication to encourage joint working.
- Example – oil buying consortia, saves money for individuals.
- Moving service on-line would save money but need to consider excluded individuals and groups. Can add to loneliness and isolation both geographical and other attributes- therefore need to support access, support training.
- On-line services don't automatically mean it is easier to use / access.
- Finding optimum support for communities to help themselves, with Council providing back-up – eg.,. equipment.
- Enabling people to use digital services. Need to raise awareness of services eg FixMyStreet.
- Be clear about what we are commissioning to avoid duplication.

### Health & Wellbeing group

- Quartet have been commissioned to run grant programme – mental health, particularly men. “Pot” £18k, request £30k.
- Create a vital add on to existing projects, so more projects are partnership ones.
- Bath Mind Social Enterprise – location needed
- Community Asset transfer – maximise asset rather than only partial use. Southside / Riverside / PSJ sharing learning from existing.
- Are the 4 key areas correct?- volunteering and digital are more enablers.
- Digital information provision can be useful but still needs to be some face to face. Tech for Good could be part of solution and Bath Hacked. Doesn't need to be just one method Dementia Friendly web platform.
- Third sector to offer services more cost effectively. Do we need to reframe the programme. Third sector doesn't have duty desk / thresholds / not filtered but not volunteer based – we use volunteers but require paid, expertise staff.
- DHI 20% cut – sat down with staff to revise how things are done / do differently able to do this perhaps more quickly and responsive, only accountable to Trustees.
- Small organisations don't have back office support.
- Any mileage in collaboration?
- Tokenistic approach to involvement of the third sector.
- Council open to ideas for contracting out as we can add value.
- State of the sector survey – 64% respondents using reserves very likely that will be used.
- Youth Connect – looking to the sector.
- Using voluntary sector for consultancy.

### “Role of Communities”

## Changing Together: Budget Presentation 2017- Feedback Report

- Opportunity with the Community libraries - libraries are more than just books. Community Hubs enable people to access information in a “non-statutory” way. There is some funding set aside to support the development of community libraries.
- Opportunities to do things better. Establish a place where people can interact rather than having to choose a window.
- The Council has the ability to invest to save.
- Is there scope within the neighbourhood plans to incentivise tasks that may be cut eg grass cutting etc.
- Communities need to identify the priorities for their local residents
- We have to be careful of the unintended consequences of cuts impact on other services – example, if you don’t cut the grass on playing fields, this impacts on local groups taking part in physical activity.
- Asset transfer – maybe groups cannot afford to purchase a building however they may be able to run a service. Opportunity to explore asset transfers with voluntary organisations. How does the Council measure best value for its asset transfer?
- B&NES is an area of disproportionate differences – need to push money where its needed.
- We can bring other trading in – voluntary services.
- We need to empower the community. We need to have hubs which the community will own.
- It’s all about how people can access facilities – not everyone can get to Manvers Street.
- There is always a need for us to go to the facilities. We still need face to face but where do you do face to face?
- Libraries are more about social contact. Historically they used to be by subscription only.
- Some villages run their own halls and do their own thing.
- Need more adhoc volunteering – try to encourage people to be more neighbourly
- Space where people feel welcomed.
- The voluntary sector has the specialisms but can’t always see out of the corner of our eyes where other people need support
- Where is the PCT and NHS in relation to what they are doing in the community. Need the Council to make the links.
- Opportunity to link up with GP surgeries – health visitors are already working in community spaces.

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Bath & North East Somerset Council		
MEETING:	Cabinet	
MEETING DATE:	7 <sup>th</sup> February 2018	EXECUTIVE FORWARD PLAN REFERENCE:
		E3004
TITLE:	Revenue and Capital Budget 2018/19	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report		
Annex 1: Revenue Budget 2018/19 – individual service cash limits		
Annex 2: 2018/19 to 2019/20 Budget Savings & Income Generation Proposals		
Annex 3: Equalities Impact Assessment of 2018/19 to 2019/20 Savings Proposals		
Annex 4: Efficiency Strategy		
Annex 5: Draft Capital Programme 2018/19 to 2022/23		
Annex 5 (i) New and Emerging Capital Schemes		
Annex 5 (ii): Highways Maintenance Programme		
Annex 5 (iii): Transport Improvement Programme		
Annex 5 (iv): Corporate Estate Planned Maintenance Programme		
Annex 5 (v): Community Infrastructure Levy (CIL) Allocations		
Annex 6: MRP Policy		
Annex 7: Advice of Monitoring Officer on the Budget Setting Process		
Annex 8: Annual Pay Policy Statement		
Annex 9: Budget Aims and Ambitions		

## 1. THE ISSUE

This report presents the revenue and capital budgets for 2018/19 together with proposals for Council Tax and Adult Social Care Precept for 2018/19.

## 2. RECOMMENDATIONS

### 2.1 The Cabinet recommends Council approves:-

- a) The General Fund net revenue budget for 2018/19 of **£113.271m** and the individual service cash limits for 2018/19 as outlined in Annex 1.
- b) The savings and income generation plans outlined in Annex 2 in conjunction with the Equalities Impact Assessment Report in Annex 3 and thereby agrees to

implement the Council's draft Operational Plan which has been presented to each of the relevant PDS Panels.

- c) That the TDC (Thermae Spa) Profit Share arrangement and possible lease extension is renegotiated, subject to appropriate consents and the final decision delegated to the Chief Executive in consultation with the S151 Officer and Leader of the Council.
- d) To help protect front line services and meet additional pressures in Children's Services the budget includes a recommendation that Council Tax is increased by 1.95% in 2018/19 (an increase of £25.04 per Band D).
- e) An increase of 3% to Council Tax for the Adult Social Care Precept is approved in recognition of the current demands and financial pressures on this service. This is equivalent to an increase of £38.52 on a Band D property.
- f) That the release of reserves, including the Invest to Save Reserve is delegated to the Council's S151 Officer in consultation with the Portfolio Holder for Finance and Efficiency and the Chief Executive.
- g) The transfers between reserves outlined in 5.5.1 and the adequacy of Un-earmarked Reserves at £12.2m within a risk assessed range requirement of £11.9m-£13.1m.
- h) The Efficiency Strategy attached at Annex 4 and delegation of the Leading Together Change Programme funding of £2.0m to the Chief Executive in consultation with the Leader of the Council.
- i) The Capital Programme for 2018/19 of £83.111m including the capital review outlined in 5.7.2, new and emerging capital bids outlined in Annex 5, planned sources of funding in 5.7.3, and notes the programme for 2019/20 to 2022/23 and that any wholly funded projects coming forward during the year will be added to the Capital Programme in line with the Budget Management Scheme.
- j) The delegation of implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 5(ii) to Annex 5(iv) to the relevant Strategic Director or Divisional Director in Consultation with the appropriate Portfolio Holder.
- k) Approve the amended process for Provisional Capital Schemes to become Fully Approved Schemes as outlined in 5.7.3 and all other delegations as set out in the report.
- l) The Community Infrastructure Levy (CIL) allocations outlined in Annex 5(v).
- m) The MRP Policy attached at Annex 6.
- n) The Capital Prudential Indicators outlined in 5.7.5
- o) The Annual Pay Policy Statement at Annex 8.
- p) The Council Tax Support Scheme for 2018/19 shown in the following link <http://www.bathnes.gov.uk/CouncilTaxSupportScheme2017-18> and referred to in 5.3.4.

- 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 Charter Trustees of the City of Bath, and those of the Fire and Police Authorities.
- 2.3 That Cabinet note the S151 Officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves outlined in 5.6.
- 2.4 Authorise the Council's S151 Officer, in consultation with the Portfolio Holder for Finance and Efficiency, to make any necessary changes to the draft budget proposal for submission to Council.

### **3. RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

The resource implications are contained within the body of the report

### **4. STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSALS**

A local authority has a statutory duty to set an annual budget and Council Tax. The advice of the Council's Monitoring Officer regarding the budget setting process is attached at Annex 7.

Members must have regard to the impact on specific groups in their decision making. The Equalities Team has reviewed savings plans to ensure that any impact the saving will have on diversity and equality has been assessed and to ensure that any issues are highlighted to members before a decision is made. The analysis is attached at Annex 3.

### **5. THE REPORT**

#### **5.1 The 2018/19 Budget Summary**

The Medium Term Financial Strategy (MTFS) was approved in October 2017 and outlined how the budget would be delivered over the medium to long-term. The MTFS for B&NES spans two years with a further three added to show the likely longer-term picture.

The Council needs to deliver a balanced budget over the term of the plan. A balanced budget means that balances or reserves are not used to meet on-going expenditure commitments. The MTFS shows a projected budget gap for 2019/20 and beyond. The figures include all estimates for pay awards, pension costs, Council Tax, business rates, Government grant, and inflation.

The budget focusses on protecting frontline services at a time when the authority is facing cuts in funding whilst facing unprecedented increases in demand in Adults and Children's Services. An increase of 3% in the Adult Social Care Precept has been included in this budget to help meet the pressures in Adult Social Care.

Significant savings and income generation plans totalling £26.83m are included within budget proposals. Of these savings 61% are considered high risk and reflects the same position as many local authorities in that savings plans are becoming more complex and difficult to deliver. The plans include a reduction of approximately 15% in staffing over the next two years that will need to be delivered while protecting front line services to our residents and businesses together with other business critical activities.

To help protect front line services and meet additional pressures in Children's Services the budget includes a recommendation that Council Tax is increased by 1.95% in 2018/19 (an increase of £25.04 per Band D). The proposed Band D Council Tax for Bath and North East Somerset Council next year including the Adult Social Care Precept is £1,347.89 (£1,284.33 in 2017/18) an increase of £63.56 per Band D (£5.30 per month).

There are a number of issues that are specifically impacting on B&NES that the Council is directly or through the LGA looking to central Government to recognise and to agree solutions such as the financial impact of the level of student accommodation, as students do not pay Council Tax nor do the local universities pay business rates on that accommodation which means that there is no contribution from this to the running of Council services. The lost income from Council Tax is estimated at £4.9m per annum.

The proposed net revenue budget for Bath and North East Somerset for 2018/19 is £113.27m.

### **5.1.1 Council Priorities**

The Council's Corporate Strategy was adopted by Council at their meeting on 16<sup>th</sup> February 2016. It set out the 2020 Vision and the Council's direction of travel. 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 Operational Plan proposed by Cabinet translates the Council's overarching Corporate Strategy and vision for the future, setting out the key activities and projects that the Council plans to deliver to achieve this in 2018/19. The Operational Plan was considered by the Policy and Scrutiny Panels in January 2018 to inform the budget process. Annex 9 outlines

some examples of how the budget will continue to deliver the Cabinet's commitments, including a selection of projects and schemes from the capital investment programme.

## **5.2 The Revenue Budget 2018/19**

### **5.2.1 Current Position**

At the end of 2016/17 the Council reported a £2m over budget position – this occurred too late in the financial year to rebase within the 2017/18 budget process. The expected 2017/18 year end position at the end of December 2017 is an over budget position of £3.4m mainly due to additional demand in Adult Social Care, Children's Services, and Special Educational Needs and Disability (including the impact of the previous year). The year-end estimate is after the use of £1.3m in Adult Social Care Reserves.

There have been a number of measures put in place to mitigate some of the pressures including:-

- Reviewing all vacancies to hold or remove;
- Introducing a three month turnover saving before a vacancy can be filled;
- Buying leave option for staff;
- Bringing forward planned savings;
- Regular monthly updates to the Transformation Group;
- Reviewing all income streams;
- Reviewing all spend above £10k.

In addition specific measures have been agreed within Adult Social Care:-

- Additional capacity for project management, transformation, and contract management;
- Improvements to the IT system in processing and reporting;
- Approval panels set up for care packages;
- Support planning and brokerage of placements.

These additional measures have reduced the over budget position forecast of £5.1m at the end of August 2017 to £3.4m at the end of December. A thorough review of the budget has been carried out of the deliverability of savings plans, demand and demographic pressures within Adult and Children's Services, as well as inflation and other pressures impacting on the budget. This together with analysis previously reported equates to overall pressure of £12.5m (budget rebasing of £7.8m, plus demographic and contract inflation of £4.7m) to next year's budget. The reduction in Revenue Support Grant and Public Health Grant although planned for has added a further £4.2m pressure next year.

In addition to this a review of the Capital Programme has been completed resulting in a net ongoing revenue saving of £0.125m per annum.

## 5.2.2 The Budget and Medium Term Financial Outlook

The budget detail and assumptions as well as the future forecast is shown in the table below:-

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
<b>Budget Requirement (Previous Year)</b>	<b>112.89</b>	<b>113.27</b>	<b>111.86</b>	<b>112.10</b>	<b>113.63</b>
Once-Off items from previous year	0.58	-0.15	-	-	-
Pay inflation	1.81	1.39	1.27	1.27	1.27
National living wage impact	0.17	0.18	0.19	0.20	0.21
Pension Contributions	0.60	0.60	0.60	0.60	0.60
Demographic and contract inflation	4.69	4.74	2.99	2.94	2.94
Budget Rebasing Review	7.78	0.30	0.30	0.30	0.30
Provision for amber rates savings in future years	-	0.80	-	-	-
Formalisation of Previous Decisions	0.12	-	-	-	-
Reduction in New Homes Bonus Grant	0.59	0.14	0.59	0.44	-
Reduction in Public Health Grant	0.24	0.22	-	-	-
Capital Financing	2.56	2.11	1.11	1.10	0.50
Increased Business Rates income (incl s31 grants)	-1.92	-	-	-	-
Once-off costs	0.15	-	-	-	-
<b>Draft Budget Before Savings</b>	<b>130.27</b>	<b>123.60</b>	<b>118.91</b>	<b>118.94</b>	<b>119.45</b>
Proposed and Existing Savings Measures (Annex 2)	17.00	9.83	-	-	-
Estimated Savings Required in Future Years	-	1.91	6.81	5.31	4.29
<b>Budget Requirement</b>	<b>113.27</b>	<b>111.86</b>	<b>112.10</b>	<b>113.63</b>	<b>115.16</b>

<b>Funding of Budget Requirement</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Council Tax 1.95% in 2018/19	81.11	81.92	82.74	83.57	84.40
Adult Social Care Precept 3% in 2018/19 and 1% in 2019/20	5.62	6.55	6.62	6.69	6.75
Collection Fund Deficit (Council Tax)	-0.04	-	-	-	-
Business Rate Retention incl Revenue Support Grant	27.62	24.62	22.74	23.37	24.01
Collection Fund Deficit (NDR)	-1.73		-	-	-
Business Rates Reserve	0.50	-1.23	-	-	-
Use of Financial Planning Reserve for Once-Off Costs	0.19	-	-	-	-
<b>Funding of Budget Requirement</b>	<b>113.27</b>	<b>111.86</b>	<b>112.10</b>	<b>113.63</b>	<b>115.16</b>

(Note the table outlines an increase in Council Tax in 2018/19 only with Adult Social Care Precept of 3% in 2018/19 and 1% in 2019/20)

The forecast includes the following cost pressures and assumptions:-

**Pay** – Pay inflation has been allocated in accordance with the national agreement for 2018/19. The Council's Pay Policy Statement is attached at Annex 8;

**Pension Costs** – Estimated at 1% increase per annum;

**Service Demand Pressures** – the strategy assumes that demand especially within Adults and Children's Social Care remains in line with estimates as at December 2017.

**Interest Rates** - Continued very low rates of interest of under 0.5% per annum for treasury management short-term cash investments. The Council will maintain a minimum cash policy;

**Inflation** – CPI projections for the coming years are expected to be 2.4% in 2018/19, 1.9% in 19/20 and 2.0% thereafter. However it is expected that services will continue to absorb all but a limited amount based on specific service circumstances and contractual commitments;

**Capital Spending** – an allowance has been made to fund a minimal number of new schemes funded from corporate supported borrowing;

**Borrowing** – the strategy introduces longer term borrowing costs into the MTFs to free up revenue reserves however the authority will continue to optimise the use of cash balances subject to market conditions and the overriding need to meet cash outflows;

**Partnerships** - That our working arrangements with WECA and the CCG have a neutral impact on the Council's finances.

Annex 1 shows the Revenue Budget Summary for 2018/19, which totals £113.27m. Once approved by Council, these represent the financial plans that the Cabinet will manage under their delegated authority and monitor in accordance with the Budget Management Scheme.

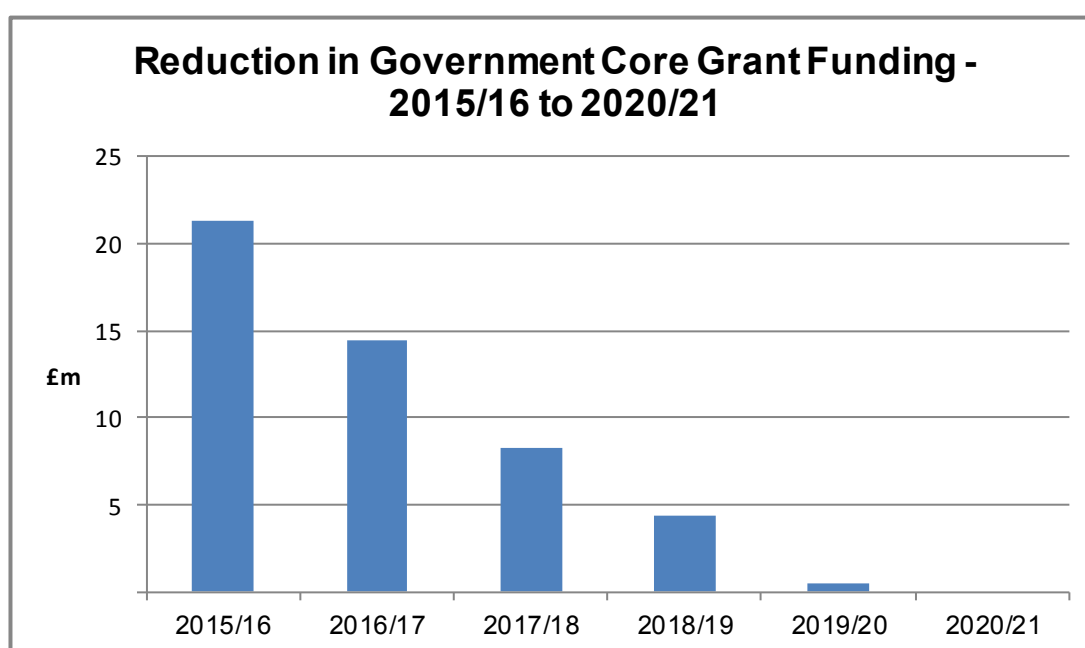
### 5.2.3 The Government Settlement

B&NES agreed to accept the four-year settlement as did 97% of all local authorities – 2019/20 will be the last year of this agreement.

The Provisional Settlement was received on the 19<sup>th</sup> December 2017 but has not yet been finalised. MPs will not decide on the final settlement until mid to late February and therefore there is a small chance that the figures for B&NES will change. The figures outlined in this report reflect the provisional figures and four year settlement. The final settlement details will be reflected within the report to Council if they are published before the report deadline.

- **Revenue Support Grant**

The budget and strategy assumes that the 4-year settlement agreed for 2016/17, will continue to 2019/20 with further reductions of £0.49m in 2020/21 removing any remaining RSG (note the remaining RSG allocated to B&NES has been rolled into the 100% Business Rate Pilot). The reductions are shown in the table below:-



- **New Homes Bonus**

The 2017/18 Settlement announced changes to the funding arrangement for New Homes Bonus which would reduce the number of years for which payments are made to 4 years in 2018/19. The settlement announced that the national housing growth baseline adjustment would remain at 0.4% for 2018/19. The Government decided not to make any amendments regarding successful planning appeals.

The amount allocated to B&NES for 2018/19 is £4.79m.

- **Adult Social Care Support Grant**

The Government distributed £240m of savings from New Homes Bonus nationally to authorities responsible for Adult Social Care. For the Council this resulted in a one-off amount in 2017/2018 of £733k. The settlement is silent on further distribution and therefore no further grant has been factored into the budget.



- **Better Care Fund**

The Better Care Fund is intended to incentivise the integration of health and social care, requiring Clinical Commissioning Groups (CCG) 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 and achieve better outcomes for people, in particular by reducing avoidable hospital admissions and facilitating early discharge from hospital.

The Council & B&NES CCG Better Care fund for 2018/19 will be c£61.4m with the Council contribution of £25.8m and CCG contribution of £35.6m. The increase in value of the B&NES Better Care Fund is through the further pooling of funding in 2017/18 for the Joint Community Services contract with Virgin Care and associated sub-contracts.

In addition extra funding for adult social care was announced in the 2017 budget with local allocations of one-off funding of £2.064m in 2018/19 reducing to £1.028m in 2019/20, this funding is pre-committed through the 2017/18 Better Care Fund plan and is helping to protect current Social Care spending levels and meet the national conditions for the BCF plan including improving delayed transfers of care (DTC) performance.

From 2018/19 the government through the improved BCF will make funding available incrementally to Local Authorities, £825m in 2018/19 and £1.5bn in 2019/20. For the Council, indicative allocations of the funding are £1.4m in 2018/19 and up to £3m in 2019/20. This funding has been incorporated into the 2018/19 Better Care fund planning assumptions with the funding allowing the Council to continue in meeting Adult Social Care needs and supporting the local Social Care provider market. B&NES Better Care Fund Plan 2017-19 has been agreed by all parties (including the Council, CCG and Health and Wellbeing Board) and NHS England confirmed on 20 December 2017 B&NES BCF plan has been “Approved” at a national level. As a consequence funding can be released subject to the funding being used in accordance with the final approved plan.

- **Non-Domestic Rates**

It has been confirmed that the 100% Business Rate Retention Pilot will continue into 2018/19. The estimated benefit of £2.5m per annum for this Council was factored into the Budget in 2017/18.

The strategy assumes that this benefit will remain in place over the five year period. If the authority returns to a national retention scheme, it is currently estimated that a further £3.9m will be added to the budget gap if this was to occur in 2020/21 once forecast increases have been factored in. The strategy also assumes that a baseline reset will occur in 2020/21.

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 and associated income will be transferred to or from the Business Rates Reserve for consideration as part of the Business Rates calculations for future years. This approach will include any changes that arise from the final settlement announcement relating to Business Rates, the announcement was still awaited at the time this report was finalised.

The provisional local government finance settlement included an announcement that the local share in the national Business Rate Retention Scheme (BRRS) is likely to increase from 50% to 75% in 2020/21. The increase in local share of Business Rates will be fiscally neutral and will be matched by transfers of Revenue Support Grant, Public Health Grant and other grants. This will be accompanied by a Business Rate baseline reset and an update in needs based funding allocations based on the outcomes of the Fair Funding Review. The financial planning assumptions will be updated as the outcomes of the various consultations are developed over the period leading up to 2020/21.

- **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.

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. It is estimated that 75% of schools will have converted to academies by September 2018 and that all schools will develop plans to convert in the coming years.

With the introduction of the National Funding Formula for schools the DSG for schools will be ring-fenced for schools from 2018/19 making the LA responsible for the demographic pressures being observed in the SEND / High Needs element of the DSG. The pressures currently being observed amount to £2.3 m and this pressure has been incorporated in the demographic pressures in this report. Schools Forum has agreed to support these pressures from the Schools Block for 2018/19. This commitment provides £0.5m of funding to ease the pressures on the Council (the £2.3m takes this into account).

The final settlement of the DSG for 2018/19 has been provided by the DFE and is in line with the estimates predicted.

#### **5.2.4. Savings and Income Generation**

Revised estimates for savings and income generation show that £28.7m will be required over the next two years. This is based on the assumption that the savings already approved and proposed savings of £26.8m can be delivered. This leaves a remaining savings gap of £1.9m in 2019/20 for which savings plans will need to be developed by February 2019.

The proposals for savings and income generation outlined in Annex 2 have been included in the Operational Plan for 2018/19 and will be reviewed by each of the PDS Panels before Council on the 13<sup>th</sup> February 2018. The Annex has been updated to reflect any amendments to savings plans and income generation.

The MTFS outlined the following savings strategy to be delivered as part of the authority's assessment of its **long term delivery model**. This can be achieved through:-

- **Priority based resourcing** to develop options to reduce spend by:-

- “Do better” – maintaining performance whilst reducing spend;
  - “Do differently” – reducing spend through a different delivery model;
  - “Do less” – reduce or stop the service.
- **Maximising commercial income;**
    - Review all income streams to:-
      - Increase discretionary charges where appropriate;
      - Ensure statutory charges are based on full cost recovery.
  - **Shared services where appropriate/ right sizing:-**
    - Review shared service opportunities (years 3 to 5) with the CCG, WECA, and other local authorities;
    - Assess future staffing and management requirements to deliver the new delivery model.
  - **Targeted capital spend:-**
    - Ensure that capital spend is approved using the new approach outlined under Capital Programme below.
  - **Managing Demand (and the processes surrounding demand)**
    - E.g. signposting and investing in self-help and early intervention to reduce demand on specialist roles.
  - **Contract Savings**
    - Where efficiencies can be delivered.

### **5.2.5 Organisational Impact (Leading Together Change Programme)**

There is a staff savings target of £8m to be achieved through management restructuring and organisational redesign, as well as programme of staff savings linked to transformation. Initial staff consultation regarding management arrangements and organisational design will coincide with the publication of this budget report. Transformation will include smarter working (building on the existing flexible working) designing digital services (Digital by Choice), plus further developing shared services with WECA, CCG and potentially neighbouring Councils. The organisational redesign and staff reductions will be part of the transformation and will need to reflect the wider changes anticipated from other aspects of transformation.

It has already been reported that the salary savings, linked to the budget proposals for the next two years, are anticipated to roughly equate to 300 FTE posts. The planned phasing envisages these savings being split with two thirds being delivered throughout 2018/19 with the other one third as early as possible in 2019/20. This Council has previously been able to minimise the need for compulsory redundancies by seeking volunteers with a suitably targeted approach, redeployment and by anticipating natural staff turnover. It is intended that

similar approaches will continue based on existing HR policies, but the scale of the savings, as well as the organisational redesign, will mean that a significant level of compulsory redundancies is likely.

It is intended that by applying the right processes and principles the changes will result in:

- Streamlined management arrangements and removal of artificial departmental boundaries;
- Continued delivery of corporate priorities despite lower levels of resources;
- Protection of key front line services as well as certain critical internal functions required for sound governance, legal and financial administration;
- Staff being appropriately supported, with morale and performance maintained as far as reasonably possible

In more detail the Council will:

- Seek to protect critical operations
  - Public service delivery examples
    - Care Acts
    - Mental Health Acts
    - Children's Acts
    - Health & Safety of Public (Environmental Health, Health protection, Public Health, Waste, Highways, Licensing, Planning)
  - Council functioning and business continuity which support:
    - Sound corporate governance
    - Safe and transparent decision making
    - Efficiency and VFM/BV
    - Protect our people and core assets
- Reduce and refocus “senior” capacity (i.e. Grade F and above) to reflect corporate priorities, build organisational cohesion and agility and promote authority to act and accountability.
- Integrate and centralise Cross-Council functions to maximise efficiency and link capacity to corporate priorities. Examples: marketing, communications, I.T, Training, Health & Safety etc.

- Integrate and streamline all business support functions – could be Department based or Cross-Council to reduce spend, standardise core processes and increase efficiency.
- Rationalise and secure effective use of existing office accommodation so that use of key sites is maximised.
- Actively Promote “Digital by Choice” to minimise F2F and transactional telephone calls to promote self-service, make savings and protect service areas where F2F is critical.
- Adopt a strategic commissioning approach to deliver options to:
  - Commercialise
  - Divest
  - Share
  - Reduce
  - Stop

all non-critical services over 2018-20 financial years.

NB: Rationalisation and integration can include work with the Clinical Commissioning Group.

The Council’s efficiency strategy was approved by Council in November and has been updated in this budget report to deliver the new and revised savings proposals. The strategy enables the one off costs of changes to be funded from capital receipts; and these one off costs include: investment in transformation, development of shared services together with staff severance costs. Within the £14m target, £2m is required to facilitate the Leading Together Programme and it is recommended that this is delegated to the Chief Executive in consultation with the Leader of the Council.

The Council will be taking a phased approach to the delivery of staffing savings proposals to help manage the organisational impact; as a result a “revenue smoothing reserve” will be used to enable the organisational changes to be phased in.

The wider reorganisation will be phased, taking into account projects that are already underway; with the majority of posts being removed by 30 September 2018. Where expressions of interest in voluntary redundancy are agreed, key decision making milestones for staffing savings are the 31 March, 30 June, 30 September or 31 December 2018 depending on service need and cost. It is anticipated that further savings in 2019/20 will also be delivered on a phased basis consistent with the time table above. The timetable for change needs to be achieved to avoid excessive reliance on the smoothing revenue reserve to fund salaries. Details about the relevant reserves and projected use of capital receipts are set out in section 5.5.

The capital programme refers to the Council’s Digital Programme and Digital by Choice. Investing in new digital ways of working, whilst enabling those that need to access face to face services to continue to do so, will be a key method of ensuring the organisation continues to have the capacity it needs.

Although there are risks from reducing staffing levels, similar programmes are now commonplace in local government. This Council has successfully implemented similar programmes in recent years, albeit on a more limited scale. There is of course a limit to what can be achieved without significant impacts on services and this Council's costs already generally benchmark well. Income has already been grown through commercial opportunities such as within Heritage, the Council's property company ADL, and the commercial estate; and this has been used to help fund the demands on services such as social care. Staff reductions, organisational change, digital and shared services are therefore the main additional opportunities available to the Council to enable a balanced budget. The risks will be carefully monitored as the changes are implemented and any necessary policy issues that arise will be reported to Cabinet or Council as appropriate.

The robustness statement in this budget report considers further the risks that apply. Essential mitigations include the availability of one off funds to enable the required changes, clear programmes to effect staff reductions and organisational change, and a well-resourced digital strategy. It is assumed that savings from greater levels of shared services will not be realisable in the next financial year, but the processes to enable this to happen in future years' needs to start now. This budget allows for the necessary provisions to support these changes and the relevant programmes are in place. The next steps following consideration of this budget will need to include regular monitoring of progress and good programme management of all the changes.

#### **5.2.6 Thermae Bath Spa – Profit Share Income**

Included within the savings listed in Annex 2 is an increase in the profit share income from the Thermae Bath Spa. The Council currently receives an annual share of the profits generated by the spa operator (TDC – part of the YTL Group) based on a complex formula agreed as part of the original lease and water supply agreements. In recent years this profit share has provided a significant contribution to the Council's revenue income budget – now equating to around £1m per annum.

The profit share calculation as it is currently constructed requires a considerable amount of officer time and input (on both sides) to monitor and deliver and can also act as a potential barrier to capital investment in the business itself.

It is therefore proposed to seek a simplification of this approach going forwards to a model based on the Council receiving a flat rate share of the company's turnover. The level of this would be set to protect existing levels of income whilst seeing the Council directly benefit from future increases in turnover regardless of associated costs. Such an approach would also be simpler to monitor and administer. The proposed level would equate to a 10% share of turnover. The turnover of TDC has increased every year since opening now running in excess of £11m.

In order to implement these arrangements it will be necessary to work with YTL to secure consent from "Big Lottery" and final approval will be made by Executive Decision.

As part of the negotiations on this matter with YTL, it is also proposed to explore the potential to extend the existing lease (38 years remaining) by a further 50 years securing the income sharing arrangements for the Council in the longer term. Any such lease will be subject to appropriate valuations and may generate a further capital receipt for the Council.

### 5.2.7 Budget Rebasing Review

As part of the budget setting process a review has taken place of income and expenditure budgets as part of the robustness process. Budget planning had previously identified a £5m gap for 2018/19. An assessment of the delivery of previous savings plans, additional demand pressures, and the budget monitoring position in 2017/18 has been kept under review. Although the budget is forecast to be £3.4m over at the end of 2017/18 once off use of the Adult Social Care Reserve has been made and once-off mitigations such as holding vacancies have been implemented to achieve this. This process has highlighted a need to rebase budgets totalling £7.8m to ensure that budgets accurately reflect required spend. The key budget pressures added to the budget for 2018/19 are Adult Social Care £3.0m, Children's Services £1.4m, Special Educational Needs and Disability £2.3m (a new pressure as a result of funding changes), and other pressures including legacy issues £1.1m.

The requirements for rebasing, demand and inflation for Adult Social Care and Children's Services are highlighted below:-

#### Adult Social Care

The additional funding requirement into Adult Social Care has taken into account the following items to ensure that the 2018/19 budget proposal is aligned with forecast demand modelling:

- Budget Rebasing to recognise 2017/18 recurring budget pressures.
- Demand planning using service user and local population trends.
- Market analysis to consider the future year's inflationary pressures.

In addition savings proposals have been developed to help manage demand and re-direct funding through efficiency savings. This has resulted in growth after savings into Adult Social Care of £3.94m; the table below gives a summary of the budget planning assumptions.

Adult Care, Health & Wellbeing Portfolio:-

<b>2018/19 Budget Growth</b>	<b>£'m</b>
General (Including Inflation)	1.031
Increase in Service Volumes	2.848
Other	0.298
<b>Additional items</b>	
Social Care 2017/18 recurring placement pressures	3.000
<b>Total Growth</b>	<b>7.177</b>
2018/19 Savings Proposals	(3.237)
<b>Net Budget Growth</b>	<b>3.940</b>

## Children's Services

The 2018/19 budget proposal has also recognised the funding pressures in Children's placements including SEND / High Needs as mentioned in the Schools Funding section of the report. The budget has been rebased to recognise the recurring cost pressures to give a growth after savings into Children's Services of £3.082m; the table below gives a summary of the budget planning assumptions.

Children and Young People Portfolio:-

<b>2018/19 Budget Growth</b>	<b>£'m</b>
General (Including Inflation)	0.443
Increase in Service Volumes	0.170
Other	0.030
<b>Additional items</b>	
Special Education Needs Spend Pressure	2.300
Children, Young People & Families - Social Care placement pressures	1.380
<b>Total Growth</b>	<b>4.323</b>
2018/19 Savings Proposals	(1.241)
<b>Net Budget Growth</b>	<b>3.082</b>

### **5.2.8 Formalisation of Previous Decisions**

The following items have been added to the revenue base budget from 2018/19:-

- Urban gull control - £0.07m
- Support for the Duke of Edinburgh Scheme - £0.01m
- Funding of Council Tax Discounts for Care Leavers and Foster Carers - £0.04m

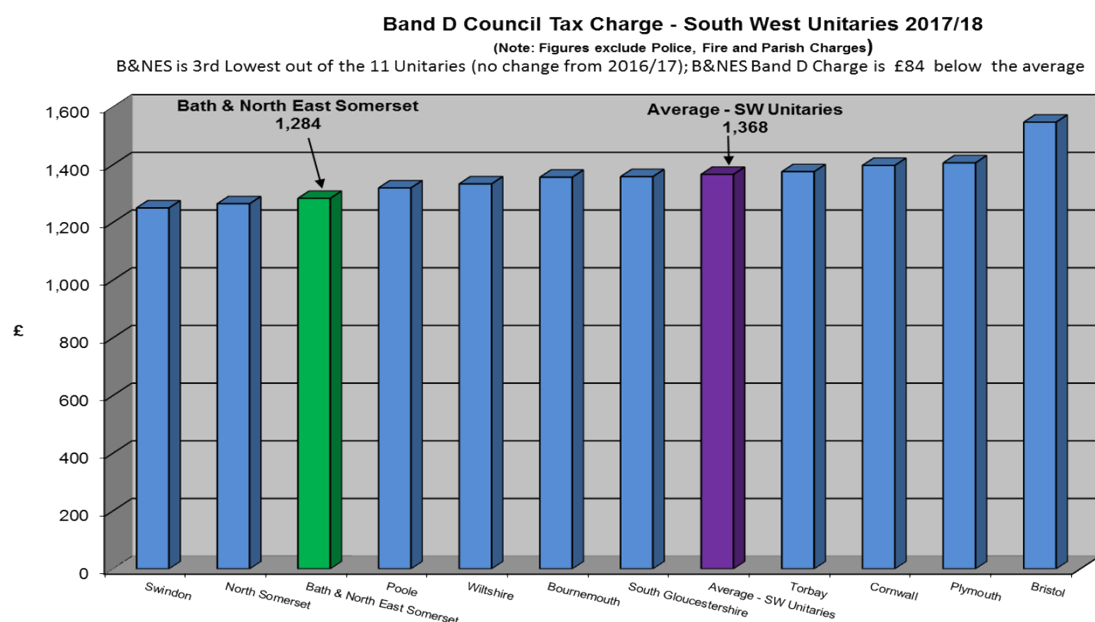
## **5.3 Council Tax**

### **5.3.1 Band D Equivalent Council Tax**

The MTFs did not include any assumptions on increases in Council Tax. The proposal within this report is to increase general Council Tax by 1.95% in 2018/19 to ease pressures within front line services but specifically Children's Services and SEND. This will increase a Band D by £25.04 for 2018/19 to £1,260.52. The tax base for 2018/19 is 64,346.64, an increase of 350.48 from 2017/18.



The diagram below shows that B&NES had the third lowest Council Tax of the South West Unitary Authorities in 2017/18:-



As billing authority, B&NES has to calculate a basic level of tax based on its own spending plans, to which is added the precepts from, Adult Social Care, Avon Fire Authority, Avon and Somerset Police Authority, and any town/parish Council. The actual total of Council Tax for Bath and North East Somerset residents will be calculated once all precepting authorities have notified B&NES of their proposals to be approved at Full Council on 13th February 2018.

The Government outlined in the settlement that it was increasing the referendum level for Council Tax from 2% to 3% before a local referendum was required in recognition of the financial difficulties local authorities are facing.

### 5.3.2 Adult Social Care Precept

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 ringfenced to ASC. B&NES approved an increase of 2% in 2017/18 and it is proposed to increase the precept by 3.0% in 2018/19 (this would increase the Adult Social Care Precept to £87.37 an increase of £38.52 from 2017/18), with a further 1% in 2019/20 to meet the increasing demands on this service.

### 5.3.3 Estimates for Future Years Band D Council Tax

The current Medium Term Financial Strategy **has not factored in any future increases** in Council Tax other than a further Adult Social Care precept of 1% in 2019/20.

### 5.3.4 Council Tax Support

The Council Tax Support Scheme has been updated to reflect upper and lower thresholds – see link as follows <http://www.bathnes.gov.uk/CouncilTaxSupportScheme2017-18>. The tax

base currently assumes the same number of recipients as at the end of November 2017 will continue into 2018/19. The budget requirement is £8.9m compared to £8.1m in 2017/18.

The Revenue Support Grant passported to the Town and Parish Councils will reduce to zero by 2019/20, with the exception of Radstock where the grant will be phased out by 2021/22 to take account of their relatively higher dependency on the grant as a result of having a higher proportion of Council Tax Benefit claimants under the old scheme.

### **5.3.5 Discretionary Council Tax Discounts under S13A [Local Government Finance Act 1992]**

The Council Tax Policy for Discretionary Discounts has been updated to award discounts of 25% to Foster Carers when fostering children for and within B&NES and 100% discount for Care Leavers aged up to 25 residing within B&NES. The policy is included elsewhere in this agenda. The overall estimated cost of £45,000 has been added to the budget as the cost cannot be shared with other precepting authorities.

## **5.4 West of England Combined Authority (WECA)**

The Budget for the WECA will be set on 2<sup>nd</sup> February 2018 by the WECA Committee – at the time of writing the budget assumptions set out below are based upon the WECA Budget proposals and are subject to the outcome of the above meeting.

The following elements of the WECA Budget and medium term financial plan have therefore been incorporated within the Council Budget proposal:

- Capital Grant payments in respect of Highways Maintenance and Transport Improvement funding will continue in line with the 4-year allocations provided indicatively by DfT covering 2017/18 to 2020/21. The total allocation for the Council is £4,829,000 including £632,000 for the highest level of incentive grants which is automatically provided for Mayoral Combined Authority areas.
- Appropriate commissioning payments from the WECA to the Council for delivery of transport activities to ensure continuity of service provision in line with the Inter-Authority Agreements (concessionary travel, community transport and bus information).
- Contributions to the WECA from the Council (from existing budgets) to meet the Levy for costs of associated transport functions (concessionary travel, community transport and bus information). The basis of the Levy remains in line with the Councils estimated share of costs. The net impact is neutral for the Council reflecting the movement of funds in line with the devolution arrangements.
- Within the Business Rates Collection Fund to continue 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 significant benefits from participation in the Pilot).

- Grants funding received from the WECA for feasibility studies and business case development for infrastructure schemes include:
  - £280k A37 to A362 Improvements to access Somer Valley Enterprise Zone business case development;
  - £460k Hicks Gate Roundabout improvement business case development;
  - £250k East of Bath Link development support; and
  - £100k Freezing Hill Lane Junction Improvement feasibility and business case development.

These are funded from the additional investment funds received by the WECA as part of the devolution arrangements and reflected accordingly with the Councils revenue and capital budget proposals. Further bids for infrastructure funding may be made in line with the WECA Strategy and Assurance Framework and may come forward for inclusion in the capital programme in line with future delivery arrangements.

The WECA is not permitted to raise a Council Tax to fund any of its activity and therefore no precept will be requested.

The Council will continue to work with the WECA to identify opportunities to deliver efficiencies and savings particularly relating to transport and infrastructure functions.

The WECA will not seek to hold specific financial reserves. The associated risks will be mitigated through a number of financial control and management measures although as WECA is not a precepting body, it is ultimately underwritten by the constituent Councils.

Full details of the WECA Budget proposals are available at [www.westofengland-ca.gov.uk](http://www.westofengland-ca.gov.uk)

## 5.5 Revenue Balances, Contingency & Reserves

Reserves are amounts that have been set aside from annual revenue budgets to meet specific known events that will happen in the future. An estimate of the key reserves has been made for 2018/19 and future years using capital receipts flexibility mainly to fund restructuring and severance costs in 2017/18 to 2019/20.

	<b>Estimated Balance 1/4/18</b>	<b>Estimated Balance 31/3/19</b>	<b>Estimated Balance 31/3/20</b>	<b>Estimated Balance 31/3/21</b>	<b>Estimated Balance 31/3/22</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Revenue Budget Contingency	1.5	1.5	1.5	1.5	1.5

	<b>Estimated Balance 1/4/18 £'m</b>	<b>Estimated Balance 31/3/19 £'m</b>	<b>Estimated Balance 31/3/20 £'m</b>	<b>Estimated Balance 31/3/21 £'m</b>	<b>Estimated Balance 31/3/22 £'m</b>
Financial Planning and Smoothing Reserve	6.4	2.3	-	-	-
Transformation Investment Reserve	1.8	-	-	-	-
Restructuring & Severance Reserve	2.0	2.0	2.0	2.0	2.0

### 5.5.1 Movement of Reserves for Approval

To ensure that reserves are positioned to meet the budget requirements next year the following transfers are required:-

<b>From:</b>	<b>To:</b>	<b>Amount Required £'m</b>
Revenue Budget Contingency Restructure and Severance Reserve	Unearmarked Reserves	1.1 0.3
ICT Reserve	Financial Planning and Smoothing Reserve	0.7
Unearmarked Reserves	Invest to Save Reserve	1.5
Restructure and Severance Reserve	Transformation Investment Reserve	0.2

### 5.5.2 Revenue Budget Contingency

The primary purpose of this reserve is to fund in year unforeseen events, overspends, and to meet the risks of non-delivery of budget savings. A sum of £1.5m has been set aside for 2018/19 to mitigate these risks.

### 5.5.3 Financial Planning and Smoothing Reserve

The Financial Planning Reserve will be used to smooth the delivery of organisational change. It has been estimated that within the savings plans proposed the Council will downsize by approximately 300 FTE's by the end of 2019/20. Around 200 of these are scheduled for 2018/19 and it will not be possible to deliver the full savings by the 1<sup>st</sup> April. An allowance of £3.9m in 2018/19 and a further £2.3m in 2019/20 has been set aside in line with the timescales outlined in this report. An allocation has been made for 2018/19 to fund once-off

expenditure of £0.15m to implement the Car Parking Strategy and a further £0.04m to fund the Collection Fund Deficit for Council Tax.

#### 5.5.4 Transformation Investment Reserve

The reserve was set up to deliver the Strategic Review savings. The reserve was realigned in the MTFS to fund commitments from this reserve from flexible capital receipts and transfer and most of the reserve to the Financial Planning and Smoothing Reserve. The remaining sum in this reserve is fully committed.

#### 5.5.5 Restructuring and Severance Reserve

The reserve was set up to fund severance costs and will only be utilised in future for spend that is not linked to a specific budget savings plan or where there are insufficient capital receipts to fund severance costs. The requirement for this reserve will be reviewed once the required flexible capital receipts target is reached.

#### 5.5.6 Invest to Save Reserve

The current process for an “Invest to Save” proposal is that schemes can borrow Unearmarked Reserves for new projects that make savings and repay the sum borrowed over an agreed period of time. However, at present this could reduce Unearmarked Reserves to a minimum of £7.5m which given the Council’s current financial position has been revisited. It is therefore proposed that current “Invest to Save” commitments of £1.3m plus a further £0.2m for new schemes are transferred to a new specific reserve that is capped at an overall £1.5m. The fund can then be recycled as funding can be released to new bids as repayments are made. Any requests will require the approval of the S151 Officer in consultation with the Portfolio Holder – Finance and Efficiency.

#### 5.5.7 Reserves and Flexible Capital Receipts

Flexible capital Receipts can be used for revenue spend that results in ongoing revenue savings. At present a target of £14.0m has been set through the Efficiency Strategy attached at Annex 4 and this will be updated over time to reflect needs. Currently £9.5m of capital receipts through estate assets, land holdings etc have been identified leaving a further £4.5m to find. A review will take place with our property partners HTC to identify the remaining receipts over the next few months.

	<b>Estimated Usage 2017/18</b>	<b>Estimated Usage 2018/19</b>	<b>Estimated Usage 2019/20</b>	<b>Estimated Usage 2020/21</b>	<b>Estimated Usage 2021/22</b>
	<b>£’m</b>	<b>£’m</b>	<b>£’m</b>	<b>£’m</b>	<b>£’m</b>
Flexible Capital Receipts	1.6	8.4	4.0	-	-

### **5.5.8 General Fund Unearmarked Reserve**

The General Fund Unearmarked Reserve is retained to meet the Council's key financial risks. In removing and capping the "Invest to Save" element the reserve is retained purely to meet those risks. The risk assessment has set a range of between £11.9m and £13.1m to meet those risks. The current estimate is that as at 1/4/2018 the reserve will total £12.2m and will remain sufficient to meet those risks.

## **5.6 Robustness of and Risks within the Proposed Budget for 2018/19 Statutory Chief Finance Officer (CFO) Report and Advice on the Robustness of the Budget and Adequacy of Reserves and Balances**

### **5.6.1 Introduction**

The Local Government Act 2003 states that when a local authority is preparing its budget, "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."

And goes on to state that the authority "shall have regard to the report when making decisions about the calculations in connection with which it is made."

This report has been prepared by the Strategic Director – Resources (CFO) to fulfil his duty and gives the required advice relating to the 2018/19 financial year including a consideration of the budget proposal as a whole and all the financial risks facing the Council in this budget. Also, it identifies the Council's approach to budget risk management and assesses the particular risks associated with the 2018/19 budget to inform the advice.

### **5.6.2 Executive Summary of the Strategic Director - Resources (CFO) on the budget position**

For 2018/19 the total gap before savings is £17.0m, this is comprised of budget rebasing brought forward from 2017/18, budgets updated for inflation and demographics, the loss of Revenue Support Grant in 2018/19 but partially offset by business rates and tax base growth including the proposed Council Tax increase, and other budget changes.

The assessment of the plans to close the gap outlines a requirement for up to £3.9m of funds from the Financial Planning Reserve to smooth the delivery of savings in 2018/19 as they cannot all be delivered by the 1<sup>st</sup> April. It will also require a Revenue Budget Contingency sum of £1.5m to reflect the assessed level of risk associated with the scale of savings and further unknown pressures and demographics in 2018/19.

In addition to this putting forward a balanced budget for 2018/19 is highly dependent on the flexible use of capital receipts to fund redundancies and once-off costs such as transformation to deliver the savings required. If sufficient receipts are not achieved the Council will have to fund redundancy costs from other reserves bringing them below required levels.

Delays to the timescales outlined for delivery of savings will impact adversely on remaining reserves and as a consequence reduce non-earmarked balances below the minimum level required.

### **5.6.3 Consequences of Failing to Deliver a Budget**

If the Council is unable to produce a budget or a plan for reducing the budget requirement for future years or finds it cannot deliver the budget in year, the CFO (under s151 of the Local Government Act) would be required to produce a Section 114 report.

Section 114 of the Local Government Finance Act 1988 requires a report to all the authority's members to be made by the CFO, in consultation with the Council's Monitoring Officer and Head of Paid Service, if "the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure" (i.e. there is likely to be an unbalanced budget). In this event the Council must consider the report within 21 days and decide whether it agrees or disagrees with the views in the report and what action it proposes to take to bring the budget into balance. The publication of such a report starts an immediate 'prohibition period'. This means that everyone who has delegated authority to spend the Council money, immediately has those powers suspended during the prohibition period, and only the CFO can authorise new commitments.

### **5.6.4 Report of the Strategic Director – Resources (CFO) in Respect of Statutory Duties**

The Budget Report as a whole sets out the Council's financial position and budget. This is the formal report and is part of a continuum of professional advice and is the culmination of a budget process in which lots of detailed work has already taken place with Directors, Senior Managers and their teams and Members. This section provides a summary of the conclusions which are considered in more detail within this report and its appendices.

In respect of the robustness of estimates, estimates have been prepared by Directors and their staff supported by appropriate finance staff in accordance with Budget Guidelines. Each Directorate has completed a Robustness Statement outlining savings and delivery risk that have been incorporated into a corporate wide assessment. A sum of £1.5m Budget Contingency Reserve has been allocated to mitigate the risk of savings not being realised in 2018/19. This contingency includes a general provision as well as allowances against various specific savings and is intended to increase confidence in the deliverability of the overall budget, especially when coupled with the inclusion of known pressures within the estimates, including Adult Social Care and Children's Services.

The total known pressures of £7.8m from 2017/18 have been rebased to ensure there should be sufficient funds to meet service demand and delivery costs as currently forecast. SMT has considered on several occasions during the development of the budget the financial pressures the Council is likely to face during 2018/19 and the need for additional resources.

Given the over budget position in 2016/17 and likely outturn in 2017/18, it has been critical to review those pressures as well as demographic demand and inflation (a total of £12.5m) to prepare a robust budget for 2018/19. Monitoring of the budget especially around demand pressures in Adult and Children's Services will be critical to identifying any emerging issues as quickly as possible.

In the context of this report as a whole, clearly the financial position is challenging, but the **CFO concludes that the estimates are robust**, in that they have been robustly constructed.

With regard to the adequacy of balances, whilst the minimum level of General Fund Unearmarked Reserve of £12.2m (within the required range of £11.9m to £13.1m) is preserved, the Council is highly dependent on the use of flexible capital receipts to achieve its budget aims. Achievement of capital receipts income of £14.0m by the end of 2019/20 is therefore imperative to the delivery of the budget.

**The conclusion of the CFO is that the estimates for 2018/19 are robust and the budget is lawful, balances are adequate but highly dependent on the achievement of the capital receipts target.**

## **5.7 Capital Programme and Capital Receipts 2018/19 to 2022/23**

### **5.7.1 Efficiency Strategy**

Central Government outlined in December 2015 that local authorities will be able under certain circumstances to utilise capital receipts for revenue expenditure for certain purposes. This was updated in March 2016 which outlined a simpler approach to allow authorities to utilise receipts if the spend resulted in an ongoing saving. The guidance is clear however that expenditure should be once-off and the flexibility cannot be utilised for ongoing expenditure. The flexibility was due to end in March 2019 but the Government has extended this in the settlement for a further three years.

Council approved its' Efficiency Strategy in November 2017. The Efficiency Strategy is fundamental to funding the once-off costs to deliver savings plans. The target is to utilise £14m of flexible receipts to 2019/20. An updated Strategy is attached at Annex 4 to reflect proposed savings plans and must be approved by Full Council. A revised strategy may be replaced by another during the year.

### **5.7.2 Review of the Capital Programme**

A review of the capital programme was carried out as part of preparing next year's budget with the following objectives:-

- To ease staffing capacity issues;
- Ease financial pressures;
- Review financial and delivery risks.

The Capital Programme reflects the amendments outlined below:-



Capital Project	Total Budget 2017/18 £'m	Total Budget 2018/19 onwards £'m	Amount to be Removed £'m	Funding	Comments
<b>Place Schemes</b>					
Manvers Street	0.057	-	0.057	Service Supported Borrowing	Propose deletion.
Midsomer Norton Town Hall Transformation Project	0.110	2.570	2.680	Corporate Borrowing / Capital Receipts / Capital Grants	This item is being replaced with proposed new item included in the new & emerging items listing for public realm, in addition property works have been included within the capital planned maintenance for the both the current and next financial years in connection with an asset transfer.
Somer Valley Business Centres	1.200	-	0.200	Corporate Borrowing / S106	Proposed reduction of £200k with remaining £1m to be supplemented by additional grant funding included on the new & emerging items listing.
East of Bath Park & Ride	9.215	-	9.215	Corporate Borrowing	Being replaced by a new & emerging item listing for Strategic Transportation Programme.
<b>Subtotal</b>	<b>10.582</b>	<b>2.570</b>	<b>12.152</b>		
<b>Resources Schemes</b>					
Grand Parade & Undercroft	4.774	-	4.649	Service Supported Borrowing	Adjust budget to reflect proposed change to disposal with minor enhancement in terms of a development agreement, rather than full development.
Print Services - Equipment Investment	0.300	-	0.300	Service Supported Borrowing	Propose deletion, no longer pursuing scheme.
Energy Services Investment	1.500	1.500	3.000	Service Supported Borrowing	Propose deletion, no emerging schemes with a sufficient payback identified.
Energy Efficiency Fund (was Biomass)	0.500	-	0.500	Corporate Borrowing	Propose deletion, no viable investment identified

Capital Project	Total Budget 2017/18 £'m	Total Budget 2018/19 onwards £'m	Amount to be Removed £'m	Funding	Comments
Communications Hub	0.096	-	0.096	Service Supported Borrowing	Propose deletion.
Libraries	3.558	2.395	2.953	Service Supported Borrowing, S106 & Capital Receipts	Proposed reduction from provisional sum reflecting lower level of anticipated costs following further assessment and in light of decision on location.
<b>Subtotal</b>	<b>10.728</b>	<b>3.895</b>	<b>11.498</b>		
<b>People &amp; Community Schemes</b>					
School Energy Invest to Save Fund	0.213	-	0.213	Service Supported Borrowing (DSG)	Proposed deletion of remaining budget as no identified requirements and schools becoming academies
<b>Subtotal</b>	<b>0.213</b>	<b>-</b>	<b>0.213</b>		
<b>Overall Total</b>	<b>21.523</b>	<b>6.465</b>	<b>23.863</b>		
<b>Funding</b>					
Corporate Supported Borrowing			11.214		
Service Supported Borrowing			11.055		
Grants			1.072		
Other 3rd Party & Capital Receipts			0.522		
<b>Total</b>			<b>23.863</b>		

The net reduction once replacement schemes are funded is a net saving of £0.125m per annum in revenue costs.

The review outlined further recommendations for the current and future capital programme with the following principles requiring consideration:-

- All existing schemes to be reviewed and simplified, reduced, paused or stopped as necessary;
- Minimise new schemes except those that meet corporate priorities; and;

- Create additional income or savings;
- Address a statutory or health and safety imperative;
- Replace obsolete or inefficient assets/equipment;
- Part of a high priority government funded programme or WoE programme.

### 5.7.3 Overall Capital Programme & Financing including New Capital Schemes

The detail of new and emerging capital bids is attached at Annex 5(i).

The Capital Programme will retain 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.

It is recommended that the process is amended for items for **Provisional Approval** to move to **Full Approval** through the Strategic Director (who will record the decision) and the S151 Officer in consultation with the appropriate Portfolio Holder and the Portfolio Holder for Finance and Efficiency in line with the Budget Management Scheme. The approval is delegated on the basis that there are no further revenue or capital funding requirements highlighted on completion of the financed business case.

This will enable the projects within the capital programme to be delivered faster but still have an appropriate level of due diligence.

Attached at Annex 5(ii) is the Highways Maintenance Programme, 5(iii) the Transport Improvement Programme, and at 5(iv) the Corporate Estates Planned Maintenance Programme for approval. Once approved it is recommended that the implementation, subject to consultation where appropriate is delegated to the relevant Strategic Director or Divisional Director in consultation with the appropriate Portfolio Holder.

**A summary of the proposed capital programme and it's financing for 2018/2019 – 2022/2023 is shown below:-**

#### Capital Schemes For Approval

Cabinet Portfolio: Capital Schemes	Budget 2018/2019 £'m	Budget 2019/2020 £'m	Budget 2020/2021 £'m	Budget 2021/2022 £'m	Budget 2022/2023 £'m	Total £'m
Development & Neighbourhoods	9.131	5.041	-	-	-	14.172
Economic & Community Regeneration	37.347	-	-	-	-	37.347

<b>Cabinet Portfolio: Capital Schemes</b>	<b>Budget 2018/2019 £'m</b>	<b>Budget 2019/2020 £'m</b>	<b>Budget 2020/2021 £'m</b>	<b>Budget 2021/2022 £'m</b>	<b>Budget 2022/2023 £'m</b>	<b>Total £'m</b>
Transport & Environment	12.633	-	-	-	-	<b>12.633</b>
Children & Young People	7.207	-	-	-	-	<b>7.207</b>
Adult Care, Health & Wellbeing	0.210	-	-	-	-	<b>0.210</b>
Finance & Efficiency	16.533	19.227	4.000	-	-	<b>39.760</b>
Corporate Capital Contingency	0.050	-	-	-	-	<b>0.050</b>
<b>Total</b>	<b>83.111</b>	<b>24.268</b>	<b>4.000</b>	<b>-</b>	<b>-</b>	<b>111.379</b>

**Capital Schemes For Provisional Approval (Subject to)**

<b>Cabinet Portfolio: Capital Schemes</b>	<b>Budget 2018/2019 £'m</b>	<b>Budget 2019/2020 £'m</b>	<b>Budget 2020/2021 £'m</b>	<b>Budget 2021/2022 £'m</b>	<b>Budget 2022/2023 £'m</b>	<b>Total £'m</b>
Development & Neighbourhoods	23.533	3.311	2.596	0.950	1.693	<b>32.083</b>
Economic & Community Regeneration	33.479	14.142	13.253	14.990	2.135	<b>77.999</b>
Transport & Environment	8.889	11.596	6.009	4.933	1.298	<b>32.725</b>
Children & Young People	10.802	2.148	-	-	-	<b>12.950</b>
Adult Care, Health & Wellbeing	0.098	-	-	-	-	<b>0.098</b>
Finance & Efficiency	54.249	5.116	2.544	2.439	2.200	<b>66.548</b>
Transformation & Customer Services	3.145	-	-	-	-	<b>3.145</b>
<b>Total</b>	<b>134.195</b>	<b>36.313</b>	<b>24.402</b>	<b>23.312</b>	<b>7.326</b>	<b>225.548</b>
<b>Grand Total</b>	<b>217.305</b>	<b>60.581</b>	<b>28.402</b>	<b>23.312</b>	<b>7.326</b>	<b>336.926</b>

## **Funded By**

<b>Financing</b>	<b>Budget 2018/2019 £'m</b>	<b>Budget 2019/2020 £'m</b>	<b>Budget 2020/2021 £'m</b>	<b>Budget 2021/2022 £'m</b>	<b>Budget 2022/2023 £'m</b>	<b>Total £'m</b>
Grant	43.056	9.649	6.974	6.166	3.139	<b>68.984</b>
Capital Receipts/RTB	9.966	16.390	0.635	0.635	0.635	<b>28.261</b>
Revenue	1.527	-	-	-	-	<b>1.527</b>
Borrowing	148.745	33.305	19.956	16.261	3.452	<b>221.719</b>
3rd Party (inc S106 & CIL)	14.012	1.237	0.837	0.250	0.100	<b>16.436</b>
<b>Total</b>	<b>217.305</b>	<b>60.581</b>	<b>28.402</b>	<b>23.312</b>	<b>7.326</b>	<b>336.926</b>

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

Note 2: Some of the figures in the above table are affected by rounding.

Note 3: The Figures include capital spend of £120m to generate commercial investment returns as outlined in the Council's Commercial Strategy.

Work is currently underway to investigate whether opening a Housing Revenue Account would have a positive impact on delivery of affordable rented accommodation in B&NES. The outcome will not be known until summer 2018.

## **Capital Risk Contingency**

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

- Individual major projects within the capital programme hold their own contingency in accordance with good project management practise to meet unavoidable and unforeseen costs;
- The capital programme includes a funded corporate risk contingency which will be maintained at £2m;
- 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.

## **Capital Invest to Save**

A process for small "Invest to Save" schemes requiring capital funding is currently being investigated with proposals being brought forward once completed.

## 5.7.4 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 as attached at Annex 6 was updated in February 2017 and there are currently no revisions proposed at this time. However, the Policy may require updating in due course once the outcome of the Government's consultation on MRP requirements are known.

## 5.7.5 Prudential Indicators

The key objectives of the Prudential Code are to ensure that capital investment plans of local authorities are affordable, prudent, and sustainable. The Capital Prudential Indicators are shown below:-

Prudential Indicator	2016/17 Actual	2017/18 Forecast Outturn	2018/19	2019/20	2020/21
<b>Estimate of Capital Expenditure (£'000s)</b>					
Actual/estimates of capital expenditure	53,910	127,749	217,305	60,581	28,402
<b>Net Increase in Council Tax (band D per annum) Figures in £'s (not £'000's)</b>					
The implied estimate of incremental impact of the new capital investment decisions on the Council Tax			£13.85	£3.98	£3.19
Cumulative totals:			£13.85	£17.83	£21.02
<b>Capital Financing as % of Net Revenue Stream</b>					
Actual/estimates of the ratio of financing costs to net revenue stream			12.99%	19.21%	21.23%
<i>Memo: estimates of the ratio of financing cost to gross revenue stream</i>			4.52%	6.68%	7.35%
<b>Borrowing Limits (£m)</b>					
Operational boundary – borrowing			£403m	£442m	£451m
Operational boundary – other long-term liabilities			£2m	£2m	£2m
<b>Operational boundary – total</b>			<b>£405m</b>	<b>£444m</b>	<b>£453m</b>
Authorised limit - borrowing			£434m	£473m	£481m
Authorised limit – other long-term liabilities			£2m	£2m	£2m
<b>Authorised limit - total</b>			<b>£436m</b>	<b>£475m</b>	<b>£483m</b>
<b>Capital Financing Requirement (£'000s) (as at 31 March)</b>					
Actual/estimate of capital financing requirement	200,147	282,125	434,016	472,616	481,383

## 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.

### 5.7.6 Community Infrastructure Levy (CIL) Spend Proposals 2018/19

The allocations proposed for CIL spend are attached in Annex 5(v) for approval. These allocations have been included in the capital programme where appropriate.

## 6. RISK MANAGEMENT

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

The key risks to the budget are currently assessed as:

Risk	Likelihood	Potential Impact	Risk Management
Further demands on service continue to escalate beyond current estimates	Possible	High	Ongoing monitoring of spend and controls. Ensure reserves are sufficient to manage in-year pressures
Interest rates increase	Likely	Medium	A reserve is available for borrowing to manage market risk and has also been factored into the longer-term MTFS
The authority is currently underwriting part of £2.1m (over three years) in revenue costs from 2020/21 for the Metrowest Project. There also remains a risk of revenue reversion if the scheme does not go ahead	Possible	High	It is proposed that a programme approach is adopted which will remove the potential revenue reversion risk. In order to try to avoid any future revenue operational costs discussions are taking place to include the project within the new franchise process.

<b>Risk</b>	<b>Likelihood</b>	<b>Potential Impact</b>	<b>Risk Management</b>
There may be a requirement for further funding in Adult Social Care community services, as a result of the re-assessment of existing community services contracts identifying on-going cost pressures	Likely	High	Work is currently underway to ensure that any additional requirement has a sound evidence base and that costs will remain within the overall Adult Social Care budget
Volatility and uncertainty around business rates	Likely	High	Ensure business rate income and appeals are monitored and that specific reserve is sufficient to manage in-year volatility
The Business Rates 100% pilot ceases	Possible	High	Will need to monitor closely a return to 49% retention in 2020/21 adds an estimated £3.9m pressure
Anticipated savings not delivered or cannot be delivered because of external challenge	Possible	High	Ensure equalities impact assessments are completed and robust. Monitor delivery plans and continue to assess on a regular basis. Ensure Budget Contingency Reserve sufficient to meet in-year issues.
Reduction in staffing impacts on service delivery	Possible	High	Plans are being put in place to minimise the impact in key front line delivery areas as referred to in this report. Ensure regular communication is made to minimise the impact on staff morale
Capital projects not delivered resulting in revenue reversion costs or liabilities from underwriting agreements	Possible	High	The Council has a number of projects within this category. These risks will continue to be monitored and reported. Ensure that revenue reserves are sufficient to meet these risks. The new capital programme methodology looks to de-risk projects wherever possible.
Capital receipts in the areas identified are insufficient to meet target	Possible	High	Review receipts regularly – prioritise to meet requirements.
Adult Social Care and Children's Service spend continue to have an adverse impact on the 18/19 budget	Possible	High	Implement enhanced level of operational and financial monitoring in 2018/19. Need to continue to highlight the demand pressures to central Government regarding Adult Social Care and Children's Services
Changes to Government Policy that affects future funding	Likely	High	Need to monitor and continue to highlight impact



<b>Risk</b>	<b>Likelihood</b>	<b>Potential Impact</b>	<b>Risk Management</b>
Economic downturn impacts on commercial income	Possible	High	Portfolio has been diversified to manage some of this risk
Brexit risks	Likely	Medium	. Need to monitor any economic impact.
Funding pressures through partner organisations	Possible	Medium	Ensure good communication links with partner organisations
The additional income from Heritage may not be sustained	Possible	Medium	Continue to monitor income levels

The key risks will continue to be monitored and reported through regular budget monitoring to Cabinet.

In addition this report includes 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.

## 7 RATIONALE

The rationale for the recommendations is contained throughout this report and the accompanying appendices.

The Council's Section 151 Officer is the Strategic Director - Resources. 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.

## 8 OTHER OPTIONS CONSIDERED

The report and annexes also contain the other options that can be considered in making any recommendations.

## 9 CONSULTATION

Planned public consultation took place in November 2017. Planned scrutiny of the MTFS through the Resources and Policy Development and Scrutiny Panel took place in November 2017. Savings plans were scrutinized through PDS Panels in January 2018.

<b>Contact person</b>	Donna Parham, Divisional Director – Business Support (01225) 477468
<b>Background papers</b>	Commercial Estate Investment Strategy 2018-2019 <a href="http://www.bathnes.gov.uk/services/business/property-project-">http://www.bathnes.gov.uk/services/business/property-project-</a>

	<a href="#">delivery/bnes-commercial-estate-investment-strategy-2018-19</a> <i>November/ January/February PDS Panels</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

# Portfolio Cash Limits 2018/19 - Revenue Budgets

## Annex 1

CABINET PORTFOLIO	Service	Current 2017/18 Cash Limits	Removal of One- offs (including one-off virements in 2017/18)	2017/18 Base Budget	MTFP Growth	MTFP Savings	Business Rates Income (including s31 grants)	Total 2018/19 Budget Changes	2018/19 Proposed Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Leader</b>	Council Solicitor & Democratic Services	2,477		2,477	64	(10)		54	2,531
	<b>PORTFOLIO SUB TOTAL</b>	<b>2,477</b>		<b>2,477</b>	<b>64</b>	<b>(10)</b>		<b>54</b>	<b>2,531</b>
<b>Finance &amp; Efficiency</b>  Page 59	Finance	2,542		2,542	231	(97)		134	2,676
	People Services	450		450	11			11	462
	Risk & Assurance Services	1,078		1,078	30	(20)		10	1,088
	Information Technology	4,675	(86)	4,589	420	(301)		119	4,708
	Human Resources	407		407	581			581	988
	Property Services	2,458		2,458	75	(200)		(125)	2,333
	Corporate Estate Including R&M	2,291		2,291	108	(50)		58	2,349
	Commercial Estate	(15,363)		(15,363)	168	(925)		(757)	(16,120)
	Housing Delivery Vehicle	(300)		(300)		(150)		(150)	(450)
	Traded Services	170		170	51			51	221
	Strategic Director - Resources	(54)		(54)	288			288	234
	Corporate items (incl Council Restructuring saving)	(743)		(743)	684	(6,020)		(5,336)	(6,079)
	Hsg / Council Tax Benefits Subsidy	(195)		(195)					(195)
	Capital Financing / Interest	4,130	200	4,330	725	140		865	5,195
	Unfunded Pensions	1,679		1,679					1,679
	Corporate Budgets incl. Capital, Audit & Bank Charges	(231)	806	576	1,050	(221)	(1,923)	(1,093)	(518)
	New Homes Bonus Grant	(5,325)		(5,325)	535			535	(4,790)
	Magistrates	17		17					17
	Coroners	305		305					305
	Environment Agency	226		226	5			5	231
	West of England Combined Authority Levy	4,211		4,211	62			62	4,273
	<b>PORTFOLIO SUB TOTAL</b>	<b>2,429</b>	<b>920</b>	<b>3,349</b>	<b>5,024</b>	<b>(7,844)</b>	<b>(1,923)</b>	<b>(4,743)</b>	<b>(1,394)</b>
<b>Transformation &amp; Customer Services</b>	Libraries & Information	1,620		1,620	46	(40)		6	1,626
	Customer Services	2,848	86	2,935	85	(170)		(85)	2,849
	Strategy & Performance	2,470	(99)	2,371	39	(395)		(356)	2,015
	<b>PORTFOLIO SUB TOTAL</b>	<b>6,938</b>	<b>(13)</b>	<b>6,925</b>	<b>170</b>	<b>(605)</b>		<b>(435)</b>	<b>6,491</b>
<b>Adult Care, Health &amp; Wellbeing</b>	Adult Services	58,950		58,950	6,875	(2,935)		3,940	62,890
	Adult Substance Misuse (Drug Action Team)	535		535	1			1	535
	Public Health				302	(302)			
	<b>PORTFOLIO SUB TOTAL</b>	<b>59,485</b>		<b>59,485</b>	<b>7,177</b>	<b>(3,237)</b>		<b>3,940</b>	<b>63,425</b>
<b>Children &amp; Young People</b>	Children, Young People & Families	13,221		13,221	1,767	(247)		1,520	14,741
	Learning & Inclusion	15,928		15,928	128	(439)		(311)	15,617
	Health, Commissioning & Planning	(107,786)		(107,786)	2,428	(555)		1,873	(105,913)
	Schools Budget	105,512	(2,014)	103,498					103,498
	<b>PORTFOLIO SUB TOTAL</b>	<b>26,875</b>	<b>(2,014)</b>	<b>24,861</b>	<b>4,323</b>	<b>(1,241)</b>		<b>3,082</b>	<b>27,943</b>

Portfolio Cash Limits 2018/19 - Revenue Budgets

Annex 1

CABINET PORTFOLIO	Service	Current 2017/18 Cash Limits	Removal of One- offs (including one-off virements in 2017/18)	2017/18 Base Budget	MTFP Growth	MTFP Savings	Business Rates Income (including s31 grants)	Total 2018/19 Budget Changes	2018/19 Proposed Budget
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Development & Neighbourhoods	Development Management	1,763	(189)	1,574	104	(47)		57	1,631
	Building Control & Land Charges	213		213	23	(27)		(4)	209
	Place Overheads	528		528	9	(16)		(7)	521
	Public Protection & Health Improvement - Regulatory & Active Lifestyles	1,791	(207)	1,584	139	(12)		127	1,711
	Public Protection & Health Improvement - Leisure	683		683	15			15	697
	Neighbourhoods & Environment - Waste & Fleet Services	14,287	(165)	14,122	451	(88)		363	14,485
	Neighbourhoods & Environment - Parks & Bereavement Services	1,503		1,503	119	(270)		(151)	1,352
	Community Safety	69		69		(28)		(28)	41
	PORTFOLIO SUB TOTAL	20,836	(561)	20,275	859	(488)		371	20,646
Economic & Community Regeneration	Economy & Culture	991	(30)	961	414	(228)		186	1,147
	World Heritage	156		156	3	(5)		(2)	155
	Heritage	(6,075)		(6,075)		(1,620)		(1,620)	(7,695)
	Housing	1,039		1,039	39	(53)		(14)	1,025
	Regeneration, Skills & Employment	233		233	18			18	251
	PORTFOLIO SUB TOTAL	(3,655)	(30)	(3,685)	473	(1,906)		(1,433)	(5,118)
Transport & Environment	Highways & Traffic Management	7,344	(50)	7,294	203	(5)		198	7,492
	Transport & Parking Services - Parking	(6,895)		(6,895)	264	(1,137)		(873)	(7,768)
	Transport & Parking Services - Public & Passenger Transport	(601)	(15)	(616)	163	(525)		(362)	(978)
	PORTFOLIO SUB TOTAL	(152)	(65)	(217)	630	(1,667)		(1,037)	(1,254)
	NET BUDGET	115,234	(1,763)	113,471	18,720	(16,997)	(1,923)	(200)	113,271
	Sources of Funding								

Council Tax	82,192		82,192				4,540	86,732
Retained Business Rates*	31,279		31,279				(3,659)	27,620
Collection Fund Deficit (-) or Surplus (+) **	(1,379)	1,379					(1,773)	(1,773)
Balances **	3,142	(3,142)					692	692
Total	115,234	(1,763)	113,471				(200)	113,271

\* 2018/19 Revenue Support Grant transferred into Retained Business Rates under the 100% Business Rate Pilot  
\*\* Business Rate Collection Fund Deficit forecast funded by transfer from the Business Rate Reserve

Council Tax - Calculation

Council Tax Debit £'000	82,192		86,732
Taxbase (No. of Band D equivalent properties)	63996.16		64346.64
Band D Charge £	£1,284.33		£1,347.89
%age Increase			4.95%

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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**Note: The items shaded light grey are existing savings and income generation proposals from the 2017/18 - 2019/20 budget, these have been reviewed for the 2018/19 - 2019/20 budget report.**

### Portfolio: Economic & Community Regeneration

Efficiency Savings								
Commissioning of Destination Management	Supporting Bath Tourism Plus to become self sustaining. This will be achieved by reducing the contract sum over the next 2 years and by working with BTP to ensure they become self sustaining.	150	350	500	M/H	0	None	Improved co-ordination of visitor economy activities for resident and visitors.
Housing	Service efficiency and additional grant income to off-set revenue costs	53	7	60	L	0	None	None
Reduction in grants	Reduction in contribution to the World Heritage Enhancement Fund	5	5	10	L	0	None	None

#### Sub Total - Efficiency Savings

208	362	570
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Income Generating Opportunities								
Film Office Option	Increase in income generated from management of filming in B&NES and sales of stock video / drone footage to film makers and additional efficiencies	20	30	50	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.	1600	500	2100	M	0	None	To be managed through Heritage business plan.

#### Sub Total - Income Generating Opportunities

1,620	530	2,150
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Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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								
Arts Development	Phase out Art grants from the Council moving to a strategic support role.	78	0	78	L	2	None	The Council will close its arts grants programme and move to an enabling role via other services.
Devolution to town & parish councils	A number of local authorities 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. Bath and North East Somerset will consider a devolution framework will be agreed with town and parish councils in our area.	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 with town and parish councils. Through its review of the Parish Charter, the Council has worked closely with town and parish councils in the past year to develop joint principles of devolution to underpin this. In addition, the Community Empowerment Fund has provided pump-priming investment for parish and town councils to develop new ways of working.

Sub Total - Service Redesign

103	0	103
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Economic & Community Regeneration Total

1,931	892	2,823
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## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Transport & Environment

Efficiency Savings								
Street Lighting LED replacement	A replacement programme of existing lights with more efficient ones	5	0	5	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
Depot Review	Rationalise depots to reduce costs and enable capital improvements to remaining sites.	38	0	38	L/M	Changes to working locations	Reduction in number of sites and improvement of remaining assets.	None
Transport Planning	Reduce reliance on consultants	0	50	50	L	None	None	More efficient delivery of service
Parking & Transport	Rationalise payment machines & implement cashless payment solutions	23	0	23	L	None	None	Some customers may prefer to pay using coins.
Immediately Addressable Spend	Reductions in overheads e.g. training	16	0	16	L	None	None	None

### Sub Total - Efficiency Savings

82	50	132
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Income Generating Opportunities								
Transport & Parking Services review	A Parking Strategy Review will outline different parking charge options and rebase income targets. This review will be concluded this financial year	1112.7	229.3	1342	H	0	None	This additional income reflects existing performance and targets, which are in line with proposals arising from the parking review.

Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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Sub Total - Income Generating Opportunities

1,113	229	1,342
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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	525	568	1093	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.
Network Management	Redesign consultations	0	30	30	M	0	None	

Sub Total - Service Redesign

525	598	1,123
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Transport & Environment Total

1,720	877	2,597
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## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Development & Neighbourhoods

Efficiency Savings								
Service review within Development Management	Staff Restructure	18	0	18	L	1.2	None	
GIS	Software cost reduction	13	0	13	L	None	None	
Waste and Parks	Service Review of Parks	205	0	205	M	Pending outcome of review	Pending outcome of review	Pending outcome of review
Policy & Environment	Reduction in funding to Bristol Regional Environmental Records Centre	3	0	3	L	None	None	
Policy & Environment	Reduce funding to Avon Catchment	0	3	3	L	None	None	
Reschedule Policy work programme	Reschedule work programme in LDS	10	0	10	M	None	None	

### Sub Total - Efficiency Savings

249	3	252
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Income Generating Opportunities								
Bereavement Service	Increase charges and promote memorial sales	80	0	80	L	0	None	
Neighbourhood Planning applications from Parish Councils	Enabling further grant over 2 years by implementing with Parishes higher number of Neighbourhood Planning applications.	0	-50	-50	L	0	None	Increased quality and support to Neighbourhood Plans would further enhance the relationships with communities and parishes.
Building Control	Increase in fees 2%	8	0	8	L	None	None	
Land charges	Increase in fees 2%	6	0	6	L	None	None	
Development Management	Increase pre-app fees by 10%	5	0	5	L	None	None	

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Development Management	Increase Development Team fees 10%	11	0	11	M	None	None	

### Sub Total - Income Generating Opportunities

110	-50	60
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### Service Redesign

Refuse Collection	Reduction in garden waste service in winter months	35	35	70	M	None	None	Reduction in the garden waste service in winter months is proposed as this waste is greatly reduced during this period therefore the impact will be minimal
Waste Strategy	Greater reliance on online material with a reduction in hard copies	0	20	20	L	None	None	Impacts should be low as residents are used to the new service and require less support/enforcement
Cleansing	Cease funding Parish sweeping schemes.	0	80	80	L	None	None	
Public Protection & Health Improvement	Remove Graduate Intern post	12	0	12	L	None	None	

### Sub Total - Service Redesign

47	135	182
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### Development & Neighbourhoods Total

406	88	494
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## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Adult Care, Health & Wellbeing

#### Efficiency Savings

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.	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 an LD that have been day-centre based, standard activities. Also, revise approach to transport provision to reflect this new approach.	75	0	75	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 change in access arrangements for some people with an LD in relation to the changes in the service model 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 gain share model with community services providers to incentivise them to deliver outcomes and reduce package costs.	125	0	125	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.	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.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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	0	50	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.
Reablement	Maximise impact of reablement 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	0	125	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.
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.	188	0	188	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.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
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	0	50	M	0	None	<ul style="list-style-type: none"> <li>• Reduced prevalence of incremental package increases, realising a cashable benefit</li> <li>• Improved outcomes for service users by ensuring they receive the right level of care at the right time and dependency is not built unnecessarily</li> <li>• 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</li> <li>• Decision makers are held to account which can result in a greater level of ownership for operational decisions to contribute to wider practice changes</li> <li>• 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.</li> </ul>
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	0	50	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 Adults' team is externalised. An opportunity exists to merge the function through service restructuring.	50	0	50	H	Not known at this stage	None	There is the potential for further join up of adult and children's services provision to deliver benefits in relation of an all-age service and improvement of transition arrangements. This does need to be considered in the context of current mixed delivery models, plans for further integration, and the appointment of Virgin Care as the Prime Provider of community health and social care services. In the first instance, the model of C&YP provision is being reviewed.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
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	0	50	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.
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	0	50	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

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Purchased Care –Across Client Groups	<p>Accelerate existing transformation - Expedite existing savings plans and service transformation activities to realise benefits quickly through:-</p> <p>Process efficiencies including</p> <ul style="list-style-type: none"> <li>• Review all social care packages to determine whether there is additional potential to reduce costs;</li> <li>• Review income collection processes and approach to increase income collection rate and reduce bad debts</li> <li>• Strengthen the monitoring and approval process of changes in package costs</li> </ul> <p>Review service delivery approach including:</p> <ul style="list-style-type: none"> <li>• Exploring the possibility of in-house care provision in response to challenging market conditions.</li> <li>• Review in and out of area placements – reduce the restrictions on where individuals receive their care package,</li> <li>• Care in the community v care in residential and nursing settings</li> </ul>	920	1271	2191	H	0	None	<p>Some initiatives are expected to improve service user experience and access to services whilst also achieving savings. For example, testing the "three conversations" approach to assessing need and support planning, which is being implemented by some other local authorities and is aimed at helping people lead independent lives. There may, in some instances, be a reduction in the range/type of services offered and the level of choice given to individuals, including the type of service put in place to meet their assessed/eligible need.</p>
MCA/ DOLS	Review the assessment activity undertaken by the team; use 'like' assessments within year to reduce spend on Section 12 Drs. Reduce the use of external best interest assessors through prioritisation of assessments	60	0	60	M	0	0	Delays to some assessments, which may impact on service users, families and for other stakeholders who will hold a level of risk

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Community Equipment	<p>Assessment threshold - Increase the threshold for assessments prior to the release of equipment.</p> <p>Improved utilisation - Review the contract and existing processes. Increase utilisation of equipment where it reduces the need for more expensive forms of care and improve efficiency from better stock management and recycling</p>	43	0	43	H	0	The community equipment review will include an options appraisal of the current store in a Council owned building in Radstock	The review, whilst delivering efficiencies, will also aim to improve the service currently offered, to include full 7 day working to support hospital discharge, and streamlining of the current ordering and authorisation process.
Food Policy	Remove the food policy role	0	40	40	L	1	None	Loss of key source of food policy and strategy work
Public Health Analyst	Post currently shared with another service, suggestion is to remove the 0.5 FTE from public health with data analysis and admin work being provided on a priority only basis.	17	0	17	L	0.5	None	Impact on overall capacity of team and will require prioritisation of work
Director of Public Health Award	Reduce Council contribution to DPH Award scheme and further explore options for recharging schools or redesigning the service	0	15	15	L	0	None	May result in less capacity to support schools and/or fewer schools participating in this health initiative.
Immediately Addressable Spend	25% of immediately addressable spend	7		7	L	0	None	Reduced partnership working if travel is restricted. Loss of funding for professional subscriptions may impact recruitment and retention. The proposals will require careful budget management and over-sight to ensure that spend is carefully targeted and monitored.
<b>Sub Total - Efficiency Savings</b>		<b>2,010</b>	<b>1,376</b>	<b>3,386</b>				



## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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	666	H	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	380	H	0	None	
Adult Social Care Demographic Growth - Learning Disabilities		348	348	696	H	0	None	
Adult Social Care Demographic Growth - Mental Health Adults of Working Age		75	75	150	H	0	None	
Adult Social Care Demographic Growth - People with Physical Disabilities		46	46	92	H	0	None	
Sub Total - Growth Avoidance		992	992	1,984				

### Service Redesign

Public Health grant reduction	Redesign and reduction in Public Health work to absorb reduction in Grant funding,	235	222	457	M	0	None	This would have to be delivered through further prioritisation of which local preventative initiatives and campaigns can be supported; stopping the test purchasing and intelligence gathering on illegal tobacco sales; reductions in office costs and reductions in contracted spend for health checks and other commissioned services
<b>Sub Total - Service Redesign</b>		<b>235</b>	<b>222</b>	<b>457</b>				

### Adult Care, Health & Wellbeing Total

<b>3,237</b>	<b>2,590</b>	<b>5,827</b>
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## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Children & Young People

Efficiency Savings								
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	0	50	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	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.	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
Preventative Commissioning	Explore opportunities for further integration of commissioned services, creating more joined up approaches and creating some back-office efficiencies	12	0	12	M	0	None	Improved outcomes for families, by integrating services that are coordinated around their needs and preventing escalation into specialist social care services.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
SIAS /School Improvement & Achievement	Requirement for service will significantly reduce as Academisation increases.  Also option to absorb admin roles within a corporate team / shared service.	0	50	50	M	1	None	Capacity reduced to minimum statutory duty of monitoring school standards from Academic year 2019/20 (assumes few if any maintained schools will remain). Explore opportunities to share residual services with another Authority
Administration	Potential removal of 3 FTE admin posts.	90	0	90	L	3	None	The Service will work hard to minimise any impacts on front line capacity. The introduction of Business support "Pods" (as proposed by the Business Support Review) will seek to spread admin support to teams in a more flexible way and allow staff to move between teams according to demand.
Service management consolidation (Preventative and Inclusion services)	Removal of 3 FTE roles by combining responsibilities with other management posts or reducing to statutory minimum service.	76	77	153	M	3	None	The loss of these posts will mean that the tasks currently undertaken by the managers would need to be reduced and/or passed to other colleagues. The additional tasks and priorities would need to be managed alongside existing service demands. This is made possible by other changes in service delivery such as cessation of traded Parent Support Advisers, redesign of youth Connect and remodelling of children's Centre Services, already underway.
Capital and Organisation	With the reduction in workload associated with the growth in academies, reduce the team which manages the allocation of resources to capital priorities - maintaining a minimum statutory function linking to sufficiency of school places.	0	40	40	L	1	None	Limited impact as responsibility for capital maintenance and delivery of some capital expansion schemes will transfer to academies
Education psychology services	Increase income from trading marginal capacity to fully recover costs and support service resilience	33	0	33	M	0	None	The need to generate additional income will require the team to work differently, and may require some re-structuring of priorities to ensure staff can promote and market their services to schools and obtain new contracts to work in new schools.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Short Breaks for Disabled Children	Expenditure relates to commissioned services that provide access to short breaks for children and their families with eligible social care needs.  The services were last procured in 2013 and are now due for re-provision. This presents an opportunity to market test and re-negotiate contracts and rates without a substantial impact on service levels.	0	18	18	H	0	None	There may be an increase in waiting times for short breaks. Short break provision is a vital service that aims to support families to be able to care for their disabled children at home in the community. The provision provides respite for the parents and carers of children and young people with disabilities/SEND, and a short-break for the young person. Short break provision helps prevent family breakdown and enables children and young people to remain at home. Provision will continue to be closely monitored to ensure that the realisation of the saving does not adversely impact on the quality and safety of the service or on outcomes for vulnerable children and families.
Early Years	Consolidation of business support roles, including admin, data monitoring, EHCP & Ofsted reports.	16	0	16	M	0.4	None	This proposal will require the team to reduce the scope of its current work to only cover statutory requirements.
Immediately Addressable Spend	25% of immediately addressable spend	43	0	43	L	0	None	Some services may be less accessible if travel is restricted. Loss of funding for professional subscriptions may impact recruitment and retention. The proposals will require careful budget management and over-sight to ensure that spend is carefully targeted and monitored.
<b>Sub Total - Efficiency Savings</b>		<b>480</b>	<b>185</b>	<b>665</b>				

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	75	0	75	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 well advanced in exploring this option for the 'spoke' centres (not hubs).

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Review savings available from Youth Connect Service	Options are being reviewed 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	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.
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	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	0	50	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
Remodel Education Support & School Services	Scale down offer to meet remaining statutory requirements only, transferring responsibility to schools where appropriate.	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).Proposed to scale back existing teams to minimum consistent with statutory duties linked to expected number of maintained schools

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Early Years Foundation Stage Team	Increase target for traded income to support ongoing service delivery and provide statutory minimum for early years. Reduce staffing hours.	74	0	74	L	0.8	None	May be some reduction in capacity to provide support to the Early Years sector.
Music Service	Explore options to combine back office support for the services across other local authorities (conversations already underway) and/or ensure charges to schools and parents enable full cost recovery to remove Council subsidy	0	40	40	H	0	None	The Music Service, through its grant from Arts Council, is responsible for providing support to low income families. Need to ensure that this is not jeopardised by any changes in service delivery or charging.
Education Welfare Services	Statutory service supporting children not attending school. Reduce service delivery and provide statutory minimum by focusing on prosecutions only.	40	0	40	M	1	None	This proposal will require the team to reduce the scope of its current work to only cover statutory requirements.
People & Communities Communications	Reduce staffing to a minimum level to meet statutory requirement to provide information around SEN provision.	40	0	40	M	1	None	Reduced quality of information for public in relation to early help offer
Safeguarding outcomes	Reduction of agency costs for staff delivering the CSE work by taking on more fixed term contract staff to continue to meet demand.	7	0	7	M	0	None	The proposals will require careful budget management and over-sight to ensure that spend is carefully targeted and monitored and key skills retained or developed.
<b>Sub Total - Service Redesign</b>		<b>761</b>	<b>340</b>	<b>1,101</b>				
<b>Total Children &amp; Young People</b>		<b>1,241</b>	<b>525</b>	<b>1,766</b>				

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Transformation & Customer Services

#### Efficiency Savings

Consolidation of Marketing and Communication function	Deliver efficiencies through consolidation of people and spend carrying out Marketing and Communications activities and roles across the Council.	75	60	135	M	TBC	None	
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	19	0	19	H	0	None	May impact supplies if suppliers have not received official Council orders for goods and services.
Consolidation of Performance / intelligence function	Deliver efficiencies through consolidation of people carrying out performance / intelligence activities and roles across the Council. Previous Council work has indicated possibility to save £250k on a base of £1.5m across the Council	0	250	250	M	5-10	None	Reduced capacity but more cross Council approach.
Corporate Travel Plan	The Council currently spends c.£600k on corporate travel. There is an option to reduce this by up to 25% through taking a more radical approach backed up with strong leadership. Initiatives including the rollout of the corporate travel plan  Assumed 25% saving against £600k corporate spend – would come from across the Council rather than S&P budget.	100	50	150	M	0	This will make better and more efficient use of Council assets	The proposal aims to improve efficiency of service delivery through delivery of smarter ways of working
Registrations	Increase number of registered venues for weddings/ ceremonies. Cross-selling and upselling of event packages.  Estimated 10% increase in income.	0	9	9	L	0	None	This does require additional work but should be managed within existing resources

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
3 month delay in recruiting to vacant posts	Through proposed changes to the recruitment process savings will be realised through the holding of vacancies for 3 months.	250	0	250	M	TBC	None	Exemptions will need to be considered to help manage service impact for roles fulfilling statutory duties.

### Sub Total - Efficiency Savings

444 369 813

Income Generating Opportunities								
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	100	H	0	None	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	10	75	85	H	0	Renewable energy installations on some Council assets	Efficiencies but also positive impacts for the B&NES community especially those suffering fuel poverty

### Sub Total - Income Generating Opportunities

60 125 185



## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
<b>Service Redesign</b>								
Modern Libraries and Customer Services review  Page 81	<p>Develop the Keynsham model for joint one stop shop and library service in Bath and Midsomer Norton</p> <p>Consult with local communities for alternative delivery of library services to reduce our staffing &amp; resources commitment across the area.</p> <p>Savings achieved through staff reduction across the whole of customer services; efficiencies. Income from sale of assets and lettable space</p>	0	700	700	M	25	<p>This proposal will help rationalise the Councils property assets.</p>	<p>This programme is now well underway and has been reported in detail. The proposals for Bath are now at the design stage (for the Podium) and community engagement is taking place until mid 2018 to enable this. Midsomer Norton at delivery stage. Community Libraries at engagement stage. Keynsham already completed. The approach includes integrating services in 3 main population centres and combining one stop shops with library services, with also 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</p> <p>Access to 3 million items across Libraries West will be maintained with the browsing experience being enhanced through innovative use of digital technology</p> <p>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.</p>
Staffing reduction in Strategy & Performance	As a result of further consolidation of policy functions the numbers of posts in the service will be further reduced.	135	60	195	M	3-4	None	Previously agreed staff reductions from a corporate approach to functions delivered by this service.
Welfare and Investigations	Grants support to troubled families- rebase grant (£270k) by 30% to reflect current spend.	80	0	80	L	0	None	This is to reflect current spending and will continue to be monitored to avoid impacts
Group Service Development	Restructure the team potential net reduction in 1 fte	80	0	80	M	1	None	Unknown but should be minimal although there may be a loss of specialised skills

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Community Safety and Engagement	Budget line reductions in this area to include Council funding for the Student Community Partnership, Prevent training, match funding initiatives, Workers Challenge Groups and undertaking Domestic Homicide Reviews. Support will continue in different ways, including using mainstream budgets, delivering efficiencies and using partner contributions as appropriate.	28	4	32	L	0	None	
<b>Sub Total - Service Redesign</b>		<b>323</b>	<b>764</b>	<b>1,087</b>				
<b>Transformation &amp; CustomerServices Total</b>		<b>827</b>	<b>1,258</b>	<b>2,085</b>				

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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### Portfolio: Finance & Efficiency

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	0	100	L	0	None	Capacity will be restricted especially for additional service requests
Finance – Income and Debt Transactional Services	To consolidate the approach to income collection and debt recovery services across the Council.	50	10	60	M	0	None	Further alignment of practices and recovery between departments
Corporate estate	Further consolidation of corporate estate including the few small stand alone offices that remain	50	0	50	M	0	Releasing corporate assets to add to the commercial estate or disposal	
Apprenticeship Levy	A New National Apprentice Scheme came into effect in 2016-17 with a levy to be paid by employers to meet recognised training cost.	25	0	25	M	0	None	Opportunity to enhance skills development across the workforce and obtain government credits through this programme.
Property Management	Closer working with the recently appointed Private Sector retail advisor to reduce voids and increase rental growth through active management of the commercial estate.	100	300	400	H	0	Greater efficiency within the Commercial Estate	

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
Project Delivery	<p>Uplift percentage capital charge from 30 to 40% for projects – in line with policy.</p> <p>Review commercial charging rates for Academies – benchmark against other providers and identify if price point can be increased in line with competitors.</p> <p>Note: vast majority of £100k to be delivered through capital charging.</p>	100	0	100	L	0	None	Technical adjustment only but constrained by accountancy practice rules.
IT Supply chain efficiencies and technology changes	Reducing spend through re-procurement and / or by changing some of the technologies we are using	201	112	313	L	0	None	Ongoing efficiency programme following insourcing of IT service and centralisation of IT spend
Immediately Addressable Spend	25% of immediately addressable spend	25	0	25	L	0	None	Refers to sundry expenditure codes for consumables. These budgets have previously been reduced hence the small available saving. Procurement monitor and challenge all orders above £10K.
Management arrangements and staffing	Management and departmental structures will be reviewed and streamlined with staff reductions equivalent to approximately 300 FTE posts to achieve necessary savings.	5,770	2,240	8,010	H	The likely impact is to reduce staffing by up to 300 FTEs	Release of office space	Critical functions and services for vulnerable people will be protected. This will be linked to the Council's transformation programme, investment in digital, smarter working and the development of partnership arrangements and integration with the CCG, WECA, and some additional shared services with neighbouring Councils. A Council-wide programme will enable these savings with phased implementation starting with senior management structures and quickly beyond this to individual services. The aim will also be to improve cross Council working and to protect morale and performance as far as possible.
<b>Sub Total - Efficiency Savings</b>		<b>6,421</b>	<b>2,662</b>	<b>9,083</b>				

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
<b>Income Generating Opportunities</b>								
Property development company	<ul style="list-style-type: none"> <li>• To generate Revenue Income for the Council</li> <li>• To hold, manage and operate market housing for private short-term lettings.</li> <li>• To sell market housing for investment</li> <li>• Provision of other market housing related activity</li> <li>• Deliver and manage other commercial and property developments.</li> <li>• To deliver long term capital appreciation</li> </ul>	150	200	350	M	0	Release of Council land and assets for development opportunities	This Council owned company ADL is now redeveloping the former Riverside offices in Keynsham and creating a pipeline of other development sites. Dividends are expected in addition to these projected returns from 2019/20.
Commercial Estate	Active commercial property investment approach targeted at acquisitions in line with the Council's commercial estate strategy - which has been refreshed to include properties beyond B&NES boundaries and mainly in the WoE devolution area - and non retail investments	925	25	950	H	0 (use of external partner)	Increase in the Councils commercial holdings	An annual investment strategy will be developed to support the approach in line with emerging government guidance. Improved diversification of types of property holdings of the estate will be a benefit. This is the continuation of a new approach already proving successful and enables key services such as social care to be protected from the income generated.
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.	80	60	140	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.
Office Accommodation	As staffing levels reduce due to current financial pressures, rent out vacated office accommodation esp. Lewis House.	0	600	600	H	Staff will possibly need to relocate. No staffing reductions as a direct impact of this project	Bringing current corporate office accommodation into commercial use	Enables corporate estate to continue to be used as now with 3:2 desk ratios and (flexible) smarter working but also new income from space that becomes surplus.
Thermae Spa profit share	To reflect projected future increases in the Spa Profit Share agreement	100		100	L	0	None	Simplified profit share arrangement to be established beneficial to both parties and designed to encourage better returns and investment.

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
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		10	M	0	None	More effective use of resources. The number of Parish Council by-elections and their cost has been increasing over several years.
<b>Sub Total - Income Generating Opportunities</b>		1,265	885	2,150				

## Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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
<b>Service Redesign</b>								
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	20	40	M	0	None	Possible TUPE implications - transfer of staff into B&NES owned company. Business plan at draft stage and new ways of working being established with partners inc. Devon and North Somerset
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.	41	41	82	L	0	None	Parishes will need to allow for the impact on their budgets, precepts and associated Council Tax increase. This phased change is already in progress having previously been notified.
Financial - Changes to Service Provision	This will require more automation of reporting and a higher level of self-serve by Managers to be successful. There will also be a review of activities that can cease such as non-statutory returns	0	100	100	M	2.5	None	Will require some standard reports and training to be successful
Financial Systems & Development	(Agresso) – greater reliance on third party provider to respond to queries within the financial system.  Alternative option to consolidate this function with other local authorities Assumed could reduce headcount by 1 FTE.	28	0	28	L	1	None	This has already been enabled
<b>Sub Total - Service Redesign</b>		<b>89</b>	<b>161</b>	<b>250</b>				
<b>Refinancing</b>								
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.	-140	-160	-300	L	0	None	None
<b>Sub Total - Refinancing</b>		<b>-140</b>	<b>-160</b>	<b>-300</b>				
<b>Finance &amp; Efficiency Total</b>		<b>7,635</b>	<b>3,548</b>	<b>11,183</b>				

Annex 2 - 2018/19 to 2019/20 Budget Savings & Income Generation Proposals

Savings Title	How to be achieved	18/19 Saving £000	19/20 Saving £000	2 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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Portfolio: Leader

Service Redesign								
Legal Service review of external legal spend and use of business partnering	Review use of external legal advice corporately and use of business partnering	0	50	50	H	0	None	Improved value for money

Sub Total - Service Redesign

0	50	50
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Leader Total

0	50	50
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OVERALL SAVINGS  
2018/19 to 2019/20

16,997	9,828	26,825
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## **Annex 3**

### **Equality impacts of B&NES Budget Savings & Income Generation Proposals 2018/19 to 2019/2020**

#### **1. Introduction and legal background**

This Appendix outlines the impacts of the Council's budget proposals from an equalities perspective. 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 services are reduced or redesigned.

#### **2. Actions so far**

As part of the Council's equality analysis process, a small working group has undertaken a review of the savings and income generation items set out in the draft budget report and which were also reported as part of the draft Council Operational Plan at each of the January/February PDS Panels.

This relevant budget Appendix shows previously reported savings and income generation proposals, approved by Council in February 2017, along with new proposals for consideration as part of this year's 2018/19 budget process.

This review has highlighted those proposals with the potential to have the most significant impacts upon service users, and what actions, if any, should be considered to mitigate any unexpected or unintentional impacts. The findings of this initial review, highlighting those proposals that could have the most significant impacts upon vulnerable groups, are set out in the table below.

Where appropriate, reference is also made to the operational plan which sets out additional information on the key changes being put forward and how they will be managed.

#### **3. Cumulative impacts**

Some people with protected characteristics may be impacted upon by several proposals. It will be important to ensure that the impacts from the proposals are considered alongside each other as further details are developed (and within any consultation), in order to identify the cumulative impacts upon our communities. These impacts will be assessed and managed through the Council's relevant programme and project management processes and other governance processes.

#### 4. Next steps

This document is designed to assist in the further development of implementation plans for the budget recommendations in the light of equalities analysis. This document will therefore be presented to the Resources PDS Panel on 5<sup>th</sup> February 2018 and will be appended to budget reports prepared for Cabinet and Council. For each budget proposal that is adopted it is proposed that the following actions will be taken:-

- **Equality Impact Assessments/Equality Analysis** will be undertaken for all proposals where initial reviews have revealed likely significant impacts upon particular groups of people due to their protected characteristics.
- **Inclusive consultation:** where consultation is arranged as part of taking any of these proposals forward, a diverse range of people will be encouraged to take part. This will help highlight any additional equality impacts that may need to be addressed and mitigated where possible. A variety of methods will be used to access consultees. The Equalities Team will advise on this.
- **Clear communication:** wherever it is planned to introduce changes, communication will be clear so that relevant information is accessible to disabled people (for example, people with visual impairment or learning disability) and those for whom English is an additional language. The Council has commissioned Oncall Interpreting services to assist with [Interpreting and Translation](#) where necessary.
- **Incorporate equalities issues within commissioning specifications.** Where proposals include commissioning or recommissioning external providers, detailed equality requirements will 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.
- **Use workforce training and development to promote equalities.** A number of the budget proposals contain opportunities to advance equality (for example, by targeting services towards those who are most vulnerable); or to find ways of mitigating any potential barriers people might face (for example, helping people access alternative local support). Council staff will receive additional training to be aware of, and sensitive to, the particular needs of different groups of people. Equalities training is available as part of the Corporate Training Programme, and bespoke training will be arranged by the Council's Equalities Team.

- **Monitor delivery and outcomes.** Where services are subject to redesign, equality monitoring will be carried out to help identify if the service is operating as intended, if it is reaching and meeting the needs of our most vulnerable communities; and if there are any unforeseen impacts that need to be addressed. The Council has adopted equality monitoring guidelines on the categories that should be included, and the wording of questions. Officers will also refer to existing data sources in the design and planning of services, for example the [Joint Strategic Needs Assessment](#) which contains detailed information on our communities, much of which is broken down by protected characteristics.

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
Transport - Moving People from A to B	Transport & Environment	<ul style="list-style-type: none"> <li>• There may be issues moving some users from dedicated buses or taxis onto community transport which may impact on some vulnerable users.</li> <li>• Support may be withdrawn on bus routes where there are low numbers of users, or where routes are almost commercially viable. There may be small numbers of bus users affected.</li> </ul>	<ul style="list-style-type: none"> <li>• There may be alternative options available such as community transport</li> <li>• To help us make decisions on the future of a number of supported bus services under contracts which are due to end during 2018, the Council is currently seeking the views of residents and users of the services on the best and most appropriate way to proceed. The responses will help us develop the detail of specifications for any contracts that are re-tendered</li> </ul>	Martin Shields	Community, Transport and Environment (CTE)
Parking Services Review	Transport & Environment	<ul style="list-style-type: none"> <li>• There a range of potential impacts and 'Balancing your needs: a parking strategy for B&amp;NES' has been discussed at the Independent Equalities Advisory Group.</li> </ul>	<ul style="list-style-type: none"> <li>• The proposals within the review aim to prioritise the needs of residents and disabled people.</li> <li>• Parking services have worked to ensure that</li> </ul>	Martin Shields	Community, Transport and Environment (CTE)

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
			the consultation was widely publicised in a variety of different ways to ensure a wide range of groups took part. A timetable for this and for decision-making is set out in the Operational Plan		
Waste strategy	Development & Neighbourhoods	<ul style="list-style-type: none"> <li>The greater reliance on online material with a reduction in hard copies could mean that it may be more difficult for those who do not have access to IT to be kept informed of changes</li> </ul>	<ul style="list-style-type: none"> <li>It will still be possible for residents to address queries in person via our One Stop Shops and over the telephone via Council Connect.</li> </ul>	Martin Shields	Community, Transport and Environment (CTE)
Community support services	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>There is potentially reduced access to the existing model of service for some people with a learning disability and dementia as the service model is redesigned with a shift away from the current, traditional day-centre model</li> </ul>	<ul style="list-style-type: none"> <li>The aim is to maximise independence, realigning transport provision and reducing longer term dependency on funded care for people with a learning disability.</li> </ul>	Jane Shayler	Health and Wellbeing Select Committee.

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
Adult Social Care proposals (Assistive technologies; Day care; Provider relationships; Reablement).	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>Whilst the overall aim might be to increase independence, these proposals could be experienced by older people, disabled people and their carers, as a removal of support that they are accustomed to.</li> <li>There will also need to be consideration of any impacts upon carers, particularly women, who are over-represented as carers.</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis will be on supporting service users to maximise independence.</li> <li>Transition to new ways of working and a new model will require a significant shift in culture and practice and staff will be supported to achieve this shift and in how to engage service users and carers with any specific changes</li> </ul>	Jane Shayler	Health and Wellbeing Select Committee.
The Adult Social Care 'Front Door Review'	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>This 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.</li> <li>This will help to ensure that statutory services are made more easily available for those in</li> </ul>	<ul style="list-style-type: none"> <li>Service users will be supported to maximise their independence and packages will not build unnecessary dependency on funded services, resulting in improved outcomes</li> </ul>	Jane Shayler	Health and Wellbeing Select Committee

Savings proposal name	Cabinet Portfolio	Potential equality impacts	Potential mitigations	Divisional Director	PDS panel
		<p>need.</p> <ul style="list-style-type: none"> <li>Implementing this change will be challenging, as it will involve changing a culture that has been established for a long time. The changes could be experienced by disabled people and older people as a withdrawal of support that they are accustomed to.</li> <li>There will also need to be consideration of any impacts upon carers, particularly women, who are over-represented as carers.</li> </ul>			
Public Health Further savings	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>This will involve a reduction in campaigns and initiatives that are often trying to reach the most vulnerable people in our community to promote healthy lifestyles (e.g. smoking cessation; increasing physical activity;</li> </ul>	<ul style="list-style-type: none"> <li>In mitigation, we will continue to undertake more cost effective health campaigns (e.g. via social media) to try to engage people.</li> </ul>	Bruce Lawrence	Health and Wellbeing Select Committee.

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
		reducing alcohol misuse; tackling diet and obesity).			
MCA DOLS (Safeguarding, Mental Capacity Act and Deprivation of Liberty)	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>There is a risk in lower level need service users being made to wait longer to be assessed</li> </ul>	<ul style="list-style-type: none"> <li>High risk service users will be assessed for DoLS as a priority using the ADASS priority rating tool</li> </ul>	Lesley Hutchinson	Health and Wellbeing Select Committee
DPH Award	Adult Care, Health and Wellbeing	<ul style="list-style-type: none"> <li>Reduced emphasis on preventative activities may hinder efforts to help young people live healthier lifestyles and could lead to knock on costs and increased demand in the future.</li> </ul>	<ul style="list-style-type: none"> <li>Schools will be encouraged to carry on with Healthy Schools work independently of Council support in order to minimise any impacts upon young people's engagement across a range of issues including healthy eating; anti-bullying and mental health promotion.</li> </ul>	Bruce Lawrence	Children and Young People (CYP).
Short breaks for disabled children	Children & Young People	<ul style="list-style-type: none"> <li>There could potentially be some reduction in access to short-break provision for children and young people with disabilities and their families.</li> <li>This could result in</li> </ul>	<ul style="list-style-type: none"> <li>The aim is to achieve efficiency savings without impacting upon the availability of short break provision.</li> </ul>	Jane Shayler	Children and Young People (CYP)



<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
		some increase in waiting time for short breaks.			
Children's Centre buildings management	Children & Young People	<ul style="list-style-type: none"> <li>• The transferring of some Children's Centre buildings to community ownership could benefit local organisations and local communities through more effective use of the Children's Centre buildings.</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• The current services will continue to run, so there should be no negative impact.</li> </ul>	Richard Baldwin	Children and Young People (CYP)
Review savings available from Youth Connect Service	Children & Young People	<ul style="list-style-type: none"> <li>• This proposal seeks to maintain the Council's commitment to delivering its statutory requirements whilst minimising any negative impact on outcomes for young people.</li> <li>• Any further targeting or reduction in accessibility of services could impact on young people's engagement in beneficial services, education, employment</li> </ul>	<ul style="list-style-type: none"> <li>• Enabling local community groups to develop additional capacity in key areas that will offer supplementary services for young people.</li> <li>• Exploring the potential to develop a staff mutual which could enhance the local service offer by being able to access alternative sources of funding.</li> </ul>	Richard Baldwin	Children and Young People (CYP)

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
		or training.			
Early Years nursery provision	Children & Young People	<ul style="list-style-type: none"> <li>This will see the closure of existing Council owned and run nurseries.</li> <li>Providing that the private provision remains strong there should be minimal impact as we believe there will continue to be sufficient nursery provision in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing work to ensure that there is sufficient private provision for nursery places in the affected localities.</li> </ul>	Richard Baldwin	Children and Young People (CYP)
Remodel Education Support and School services	Children & Young People	<ul style="list-style-type: none"> <li>Scaling back the support to schools may limit the scope of preventative work with schools that are vulnerable and in need of support.</li> <li>This is especially relevant to equality issues, as the school improvement team work with schools on initiatives that tackle bullying (e.g. the Stonewall Education Index).</li> </ul>	<ul style="list-style-type: none"> <li>The overall budget for schools in Bath and North East Somerset is rising by £3.68 million a year, representing a 3.9% boost to the total schools budget</li> <li>We will ensure that our remaining statutory functions are covered as efficiently as possible and that we continue to engage with schools and Academy Trusts on improving outcomes for</li> </ul>	Margaret Simmons-Bird	Children and Young People (CYP)

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
		<ul style="list-style-type: none"> <li>This could lead to a reduction in improving outcomes and narrowing the gap for disadvantaged pupils from low income families.</li> </ul>	disadvantaged pupils <ul style="list-style-type: none"> <li>We will continue to target vulnerable schools and ensure that as we do withdraw from some service areas, schools are signposted to alternative services.</li> </ul>		
Education welfare Services	Children & Young People	<ul style="list-style-type: none"> <li>This will involve reducing service delivery by focusing on statutory work and prosecutions only.</li> <li>There are potential risks of impacts on vulnerable young people if less preventative support is available to encourage attendance.</li> </ul>	<ul style="list-style-type: none"> <li>Pupil attendance is a shared responsibility of parents, schools and the local authority.</li> <li>The Council will provide a statutory minimum service</li> <li>The overall budget for schools in Bath and North East Somerset is rising by £3.68 million a year, representing a 3.9% boost to the total schools budget.</li> </ul>	Richard Baldwin	Children and Young People (CYP)
The Modern Libraries programme  <i>(developing a joint Library/One Stop Shop in Bath and Midsomer Norton and</i>	Transformation & Customer Services	<ul style="list-style-type: none"> <li>As new approaches are developed, account needs to be taken of the needs of a wide range of people including older people, disabled people, young</li> </ul>	<ul style="list-style-type: none"> <li>Detailed equality impact assessments have been carried out</li> <li>Local people and groups are being invited to focus groups to help shape the</li> </ul>	Ian Savigar	Community, Transport and Environment (CTE)

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
<i>finding ways of enabling local community groups to deliver local library services)</i>		people etc. <ul style="list-style-type: none"> <li>There may be gaps in provision for people in more rural locations whilst new delivery options are set up.</li> </ul>	design of the new combined Library/One Stop Shop in Bath. <ul style="list-style-type: none"> <li>Additional home and community-based options will also be further strengthened including the Home Library Service.</li> <li>The Operational Plan identifies that the review is being phased to enable proper consultation, local engagement and decision making at each stage</li> </ul>		
Office accommodation	Finance & Efficiency	<ul style="list-style-type: none"> <li>Bringing current corporate office accommodation into commercial use with possibility of staff relocation</li> </ul>	<ul style="list-style-type: none"> <li>Accessibility will be considered for any disabled members of staff who are relocated.</li> </ul>	Derek Quilter	Resources
Management arrangements and staffing	Finance & Efficiency	<ul style="list-style-type: none"> <li>Management and departmental structures will be reviewed and streamlined with staff reductions equivalent to approximately 300 FTE</li> </ul>	<ul style="list-style-type: none"> <li>The Council will ensure equalities considerations are built fully into this process in line with Council policies and</li> </ul>	David Trethewey	Resources

<b>Savings proposal name</b>	<b>Cabinet Portfolio</b>	<b>Potential equality impacts</b>	<b>Potential mitigations</b>	<b>Divisional Director</b>	<b>PDS panel</b>
		posts to achieve necessary savings.	procedures, and through the consultation process		

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## 1. Flexible Use of Capital Receipts

Central Government outlined in December 2015 that local authorities will be able under certain circumstances to utilise capital receipts for revenue expenditure for certain purposes. These include for example:-

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Sharing Chief-Executives, management teams or staffing structures;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or regional procurement hubs;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, selling services to others).
- Integrating public facing services across two or more public sector bodies to generate savings or to transform service delivery;
- Improving systems and processes to tackle fraud and corruption;

Further guidance was released in March 2016 which outlined a simpler approach to allow authorities to utilise receipts if the spend resulted in an ongoing saving. The guidance is clear however that expenditure should be once-off and the flexibility cannot be utilised for ongoing expenditure.

The requirement the strategy should list each project that plans to make use of the capital receipts flexibility and that on a project by project basis details of

the expected savings/service transformation are provided. The Strategy should report the impact on the local authority's Prudential Indicators for the forthcoming and subsequent years.

The strategy in future years will monitor the performance of projects approved in previous years. The Strategy must be approved by Full Council. A revised strategy may be replaced by another during the year.

## **2. Savings Projects Which Meet the Criteria**

Full Council agreed in November 2017 to utilise the flexibility to fund the once-off revenue costs such as redundancy and legal costs allowable under the criteria to achieve the Directorate Savings Plans agreed as part of the 2017/18 budget. The following link shows the 2017/18 budget savings that apply:-

<https://democracy.bathnes.gov.uk/documents/s45572/Budget%20Appx%203%20-%20Savings%20Details.pdf>

Approval of further flexibility is required where applicable to the 2018/19 and 2019/20 Budget Savings and Income Generation Proposals attached at Annex 2 of this report.

## **3. The Capital Receipts to be Used this Purpose**

Capital receipts from the disposal of property, plant, and equipment received in the years in which the flexibility is offered can be used for this purpose. Right to Buy Receipts are excluded. The Government announced as part of the 2018/19 Finance Settlement that the flexibility would extend to 2021/22 (a further three years).

Individual receipts have not been listed but the target for financial planning purposes is for £14m of receipts to be available for use. This will impact on the amount of borrowing required and has been factored into the budget proposals as well as a target for new receipts.

It remains unchanged that the decision for the use of each receipt is delegated to the S151 Officer unless it results in an unplanned impact on the overall budget for 2018/19.

## **4. Impact on B&NES' Prudential Indicators**



If the Council utilises this flexibility it impacts on the level of capital receipts that can be utilised to fund the capital programme. If it is assumed that B&NES utilises £9.5m receipts already factored in to finance the capital programme plus a further £4.5m of new receipts. The impact is included in the Council's Prudential Indicators detailed in the Budget Report and shown below:-

<b>Prudential Indicator</b>	<b>2016/17 Actual</b>	<b>2017/18 Forecast Outturn</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Estimate of Capital Expenditure (£'000s)</b>					
Actual/estimates of capital expenditure	53,910	127,749	217,305	60,581	28,402
<b>Net Increase in Council Tax (band D per annum) Figures in £'s (not £'000's)</b> Note 1					
The implied estimate of incremental impact of the new capital investment decisions on the council tax			£13.85	£3.98	£3.19
Cumulative totals:			£13.85	£17.83	£21.02
<b>Capital Financing as % of Net Revenue Stream</b>					
Actual/estimates of the ratio of financing costs to net revenue stream			12.99%	19.21%	21.23%
<i>Memo: estimates of the ratio of financing cost to gross revenue stream</i>			4.52%	6.68%	7.35%
<b>Borrowing Limits (£m)</b>					
Operational boundary – borrowing			£403m	£442m	£451m
Operational boundary – other long-term liabilities			£2m	£2m	£2m
<b>Operational boundary – total</b>			<b>£405m</b>	<b>£444m</b>	<b>£453m</b>
Authorised limit - borrowing			£434m	£473m	£481m
Authorised limit – other long-term liabilities			£2m	£2m	£2m
<b>Authorised limit - total</b>			<b>£436m</b>	<b>£475m</b>	<b>£483m</b>
<b>Capital Financing Requirement (£'000s) (as at 31 March)</b>					
Actual/estimate of capital financing requirement	200,147	282,125	434,016	472,616	481,383

1. This is an indicator of affordability that shows the implied impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the proposed capital programme.
2. The figures show borrowing limits but it is important to note that the Council is utilising cash flow efficiency wherever possible.
3. £120m of borrowing is linked to investments that provide an ongoing income stream to the Council

Project Title	PY Spend pre 2017/2018	Forecast Outturn 2017/2018	Actual / Projected Spend pre 2018/2019	Projected Re- phasing from 2017/2018 to 2018/2019 and Future Years	Budget Required 2018/2019	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Budget 2022/2023	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
<b>DEVELOPMENT &amp; NEIGHBOURHOODS</b>														
<b>Full Approval</b>														
<b>Environmental Services</b>														
Beechen Cliff Woodland & Other Open Spaces Improvements	397	73	470	9	50	59	0	0	0	0	59	529	59	0
Waste Re-provision feasibility work	166	54	220	250	0	250	0	0	0	0	250	470	250	0
Parade Gardens Infrastructure for Business Development	18	10	28	4	0	4	0	0	0	0	4	32	4	0
Parks Service Schemes	87	121	209	169	0	169	0	0	0	0	169	378	0	169
Waste Project	23	11,118	11,141	514	0	514	0	0	0	0	514	11,655	514	0
Environmental Neighbourhood Services Vehicle Replacement Programme	0	117	117	702	0	702	0	0	0	0	702	819	702	0
Parks S106 Projects	0	274	274	15	0	15	0	0	0	0	15	289	0	15
Parks Equipment	0	41	41	0	41	41	41	0	0	0	82	123	82	0
Parks Action Response Work	0	100	100	136	0	136	0	0	0	0	136	236	0	136
Bath Leisure Centre Refurbishment	2,630	4,005	6,635	1,000	0	1,000	0	0	0	0	1,000	7,635	1,000	0
Leisure - Council Client / Contingency	606	644	1,250	750	0	750	0	0	0	0	750	2,000	750	0
Bath Recreation Ground Trust - Leisure	490	510	1,000	0	1,000	1,000	0	0	0	0	1,000	2,000	1,000	0
Keynsham Leisure Centre - Land Assembly	2,273	0	2,273	74	0	74	0	0	0	0	74	2,347	74	0
Leisure facility modernisation - Keynsham Sports Centre	0	600	600	0	4,417	4,417	5,000	0	0	0	9,417	10,017	9,417	0
<b>Subtotal Full Approval - Development &amp; Neighbourhoods</b>	<b>6,690</b>	<b>17,668</b>	<b>24,358</b>	<b>3,623</b>	<b>5,508</b>	<b>9,131</b>	<b>5,041</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,172</b>	<b>38,530</b>	<b>13,852</b>	<b>320</b>
<b>Provisional Approval</b>														
<b>Environmental Services</b>														
Waste Project	0	0	0	10,411	3,999	14,410	130	266	0	0	14,806	14,806	14,806	0
Keynsham Leisure Centre Refurbishment	0	0	0	0	3,100	3,100	750	0	0	0	3,850	3,850	3,600	250
Parks Play Equipment	0	0	0	0	187	187	253	0	0	0	440	440	440	0
Sydney Gardens: a 21st Century Pleasure Gardens	0	0	0	0	3,001	3,001	0	0	0	0	3,001	3,001	0	3,001
Air Quality Monitors	0	0	0	0	33	33	26	20	33	0	112	112	112	0
Relocation of Bath Recycling Centre Facility	0	0	0	0	200	200	0	350	0	0	550	550	0	550
Neighbourhood Services - Vehicle Replacement Programme	0	0	0	0	1,161	1,161	945	1,224	416	722	4,468	4,468	4,468	0
Litter Bins	0	0	0	0	75	75	50	0	0	0	125	125	125	0
Midsomer Norton Town Park	0	0	0	0	175	175	125	0	0	0	300	300	0	300
Whitchurch Parks (CIL)	0	0	0	0	50	50	0	0	0	0	50	50	0	50
Parks S106 Projects	0	0	0	0	342	342	272	237	0	0	851	851	0	851
River Avon Park	0	0	0	0	332	332	100	100	100	100	732	732	0	732
Parks Automated Gates	0	0	0	0	17	17	9	0	0	0	26	26	26	0
Parks and Bereavement Infrastructure	0	0	0	0	144	144	0	0	0	0	144	144	144	0
Parks Equipment Replacement	0	0	0	0	41	41	41	42	43	45	212	212	212	0
RVP Nursery Improvements	0	0	0	0	38	38	0	0	0	0	38	38	38	0
Cherry Grove Garden (Haycombe)	0	0	0	0	125	125	0	0	0	0	125	125	125	0
Neighbourhoods CCTV	0	0	0	0	44	44	0	0	0	0	44	44	44	0
<b>Planning &amp; Development</b>														
Bathscape	0	0	0	0	58	58	610	357	358	826	2,209	2,209	0	2,209
<b>Subtotal Provisional Approval - Development &amp; Neighbourhoods</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,411</b>	<b>13,122</b>	<b>23,533</b>	<b>3,311</b>	<b>2,596</b>	<b>950</b>	<b>1,693</b>	<b>32,083</b>	<b>32,083</b>	<b>24,140</b>	<b>7,943</b>
<b>TOTAL DEVELOPMENT &amp; NEIGHBOURHOODS</b>	<b>6,690</b>	<b>17,668</b>	<b>24,358</b>	<b>14,034</b>	<b>18,630</b>	<b>32,664</b>	<b>8,352</b>	<b>2,596</b>	<b>950</b>	<b>1,693</b>	<b>46,255</b>	<b>70,613</b>	<b>37,992</b>	<b>8,263</b>

Project Title	PY Spend pre 2017/2018	Forecast Outturn 2017/2018	Actual / Projected Spend pre 2018/2019	Projected Re- phasing from 2017/2018 to 2018/2019 and Future Years	Budget Required 2018/2019	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Budget 2022/2023	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	£'000
<b>ECONOMIC &amp; COMMUNITY REGENERATION</b>														
<b>Full Approval</b>														
<b>Community Regeneration</b>														
BWR - Infrastructure	5,949	596	6,545	955	0	955	0	0	0	0	955	7,500	955	0
Innovation Quay - Strategic Flooding Solution	5,114	310	5,424	1,797	0	1,797	0	0	0	0	1,797	7,221	0	1,797
River Corridor & RoSPA safety works	605	70	674	204	0	204	0	0	0	0	204	879	204	0
Somer Valley Business Centres	77	29	105	20	0	20	0	0	0	0	20	125	20	0
Bath Quays South	452	1,747	2,199	6,811	12,300	19,111	0	0	0	0	19,111	21,310	19,111	0
Bath Quays North	1,040	2,035	3,075	4,524	0	4,524	0	0	0	0	4,524	7,599	4,524	0
Bath Quays Delivery	3,591	0	3,591	0	0	0	0	0	0	0	0	3,591	0	0
Bath Quays Bridge & Linking Infrastructure	347	995	1,342	3,270	0	3,270	0	0	0	0	3,270	4,612	154	3,116
Radstock and Westfield Implementation Plan	34	26	60	40	0	40	0	0	0	0	40	100	40	0
South Road Car Park	12	0	12	143	0	143	0	0	0	0	143	155	143	0
Saw Close Works	337	1,227	1,564	336	250	586	0	0	0	0	586	2,150	336	250
Visitor & Till Management System	86	0	86	100	0	100	0	0	0	0	100	186	100	0
Roman Baths Archway Centre	47	264	311	3,421	1,585	5,006	0	0	0	0	5,006	5,317	953	4,053
Heritage: Victoria Art Gallery Air Conditioning	9	0	9	141	0	141	0	0	0	0	141	150	141	0
Disabled Facility Grant	3,084	1,156	4,240	0	1,150	1,150	0	0	0	0	1,150	5,390	0	1,150
Affordable Housing	2,354	1,901	4,255	0	300	300	0	0	0	0	300	4,555	300	0
<b>Subtotal Full Approval - Economic &amp; Community Regeneration</b>	<b>23,138</b>	<b>10,354</b>	<b>33,492</b>	<b>21,762</b>	<b>15,585</b>	<b>37,347</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,347</b>	<b>70,839</b>	<b>26,981</b>	<b>10,366</b>
<b>Provisional Approval</b>														
<b>Community Regeneration</b>														
Radstock and Westfield Implementation Plan	0	0	0	50	0	50	0	0	0	0	50	50	50	0
Radstock Pedestrian Bridge	0	0	0	174	0	174	0	0	0	0	174	174	0	174
Bath Quays Delivery	0	0	0	7,445	2,100	9,545	0	5,250	6,285	0	21,080	21,080	21,080	0
Innovation Quay - Economic Development Funding Enabling Infrastructure	0	0	0	3,366	2,807	6,173	11,513	5,768	6,295	0	29,749	29,749	29,749	0
Wayfinding and Public Realm Improvements	0	0	0	100	0	100	0	0	0	0	100	100	100	0
New Enterprise Zone – Infrastructure Plan	0	110	110	0	110	110	0	0	0	0	110	220	50	60
Keynsham High Street	0	0	0	120	2,400	2,520	0	0	0	0	2,520	2,520	120	2,400
Pioneer Office Investment Block	0	0	0	10,000	0	10,000	0	0	0	0	10,000	10,000	0	10,000
Somer Valley Business Centres	0	0	0	1,000	0	1,000	0	0	0	0	1,000	1,000	550	450
Whitchurch Public Realm (CIL)	0	0	0	0	50	50	0	0	0	0	50	50	0	50
Cattlemarket	0	0	0	150	0	150	0	0	0	0	150	150	150	0
River Corridor Fund	0	0	0	70	0	70	0	0	0	0	70	70	70	0
City Centre Streetscape	0	0	0	0	300	300	0	0	0	0	300	300	250	50
Midsomer Norton Public Realm	0	0	0	0	200	200	0	0	0	0	200	200	120	80
York Street and Swallow Street Public Realm	0	0	0	0	325	325	264	0	0	0	589	589	489	100
Union Street Public Realm	0	0	0	0	150	150	0	0	0	0	150	150	0	150
5G Technologies	0	0	0	0	67	67	0	0	0	0	67	67	0	67
Keynsham High Street - Public Realm	0	0	0	0	100	100	0	0	0	0	100	100	0	100
Heritage Infrastructure Development	0	0	0	0	250	250	275	300	325	350	1,500	1,500	1,500	0
Museums Acquisitions	0	0	0	0	5	5	0	0	0	0	5	5	5	0
Refurb of Roman Baths Shop	0	0	0	0	0	0	0	0	150	0	150	150	150	0
Victoria Art Gallery Air Con	0	0	0	0	50	50	0	0	0	0	50	50	50	0
Digital B&NES	0	0	0	1,250	0	1,250	0	0	0	0	1,250	1,250	1,250	0
West Baths Environment	0	0	0	0	0	0	200	0	0	0	200	200	200	0
Roman Baths Energy Reclaim	0	0	0	0	100	100	0	0	0	0	100	100	100	0
Disabled Facility Grant	0	0	0	0	0	0	1,150	1,150	1,150	1,150	4,600	4,600	0	4,600
Affordable Housing	0	0	0	0	290	290	590	635	635	635	2,785	2,785	2,785	0
Borrowing Match Grant Programmes	0	0	0	0	450	450	150	150	150	0	900	900	900	0
<b>Subtotal Provisional Approval - Economic &amp; Community Regeneration</b>	<b>0</b>	<b>110</b>	<b>110</b>	<b>23,725</b>	<b>9,754</b>	<b>33,479</b>	<b>14,142</b>	<b>13,253</b>	<b>14,990</b>	<b>2,135</b>	<b>77,999</b>	<b>78,109</b>	<b>59,718</b>	<b>18,281</b>
<b>TOTAL ECONOMIC &amp; COMMUNITY REGENERATION</b>	<b>23,138</b>	<b>10,464</b>	<b>33,602</b>	<b>45,487</b>	<b>25,339</b>	<b>70,826</b>	<b>14,142</b>	<b>13,253</b>	<b>14,990</b>	<b>2,135</b>	<b>115,346</b>	<b>148,948</b>	<b>86,699</b>	<b>28,647</b>

Project Title	PY Spend pre 2017/2018	Forecast Outturn 2017/2018	Actual / Projected Spend pre 2018/2019	Projected Re- phasing from 2017/2018 to 2018/2019 and Future Years	Budget Required 2018/2019	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Budget 2022/2023	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
<b>TRANSPORT &amp; ENVIRONMENT</b>														
<b>Full Approval</b>														
<b>Environmental Services</b>														
Bath Transport Package - Main Scheme	16,164	800	16,964	2,000	0	2,000	0	0	0	0	2,000	18,964	2,000	0
Transport Improvement Programme	5,092	2,831	7,924	0	2,982	2,982	0	0	0	0	2,982	10,906	360	2,622
Highways Maintenance Programme	17,320	3,807	21,128	528	6,746	7,274	0	0	0	0	7,274	28,402	808	6,466
Parking - Vehicle Replacement Programme	0	15	15	85	0	85	0	0	0	0	85	100	85	0
Saltford Station - reopening feasibility work	0	0	0	250	0	250	0	0	0	0	250	250	250	0
Kingsmead Square Improvements	0	2	2	8	0	8	0	0	0	0	8	10	8	0
Dorchester Street, Traffic Review	0	72	72	28	0	28	0	0	0	0	28	100	28	0
Somerdale Bridge, Keynsham – Initial Options Study	0	64	64	6	0	6	0	0	0	0	6	70	0	6
<b>Subtotal Full Approval - Transport &amp; Environment</b>	<b>38,577</b>	<b>7,592</b>	<b>46,169</b>	<b>2,905</b>	<b>9,728</b>	<b>12,633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,633</b>	<b>58,802</b>	<b>3,539</b>	<b>9,094</b>
<b>Provisional</b>														
<b>Environmental Services</b>														
Kingsmead Square Improvements	0	0	0	0	100	100	0	0	0	0	100	100	100	0
Body Worn Video Cameras for Civil Enforcement Officers	0	25	25	0	0	0	0	25	0	0	25	50	25	0
Radio System Replacement	0	0	0	0	0	0	0	0	45	0	45	45	45	0
Parking Enforcement Hand Held Computer Terminal replacement	0	0	0	0	0	0	0	0	80	0	80	80	80	0
A36 Lower Bristol Road Bus Lane	0	1,500	1,500	0	1,500	1,500	0	0	0	0	1,500	3,000	1,500	0
Existing Park & Ride Traffic Control Equipment	0	0	0	0	30	30	0	0	0	0	30	30	30	0
Replacement Mopeds for Outer Area Parking Enforcement	0	0	0	0	0	0	0	35	0	0	35	35	35	0
Highways Maintenance Programme	0	0	0	0	0	0	3,666	3,666	3,645	0	10,977	10,977	0	10,977
Transport Improvement Programme	0	0	0	0	0	0	2,163	1,610	1,163	1,163	6,099	6,099	0	6,099
Passenger Transport - Vehicle Replacement Programme	0	0	0	0	485	485	405	305	0	0	1,195	1,195	1,195	0
Office for Low Emission Vehicles (OLEV) Bid	0	482	482	0	609	609	210	148	0	0	967	1,449	0	967
Strategic Transportation	0	0	0	0	4,215	4,215	5,000	0	0	0	9,215	9,215	9,215	0
Terrace Walk	0	0	0	0	100	100	0	0	0	0	100	100	100	0
Transport Strategic Review Items	0	0	0	350	200	550	0	0	0	0	550	550	175	375
York Street Vaults Phase 2	0	0	0	0	950	950	0	0	0	0	950	950	950	0
Highways Schemes (CIL)	0	0	0	0	180	180	0	0	0	0	180	180	0	180
Pay and Display Replacement	0	0	0	0	100	100	100	100	0	0	300	300	300	0
Parking Vehicles	0	0	0	0	25	25	52	0	0	85	162	162	162	0
P&R Alligator Teeth	0	0	0	0	25	25	0	0	0	50	75	75	75	0
Manvers St Car Park Security	0	0	0	0	20	20	0	0	0	0	20	20	20	0
Lansdown P&R Extension	0	0	0	0	0	0	0	120	0	0	120	120	120	0
<b>Subtotal Provisional Approval - Transport &amp; Environment</b>	<b>0</b>	<b>2,007</b>	<b>2,007</b>	<b>350</b>	<b>8,539</b>	<b>8,889</b>	<b>11,596</b>	<b>6,009</b>	<b>4,933</b>	<b>1,298</b>	<b>32,725</b>	<b>34,732</b>	<b>14,127</b>	<b>18,598</b>
<b>TOTAL TRANSPORT &amp; ENVIRONMENT</b>	<b>38,577</b>	<b>9,599</b>	<b>48,176</b>	<b>3,255</b>	<b>18,267</b>	<b>21,522</b>	<b>11,596</b>	<b>6,009</b>	<b>4,933</b>	<b>1,298</b>	<b>45,358</b>	<b>93,534</b>	<b>17,666</b>	<b>27,692</b>
<b>CHILDREN &amp; YOUNG PEOPLE</b>														
<b>Full Approval</b>														
<b>Children &amp; Young People</b>														
Youth Projects	10	0	10	19	0	19	0	0	0	0	19	29	0	19
Riverside Youth Hub Development	105	36	141	59	0	59	0	0	0	0	59	200	59	0
Building adaptations to provide short breaks for Disabled Children	125	0	125	20	0	20	0	0	0	0	20	145	0	20
Schools Capital Maintenance	0	0	0	0	500	500	0	0	0	0	500	500	0	500
Basic Needs Feasibility / Option Appraisal	13	268	281	9	0	9	0	0	0	0	9	290	0	9
Oldfield Park Junior School - Basic Need	88	96	184	16	0	16	0	0	0	0	16	200	0	16

Project Title	PY Spend pre 2017/2018	Forecast Outturn 2017/2018	Actual / Projected Spend pre 2018/2019	Projected Re- phasing from 2017/2018 to 2018/2019 and Future Years	Budget Required 2018/2019	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Budget 2022/2023	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
Whitchurch Primary expansion	0	63	63	1,253	0	1,253	0	0	0	0	1,253	1,316	0	1,253
Castle Primary expansion (Phase 4)	0	1,207	1,207	1,384	0	1,384	0	0	0	0	1,384	2,591	0	1,384
Swainswick Primary School	0	58	58	672	0	672	0	0	0	0	672	730	0	672
Client Data System for Children's Social Services	698	0	698	2	0	2	0	0	0	0	2	700	2	0
Ensleigh - New Primary School	2,637	1,130	3,767	0	258	258	0	0	0	0	258	4,025	0	258
St Nicholas' Primary expansion	0	95	95	2,378	290	2,668	0	0	0	0	2,668	2,763	0	2,668
Children's Education Management System	0	473	473	347	0	347	0	0	0	0	347	820	347	0
<b>Subtotal Full Approval - Children &amp; Young People</b>	<b>3,677</b>	<b>3,425</b>	<b>7,102</b>	<b>6,159</b>	<b>1,048</b>	<b>7,207</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,207</b>	<b>14,309</b>	<b>408</b>	<b>6,799</b>
<b>Provisional Approval</b>														
<b>Children &amp; Young People</b>														
Peasedown St John School	0	0	0	0	200	200	0	0	0	0	200	200	0	200
Schools Basic Need Grant Unallocated	0	-50	-50	4,112	5,188	9,300	2,148	0	0	0	11,448	11,398	90	11,358
Basic Need Feasibility Works	0	0	0	0	150	150	0	0	0	0	150	150	0	150
Healthy Pupils Capital Fund	0	0	0	0	75	75	0	0	0	0	75	75	0	75
Alternative Education - Refurbishment & Equipment	0	0	0	0	170	170	0	0	0	0	170	170	170	0
SEND Provision	0	0	0	0	577	577	0	0	0	0	577	577	0	577
Midsomer Norton area bulge class	0	70	70	230	0	230	0	0	0	0	230	300	0	230
Clutton Primary – reinstate classroom space	0	0	0	0	100	100	0	0	0	0	100	100	0	100
<b>Subtotal Provisional Approval - Children &amp; Young People</b>	<b>0</b>	<b>20</b>	<b>20</b>	<b>4,342</b>	<b>6,460</b>	<b>10,802</b>	<b>2,148</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,950</b>	<b>12,970</b>	<b>260</b>	<b>12,690</b>
<b>TOTAL CHILDREN &amp; YOUNG PEOPLE</b>	<b>3,677</b>	<b>3,445</b>	<b>7,122</b>	<b>10,501</b>	<b>7,508</b>	<b>18,009</b>	<b>2,148</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,157</b>	<b>27,279</b>	<b>668</b>	<b>19,489</b>
<b>ADULT CARE, HEALTH &amp; WELLBEING</b>														
<b>Full Approval</b>														
<b>Adult Care, Health and Wellbeing</b>														
Community Resource Centre Capital investment	0	490	490	210	0	210	0	0	0	0	210	700	0	210
<b>Subtotal Full Approval - Adult Care, Health and Wellbeing</b>	<b>0</b>	<b>490</b>	<b>490</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>210</b>	<b>700</b>	<b>0</b>	<b>210</b>
<b>Provisional Approval</b>														
<b>Adult Care, Health and Wellbeing</b>														
PSS Grant Unallocated	0	0	0	98	0	98	0	0	0	0	98	98	0	98
<b>Subtotal Provisional Approval - Adult Care, Health and Wellbeing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>0</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>98</b>	<b>0</b>	<b>98</b>
<b>TOTAL ADULT CARE, HEALTH &amp; WELLBEING</b>	<b>0</b>	<b>490</b>	<b>490</b>	<b>308</b>	<b>0</b>	<b>308</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>308</b>	<b>798</b>	<b>0</b>	<b>308</b>
<b>FINANCE &amp; EFFICIENCY</b>														
<b>Full Approval</b>														
<b>Property &amp; Project Delivery</b>														
Cleveland Pools	100	0	100	100	0	100	0	0	0	0	100	200	100	0
Corporate Estate Planned Maintenance	3,034	2,368	5,402	0	1,357	1,357	0	0	0	0	1,357	6,759	1,357	0
Roseberry Place	34	15	49	16	0	16	0	0	0	0	16	65	16	0
Property Company Investment	1,350	7,500	8,850	6,283	7,200	13,483	10,867	0	0	0	24,350	33,200	24,350	0
<b>Business Support and IT</b>														
Agresso System Development & 5.6 Upgrade	41	33	74	70	0	70	0	0	0	0	70	144	70	0
IT Asset Refresh (Servers and Network)	471	109	580	80	0	80	0	0	0	0	80	660	80	0
Desktop As a Service - VDI Technology	800	1	801	152	135	287	0	0	0	0	287	1,087	287	0
Flexible Use of Capital Receipts	0	0	0	0	1,140	1,140	8,360	4,000	0	0	13,500	13,500	13,500	0
<b>Subtotal Full Approval - Finance &amp; Efficiency</b>	<b>5,830</b>	<b>10,025</b>	<b>15,855</b>	<b>6,701</b>	<b>9,832</b>	<b>16,533</b>	<b>19,227</b>	<b>4,000</b>	<b>0</b>	<b>0</b>	<b>39,760</b>	<b>55,615</b>	<b>39,760</b>	<b>0</b>

Project Title	PY Spend pre 2017/2018	Forecast Outturn 2017/2018	Actual / Projected Spend pre 2018/2019	Projected Re- phasing from 2017/2018 to 2018/2019 and Future Years	Budget Required 2018/2019	Total Budget 2018/2019	Total Budget 2019/2020	Total Budget 2020/2021	Total Budget 2021/2022	Total Budget 2022/2023	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
<b>Provisional Approval</b>														
<b>Property &amp; Project Delivery</b>														
Equality Act Works	0	0	0	0	100	100	100	0	0	0	200	200	200	0
Measurement Surveying	0	0	0	0	75	75	0	0	0	0	75	75	75	0
Project Inception Fund	0	0	0	0	200	200	200	200	200	200	1,000	1,000	1,000	0
Commercial Estate Acquisitions	0	12,253	12,253	0	47,508	47,508	0	0	0	0	47,508	59,761	47,508	0
Property Disposals	0	0	0	0	400	400	400	300	300	300	1,700	1,700	1,700	0
Commercial Estate Investment Fund	0	0	0	0	300	300	300	300	300	300	1,500	1,500	1,500	0
Lewis House Refurbishment	0	0	0	0	500	500	1,000	0	0	0	1,500	1,500	1,500	0
Corporate Estate Planned Maintenance	0	0	0	0	0	0	1,357	1,400	1,400	1,400	5,557	5,557	5,557	0
City Centre Security	0	0	0	0	300	300	0	0	0	0	300	300	300	0
<b>Strategy &amp; Performance</b>														
Bath Area Forum - CIL funded schemes	0	0	0	140	523	663	0	0	0	0	663	663	0	663
<b>Business Support and IT</b>														
Digital Programme	0	500	500	1,350	2,020	3,370	1,130	0	0	0	4,500	5,000	4,500	0
IT Asset Refresh	0	0	0	271	502	773	629	344	239	0	1,985	1,985	1,985	0
Civica Income Management System Developments	0	0	0	60	0	60	0	0	0	0	60	60	60	0
<b>Subtotal Provisional Approval - Finance &amp; Efficiency</b>	<b>0</b>	<b>12,753</b>	<b>12,753</b>	<b>1,821</b>	<b>52,428</b>	<b>54,249</b>	<b>5,116</b>	<b>2,544</b>	<b>2,439</b>	<b>2,200</b>	<b>66,548</b>	<b>79,300</b>	<b>65,885</b>	<b>663</b>
<b>TOTAL FINANCE &amp; EFFICIENCY</b>	<b>5,830</b>	<b>22,778</b>	<b>28,608</b>	<b>8,522</b>	<b>62,260</b>	<b>70,781</b>	<b>24,343</b>	<b>6,544</b>	<b>2,439</b>	<b>2,200</b>	<b>106,307</b>	<b>134,916</b>	<b>105,644</b>	<b>663</b>
<b>TRANSFORMATION &amp; CUSTOMER SERVICES</b>														
<b>Provisional Approval</b>														
<b>Business Support and IT</b>														
Revenues & Benefits System: end of life replacement	0	0	0	0	750	750	0	0	0	0	750	750	750	0
<b>Customer Services</b>														
Modern Libraries & Workplaces	0	605	605	2,395	0	2,395	0	0	0	0	2,395	3,000	2,037	358
<b>Subtotal Provisional Approval - Transformation &amp; Customer Services</b>	<b>0</b>	<b>605</b>	<b>605</b>	<b>2,395</b>	<b>750</b>	<b>3,145</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,145</b>	<b>3,750</b>	<b>2,787</b>	<b>358</b>
<b>TOTAL TRANSFORMATION &amp; CUSTOMER SERVICES</b>	<b>0</b>	<b>605</b>	<b>605</b>	<b>2,395</b>	<b>750</b>	<b>3,145</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,145</b>	<b>3,750</b>	<b>2,787</b>	<b>358</b>
Capital Contingency	0	1,950	1,950	0	50	50	0	0	0	0	50	2,000	50	0
<b>GRAND TOTAL</b>	<b>77,911</b>	<b>67,000</b>	<b>144,911</b>	<b>84,502</b>	<b>132,804</b>	<b>217,305</b>	<b>60,581</b>	<b>28,402</b>	<b>23,312</b>	<b>7,326</b>	<b>336,926</b>	<b>481,837</b>	<b>251,507</b>	<b>85,420</b>

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## **NEW SCHEMES WITHIN THE CAPITAL PROGRAMME**

### **1. TRANSPORT & ENVIRONMENT**

#### **1.1. Environmental Services**

##### **1.1.1. Highways Maintenance Programme for Full Approval of £6.746m in 2018/19 and Additional Funding for Provisional Approval of £1.285m from 2019/20**

Including: Existing programme entry for Highways Maintenance Block £3.034m, Highways Maintenance Block – Additional Funding £1.44m, A4 Keynsham Bypass / DfT Challenge £2m, Fund and Pothole Funding £272k.

This is predominantly funded by a combination of Government Grant amounting to £5,938m. This funding is provided from the WECA, from DfT allocations. The remaining £808k is additional programme allocation funded through Corporate Supported Borrowing.

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 5 (ii), 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.

##### **1.1.2. Transport Improvement Programme for Full Approval of £2.982m in 2018/19 and Additional Funding for Provisional Approval of £4.057m from 2019/20**

The Transport Improvement Programme budget is included at £2.982m for Full Approval funded from £1.163m of Integrated Transport Block Government Grant, £700k of Local Growth Fund to be confirmed, £614k of s106 funds, £145K of CIL funds and £360k of Corporate Supported Borrowing to enable early programme delivery.

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

2017/18 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 5 (iii), 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.

**1.1.3. Terrace Walk for Provisional Approval** of £100k – funded by Corporate Supported Borrowing.

Bath & North East Somerset has responsibility for maintenance of the undercroft structure. This funding is to enable a feasibility study to identify the costs of repairs and budget planning but also to enable political decisions to be taken on the long term use of this space.

**1.1.4. York Street Vaults – Phase 2 for Provisional Approval** of £950k – funded by Corporate Supported Borrowing.

Bath & North East Somerset has responsibility for maintenance of this structure which has funding in place to carry out the underground repairs. However, once the archway project and Bath Abbey scheme have been completed there is a need to replace the waterproofing above the vault and reconstruct the road to provide a long term solution and reduce the associated risks. This follows emergency works undertaken during 2017/18. This work will be complemented by York Street Public Realm improvements listed below in section 3.

**1.1.5. Highways Schemes (CIL) for Provisional Approval** of £180k

CIL funding allocation for additional highways schemes in the region. The specific schemes have yet to be identified, but once identified this funding will support works in either the Highways Maintenance Block Programme, or the Transport Improvement Programme.

**1.1.6. Strategic Transportation Programme for Provisional Approval** of £9.215m – funded by Corporate Supported Borrowing.

This incorporates the East of Bath P&R funding to enable progression of alternative strategic transport solutions including;

- Liaising with neighbouring Authorities on viable schemes to reduce traffic in to the city from the east of bath;
- Potential to investigate Light Rapid Transit solutions within the region;
- Exploring the opportunity to provide out of city parking linked to existing bus services; and
- Linkages to works in the existing and emerging programme:
  - around the proposed Freezing Hill improvements to road junctions
  - supporting access to and from existing park and rides with appropriate signage; and
  - linking to the proposed Lansdown site expansion.

Business cases with full option appraisals to be developed for each stage as the programme progresses, prior to approval.

**1.1.7. Lansdown Park & Ride Extension for Provisional Approval** of £120k – funded by Service Supported Borrowing.

Low cost, quickly available extension to the Park & Ride of up to 10,000 square meters accommodating approximately 800 additional spaces. This requires a business case to show the revenue impact, including management of borrowing costs.

**1.1.8. Park & Ride Alligator Teeth for Provisional Approval** of £75k – funded by Service Supported Borrowing.

Replacement of Alligator Teeth, which prevent unauthorised access to the Park & Ride sites by restricting vehicular access at exits when the entry is locked. Due to the high level of traffic the mechanisms wear out in approximately 4-5 years.

**1.1.9. Pay & Display Replacement for Provisional Approval** of £300k – funded by Service Supported Borrowing.

To replace the on street Pay & Display machines at end of life to ensure members of the public are able to continue to make payment for parking.

**1.1.10. Parking Vehicles for Provisional Approval** of £162k – funded by Service Supported Borrowing.

This is a rolling replacement programme for parking vehicles. Where possible this programme will link in with the existing electric vehicle programme.

- 1.1.11. Manvers St Car Park Security for Provisional Approval** of £20k – funded by Service Supported Borrowing.

To secure the lower level of Manvers Street car park.

## **2. DEVELOPMENT & NEIGHBOURHOODS**

### **2.1. Development Management**

#### **2.1.1. Bathscape for Provisional Approval** of £2.209m

Bathscape is a partnership project led by the Council that aims to reconnect people and communities with Bath's landscape setting. This is supported predominantly through HLF funding, for which a second stage bid is in progress.

### **2.2. Environmental Services**

#### **2.2.1. Leisure: Keynsham Refurbishment – Additional Funding for Provisional Approval** of £250k

Uplift to existing programme to cover the additional costs that have occurred as a result of the scope of the refurbishment being expanded as the floor space is now considerably bigger than originally intended. This is funded by CIL.

#### **2.2.2. Neighbourhoods Vehicle Replacements for Provisional Approval** of £2.990m – funded by Service Supported Borrowing.

Funding for the rolling replacement programme for fleet vehicles; including Waste, Recycling, Cleansing, Parks and Public Protection teams. Business Cases to be brought forward.

#### **2.2.3. River Avon Park for Provisional Approval** of £732k

The WaterSpace Study has defined a River Avon Park area (through the Enterprise Area in Bath) and has undertaken initial costings for five pocket park designs. S106 funding has been secured, supplemented with an allocation of CIL, which will support maintenance of the green spaces and towpath and in the 5 small park spaces; the implementation will be informed by the Maintenance and Management Plan due for completion by March 2018. The next stage of the project is to implement the capital improvements and maintenance plan.

#### **2.2.4. Midsomer Norton Town Park for Provisional Approval** of £300k

Funded through £250k of s106 this programme will support the delivery of phase 1 capital works and maintenance to the town park. A further £50k of CIL has been allocated towards a second phase of works.

**2.2.5. Automated Gates for Provisional Approval** of £26k – funded by Corporate Supported Borrowing.

As part of efficiency savings, the Parks' services have identified scope to make savings through ceasing to manually lock and unlock its parks and burial grounds. This proposal includes the addition of an automated barrier to the entrance of Alexandra Park; this will help reduce vehicle access after dark and help improve the safety of the park.

**2.2.6. RVP Nursery Improvements for Provisional Approval** of £38k – funded by Service Supported Borrowing.

Nursery infrastructure improvements are required to address health and safety concerns and maintain the facility and to grow a broader range of plants. These recommendations will help to make the business more competitive, will make more efficient use of the space, and will enable the business to capitalise on new markets for plant sales.

**2.2.7. Play Equipment for Provisional Approval** of £125k – funded by Corporate Supported Borrowing.

To provide for the replacement of play equipment across the Council's play areas as equipment reaches its end of life.

This programme is required to avoid play areas either becoming dilapidated and needing removal with possible site closure, or needing very significant investment to meet community demands.

**2.2.8. Parks Equipment Replacements for Provisional Approval** of £212k – funded by Corporate Supported Borrowing.

Rolling replacement programme for Parks equipment, such as; mowers, trimmers, chainsaws, and wood chippers funded from Corporate Supported Borrowing. This programme ensures that the equipment is efficient and in good condition by making replacements of Parks' equipment as it reaches its end of life to enable continuation of operations. Asset lives are extended where possible.

**2.2.9. Parks s106 Projects for Provisional Approval** of £422k

This programme will deliver capital improvements at a number of sites and will discharge B&NES responsibilities for delivering S106 agreements associated with these sites. Projects will be developed and delivered in consultation with ward councillors and other partners. Total request is for £422k fully funded through S106 to supplement the existing programme of works.

- Improvements to Keynsham Memorial Park: £85,047, including enhancements to play and other facilities.
- Improvements to Kelston Road Open Space: £29,811.

- Improvements to slow worm habitats at Manor Road open space: £12,000.
- Currently unallocated greenspace enhancement projects in Keynsham: £30,300, projects to be confirmed.
- New allotment provision in Keynsham: £26,000. B&NES Parks' service is working with Keynsham Town Council to identify a location for a new allotment in the town.
- Improvements to Abbots Wood: £169,000 for the enhancement of natural green space in the area of Abbots Wood.

**2.2.10. Neighbourhoods CCTV for Provisional Approval** of £44k – funded by Service Supported Borrowing.

New CCTV equipment is needed to ensure full compliance with legislation and regulations. This will require a business case to show revenue impact.

**2.2.11. Cherry Grove Garden (Haycombe) for Provisional Approval** of £125k – funded by Service Supported Borrowing.

This will provide new landscaped garden area, including paths, cherry trees and bases for the 'Sanctums' (memorial containers for ashes), to expand the available space for the interment of ashes at Haycombe Cemetery. This will require a business case to show revenue impact.

**2.2.12. Parks & Bereavement Infrastructure for Provisional Approval** of £144k – funded by Corporate Supported Borrowing.

This is for maintenance and improvements to Parks & Bereavement Infrastructure to ensure good and safe condition and to protect site security.

Each element requires business case to be prepared, but this funding will focus on:

- Improvements to access at allotment sites to facilitate more efficient larger machinery;
- Facilitation of green waste composting, to help reduce the costs to the service of disposing of green waste.
- Improvements to electricity supplies at Parade Gardens to enhance capacity to hold events
- Progression of repairs at Royal Victoria Park (security measures); and
- Other small repairs and maintenance at allotment sites.

**2.2.13. Whitchurch Parks (CIL) for Provisional Approval** of £50k

CIL Funding allocation to support the development of a new park to meet needs of increased population resulting from the implementation of the Core Strategy.

**2.2.14. Air Quality Monitors for Provisional Approval** of £54k – funded by Service Supported Borrowing.

Rolling replacement of 'end of life' air quality analysers funded through service supported borrowing. A network of monitors help inform where the Air Quality Management Areas are required, this replacement programme enables end of life asset replacement to enable continued operations in line with statutory requirements.

**2.2.15. Litter Bins for Provisional Approval of £75k – funded by Service Supported Borrowing.**

This project will continue improvements to the street scene within Bath & North East Somerset Council by upgrading and replacing old litter bin stock. The new litter bins are of a uniform style and standard and bring a consistent approach to the street furniture.

**2.2.16. Relocation of Bath Recycling Centre Facility (CIL) for Provisional Approval of £550k**

This allocation of CIL supports the feasibility study to determine longer term plans for the Midland Road site. The Depot review has considered the relocation of the Bath Household Recycling Centre, as part of a wider review of depots held by the Council, due to its poor condition and the inability to improve the centre for the public. The relocation also fits with the longer term plans for the site to be vacated once the waste transfer station relocates from the site to Pixash Lane, Keynsham.

**3. ECONOMIC & COMMUNITY REGENERATION**

**3.1. Community Regeneration**

**3.1.1. Museums Acquisitions for Provisional Approval of £5k**

This item enables application of the Heritage Acquisition Reserve to the purchase of Arts Assets, ensuring continuing refreshment of the Arts offered as part of the Heritage Services portfolio. This can drive substantial match funding from external organisations or through fundraising.

**3.1.2. West Baths Environment for Provisional Approval of £200k – funded by Service Supported Borrowing through the Heritage Business Plan.**

Introduce environmental control to the West Baths area of the Roman Baths to minimise the degradation of in-situ Roman remains due to fluctuating temperature and relative humidity. This is to stabilise the ancient monument and fulfil the Council's statutory obligation to care for a scheduled ancient monument.

**3.1.3. Energy Reclaim for Provisional Approval of £100k – funded by Service Supported Borrowing through the Heritage Business Plan.**

This investment will allow reclaiming of energy from the thermal water to heat the Pump Room and Roman Baths complex using the latest heat-exchange technology. The project replaces equipment installed in the 1990s that is now inefficient and out-dated.

**3.1.4. Roman Baths Development for Provisional Approval** of £1m – funded by Service Supported Borrowing through the Heritage Business Plan.

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.

This programme reflects the highly successful strategy of continual investment in the site to remain competitive with other leading UK visitor attractions, which has resulted in increased visitor numbers, greater profit returned to the Council and a string of awards.

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.

**3.1.5. Victoria Art Gallery Air-Con for Provisional Approval** of £50k – funded by Service Supported Borrowing through the Heritage Business Plan.

The display and storage of works of art requires a reliable, stable level of humidity. However, the air conditioning system in the lower gallery of the Victoria Art Gallery has been unreliable for some time and the Property Services technical specialists have advised that the system is old and needs to be replaced. This item extends the existing programme begun during 2017/18.

**3.1.6. Refurbishment of the Roman Baths Shop for Provisional Approval** of £150k – funded by Service Supported Borrowing through the Heritage Business Plan.

Major refurbishment of the main shop at the Roman Baths - this shop was last refitted in 2010 so will be 10 years old by 2021. To maintain our position as a highly successful shop in a top UK visitor attraction and our fortunate frontage siting in Bath it is good practice to refurbish the shop at least every 10 years. The refit will include a major improvement to the West Baths visitor entrance to aid circulation, the opening up of the York St windows, the repositioning of the cash desk and associated cabling and communication as well as the replacement of the flooring, all shop display fixtures and a review of the lighting scheme.

**3.1.7. Disabled Facilities Grant for Full Approval** of £1.15m in 2018/19 and **Additional Funding for Provisional Approval** of £1.3m over 2019/20 – 2022/23



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.

This is for full approval of the 2018/19 allocations and provisional approval to align the future years programme with funding expectations.

### **3.1.8. Affordable Housing – Additional Funding for Provisional Approval of £917k**

Funded by Right to Buy receipts, this capital supports the Council's strategic aim of delivering Affordable Housing and where required the recovery of Empty Properties.

- Key projects include:
- Extracare housing at Ensleigh;
- Shared housing initiative for young people;
- Specialist LD scheme;
- A sheltered scheme redevelopment; and
- Rural affordable housing schemes.

However, 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.

As schemes come forward they will be subject to business case and approved, along with the application of funding, by the Divisional Director Community Regeneration in consultation with Portfolio Holder for Economic & Community Regeneration.

### **3.1.9. Match Borrowing to Enable Large WECA/HIF Grant Bids for Provisional Approval of £900k – funded by Corporate Supported Borrowing.**

This is borrowing to match large WECA/HIF grant bids currently underway for team costs and business case development. Particular bids include BWR phase 2, Keynsham & Whitchurch Infrastructure and Somer Valley Enterprise Zone: Site Access detailed in the grants application **Error! Reference source not found.****Error! Reference source not found.****Error! Reference source not found.**section below.

### **3.1.10. Midsomer Norton Public Realm for Provisional Approval of £200k – funded by Corporate Supported Borrowing & CIL.**

This capital programme entry seeks provisional approval of funding for the Public Realm element of the programme around transformation of Midsomer Norton (MSN) Town Hall. The community building is 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.

**3.1.11. York Street & Swallow Street Public Realm for Provisional Approval of £589k** – funded by Corporate Supported Borrowing, CIL and Service Supported Borrowing through the Heritage Business Plan.

The project applies the public realm 'pattern book' to Swallow Street and York Street in Bath. The purpose is to make safe the public highway in the vicinity of the Archway Project and, in particular, in the approaches to the Roman Baths Learning Centre whose main entrance will be in Swallow Street.

The works compliment further highways improvements identified in section 1 above. This proposal reinstates the funding previously identified for this project but which was transferred to Highways to contribute to the unforeseen and unrelated project to strengthen the western end of York Street.

**3.1.12. City Centre Streetscape for Provisional Approval of £300k**

SouthGate Shopping Centre has committed £250k capital to support City Centre Public Realm Improvements in the SouthGate area on Council owned land, as part of their programme of public realm enhancements. In particular they are keen to support pedestrianisation and further restrictions on vehicle accessibility in the town centre. This is complimented by a £50k allocation of CIL funding.

**3.1.13. Union Street Public Realm for Provisional Approval of £150k**

A CIL allocation to support the improvement of the public realm on and around Union Street. Programme scheme and business case required.

**3.1.14. 5G Technologies for Provisional Approval of £67k**

Grant funding bid focused around building a Testbed for 5G technologies, including project management. The testing is to connect leading tourist destinations across Bristol and Bath, in order to support a larger nation-wide trialling the new technology. This is the Bath element of a wider area of trial works proposed across the West of England.

**3.1.15. Keynsham High Street Public Realm for Provisional Approval of £100k**

A CIL allocation to support the improvement of the public realm on and around Keynsham High Street. Programme scheme and business case required.

### **3.1.16. Whitchurch Public Realm (CIL) for Provisional Approval of £50k**

A CIL allocation to support the improvement of the public realm at Whitchurch. Programme scheme and business case required.

## **4. CHILDREN & YOUNG PEOPLE**

### **4.1. Children & Young People**

#### **4.1.1. Schools Programme - 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 £5.758m in 2018/19 and £2.148m in 2019/20 has been confirmed by the Education and Skills Funding Agency (ESFA) for Basic Need to support the provision of additional pupil places where there is population growth, of which £6.466m remains unallocated and is included in the approvals sought below. An allocation for Capital Maintenance funding has yet to be announced, but an indicative figure of £500k is assumed.

#### **4.1.2. Basic Need Feasibility Works for Full Approval of £150k – funded through the basic need grant.**

The Council has a statutory duty to ensure there is sufficient provision of school places in the right areas to meet need. 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.

#### **4.1.3. St Nicholas School for Full Approval of £290k**

Expansion of the school from 280 places to 420 places for September 2019, to meet demand from housing development.

Basic Need (BN) has already been allocated and fully approved for this scheme, including; 2017/18 for £1.473m from 2017/18 (BN & CIL) and £1m BN in 2018/19.

An additional allocation of CIL funding is proposed within this budget of £290k, which it is proposed to fully approve and align with the existing programme.

#### **4.1.4. Schools Capital Maintenance Programme 2018/19 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 2018/19 but are expected to be made by the DfE sometime between April and July 2018. In 2018/19 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.

**4.1.5. Basic Need Funding for Provisional Approval** of £7.336m of which £6.466m relates to Basic Need Grant with the addition of £870k CIL.

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 2020. 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.

- 4.1.6. Peasedown St John Primary School** is included for **Provisional Approval** of £200k CIL funding.

In addition to £2.75m of Basic Need Grant a £200k allocation of CIL has been identified to support the expansion of the school from 525 places to 630 places as a result of housing development and basic need pressures in the area. As further S106 contributions become available they would be incorporated.

- 4.1.7. Healthy Pupils Capital Fund** for **Provisional Approval** of £75k

The Healthy Pupils Capital Fund was recently announced by the EFSA. At this time the only details available are that £100m of funding will be available across all organisations (including local authorities and academies) for the promotion of sports and healthy eating. No detail has been provided on how much each organisation will receive or when it will be allocated. It is therefore proposed that no projects are identified until such time as the amount of grant has been confirmed. The total allocation is likely to be less than £75k and would be used for a number of small-scale projects. For that reason it is requested that delegated authority is given to the Strategic Director People & Communities for approval against this grant once the funding is confirmed.

- 4.1.8. Alternative Education – Refurbishment & Equipment** for **Provisional Approval** of £170k – funded through application of Direct Schools Grant as a contribution from Revenue.

Local authorities are responsible for arranging suitable education for permanently excluded pupils, and for other pupils who – because of illness or other reasons – would not receive suitable education without such arrangements being made (Section 19 of the Education Act 1996).

The Council discharges this duty by commissioning education providers to deliver alternative education provision and is in the process of commissioning a new contract to deliver secondary provision from September 2018.

New premises are currently being sourced, as the premises used by the current contract holder will no longer be available. One-off capital funding will be required to furnish and equip any premises and potentially to refurbish and modify premises once identified, including an outside play area.

In addition the Hospital Education Service, currently delivered by the Council, is also being externally commissioned at the same time and one off-funding will be required to purchase furniture and equipment.

- 4.1.9. SEND Provision** for **Provisional Approval** of £577k

To support the establishment of further school places for pupils with Special Educational Needs within the Bath & North East Somerset area through delivery of an additional 107 special school and post 16 places in B&NES.

This is funded through borrowing in advance of receipt of DfE Capital Grant, receivable in 3 instalments from 2018/19 to 2020/21.

## **5. FINANCE & EFFICIENCY**

### **5.1. Business Support**

#### **5.1.1. Flexible Use of Capital Receipts for Full Approval of £13.5m**

The proposals for the flexible use of capital receipts are included within the Efficiency Strategy attached at Annex 4.

### **5.2. Property**

#### **5.2.1. Capital Estate Planned Maintenance for Full Approval of £1.357m – funded by Capital Receipts and Additional Funding to Extend the Programme for Provisional Approval of £4.2m over 2020/21 – 2022/23 – funded by Corporate Supported Borrowing.**

Capital Planned maintenance works will be undertaken on the Council Corporate Estate. Annex 5 (iv) provides the detailed plan of priority works for 2018/2019. Any amendments to the programme will be approved by the Strategic Director for Resources in consultation with the Cabinet member for Resources.

#### **5.2.2. Council Property Company Development: ADL Loan Finance for Full Approval of £13.2m (for income generation) – funded by Service Supported Borrowing.**

Financing arrangements to the Council owned local housing delivery vehicle to: deliver the development of market housing / to hold, manage and operate market housing / to sell market housing / to provide other market housing related activity / to deliver and manage other property development. Allocation of this funding will be in accordance with the specific process and delegations included within the report to Cabinet dated 3 December 2015.

#### **5.2.3. Lewis House Refurbishment for Provisional Approval of £1.5m – funded by Service Supported Borrowing.**

Internal re-configuration and refurbishment as required to externally let space in Lewis House as the workforce decreases. Business case is required to show revenue impact, including meeting anticipated incomes and management of borrowing costs.

**5.2.4. Commercial Estate Investment Fund for Provisional Approval** of £1.5m – funded by Service Supported Borrowing.

To ensure that key properties within the commercial estate reach their maximum income potential and to reduce voids.

Each scheme requires a sound business case. Funding could be through the potential of increased revenue streams or shorter rent free periods, which will be borrowed over a minimal time period.

**5.2.5. Commercial Estate Acquisitions for Provisional Approval** of £47.508m – funded by Service Supported Borrowing.

Acquisition of appropriate commercial property to increase the financial return of the Council's property portfolio and enable revenue savings to be achieved.

All projects will be brought forward on an individual business case basis demonstrating either a very short payback period or long term income stream generation. This level of investment is estimated to reach a debt to asset value of around 30% (gearing ratio) for the commercial estate portfolio.

Each investment will require appropriate due diligence work plus will need to reflect the property investment strategy published as a background document to this budget.

**5.2.6. Disposals for Provisional Approval** of £1.5m

Properties may be brought forward for disposal during the course of the financial year which were not previously identified for disposal through the Council's asset management process.

This allocation uplifts the existing budget for the 5 year period of the capital programme, enabling the Council to cover the in-house and external costs of bringing each property to market. As disposals progress, some asset enhancement costs may also be incurred. These costs are funded through the Capital Receipts generated.

**5.2.7. City Centre Security for Provisional Approval** of £300k – funded by Corporate Supported Borrowing.

To extend the existing programme of works implementing proportionate safety measures to keep members of the public safe. Like many other authorities across the UK, the Council routinely works with partner organisations, such as the Police, to assess safety precautions. 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.

**5.3. IT**

**5.3.1. IT Asset Refresh Programme for Provisional Approval** of £473k – funded by Corporate Supported Borrowing.

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, where practicable this programme incorporates a rebased 7 year life for most items.

**5.4. Project Delivery**

**5.4.1. Measurement Surveying for Provisional Approval** of £75 – funded by Service Supported Borrowing.

Purchase of equipment to enable in-sourcing topographic and measurement surveying functions for project delivery.

**5.4.2. Project Inception Fund for Provisional Approval** of £1m – funded by Corporate Supported Borrowing.

Capital Project inception fund to enable improvement to the inception stage evaluation of capital projects and the resultant budget setting process.

This will be used to fund the preparation of a considered feasibility reports on projects including surveys, legal review and feasibility design and resultant cost plans and programmes.

**6. TRANSFORMATION & CUSTOMER SERVICES**

**6.1. Strategy & Performance**

**6.1.1. Bath Area Forum – CIL Funded Schemes for Provisional Approval** of £523k

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.



### 6.1.2. **Corporate Capital Contingency Addition for Provisional Approval** of £50k – funded by Corporate Supported Borrowing.

To replenish contingency funds to the £2m required following draw-down during the financial year 2017/18.

## 7. **EMERGING CAPITAL SCHEMES**

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.

### 7.1. **Additional WECA / Government Schemes**

Further schemes may be taken forward for consideration as a result of new government initiatives with available funding sources, emerging schemes that have been successful in securing external funding will be incorporated into the Capital programme in line with the Councils Budget Management Scheme.

This could include, but is not limited to, any potential projects that may emerge as part of the key route network and the following grant bids either pending submission or awaiting confirmations:

- Digital BNES: Open Programmable City Region – Expansion of Bristol Scheme to areas of BANES  
*Funding Stage: Provisionally programmed, confirmation will require final full business case submission;*
- Digital BNES: Connecting Devon & Somerset – Expansion of existing scheme  
*Funding Stage: Pipeline only, bid progression will require business case submission;*
- Digital BNES: Local Full Fibre Networks – Encouraging commercial investment, including expansion of the existing voucher scheme  
*Funding Stage: Pipeline only, bid progression anticipated March 2018;*
- Foxhill Equity Loan Scheme – Enabling housing regeneration  
*Funding Stage: Bid submitted, feedback anticipated before end 2017/18;*
- BWR Phase 2 – Enabling Infrastructure for Housing Viability  
*Funding Stage: Bid submitted, feedback anticipated spring / summer 2018;*

- Keynsham & Whitchurch Infrastructure – Enabling infrastructure for housing viability  
*Funding Stage: Expression of Interest submitted, business case and formal bid to follow;*
- Somer Valley Business Centre – Office Space Development  
*Funding Stage: Bid in progress with outline business case submitted and full business case to follow;*
- Somer Valley Enterprise Zone: Site Access – Deliver Access and Related Improvements  
*Funding Stage: Pipeline only, bid progression will require business case submission;*
- A37 to Somer Valley Enterprise Zone – Deliver Route Improvements to Facilitate Enterprise Zone Development  
*Funding Stage: Business case development funding confirmed, delivery bid to follow;*
- Freezing Hill - Junction Improvements  
*Funding Stage: Feasibility and business case development funding confirmed, delivery bid to follow;*
- Hicks Gate Roundabout - Improvement Works  
*Funding Stage: Business case development funding confirmed, delivery bid to follow.*

## 7.2. Metro West

The Metrowest Programme is a key component of the West of England Transport Strategy and will build upon the Metrobus Programme to continue to drive modal shift in the WoE, ameliorate existing highway congestion, facilitate housing growth and expand the local economy.

MetroWest Phase 1 and 2 are jointly promoted schemes between the four Councils in the West of England. The aim of the MetroWest Programme is to deliver a 'Metro' local rail network, similar to comparable sized city regions, through targeted investments, making use of strategic rail corridors, including freight only lines and dis-used lines.

Officers have started to look at what the next phase or local rail improvements (Metrowest Phase 3) could incorporate and in a wider context have been discussing with Network Rail their progress and proposals for rail investment in the West of England to understand interdependencies opportunities for efficiencies and co-investment.

Design and preparation fees are covered by LGF funding through capitalisation of fees through the existing LGF budget of £56m of which £10m has been spent to date. Remaining fees (estimated at £4m) are already allocated through the existing LGF budget. Revenue reversion will be avoided by implementation of elements of the programme.

Revenue Operating Costs – Current total exposure is £5m per annum to the West of England Authorities. It is proposed to potentially mitigate this risk through the new franchise and a programme approach being adopted for all existing and future rail schemes

### 7.3. Schools Emerging Capital Schemes

Initial conversations have taken place with Cameley Primary School regarding potential future expansion. Timescales for delivery of additional accommodation suggest possible expansion may be required for 2021 but for now this will continue to be monitored.

In 2017/18 provisional approval was given for £300k to provide bulge class accommodation in the Midsomer Norton Area. Phase 1 of these works has completed at Longvernal Primary School and £230k remains within the budget for Phase 2. The feasibility study is ongoing and it is anticipated that these works will be in excess of the original budget and will require further funding. To date the Council has received approximately £1.2m of S106 contributions for the expansion or enhancement of school facilities in the area. It is proposed that any additional costs are met from this funding, or future CIL allocations.

Beyond 2020, it may be necessary to provide funding for additional secondary school places in the Bath & Midsomer Norton areas.

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.

<b>Development Name</b>	<b>Developer</b>	<b>Provision to be Delivered</b>	<b>Anticipated Opening/ Completion Date</b>	<b>Approximate Funding Shortfall</b>
Keynsham East & South	To be confirmed	A new 420 place free school has been approved	Sept 2019	Nil – Funded by the ESFA
Odd Down/Sulis Down	To be confirmed	Expansion of St Martin's Garden Primary	Not yet determined	Unknown
Bath Western Riverside - Crest	Crest	A new one form entry primary school to be delivered on site	Not yet determined	To be delivered by the developer

#### **7.4. SEND Further Investment**

The considerable capacity and financial pressures on the local education system, in respect of delivering appropriate support for children and young people with Special Educational Needs and Disabilities, require a whole system response that includes:

- the promotion and support for inclusion in mainstream settings wherever appropriate;
- addressing local specialist school capacity to tackle gaps in our provision to meet particular needs; and
- a partnership approach to look more widely at staff training and skills as well as support for young people to develop independent living skills.

We believe there is scope to develop a business case for further capital investment on an 'invest to save' basis for specialist provision as part of this wider strategy. (Potentially at least a further £1m on top of a similar sum already identified in 2017-19). This could deliver service improvements and financial savings to the local system by ensuring that children can be suitably placed in more local settings.

## Highways Maintenance Block Programme 2018/19

Description	Measurement	Funding
<b>Street Lighting Programme</b>	<b>No. of units</b>	
Cleveland Walk, Bathwick	15	£15,000
Daniel Street, Bathwick	4	£4,000
Footpath Spring Garden Road, Bathwick	16	£20,000
Sutton Street, Bathwick	3	£3,000
Corston View, Bloomfield	14	£14,000
Rivers Street, Bath	4	£4,000
Batstone Close, Fairfield Park	5	£5,000
Brunswick Street, Lambbridge	2	£2,000
Summerhill Road, Lansdown	10	£10,000
Charlcombe Lane, Larkhall	11	£11,000
Cocley Drive, Larkhall	11	£11,000
Eastville, Larkhall	3	£3,000
Spring Lane, Larkhall	4	£4,000
St Saviours Road, Larkhall	11	£11,000
Uphill Drive, Larkhall	10	£10,000
Ferndale Road, Lower Swainswick	8	£8,000
Empress Menen Gardens, Lower Weston	5	£5,000
Partis Way, Lower Weston	9	£9,000
Penn Lea Road, Lower Weston	17	£17,000
Calton Gardens, Lyncombe	15	£15,000
Poplar Close, Moorlands	12	£12,000
Bloomfield Avenue, Oldfield Park	15	£15,000
Maple Grove, Oldfield Park	6	£6,000
Oldfield Lane, Oldfield Park	3	£3,000
Ivy Avenue, Southdown	11	£11,000
Mount View, Southdown	4	£4,000
Somerdale View, Southdown	4	£4,000
Wedmore Park, Southdown	4	£4,000
Albany Road, Twerton	6	£6,000
Highland Road, Twerton	5	£5,000
King George's Road, Twerton	6	£6,000
Weston Park East, Upper Weston	16	£16,000
Belgrave Crescent, Walcot	8	£8,000
Thomas Street, Walcot	4	£4,000
Holloway, Widcombe	16	£16,000
Eden Park Close, Batheaston	4	£4,000
Eden Park Drive, Batheaston	10	£10,000
Footpath rear of Lays Drive, Keynsham	30	£29,000
Keynsham Bypass, Keynsham	9	£12,000
Fox and Hounds Lane, Keynsham	4	£4,000
Lippiatt Lane, Timsbury	3	£3,000
Blackbird Close, Westfield	2	£2,000
Hazel Grove, Westfield	9	£9,000
Kingfisher Drive, Westfield	2	£2,000
Linnet Way, Westfield	3	£3,000
Swallow Close, Westfield	2	£2,000
West Hill Road / Rowan Court, Westfield	5	£5,000
Woodpecker Avenue, Westfield	8	£8,000
Steam Mills, Midsomer Norton	2	£2,000
Lincott View, Peasedown St John	4	£4,000
<b>Highway Street Lighting 18/19 Sub Total</b>	<b>394</b>	<b>£400,000</b>
<b>Highway Structures Programme</b>		
Claverton Street Subway, Bath - Improvement Works		£134,000
Windsor Pipe Bridge, Bath - Major Maintenance Works		£40,000
Camden Crescent, Bath - Arch Repair Construction Phase		£271,000
Vineyards/Lansdown Road Retaining Wall & Railing Repairs - Construction Phase		£160,000
Structures Inspection Remedial Works Programme		£70,000
Structures Assessment Programme		£75,000
<b>Highway Structures 18/19 Sub Total</b>		<b>£750,000</b>

Description	Measurement	Funding
<b>Highway Drainage Programme</b>		
Station Road, Clutton		£20,000
Mill Hill, Wellow		£25,000
A4 Globe Roundabout, Corston		£50,000
A368 Bath Road/Wick Road, Bishop Sutton (New Manor Farm)		£20,000
A368 Wick Road, Bishop Sutton		£15,000
Lower Road, Hinton Blewett		£20,000
<b>Highway Drainage 18/19 Sub Total</b>		<b>£150,000</b>
<b>Carriageway Resurfacing &amp; Major Re-Construction</b>	<b>SQM</b>	
A4 Keynsham Bypass Improvements, Keynsham (Phase 2 DfT Challenge Funding)	46,000	£2,000,000
A367 Green Park Road, Bath	1,731	£45,000
James Street West, Bath	3,475	£90,000
Little Stanhope Street & Stanhope Place, Bath	564	£16,000
Norfolk Buildings, Bath	1,174	£32,000
Great Stanhope Street, Bath	472	£13,000
Charles Street, Bath	1,913	£52,000
Solsbury Way, Fairfield Park	3,248	£90,000
Marshfield Way, Fairfield Park	2,924	£82,000
C481 Lansdown Lane, Upper Weston (Part of)	1,114	£30,000
C15 Lansdown Road, Lansdown (Part of)	1,883	£55,000
Shaftesbury Avenue, Lower Weston	533	£30,000
B3111 Brougham Hayes/A36 Lower Bristol Road, Bath (Transport Improvement Contribution)	5,400	£120,000
C464 Red Hill Phase 2 (C464), Camerton	2,644	£80,000
B3130 The Chalks, Chew Magna	169	£18,000
Church Lane, East Harptree	3,533	£100,000
Park Road, Keynsham	3,321	£100,000
B3110 Midford Road, Midford (Part)	2,740	£75,000
Redfield Road, Midsomer Norton	4,230	£132,000
A367 Wells Road, Westfield (Phase 2)	2,475	£77,000
Claverton Road, Saltford	3,694	£100,000
Mill Lane, Timsbury	1,800	£49,000
B3115 North Road, Timsbury	4,939	£135,000
C466 Wellow Road, Wellow (Phase 3)	4,050	£112,000
A37 Rush Hill, Farrington Gurney	5,988	£160,000
<b>Carriageway Resurfacing 18/19 Sub Total 106,539</b>	<b>110,014</b>	<b>£3,793,000</b>
<b>Carriageway Surface Dressing</b>	<b>SQM</b>	
C450 Norton Lane, Whitchurch	6,696	£51,000
B3130 Winford Road, Chew Magna	6,359	£48,000
B3114 Bristol Road, Compton Martin	7,698	£58,000
C495 Hinton Blewett Road, Stowey	6,345	£48,000
A39 Bath Road, Farmborough	14,519	£105,000
C462 Bungays Hill, High Littleton	7,899	£60,000
B3110 Midford Road, South Stoke	2,486	£25,000
B3110 Bath Road, Hinton Charterhouse	8,007	£60,000
C466 Branch Road, Hinton Charterhouse	7,172	£55,000
A362 Somervale Road, Radstock	11,233	£80,000
A37 Bristol Road, Whitchurch	14,391	£105,000
<b>Carriageway Surface Dressing 18/19 Sub Total 92,805</b>	<b>92,805</b>	<b>£695,000</b>
<b>Carriageway Micro Asphalt Surfacing</b>	<b>SQM</b>	
Englishcombe Way, Bloomfield	1,274	£10,000
Tunbridge Close, Chew Magna	1,640	£12,000
Duchy Road including Prince's Street, Clandown	1,023	£9,000
Tilley Close, Farmborough	2,576	£18,000
Manor Gardens, Farmborough	1,992	£15,000
The Mead, Farmborough	1,944	£14,000
Bellifants Farm Including Bridge Gardens, Farmborough	1,445	£10,000
The Street, Farmborough	3,327	£23,000
Rotcombe Lane, High Littleton (Rotcombe Vale, Kingwell View, Parklands & Sixpence)	4,381	£31,000
Elm Grove, Lower Swainswick	1,510	£11,000
Woodborough Road, Radstock	2,476	£17,000
Mells Lane, Radstock	3,542	£25,000
Longfellow Road, Westfield	4,509	£32,000
Kipling Road, Westfield	450	£6,000
Shelley Road, Westfield	794	£7,000
May Tree Road, Westfield	1,356	£10,000
Cherry Tree Close, Westfield	333	£4,000
Tiledown, Temple Cloud (Tiledown Close, Field Gardens Rd, Ham Close & Goldney Close)	6,627	£46,000
<b>Carriageway Micro Asphalt Surfacing 18/19 Sub Total 41,199</b>	<b>41,199</b>	<b>£300,000</b>

Description	Measurement	Funding
<b>Footway Programme</b>		
Paving Programme		£75,000
Asphalt Concrete Programme		£100,000
Slurry Sealing Programme		£75,000
<b>Footway 18/19 Sub Total</b>		<b>£250,000</b>
<b>Other Programmes</b>		
Planned Patching Programme & Pothole Action Fund		£358,000
Planned Road Marking Improvement Programme		£50,000
<b>Other 18/19 Sub Total</b>		<b>£408,000</b>
<b>PROGRAMME 18/19 OVERALL TOTAL</b>		<b>£6,746,000</b>

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2018/19 Transport Improvement Programme	
Description	Funding
<b>Local Safety Schemes</b>	
Accident investigation and prevention (AIP) & Minor Safety schemes design & Implementation	£25,000
13/00127/OUT – Parcel 5400 Fosseway South, Westfield, MSN Toucan, Gateway + speed limit	£120,000
Park Road Keynsham - Traffic calming feasibility study	£5,000
A36 Route Review	£20,000
A367 Route Review delivery	£100,000
Oakley junction improvements Land & Feasibility	£25,000
Station Road Clutton - speed management investigation/works	£15,000
<b>Local Safety Schemes Total</b>	<b>£310,000</b>
<b>Public Transport</b>	
Improvements to bus stops	£30,000
12/04590/OUT - Parcel 0025 Monger Lane (Withies Park, Bus Stop contribution)	£24,000
12/04238/OUT Stitching Shord Lane - bus stop contribution	£15,000
<b>Public Transport Total</b>	<b>£69,000</b>
<b>Managing Congestion</b>	
Signal upgrades feasibility (Upper Bristol Rd/Windsor Bridge)	£15,000
Residents Parking Zones	£65,000
A37 Staunton Lane junction improvements feasibility design CIL	£45,000
Parking Schemes TRO	£45,000
<b>Managing Congestion Total</b>	<b>£170,000</b>
<b>Safer Routes to Schools</b>	
Strategic Review Safe Routes to school	£140,000
<b>Safer Routes to School Total</b>	<b>£140,000</b>
<b>Cycle Schemes</b>	
Cycle parking	£5,000
River avon Link between Cycle Paths, via former railway bridge feasibility	£10,000
Keynsham strategy - Broadlands phase 2 CIL	£100,000
Sydney Gardens cycle route detailed design	£20,000
<b>Cycle Schemes Total</b>	<b>£135,000</b>
<b>Pedestrian Schemes</b>	
Aids to mobility	£20,000
Public Rights of Way	£70,000
13/03562/OUT Temple Inn Lane, Temple Cloud Footway works see agreement	£25,000
07/02424/EOUT – Polestar, Hallatrow Road, Paulton <b>PROW</b>	£17,823
12/04238/OUT Stitching Shord Lane - Feasibility design - Ped crossing improvements	£5,000
James Street West zebra upgrade feasibility	£5,000
Wellsway/Kipling Avenue crossing feasibility	£5,000
Radstock Road M-S-N Zebra/Pufin crossing construction *TC8696*	£75,000
<b>Pedestrian Schemes Total</b>	<b>£222,823</b>
<b>Traffic Management Schemes</b>	
Wellsway Keynsham speed limit review	£5,000
Traffic restriction TROs (weight limit/speed limit)	£35,000
Forefield Rise & Rosemount Lane Widcombe - Traffic Study	£15,000
Batheaston Fiveways junction Improvements - detailed design & consultation	£25,000
14/04354/EOUT Mulberry Park - crossing & cycle routes	£200,000
Getting About Bath detailed design of modelled Pedestrian Improvements (TC4623)	£35,000
Access restrictions to the Circus - study & Trial scheme delivery	£25,000
Kingsmead Square access restriction trial implementation	£30,000
14/04728/FUL Brougham Hayes junction Improvements, Bath	£225,000
<b>Traffic Management Schemes Total</b>	<b>£595,000</b>
<b>Miscellaneous</b>	
JLTP Monitoring, Equipment and NHT survey	£15,000
Programme Management	£50,000
Legacy/Remedial works - previous years schemes	£25,000
CSB approved Feasibility Study progression to delivery	£360,000
<b>Miscellaneous Total</b>	<b>£450,000</b>
<b>Local Growth Fund Schemes</b>	
A368/A39 Marksbury Junction (Bences Garage) Improvements	£890,000
<b>Local Growth Fund Schemes Total</b>	<b>£890,000</b>
<b>PROGRAMME 18/19 OVERALL TOTAL</b>	<b>£2,981,823</b>

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## 2018/19 Corporate Estate Planned Maintenance Programme

Description	Funding
Station Road Car Park Wellow	£20,200
The Guildhall - Roof access improvements	£46,300
Southside Youth Centre - Conversion of internal water supply & works to cladding	£20,700
Welton Transfer station - New drain	£11,500
RVP Offices & Nurseries - Replacement boiler (provisional)	£139,000
RVP Offices & Nurseries - New security fence	£9,500
RVP Pavilion - Replacement boiler	£110,200
Keynsham Childrens Centre - Replacement Fire Alarm	£19,500
Radstock Road Depot - Replacement intruder and fire alarm	£4,000
Radstock Road Depot - Surface drainage works	£17,400
Haycombe Crematorium - Lower plant room, new open sided covering to air handling unit	£13,900
Haycombe Crematorium - Replacement roof in upper roof section	£40,600
Haycombe Crematorium - Replacement storm drain	£17,400
St Laurence's Closed burial Ground East Harptree - Rebuilding wall	£6,000
St Thomas a Becket, Pensford - Rebuilding wall	£11,500
Paulton Hub - Air con installation	£14,500
Beecham Cliff - Works to Cliff	£58,000
Bloomfield Road Play Area - re-surfacing of paths and new handrail	£5,500
Brass Mill, Saltford - Sluice repairs	£29,000
Lewis House - replacement soil stack	£5,700
Various Properties - BMS works to the heating system	£92,400
Various Properties - Capital items from new surveys	£150,000
Various Properties - Capital items from statutory compliance testing	£350,000
Manor Road - Access Road, Bathford	£10,000
Contingency (including reserved funds for Midland Transfer Station)	£154,200
<b>Total</b>	<b>£1,357,000</b>

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## **Annex 5 (v): Community Infrastructure Levy (CIL) Allocations**

It is forecast that the Council will receive a record CIL income in 2017/18 of over £3.86m which will be available for spend in 2018/19 on infrastructure. This will make a substantial contribution to fulfilling the Core Strategy requirement that new development must be properly aligned with infrastructure. In doing so, it also makes a significant contribution to the Council's Capital programme.

In addition, it is anticipated that local communities will receive an additional £0.75m of income for local spend.

### **Principles**

The principles underpinning the decisions on how CIL income should be spent are;

- Decisions are made annually but based on a longer term programme of spend to ensure a co-ordinated approach to support delivery of the Core Strategy;
- Priority is given to infrastructure in the Infrastructure Delivery Plan (IDP) which is critical to supporting planned growth;
- Spend should be aligned with the Council's capital programme;
- Spend should take account of where CIL is generated;
- Strategic and Local CIL spend should be aligned where it is beneficial.

### **Proposals**

The proposed spend of CIL for 2018/19 is summarised in the table below;

<b>CIL Spend Category</b>	<b>Proposed Spend for 2018/19 £m</b>
Flood Risk Management	0.740
Education	1.360
Green Infrastructure, Recreation & Leisure	0.530
Waste	0.400
Strategic Transport Infrastructure	0.725
Carry Forward for Use in Future Years	0.118
<b>Total Proposed Spend for 2018/19</b>	<b>3.873</b>

The detailed list of allocations for 2018/19 is listed in the table below;

<b>CATEGORY AND ITEM</b>	<b>Income 2017/18 for spend 2018/19 £m</b>
<b>Flood Risk Management</b>	
Bath Quays (RIF Project)	0.740
	0.740
<b>Education</b>	
Expansion of Secondary school(s), Bath	0.500
Bath Primary schools	0.370
St Nicholas School, Radstock expansion	0.290
Peasedown St John School expansion	0.200
	1.360
<b>Green Infrastructure, Recreation &amp; Leisure</b>	
Waterspace study (Bath River Avon Park)	0.200
Keynsham Memorial Park (Riverside)	0.100
Midsomer Norton Town Park, Phase 2	0.050
Whitchurch Village Park	0.050
Midsomer Norton Town Centre Public Realm	0.080
Whitchurch public realm	0.050
	0.530
<b>Waste</b>	
Relocation of waste and recycling operations	0.200
Relocation of Bath Recycling Centre Facility	0.200
	0.400
<b>Strategic Transport Infrastructure</b>	
York Street / Swallow Street Public Realm	0.100
Union Street Public Realm	0.150
Bath Streetscape	0.050
Keynsham Transport	0.200
Highways schemes in North East Somerset	0.180
Transport Whitchurch	0.045
	0.725
<b>Carry Forward for Use in Future Years</b>	
Future Year Allocations	0.118
	0.118
	<b>3.873</b>

The Capital Programme has been updated to include CIL funding.

In some cases the relevant Capital Programme items are for multiple years, which include funding through CIL allocations. It is therefore proposed that allocations for future year CIL are confirmed in line with the Capital Programme for 2019/20 onwards as follows;

<b>CATEGORY AND ITEM</b>	<b>Income 2018/19 for spend 2019/20 £m</b>	<b>Income 2019/20 for spend 2020/21 £m</b>
<b>Future Year Allocations within Capital Programme</b>		
Keynsham Leisure Refurb	0.250	-
Relocation of waste and recycling operations	0.500	-
Relocation of Bath Recycling Centre Facility	-	0.350
	0.750	0.350

### **Local CIL for Bath**

Recommendations for the spending of the neighbourhood element of CIL for Bath are considered at meeting of the Bath City Forum Working Group. Meetings take place every two months and the recommendations are taken to the full meeting of Bath City Forum where each project is voted upon. The successful recommendations then need to be approved by cabinet before the funds can be committed.

Bath City Forum has recently met and made its first recommendation, which will be brought forward for Cabinet consideration in due course.

The process for the submission of applications and the full criteria are available on the [B&NES Council website](#) along with a status report for project ideas that have been received.

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**Council MRP Policy – (2018/19 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

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.

## **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 2018/19 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 13th February 2018. 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 22nd February 2018.

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 2018/19. That budget will include within it the overall proposed Council cash limits for 2018/19 including the provision for inflation, the proposed use of balances in the 2018/19 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 2018/19 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 (22nd February 2018), 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 22nd February 2018 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 2018 -19

## 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'
- Strategic Director - Resources, as Section 151 Officer ('Chief Financial Officer')

Non- Statutory Chief Officers are:

- Strategic Director – Place
- 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 and processes 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 1<sup>st</sup> 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 is 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 1<sup>st</sup> April of the appropriate year (unless alternative implementation arrangements are specified in the agreement). Where the negotiations have not been concluded by 1<sup>st</sup> April, the increase will be paid at the earliest opportunity together with back pay from 1<sup>st</sup> 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 and HMRC rules.

## **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, including Gender Pay Gap reporting from 30 March 2018.

## **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 fewer 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 Korn Ferry 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 2018-2019 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 (£22,658) is 1:7. The Council 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/](http://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](mailto:human_resources@bathnes.gov.uk). Tel: 01225 477203

## SENIOR MANAGEMENT PAY & GRADING

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions
<b>CHIEF EXECUTIVE &amp; HEAD OF PAID SERVICE</b>		
<b>Band 1</b>	Fixed/Spot	<ul style="list-style-type: none"> <li>- A fixed salary within the range £147,000 to £157,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy</li> <li>- No variable element within the remuneration package.</li> <li>- All other conditions in accordance with overall Council pay policy.</li> </ul>
<b>STRATEGIC DIRECTORS</b>		
<b>Band 3</b>	Fixed/Spot	<ul style="list-style-type: none"> <li>• People &amp; Communities [statutory roles for Adult &amp; Children's Services] (PC)</li> <li>• Place (P)</li> <li>• Resources [S151 Officer] (R)</li> <li>- A fixed salary within the range £117,000 to £132,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy</li> <li>- No variable element within the remuneration package.</li> <li>- All other conditions in accordance with overall Council pay policy.</li> </ul>

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions
<b>DIVISIONAL DIRECTORS/Heads of Service</b>		
<b>Band 4</b>	Minimum	£95,587
	Middle	£98,399
	Maximum	£101,211
<b>NHS</b>	Fixed	£90,263
<b>Band 5</b>	Minimum	£84,343
	Middle	£87,152
	Maximum	£89,967
<b>Band 6</b>	Minimum	£73,096
	Middle	£75,910
	Maximum	£78,719

**Notes:**

- 'Band 2' is not currently in use
- 'NHS' relates only to the Public Health statutory transfer provisions

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## **Annex 9 - 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 four-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 two years in more detail, along with the key operational changes outlined in the Council’s new **Operational Plan**, which also focuses on what we need to do over the next two years to help achieve our overarching Corporate Strategy and vision for the future, and be aligned with the budget.

Our key 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, including a selection of projects and schemes from the capital investment programme.

## Tackling Waste and Increasing Efficiency

**Corporate Estate Office Accommodation** - Office accommodation will be further reduced in line with the reduction in the staffing establishment, with flexible working continuing to provide efficient use of space.

**Commercial Estate Income** - Investing in property acquisitions to continue to diversify the commercial estate and generate income in excess of financing costs. A prudent gearing threshold will be set as part of an investment strategy.

**Digital by Choice** - Digital services will be further developed to enable the Council to deliver quality services on a 24/7 basis, while ensuring choice about how to access services is available for those that need it.

**Management Arrangements and Staffing** - Management will be further streamlined and there will be staff reductions equivalent to approximately 300 FTE posts (from 2,000 FTE's) to achieve necessary savings. Critical functions and services for vulnerable people will be protected.

### **Service Redesign and Efficiencies:**

- ➔ Opportunities for shared services will be developed including potentially with neighbouring Councils, the Clinical Commissioning Group (CCG) and West of England (WoE). This will in part be driven by service resilience and value for money requirements, health integration aspirations and WoE regeneration opportunities
- ➔ Implementing a range of efficiency measures and management savings across Adult Health, Care and Wellbeing service areas in line with budget pressures but ensuring that our Care Act and other statutory duties are fulfilled and demand pressures mitigated wherever possible.
- ➔ Review and restructure of staff conducting performance management, analysis, research and data reporting activity across all Council services
- ➔ Review and restructure of staff conducting marketing and communications activity across all Council services

**Modern Libraries Review** - Integrating library and customer advice services together with a community led approach to local branch libraries will ensure local library services remain self-sustainable and meet the changing way people are using libraries. The review is being phased to enable proper consultation, local engagement and decision making at each stage, with work ongoing in Bath, Midsomer Norton and Radstock.

**Schools Support Services and Trading Services Review** - Services for schools including payroll, ICT, finance, cleaning and catering have been reviewed in the light of schools becoming academies and often choosing to buy their support elsewhere. Schools will be supported to procure value for money services and the Council will reduce or withdraw its provider role accordingly.

**Corporate Travel Plan** - Implementing a further robust package of corporate travel plan measures (including smart working, pool cars and behaviour change) to reduce cross-council mileage costs.

## Capital Investment Programme

### Property

- ➔ **Lewis House Refurbishment** - re-configuring and refurbishing Lewis House to externally let space as the workforce decreases
- ➔ **Commercial Estate Investment Fund** - ensuring that key properties within the commercial estate reach their maximum income potential while reducing lengthily voids
- ➔ **Commercial Estate Acquisitions** - providing a fund for the acquisition of appropriate property to increase the financial return of the council's property portfolio and enable revenue savings to be achieved.

## Improving Local Transport

**Improvements in Transport Infrastructure** - The Council is investing an additional £19.2 million in highway and transport improvements, including; £4.4 million for small transport improvement, walking & cycling and transport information schemes, and £5.6 million for highways maintenance projects, structural improvements and potholes. The Council is also applying a share of a £1 billion investment in transport infrastructure from the West of England Devolution agreement to support strategic transport projects, major roads, rail networks, cycling and walking routes.

**'Getting from A- B' Strategic Review** - Continuing delivery of the 'Getting from A- B' Strategic Review for Transport, which will include the delivery of identified savings, embedding new ways of working within services, and establishing new relationship with suppliers.

**Air Quality** - Developing a national Air Quality Action Plan for Bath, initially focusing on the delivery of a feasibility study and business case outlining measures to achieve compliance with the national air quality objective.

## Capital Investment Programme

### Highways & Transportation

- ➔ **Transport Improvement Programme** - Traffic improvements, road safety schemes, bus priority schemes, walking and cycling schemes and transport information schemes
- ➔ **A4 Keynsham Bypass** - maintenance of highway assets on the A4 Keynsham Bypass
- ➔ **Terrace Walk** - feasibility study to identify the costs of repairs on the undercroft structure and enable political decisions to be taken on the long term use of this space
- ➔ **York Street Vaults P2** - replace the waterproofing above the vault and reconstruct the road to provide a long term solution and reduce the risk of any premature failure of the vault in future

- ➔ **Strategic Transportation Programme** - to facilitate wider Strategic Transportation Works , in particular to support measures to reduce the impact of traffic on the east of Bath.
- ➔ **A39 Marksbury Junction** – Junction improvement to ease flow of traffic on a busy commuter route.

### Parking

- ➔ **Pay & Display Replacement** - rolling programme to replace Pay & Display machines
- ➔ **Parking Vehicles** - rolling programme to replace parking vehicles
- ➔ **Manvers Street Car Park Security** - securing the lower level to prevent the ongoing and significant issues with encampments being constructed within the car park.
- ➔ **Lansdown P&R Extension** – low cost extension of up to 10,000 square metres.
- ➔ **P&R Alligator Teeth** - rolling replacement programme to replace alligator teeth.

### West of England funding

- ➔ **A37 to Somer Valley Enterprise Zone** – Improving traffic flow and transport links between the A37 Farrington Gurney and the Somer Valley Enterprise Zone.
- ➔ **Freezing Hill Lane improvements** – Study looking at options to improve traffic flow at the junction of Freezing Hill Lane/Togg Hill and the A420.
- ➔ **Hicks Gate roundabout** – Study looking at improvements to the Hicks Gate roundabout to improve traffic and reduce congestion.
- ➔ **East of Bath link road** – Study looking at the feasibility, options and benefits of a road project linking the A36 and A4/A46 east of Bath.

## Delivering New Homes and Jobs

**Enterprise Zones** - Investing up to £30 million to support the delivery of the Bath and Somer Valley Enterprise Zones, which will help to create up to 2,500 local jobs at Bath Quays and around 400 jobs in the Somer Valley.

**New Broadband Fibre Network** - Improving connectivity through continued support for rural broadband and the Digital B&NES project to enable the provision of Wi-Fi, ultrafast and superfast broadband.

**Property Company (ADL) Housing Developments** - New housing will be provided through the Council's property company to support the delivery of new local housing need and generate a return for the Council and taxpayer.

**Planning Application Performance** - Development Management will continue to meet targets for the determination of major and minor applications (13 weeks or otherwise agreed and 60% target, and 8 weeks or otherwise agreed and 70% target respectively).



**Building Control Performance** - Building Control will continue to achieve positive customer feedback and meet application turnaround times (maintain 95% customer satisfaction and 90% of application decisions made within 3 weeks).

**Homelessness** - Continue providing an effective homelessness prevention service, ensuring there are low numbers of households in temporary accommodation and / or rough sleeping.

## Capital Investment Programme

### Housing & Regeneration:

- ➔ **Affordable Housing** - facilitate provision of affordable housing (uplift budget for 2018/19 and 2019/20 to extend the length of the capital programme to facilitate delivery of around 165 units per year)
- ➔ **BWR Phase 2 Bid** - expanding Bath Western Riverside further to the West to continue successful housing delivery
- ➔ **HIF Keynsham & Whitchurch Infrastructure Bid** - enabling housing including constructing a North Keynsham Link Road and 25,000 sq. metres of employment space in North Keynsham
- ➔ **Somer Valley Enterprise Zone: Site Access Bid** - delivering site access and related improvements to the A362.

### Economy - Digital B&NES:

- ➔ Expand existing Bristol scheme providing connectivity to the wider City region, including Bath
- ➔ Expand existing programme of broadband connectivity to 99% coverage
- ➔ Enable replacement of old IT infrastructure and expand 6 month voucher scheme pilot.

## Supporting our Young People

**Children's Social Care and SEND Improvement** – Increasing the budget for Children's Services by £3.1 million, recognising the funding pressures in Children's placements including SEND / High Needs, and Implementing a programme of improvements to children's social care and SEND services in response to the Ofsted inspection and other drivers including demand pressures, working in collaboration with key partners, to ensure we deliver good or better services while mitigating financial pressure on the Council.

**Improving school buildings** – Investing an additional £8.7 million in new and improved school buildings and facilities, this includes increasing capacity to accommodate additional school places.

**Remodelling of Education Services** - Remodelling the Local Authority role in education services to reflect the changing legislative and educational landscape, with a growing majority of pupils taught in academy schools, ensuring that the remaining statutory functions are covered as efficiently as possible.

**Youth Connect Re-design** - Redesigning of Youth Connect services by enabling local community groups to develop the additional capacity in key areas that will offer supplementary services for young people and exploring the potential to develop a staff mutual.

**Budget Increase for all B&NES Schools** - Some of the lowest-funded schools will receive an increase of more than 10% as historically low funding levels are reversed, with every school receiving an increase in their budget. The overall budget for schools is rising by £3.68 million a year, representing a 3.9% boost to the total schools budget (and the third highest increase in the country).

**Service Redesign and Efficiencies** - Implementing a range of efficiency measures and management savings across service areas in line with budget pressures while ensuring statutory duties are fulfilled (including implementing changes from the Children and Social Work Act 2017) and demand pressures mitigated wherever possible.

### Capital Investment Programme

#### Schools - Basic Need and / or Statutory Responsibility

- ➔ **Schools Capital Maintenance 2018/19** - to address the worst condition issues at schools
- ➔ **Additional Funding and Feasibility Work** – to deliver new and additional school places
- ➔ **Healthy Pupils Capital Fund** – to improve school facilities
- ➔ **Alternative Education - Refurb & Equipment** - property refurbishment and modifications plus furniture and equipment to complement commissioning of the contract for Alternative Education Provision
- ➔ **SEND Provision Additional Funding** - grant funding to deliver special school and post 16 places in BANES.

### Enabling Cleaner, Greener and Healthier Communities

**Develop, deliver and monitor Waste Strategy** - Re-designing and implementing the new waste collection service to increase recycling and promote services through extensive waste awareness campaigning to improve the percentage of household waste reused and recycled, and energy recovered.

**Protecting street cleaning** – Protecting the Council's street cleansing budget and continuing to invest in measures to reduce the impact of urban gulls.

**Improving leisure facilities** – Investing £14 million in new and improved Leisure Centre facilities in Bath and Keynsham, and working with our leisure provider for effective leisure provision.

**Investment in parks and recreation** – Investing £2 million over two years in parks and children's play areas, including the Midsomer Norton Town Park project, whilst undertaking an operational review of our parks service to identify the potential for additional income generation.

### Integrated Health and Care Arrangements

- ➔ Working with Virgin Care (Your Care Your Way' Prime Provider) to lead system-wide transformation and improvements to ensure that services are as integrated, effective and efficient as possible to meet the needs and priorities of the community.
- ➔ Further development to enhance the Council's existing integrated working arrangements with the CCG in order to maximise our joint impact on the health and wellbeing of the local population, whilst benefiting from organisational efficiencies.

**Public Health Prioritisation** - Identifying further efficiencies and opportunities for prioritisation of resources in the context of reducing government grant funding, while maintaining as much preventative, health improvement and health protection work as possible to contribute to positive health and wellbeing outcomes for the population, and to help to mitigate pressures on care services.

## Capital Programme Investment

### Planning & Development

**Bathscape** - partnership project to reconnect people and communities with Bath's landscape setting benefitting people, communities and heritage.

### Parks

- ➔ **Play Equipment** - replacement of play equipment across the Council's play areas as equipment reaches its end of life to avoid play areas becoming dilapidated and needing removal with possible site closure, or needing very significant investment to meet community demands
- ➔ **River Avon Park** - improvements and maintenance plan for the River Avon area including initial designs for five parks
- ➔ **Midsomer Norton Town Park and Whitchurch Parks** - improvement works to the parks
- ➔ **Automated Gates** - install automated barrier to prevent cars from accessing Alexandra Park after dark
- ➔ **Royal Victoria Park Nursery Improvements** - repairs and infrastructure improvements to maintain the facility and to grow a broader range of plants
- ➔ **Parks Equipment** - rolling programme of equipment replacement for end of life
- ➔ **Parks s106 Projects** - expand existing programme for s106 requirements
- ➔ **Parks & Bereavement Infrastructure** - projects to ensure that the Council's estate remains in a good and safe condition and to protect site security.

### Waste

- ➔ **Litter bins** - extend the existing programme to enable purchase of the Big Belly leases
- ➔ **Relocation of Bath Recycling Centre Facility** - facilitate works around Public Recycling.

## Promoting Greater Choice and Independence for Older People

**Adult Care Transformation** – Increasing the budget for Adult Social Care by £3.94 million to recognise and meet the increased pressures arising from demographic changes and an ageing population. Further containing growth pressures within the adult social care service through the ongoing redesign and transformation of services to maximise independence, prevent escalating care needs and promote reablement after an episode of care. This includes through the use of assistive technology, more efficient purchasing arrangements, and making best use of the Better Care Fund as appropriate.

**Redesigning Services** - Maximising people's independence as part of implementing new tailored community health and care arrangements developed through the 'Your Care Your Way' project. This includes system-wide transformation and improvements to ensure that services are as integrated, effective and efficient as possible to meet the needs and priorities of the community.

**Protecting Elderly and Vulnerable Residents** - Additional investment to protect services to elderly and vulnerable residents will be achieved through a ring-fenced council tax precept for Adult Social Care.

**Disabled Facilities Grant** – Investing an additional £1.3 million over the 5 year programme, for home access improvement for disabled and qualifying elderly residents, to support residents to live more independently in their own homes .

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](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>

## **Appendix 2 - Comments of PDS Panels on the 'Bath and North East Somerset Council Operation Plan 2018-19'**

During January 2018, the draft Operation Plan has been presented to each of the Policy Development and Scrutiny (PDS) Panels and Select Committee. Panels have concentrated on the parts of the plan relevant to their own remit and the comments made are as follows:

### **Planning, Housing and Economic Development – 16<sup>th</sup> January 2018**

Councillor Barry Macrae advised a note of caution relating to Digital by Choice and the members of the public that do not regularly use IT.

Councillor Lisa O'Brien asked if the Council's work regarding further education and employment dovetailed with that of WECA.

The Strategic Director for Place replied that the Council was working with WECA regarding the skills agenda.

Councillor Rob Appleyard asked if the pension deficit in relation to Bath Tourism Plus has been addressed.

The Strategic Director for Place replied that this was addressed when the service was brought in house.

Councillor Barry Macrae asked how the Disabled Facilities Grant was funded.

The Finance Manager replied that the funding stream had changed and that it is now supplied by the Better Care Fund from the Government and a contribution from Curo.

The Divisional Director for Community Regeneration added that this was a demand driven programme to support people to stay in their own homes.

Councillor Lisa O'Brien asked if any comment could be made on the future use of Lewis House.

The Strategic Director for Place replied that if staff numbers were to reduce it might be the case that the Council will not occupy all of the available floors on the site.

The Chairman thanked her for presenting the plan to the Panel.

The Panel **RESOLVED** that at this stage there were no specific areas of feedback that they would like to refer to the relevant Cabinet Member for further consideration as part of the operational planning and budget development process.

### **Communities, Transport and Environment – 22<sup>nd</sup> January 2018**

The Chair explained the aspects of the plan that were within the remit of the Panel. He explained that he Strategic Director for Place, Louise Fradd and Divisional Director for Environmental Services, Martin Shields were present to answer questions.

Panel members asked the following questions and made the following points:

Regarding 'Transport Planning' (page 99, Appendix 1) Councillor Bull asked that if reliance on consultants is reduced, is there capacity within existing staff to carry out the work. The Divisional Director explained that, following a restructuring across the Highways Team, there are now staff who can do the work that had been done by consultants.

Councillor Butters asked (regarding 'Parking and Transport') if customers would be able to pay directly by card under the new proposal or will they have to download an App. The Divisional Director explained that the plan was to reduce payment by card (and the additional transaction fee). The Strategic Director explained that other areas use this model, there will be a phased approach. The Divisional Director explained that with the App customers can adjust their stay period.

Councillor Bull asked (regarding 'Transport and Parking Services Review') if the £707k saving had been made as a result of the parking review. The Strategic Director explained that this had already been agreed as part of the previous budget process but at this time the parking review was still under consideration. However there had already been additional income from parking charges, particularly around the Christmas period and it was felt that the income target was realistic and may even be exceeded.

Councillor Bull asked (regarding 'Transport – moving people from A to B') if the proposals result in changes to eligibility for transport and asked if future service users will be disadvantaged by the proposal. The Strategic Director explained that the review has been ongoing and savings are now coming. She added that personalised budgets have had a positive impact on costs and discussions are ongoing with local dial a ride groups. In addition she added that the programme of safe routes to school would further reduce the need for transport to be provided and that the Council was looking at how it could use its vehicles to move patients to and from hospital more cost efficiently.

Regarding 'Waste and Parks' Councillor Turner asked if Parks Groups are aware of the service review. The Divisional Director explained that the service will be looking to work with friends of groups and any other partners who can contribute and that the service will become more commercial in the way it does business with fee paying customers.

Councillor Bull asked (regarding 'Refuse Collection') if it is anticipated that there will be resistance to reducing garden waste collections in winter months as people pay for this service. The Strategic Director explained that the

reduction in collections during winter months (when there is less garden waste) was preferable to increasing the fees.

Regarding 'Modern Libraries and Customer Services Review' Councillor Bull asked if it was wise to withdraw funding from community libraries when there is more emphasis on digital communication and many people only access computers in their library. The Cabinet Member for Transformation and Customer Services, Councillor Karen Warrington explained that people are coming forward and discussions are ongoing, if people want an internet connection then that will be factored in. The Panel will be kept informed.

Councillor Simmons asked about the 3 month vacancy freeze (page 116) and if this could cause a problem in audit. The Strategic Director explained that if there is a need for a post to be filled then it is possible to fill a post before 3 months. She added that this policy has been applied for 6 months and it represents due diligence in assessing if there is a need for the post.

Regarding 'Management Arrangements and Staffing' Councillor Bull asked if the reduction in 300 staff was in addition to the staff reductions shown in this report. The Strategic Director explained that the 300 figure was made up of the staff reductions shown in the budget papers and other posts which have not been identified yet. This will be phased over 2 years. The Cabinet Member for Finance and Efficiency, Councillor Charles Gerrish added that smoothing reserves could be used in the phased period.

Councillor Hale asked if there is any work to be done with University's, the Cabinet Member reported that there is a lot of work being done on this.

Councillor Gilchrist asked if the Gulls nest removal programme was going ahead, The Cabinet Member confirmed that this was in the budget proposals.

Councillor Gilchrist asked if there was any provision in the budget regarding residents parking zones, the Divisional Director reported that arrangements regarding residents parking zones would be reviewed as part of the parking review but in the meantime there is no change to the current process.

### **Health and Wellbeing Select Committee – 24<sup>th</sup> January 2018**

To follow

### **Children and Young People – 30<sup>th</sup> January 2018**

To follow

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