

Democratic Services

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Date: 20 January 2017

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

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

Chief Executive and other appropriate officers
Press and Public

Dear Member

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

You are invited to attend a meeting of the **Resources Policy Development and Scrutiny Panel**, to be held on **Monday, 30th January, 2017** at **4.30 pm** in the **Council Chamber - Guildhall, Bath**.

The agenda is set out overleaf.

Yours sincerely



Michaela Gay
for Chief Executive

If you need to access this agenda or any of the supporting reports in an alternative accessible format please contact Democratic Services or the relevant report author whose details are listed at the end of each report.

This Agenda and all accompanying reports are printed on recycled paper

NOTES:

- 1. Inspection of Papers:** Any person wishing to inspect minutes, reports, or a list of the background papers relating to any item on this Agenda should contact Michaela Gay who is available by telephoning Bath 01225 394411 or by calling at the Guildhall Bath (during normal office hours).
- 2. 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. Advance notice is required not less than two full working days before the meeting (this means that for meetings held on Wednesdays notice must be received in Democratic Services by 4.30pm the previous Friday)

The public may also ask a question to which a written answer will be given. Questions must be submitted in writing to Democratic Services at least two full working days in advance of the meeting (this means that for meetings held on Wednesdays, notice must be received in Democratic Services by 4.30pm the previous Friday). If an answer cannot be prepared in time for the meeting it will be sent out within five days afterwards. Further details of the scheme can be obtained by contacting Michaela Gay as above.

- 3. Details of Decisions taken at this meeting** can be found in the minutes which will be published as soon as possible after the meeting, and also circulated with the agenda for the next meeting. In the meantime details can be obtained by contacting Michaela Gay as above.

Appendices to reports are available for inspection as follows:-

Public Access points - Reception: Civic Centre - Keynsham, Guildhall - Bath, The Hollies - Midsomer Norton. Bath Central and Midsomer Norton public libraries.

For Councillors and Officers papers may be inspected via Political Group Research Assistants and Group Rooms/Members' Rooms.

4. 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

The Council will broadcast the images and sound live via the internet www.bathnes.gov.uk/webcast An archived recording of the proceedings will also be available for viewing after the meeting. The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

- 5. Attendance Register:** Members should sign the Register which will be circulated at the meeting.

6. THE APPENDED SUPPORTING DOCUMENTS ARE IDENTIFIED BY AGENDA ITEM NUMBER.

7. Emergency Evacuation Procedure

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are sign-posted.

Arrangements are in place for the safe evacuation of disabled people.

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

at 4.30 pm in the Council Chamber - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS

2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

4. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

(a) The agenda item number in which they have an interest to declare.

(b) The nature of their interest.

(c) Whether their interest is **a disclosable pecuniary interest** *or* an **other interest**,
(as defined in Part 2, A and B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

6. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

At the time of publication no notifications had been received.

7. MINUTES (Pages 7 - 14)

8. RESOURCES DIRECTORATE PLAN 2016-2017 (Pages 15 - 42)

This report presents the Resources Directorate Plan to the Panel for consideration and feedback as part of the Council's service planning and budget development process. The report is attached with the following:

- Resources Directorate Plan
- Appendix 1: Directorate structure
- Appendix 2: Analysis of headline numbers (2016/17)
- Appendix 3: Draft Capital Programme - new & emerging items
- Appendix 4: Budget proposals and Service Impact Statement

All Directorate Plans can be viewed at

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13506>

9. BUDGET AND COUNCIL TAX 2017/18 AND FINANCIAL OUTLOOK 2017/18 TO 2019/20 (Pages 43 - 62)

A cover report on 'Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20' is attached. Please note the main Budget report will be sent out next week along with Appendix 4 as shown below:

- Appendix 1: Budget report - to follow
- Appendix 2: Equalities Impact Assessment - attached
- Appendix 3: Summary notes from the Area Forum Meetings - attached
- Appendix 4: Summary of other January 2017 PDS meetings - to follow

10. CABINET MEMBER UPDATE

The Cabinet Member will update the Panel on any relevant issues. Panel members may ask questions on the update provided.

11. PANEL WORKPLAN (Pages 63 - 66)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in consultation with the Panel's Chair and supporting officers.

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

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BATH AND NORTH EAST SOMERSET

RESOURCES POLICY DEVELOPMENT AND SCRUTINY PANEL

Wednesday, 23rd November, 2016

Present:- Councillors Sarah Bevan (Chair), Bob Goodman (Vice-Chair), Christopher Pearce, Jasper Becker, Colin Barrett, Andrew Furse and Eleanor Jackson (in place of Chris Dando)

36 WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting.

37 EMERGENCY EVACUATION PROCEDURE

The Chairman drew attention to the emergency evacuation procedure.

38 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Councillor Dando sent his apologies and was substituted by Councillor Jackson.

39 DECLARATIONS OF INTEREST

Councillor Goodman declared an interest in item 9 in that he sometimes acts for clients involved in the Commercial Estate.

Councillor Jackson mentioned that, as a member of the Development Management Committee, she would not take part in any debate regarding an East of Bath Park and Ride.

40 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

The Chair, Councillor Sarah Bevan announced that she had accepted an item of urgent business on to the agenda. She explained that item for discussion involved the two specific financial aspects of the invalid call-in regarding 'E2900 Getting Around Bath Transport Strategy'. These relate well to the panel's remit and given the urgency, together with the level of interest, she as Chairman had agreed that they should be discussed. She also emphasised that the discussion would not involve a consideration of the strategy or the East of Bath Park and Ride options. These would be on a Cabinet agenda in the early part of the new year. She asked all present to keep their remarks relevant to the agenda and the Panel remit.

Andrew Pate, Strategic Director for Resources and Tim Richens, Divisional Director for Business Support and 151 officer introduced the item. It was explained that there are numerous examples of projects where provisional approval is converted into full approval. It was explained that this process is set out and is commonly done through the Single Member Decisions. Regarding risk, it was confirmed that it is appropriate for the decision maker to consider the risks involved and take them into account.

This has been done. Following a question, the Strategic Director explained that paragraph 5.8 in the panel's paper refers to the reversion risk.

Councillor Furse stated that it could be seen as suspicious that every draw down of money is a tranche of £300k and maybe above this level would bring scrutiny. He asked how much had already been spent. The Divisional Director confirmed that of the £1.1M budget £941k has been contractually committed and that the fact that each tranche of draw down had a similar value had no specific relevance. Councillor Furse asked if the Cabinet had overcommitted themselves before the extra £300k. The Divisional Director explained that transport officers had advised that £300k was the additional sum needed to facilitate the Cabinet decision. The Strategic Director for Place explained that the aim had been to get to a position where the cabinet member did not need to request more financial approvals but instead could progress to a decision report in the new year. Councillor Barrett asked how much has been spent on public consultation on the sites. The Strategic Director for Place explained that an element of the expenditure was on the Scrutiny Inquiry Day and the LDF work.

Councillor Jackson stated that the issue is complex but that the process must be transparent for residents and it is good that the issue is being given a good amount of scrutiny. She further explained that when members criticise the process, it is not a personal criticism of officers.

Councillor Furse asked if the Heritage Impact Assessment was part of the cost so far. The Strategic Director for Place explained that all sites have now had Heritage Impact Approval and she has a further meeting with Historic England next week. The Strategic Director for Resources confirmed that the costs include this.

Councillor Furse asked if the risk register for this project has been seen by Corporate Audit, also has the revenue reversion risk been seen and where will this be scrutinised. The Strategic Director explained that capital projects are generally not on the Corporate Risk Register and but that for each project there are procedures to analyse risk and these procedures do not routinely involve internal audit or the Audit Committee. He confirmed that the 151 officer will consider the financial impact when a decision report is drafted in the new year.

Councillor Furse stated that he had sent a request to the Divisional Director for Business Support (S151 officer) asking for financial information on how much money has been spent on the Park and Ride on a year by year basis. He recommended that the Panel see this information. It was **RESOLVED** that:

- Information on the public spend on the East of Bath Park and Ride (analysed between years) be brought to the Panel; and
- The Panels concern on £300k tranches being taken to fund this be referred to the Cabinet Member.

41 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

- Councillor Karen Walker made a statement to the Panel regarding the budget and Peasedown St John. *A copy of the statement is appended to these minutes.*

The Panel and Cabinet member for Efficiency and Finance noted the statement.

- Nicolette Boater made a statement to the Panel regarding 'The adequacy of Overview and Scrutiny with respect to current and future challenges'. The Panel also noted Nicolette Boater's question and the answer provided. *A copy of the statement and of the question and answer is attached to these minutes.*

The Panel and Cabinet Member for Efficiency and Finance noted the statement.

- Christine Boyd made a statement to the Panel regarding the East of Bath Park and Ride. She stated that nobody had made a formal decision to approve a Park and Ride or identified a need for it yet a large amount of money has been spent. She urged the Cabinet members to produce a fully costed report. *A copy of the statement is appended to these minutes.*

The Chair stated that the Panel will take her comments into account in consideration of this item on the agenda.

- Annie Kilvington made a statement to the Panel regarding the East of Bath Park and Ride. She stated that large sums of money had been spent delivering a commercial agenda and asked for transparency on this spend. *A copy of the statement is appended to these minutes.*

The Chair stated that the Panel will take her comments into account in consideration of this item on the agenda. Ms Kilvington questioned why any Panel concerns are sent to the Cabinet Member for Transport, she stated that this is not appropriate. The Monitoring Officer, Maria Lucas explained that this is how Scrutiny works and set out in legislation.

- Sian James made a statement to the Panel regarding the East of Bath Park and Ride. She spoke about the risk on this project and asked what would be cut to pay for the work done on it so far. She asked if the Panel had seen the Risk Register and stated that the risk of reversion is real. The Strategic Director for Resources explained that the Panel does not routinely see the Risk Register and that Corporate Audit Committee would have sight of it.

The Chair stated that the Panel will take her comments into account in consideration of this item on the agenda.

- Councillor Rayment made a statement to the Panel. He questioned why the recent call-in was judged invalid by unelected officers. He thanked the Chair for taking this item but stated that the call-in should not have been judged invalid and that this represented an attack on democracy. He stated that the

Labour and Liberal Democrat Groups will not stand for this and urged other groups to join them in order that the call-in system be effective.

The Monitoring Officer explained that Group Leaders will be asked to clarify the Constitution in relation to future call-in requests. She further explained that the call-in would not have necessarily stopped implementation of the decision, if a call-in is upheld by a Scrutiny Panel, the issues goes back to the Cabinet Member for consideration.

Councillor Furse stated that there is no history of frivolous call-ins in this Council and those that have happened have extracted further information on the issue and sometimes the Cabinet Member has amended their view.

Councillor Rayment stated that the Panel have Legal and Democratic Services in their remit. The Strategic Director for Resources explained that two matters from the invalid call-in are on the agenda today, the Councils constitution is not.

- Councillor Millar made a statement to the Panel. She endorsed the comments made by Councillor Rayment and added that Scrutiny is an important role. She stated that the decision in question should not have been taken under the Single Member Decision (SMD) process and should have been a key decision. She asked that the money spent on consultants on the Park and Ride be made available. She further asked why officers cannot defend the money spent in public. The Monitoring Officer explained that the decision in question was in fact a key decision and it was taken in public by a single member.
- Councillor Romero made a statement to the Panel. She stated that call-ins should not be feared and the total spend on the Park and Ride is large and not all has been done publically. She asked the Panel to launch an investigation on how much has been spent.
- Councillor Moss made a statement to the Panel. He questioned the decision that the call-in was not allowed and stated that it is about the rights of backbench Councillors to ask legitimate questions. The Monitoring Officer explained that a briefing note will be sent to all Councillors settling out how the Constitution works which will reference Article 13 in the Council constitution as well as the rules of public law. The Strategic Director of Resources stated that it is not for this Panel to rule on the Constitution. Councillor Furse asked that the Panel be sent a copy of the legal advice on this call-in. The Monitoring Officer confirmed that written legal advice would be obtained from the QC. Following a query from Councillor Millar, the Monitoring Officer confirmed that a public law QC had been consulted.

Councillor Barrett expressed concerns about the criticism made about officers in this meeting, as officers are professionals and cannot fully reply in public.

(Please note that the issue on the Park and Ride in some of the above statements and debate is minuted under item 5 on this agenda, minute number 40)

42 MINUTES

The Panel confirmed the minutes of the previous meeting as a true record and they were duly signed by the Chairman.

43 2016/17 BUDGET MONITORING AND THE PROGRESS WITH STRATEGIC REVIEW IMPLEMENTATION

Tim Richens, Divisional Director for Business Support introduced the report.

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

Councillor Furse mentioned three aspects of the report; he noted the income from the Thermae Spa; he asked about the payroll shortfall and about the overspend on SEN home to school transport. The Cabinet Member for Finance and Efficiency, Councillor Charles Gerrish explained that regarding payroll, the technical project known as ITrent did not create the planned saving in the timescale that was envisaged. He explained that part of the income from the Spa was due to a one off payment. Regarding SEN transport, he explained that schools within the authority are oversubscribed so there are more children being taken to schools outside the authority.

Councillor Barrett asked to be sent the business plan for two weekly waste collections. The Cabinet Member explained that there is no business case yet as the process does not start until next year. Councillor Barrett asked to be sent the business plan when it is produced and asked for it to come to this Panel. The Strategic Director explained that it would normally go to the Communities, Transport and Environment Panel if requested and in any case this would be part of the Budget Report for next year which would be brought to this Panel.

Councillor Jackson asked about Adult Social Care. The Cabinet Member stated that there was additional funding from the 2% Council Tax 'precept' last year.

Councillor Becker asked about the overspend on Community Services. The Cabinet Member explained that the reason is that the tenders for getting rid of waste came in higher than expected.

Councillor Barrett asked how much the Council are getting for recycling this year. The Cabinet Member explained that part of the contract with Keir enables them to sell the recycling and they take the return on the sale.

Councillor Jackson stated that the reason for the underspend in the housing and planning is because the Development Management and Enforcement Team have won every appeal in the last 12 months.

Councillor Furse asked about the cost of the relocation of the street cleaner depot. The Cabinet Member explained that this cost also relates to the planned move to Pixash.

44 COMMERCIAL ESTATE

Derek Quilter, Divisional Director Property and Project Management gave a presentation to the Panel which covered the following:

- Overview of the Commercial Estate
- Key Facts
- Gross Income Growth (Including Acquisitions)
- Gross Income Growth (Excluding Acquisitions)
- Breakdown of portfolio by type
- Property types
- Commercial Estate Ownership – Bath
- Interesting facts
- Current Commercial Estate Objectives
- Statutory powers
- Performance of the Commercial Estate
- Performance
- Gross Revenue Return Performance
- Rent Arrears
- Voids
- Management Cost
- Management Team of the Commercial Estate
- Internal Staffing
- Critical Partner
- Acquisitions and Estate Development
- Acquisition and Restructures
- Office Development – BQS
- Major Commercial Estate Development
- Investment Funding
- Emerging Strategy for the Commercial Estate
- Context – Strategic Review Targets
- Performance Targets
- Existing Estate Management
- Acquisition – future approach
- Commercial Estate Objectives

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

Councillor Barrett asked about the residential section and asked how many properties have been purchased, for how much and what is the income. The officer explained that 15 properties have been transferred to ADL. He added that ADL are producing a business plan that could come to this Panel if requested. He also indicated that Commercial Estate is nevertheless separate from ADL and this needs

to be understood as the distinction is important, each having separate governance and objectives.

Councillor Pearce asked if the Council operates on a level playing field with other commercial landlords. The Strategic Director explained that the Council are subject to FOI requests, procurement rules and public scrutiny but that the Council's tax status is beneficial as is its ability to borrow at exceptionally low rates.

Councillor Furse stated that diversity in the city centre estate is good, the Council should value diversity and local businesses.

Councillor Goodman asked David Stubbs – BNP Paribas if this report is the same as the one that came to the Panel in July. David Stubbs explained that it is a different report addressing different issues. The Strategic Director explained that the report that was brought to the Panel in July was written by officers, informed by work with BNP Paribas and 10% of the report was not included as there were references that were not suitable for publication. He further explained that today the Panel have an updated report which responds to requests for a lot of background information so there is more detail in this report. Councillor Goodman stated that the Panel do not have the full original report that he requested in July. He asked David Stubbs how the department could get the higher figure. David Stubbs explained that the Council could always do better and the key to future success is that targets should be constantly challenging. He explained that there is a big difference in the private sector as there are shareholders and drivers that are hard to inject into the Property department of a local authority. He explained that Shaftsbury Estate is a good exemplar.

Councillor Paul May, Cabinet Assistant (Finance and Efficiency) stated that we are a fortunate local authority to have the volume of property. He suggested a session on Commercial Estate property to explore if we are getting enough out of our properties and also are we investing enough. Councillor Becker supported the idea. He suggested also exploring the suggestion from BNP about premium and luxury brands.

Councillor Goodman asked if we have a strategy for working with shops who are struggling. Richard Long, Head of Property Services explained that officers have a good relationship with tenants and try to monitor rent arrears closely plus have agreed practices to support those that are in difficulty.

45 CABINET MEMBER UPDATE

The Cabinet Member for Finance and Efficiency Councillor Charles Gerrish stated that he had mainly been working on the budget.

46 PANEL WORKPLAN

The Panel noted the workplan with the following additions:

- Commercial Estate Property Strategy

It was noted that the Chair and Strategic Director would meet to discuss the workplan and feed back to the Panel.

The meeting ended at 7.30 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

Bath & North East Somerset Council	
MEETING:	Resources Policy Development & Scrutiny Panel
MEETING DATE:	30th January 2017
TITLE:	Resources Directorate Plan 2016-2020
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report: <ul style="list-style-type: none"> • Resources Directorate Plan • Appendix 1: Directorate structure • Appendix 2: Analysis of headline numbers (2016/17) • Appendix 3: Draft Capital Programme - new & emerging items • Appendix 4: Budget proposals and Service Impact Statement 	

1 THE ISSUE

- 1.1 This report presents the Resources Directorate Plan to the Panel for consideration and feedback as part of the Council's service planning and budget development process.

2 RECOMMENDATION

The Panel is asked to:

- 2.1 Comment on the draft Resources Directorate Plan and;
- 2.2 Identify any areas of feedback the panel would like to refer to the relevant Portfolio holders and Cabinet for further consideration as part of the service planning and budget development process.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The resource implications are contained within the draft Directorate Plan and their appendices.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 This report sets out the framework for the service planning and budget processes which lead up to the statutory and legal requirement for the Council to

set a budget in February 2017. Proportionate equality analysis is being carried out on the proposals within the Directorate Plans by the Council's Communities Team.

5 THE REPORT

Introduction

- 5.1 A new Corporate Strategy was adopted by Council at their meeting on 16th February 2016. It sets out the 2020 Vision and the Council's direction of travel. It is shaped by and will deliver the 'Putting Residents First' manifesto commitments.
- 5.2 Three Directorate Plans were also developed. They flow from the Corporate Strategy and set out both the strategic and financial ambitions of each Directorate and how they will deliver the Corporate Strategy commitments.
- 5.3 The Directorate Plans were first published in 2015 and will be updated each year until 2020. Year one of the Directorate Plans is coming to a close and the budget to reflect year 2 is due to be set in February. This report presents a refreshed version of the Resources Directorate Plan for initial consideration and feedback as part of the 2017/18 budget setting process.
- 5.4 The corporate strategic context remains largely unchanged but the financial context continues to reflect increasingly tough financial targets. The Council is now expecting to be self-sufficient and not reliant on general government grant from 2020.

5.5 *Updates to the Directorate Plans have been highlighted by the use of italics.*

- 5.6 The plan contains a greater level of detail for the coming year. The detail for the following years will continue to develop as Council policy evolves and will take into account consultation about the services affected. There will be a staged approach to consultation with equalities impacts considered at the same time.

January PDS process

- 5.7 During January 2017, the draft Directorate Plans are being presented to the Policy Development and Scrutiny (PDS) Panels. Each PDS Panel will be engaged in this process and Panels should only concentrate on the parts of the plan relevant to their own remit.
- 5.8 This Panel is asked to consider the implications of the draft Resources Directorate Plan and make recommendations to the relevant portfolio holders and Cabinet. Where the panel wishes to either increase expenditure or reduce savings targets, alternatives should be proposed.
- 5.9 At the meeting, the lead for each Directorate Plan will highlight those aspects of the plan that are directly relevant to the panel. The table below maps the remit of this panel to the related Directorate Plan:

Resources PDS Panel remit	Directorate Plan
<ul style="list-style-type: none"> • Customer Services including Revenues & Benefits and Council Connect • Risk and assurance • ICT • Procurement • Property • Finance • Strategy and Performance including, Public Sector Partnerships • Change Programme • Equalities • Legal and democratic services 	<ul style="list-style-type: none"> • Resources Directorate Plan

Next steps

- 5.10 Cabinet will consider the feedback received and prepare the Directorate Plans for final consideration and agreement at Cabinet and Council in February 2017.

6 RATIONALE

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

7 OTHER OPTIONS CONSIDERED

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

8 CONSULTATION

- 8.1 The Directorate Plans flow from the Corporate Strategy which was developed in consultation with Cabinet and Council officers. They also build on our 2020 vision which was developed in consultation with the Council, NHS, police, local businesses, fire service and voluntary sector.
- 8.2 Council meetings have been held with officers and cabinet members during the refresh of these directorate plans. A number of Area Forum meetings were also held during November in order to give partners, stakeholders and members of the public the opportunity to hear more about the budget challenge facing us, express views on potential impacts and local priorities and raise ideas and questions.

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

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

9 RISK MANAGEMENT

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

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

Bath and North East Somerset Council - Resources Directorate Plan 2016/17 to 2019/20

Introduction

This plan sets out the future direction of the Resources Directorate over the 4 year period ending in March 2020. The plan was first published in the autumn of 2015 and has just been updated. Year one of this plan is coming to a close and the budget to reflect year 2 is due to be set in February. The plan will be updated each year until 2020.

The Resources Directorate plan is one of 3 directorate plans and reflects the Corporate Strategy and 2020 Vision, both of which were adopted in 2016 by the Council. Legal & Democratic Services have been included within the Resources Directorate plan for convenience.

The plan contains a greater level of detail for the coming year. The detail for the following years will continue to develop as Council policy evolves and will take into account consultation about the services affected. There will be a staged approach to consultation with equalities impacts considered at the same time.

This edition of the plan will be considered by PDS panels in January 2017 having been developed on behalf of the Cabinet, and will inform the 2017/18 budget setting process.

The corporate strategic context remains largely unchanged but the financial context continues to deteriorate as increasingly tough financial targets are applied. The Council is now expecting to be self-sufficient and not reliant on general government grant from 2020.

This four year plan remains as previously published last year except where highlighted by the use of italics. In addition the financial context section has been updated.

PART ONE – CORPORATE CONTEXT

Strategic context

The Bath and North East Somerset 2020 vision sets out our overarching aspirations for the future including good health and wellbeing, economic growth, financial sustainability, an effective transport system and an efficient, well run Council. The vision was developed in partnership with the NHS, police, local business, the fire service and the voluntary sector.

‘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’

We are already making good progress in working towards this vision. We are a national leader in the integration of health and social care services for both adults and children and our relationship with the NHS continues to grow. Over 90% of children attend Good or Outstanding schools and local unemployment is low at less than five per cent. Our Connecting Families programme, working with vulnerable families, is one of the most successful in the country and the Roman Baths is one of the top most visited heritage sites in the UK.

However, we know that we need to do even more in order to be financially sustainable and deliver high quality services into the future. The landscape for public services continues to change and over the next four years we will need to adapt to accommodate the needs of a growing local population, reduced funding from central government and new legislation that will change the way we deliver some services.

These changes, coupled with an increasing demand for many services means that we need to transform the way we deliver some services, whilst holding onto our commitment to excellence. We have identified four corporate priorities for achieving this as we move towards our 2020 vision:

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

By getting this right we will be able to achieve our vision for Bath and North East Somerset and for local residents.

Financial Context

The previous Directorate Plans were primarily constructed to cover the 2016/17 financial year with some future direction of travel in line with the specific budget priorities and the Council's Corporate Strategy.

The Local Government Finance Settlement for 2016/17 provided definitive figures for 2016/17 together with an offer from Government to provide a guaranteed "minimum" funding settlement covering the period to 2019/20 in exchange for Council's providing 4 year efficiency plans. The Council submitted its plan in October and received confirmation that this had been accepted with confirmation that the Council can expect to receive the funding allocations published as part of the 2016-17 local government finance settlement in 2017-18, 2018-19 and 2019-20.

The multi-year settlement shows continuing significant reductions in the Council's core grant funding during the period to 2019/20. The Settlement also came with a number of further changes to local government finance during this period including:-

- Ongoing reductions to Public Health and Education Support Grant funding in addition to core grant reductions.*
- A consultation on the future of the New Homes Bonus, as substantial changes are considered to reduce this funding stream by up to 60% by the end of the Spending Review period.*
- The implementation of the Business Rates Revaluation from April 2017 – this should be neutral across the country as a whole but there will be regional and even local impacts, including likely appeals from local businesses on any changes.*
- A series of consultations on Government proposals to provide for a 100% locally retained business rates scheme. This will have substantial implications for local government funding and Government has indicated this will be accompanied by an updated needs assessment of local government funding and, a transfer of additional unfunded responsibilities from Government.*
- Expansion of the Better Care Fund, including an additional £1.5bn of national funding between 2017/18 to 2019/20. The service or outcome delivery requirements accompanying this have not yet been set out.*

In light of these changes and the significant funding reductions already announced it is clear that we can expect the scale of the financial challenge facing the Council to continue right through to 2019/20 and potentially beyond.

Whilst the scale and speed of funding reductions will vary depending on the outcome of these national changes, there are also a number of factors which we can identify that will impact on local government funding going forwards:

- The ongoing impact of demographic changes for Adult Social Care.*

- *The likelihood of increasing pay inflation (direct and indirect).*
- *The potential impact of changes to interest rates and the revenue cost of meeting the Council's full borrowing requirement.*
- *The level of inflationary cost pressures arising on Council services.*

The current Financial Planning work to look at the scale of this financial challenge for the Council over the 4-year period covering 2016/17 to 2019/20 estimates that the likely savings, or additional income required, will be around £49M. The Budget for 2016/17 included £12m of savings and additional income which are on track to be delivered, leaving a further £37m to be delivered over the next 3 years.

A rigorous process is being applied to support the development of the Council budget and medium term financial planning process going forwards, including a review of both the Council's revenue budgets and the current Approved Capital Programme.

The Cabinet has been considering a full range of Spending Review options to make savings, explore new models of service delivery, deliver innovation and efficiency, and generate additional income in response to the financial challenge. The review has considered spending across the council to ensure, where possible, efficiency savings and income generation opportunities are maximised ahead of reductions to Council Services. The outputs from this review are reflected in the Directorate Plans.

The specific financial aspects of the proposals for this Directorate are set out in Appendix 4 – Budget proposals and Service Impact Statement

PART TWO – DIRECTORATE PLAN

Directorate summary

The Resources Directorate led by the Strategic Director – Resources provides:

- A strategic lead for Council in terms of: strategic partnerships, understanding of needs, customer insights, communications and marketing, organisational development, resource planning, budget and Council Tax setting, policy development and scrutiny reviews, equalities plus community engagement and sustainability initiatives.
- A delivery lead: for customer contact through all channels including One Stop Shops and libraries, registrars, Council Connect, plus through the web and social media.
- A delivery lead: for Council Tax and Business Rates collection, Housing Benefits, commercial and corporate property estates, and major capital projects, plus trading services including community meals, school meals, cleaning and printing.
- A range of internal support services including: transactional and advice services for HR, health and safety, finance, procurement, audit and assurance, ICT plus facilities management and property transactions.

The Directorate has 4 divisions with each led by a Divisional Director. A chart summarising the functions in each division is attached. It also shows which Cabinet portfolio holder and Policy Development and Scrutiny Panel they report to.

In addition the Directorate manages:

- The Avon Pension Fund has a value of about £4Bn which supports 230 employers and over 100,000 members including the 4 Unitary Councils, academy schools, further and higher education, the fire authority, town & parish councils, community admission bodies and transferee admission bodies in the West of England.
- West of England office and LEP 'accountable body' functions including employment of the lead staff, the commercial investment and grant giving functions (RIF, RGF etc.) and the City Deal economic development fund. This role is now transferring to the Mayoral Combined Authority.

Legal & Democratic services, including elections, are outside of the Directorate and report to the Chief Executive. The Resources Department works closely with these services and the Head of Service attends the Resources Management Team.

The Directorate has led various change and efficiency programmes including: 10 in 100 organisational development, workplaces and flexible working, new ICT strategy and systems rationalisation, service reviews and Customers First initiative, think local procurement strategy, and rationalisation of management arrangements. Some shared service arrangements have also been established such as for research, payroll and audit, but also the One Stop Shops are shared with other local public services and voluntary organisations.

There has been a strong emphasis on savings and increased income, and the Directorate delivered over the 3 years prior to this plan - through its own budgets or corporate budgets

under its stewardship - over 50% of the Council's total savings. The Directorate's own budgets reduced by 20% over that period. This has been achieved through extra income and efficiencies, a new treasury management strategy, simpler processes, better use of ICT and greater centralisation of some support arrangements. The services in Resources now all benchmark well with other Councils, with the exception of libraries, which remain more expensive than the average.

Main report: Directorate intentions

The next three years will continue to be challenging but will provide some opportunities.

*Considerable progress has been made in 2016/17 as set out in the budget challenge consultation workshops. The presentations used for these can be found online and in the case of the Resources department include references to the following **achievements**:*

- *Supporting the development of the £1Bn Devolution Deal for the West of England and acting as the lead authority for financial aspects of the deal – the deal is expected to translate into statute early in the new year and ready for a Mayoral Combined Authority to commence in time for the 2017/18 financial year*
- *Negotiating devolution related business rates retention pilot with additional financial benefits in at least the next two financial years and worth for this Council in the order of £2.5M p.a.*
- *Securing the financial underpinning of the £500M West of England City Deal so that the economic development fund can continue to be viable under the “no worse off principle” agreed with government despite the potential that had existed of the new business rates retention system undermining this funding.*

These three achievements apply across the three unitary authorities that make up the West of England devolution area. The last also benefits North Somerset. Locally this means that there is greater funding for infrastructure such as transport projects and economic development projects at the Quays in the new Enterprise Zone. A new Enterprise Zone for parts of the Somer Valley is an additional related benefit.

- *A new simpler and fairer Council Tax Support scheme has been developed and will be implemented from April 2017. Targeted support will be provided to those affected. Greater alignment with universal credit system will be achieved. The overall level of benefits payments has been protected and the changes will be phased in.*
- *Achieved substantial growth in commercial estate income through lease restructures, acquisitions and reviews.*
- *The Connecting Communities initiative locally continues to develop the forums in each of the 5 areas in B&NES and helps focus on the individual needs of each area so that bespoke solutions are possible. The Your Care Your Way procurement with the idea of GP surgeries as hubs builds on this thinking. A review of the Parish Charter is now underway.*
- *The procurement team has helped support some significant re-procurements not least in health and social care, but also leisure where this is resulting in capital investment in existing facilities.*

- *A new business partner namely EY has been appointed to advise on strategic and technical financial issues such as the development of the Quays but also other due diligence work and business planning to help achieve savings.*
- *The new Council owed property company (ADL) for the development of housing which is mainly to rent, has been established and is on track to deliver its financial targets.*
- *Initiated a “Modern Libraries” review to look at how the library service can continue to thrive despite tough financial targets, through: better integration with other services, closer working with communities, better use of technology and investment in facilities.*
- *Supported various sustainability initiatives such as developing new construction guidance and delivering with housing the Energy @ Home service.*

The Directorate’s **strategic intentions** are set below against the Council’s 4 corporate priorities:

- **A strong economy and growth**

We will:

1. Manage the finances and investment process for the City Deal on behalf of the West of England (WoE), which is allowing us to keep 100% of growth in business rates in the Enterprise Area - and each of the other 3 Unitary Authorities (UAs) to do the same in the equivalent Enterprise Areas and Zone.
2. Collaborate with the two other UAs to develop a further devolution proposal with an appropriate “payment by results” mechanism to reward the participating Councils (with protection from risk for B&NES depending on the level of participation) in infrastructure projects designed to stimulate economic growth and provision of housing.
 - a. *These intentions (1&2) will now translate into the work to create the Mayoral combined Authority and implement the financial aspects of the devolution deal*
3. Continue to support regeneration initiatives by providing timely advice, and by continuing to successfully manage the commercial estate (which includes about half of the retail estate in Bath city centre, and is one of the most successful retail destinations in the country, and has a gross rental income that benefits the Council and is set to rise to about £18M over the life of the plan).
 - a. *This will now include delivery of a new commercial estate strategy, investment outside of B&NES but mainly in WoE, and the build of the new offices on Bath Quays South plus redevelopment of the old Keynsham Riverside site.*
4. Complete the marketing and letting of the new retail units in the Civic Centre development in Keynsham which is already acting as a catalyst for confidence and further development in the area.
 - a. *This is now substantially complete with just one unit remaining.*
5. Contribute by leveraging Council network fibre assets as part of the Smart City initiative using intelligent infrastructure to facilitate data capture and subsequently resale.

- **A focus on prevention**

We will:

6. Support the financial aspects of the Care Act and the Your Care Your Way programme especially provision of financial support and implementation of new ICT.

- a. *Now moving into the delivery stage following consultation and contract award for the prime provider.*
- 7. Continue to invest in sustainable energy initiatives including Energy @ Home to provide insulation and energy saving measures (partly funded by Government grant), plus sustainable energy projects in partnership with Bath & West Community Energy.
 - a. *Successful to date and achieved targets but business case under review.*
- 8. Inform local planning policy on sustainability issues, develop a new sustainability strategy and possibly create a local energy tariff. Also reduced energy use in council buildings and reduced staff travel by further embedding flexible working practices.
 - a. *Market testing for a provider of a local energy tariff underway to achieve a range of community benefits especially for the fuel poor and to generate income.*
- 9. Carry out the One Council Reviews programme in collaboration with the relevant service and department, using “lean systems thinking” principles, which encourage prevention of demand plus a greater focus on priorities, and introducing a digital approach with customer self-service wherever this makes sense.
 - a. *Successful projects in home to school transport and registrars plus licensing and now moving into core processes – pay for it, book it, report it etc. - to support a digital transformation programme.*
- 10. Continue to work closely with the DWP on welfare reform and provide free access to the internet and training in libraries, including for those that can’t access Government services online at home.
 - a. *Internet access is now free in libraries. Modern Libraries consultation underway with emphasis on local solutions.*
- 11. Continue to work with the Police on local community safety initiatives.
- 12. Continue to operate the emergency planning service and integrate even more strongly with the Police who will use the control room plus locate their front of office staff in the Council One Stop Shops.
 - a. *Police now part of One Stop Shop in Bath. Difficulty in achieving contributions from users of the CCTV service. Opportunities still being explored.*

- **A new relationship with customers and communities**

We will:

- 13. Lead the Connecting Communities initiative, which is helping services to focus on what communities most need, partnership working with parishes, but also enabling communities to do more for themselves.
 - a. *All 5 Forum areas up and running. Parish Charter under review. Looking at opportunities beyond meetings to ensure local needs in the areas understood and reflected in service patterns.*
- 14. Provide advice and information through an integrated approach using the One Stop Shops and libraries, but also working closely with the Connecting Families initiative and supporting DWP and welfare reform.
 - a. *Part of Modern Libraries review*
- 15. Review delivery roles such as for libraries so through a community led approach the role of libraries can be broadened so they become community hubs whilst also achieving necessary savings.
 - a. *Part of Modern Libraries review*

16. Integrate the Registrars function into Customer Services and also develop further related income generation opportunities.
 - a. *Completed. Now working on service improvements.*
17. Align schools meals service with the changing needs of schools, and in the case of community meals, the changes to service provision that emerge from the Your Care Your Way consultation.
 - a. *Under review.*
18. Continue to support community asset transfers where this can be achieved without excessive cost the Council and where community benefits clearly arise.
 - a. *Opportunity driven. Ongoing.*
19. Review the local Council Tax support scheme for 2017/18 to achieve greater simplicity, better targeting of support, and alignment with changes arising from Welfare Reform.
 - a. *Completed. Now need to focus on well supported transition.*

- **An efficient business**

We will:

20. Reduce net Resources budgets by at least a further 15% and wherever possible this will be achieved through additional income or efficiencies that don't adversely affect the quality of support services, or front line services.
 - a. *This has been achieved to date through the MSR process – management and staff review 2016 - £3M for Resources – together with the various income generation targets – the financial appendix shows how this continues on target*
21. Push for greater Income generating initiatives to achieve these net savings, such as through the commercial estate, sustainable energy initiatives, and through the creation of a new property company to deliver housing.
 - a. *All on target except sustainable energy which is dependent on the energy tariff market testing*
22. Review commissioning intentions across the Council to identify opportunities to focus on key objectives and achieve economies.
 - a. *This will now take on a greater focus supported by EY as the Council looks for a dynamic approach to procurement and more savings from this.*
23. Provide organisational development to support the changing needs of the Council.
24. Deliver further efficiencies by extending and renewing the existing efficiency programmes.
 - a. *Council efficiency plan approved by government November 2016*
25. Carry out the One Council Reviews programme in collaboration with the relevant service and department, using "lean systems thinking" principles, which encourage prevention of customer demand plus a greater focus on priorities, and introducing a digital approach with customer self-service wherever this makes sense
 - a. *Used the Customer Service Excellence initiative and award to help drive this (26,27&28). More to do as the Council transforms. Completed various reviews. Will be linked to Digital by Choice transformation programme*
26. Develop the governance arrangements for the Avon Pension Fund which from July 2015 has been accountable through its committee to a new independent Pensions Board.
27. Explore options for combining the investments of the various Local Authority pension funds in the South West (the Avon fund has approximately £3Bn of investments).

- a. *Avon Pension Board now established. Project Brunel looks at combining investments into one SW fund and is at feasibility stage.*
- 28. Explore further opportunities to collaborate better with other public sector partners.
 - a. *Opportunities being explored arising from: Strategic Transformation Plan for health; Devolution for strategic aspects of transport, skills, housing, planning and infrastructure; further development of Audit West; schools support services and trading functions (inc. catering & cleaning).*
- 29. Provide a corporate support function for the whole Council and key strategic partners where relevant, by effectively delivering business management, strategic planning, business intelligence and communications functions.

This means the Directorate plan will contribute fully to the corporate drive for a strong economy and growth, better prevention, new relationships with customers and communities, and an effective business.

The work that will continue for the LEP and the lead role for the financial arrangements for the economic development fund within City Deal supports the drive for growth. There will also be a push for Business Rates maximisation with more rigorous checks to ensure all income entitlements are identified and collected.

In addition the following intentions should be added:

- 30. *Assemble Council wide digital transformation programme to enable “digital by choice” approach for all key customer services, with simpler end to end processes, and a more truly mobile workforce plus better citizen engagement. This is intended to be a major driver of efficiencies and improvement, enabling the Council to continue to function effectively with fewer resources and will be a 3 year programme.*

Risk

Capacity will be stretched, not least because substantial management savings have already been taken, but the ambition to achieve excellence remains, by meeting the financial challenge with minimal reduction in service outcomes.

There will be a requirement for investment in the proposed income generating opportunities *as well as the digital programme*. There is an interest rate risk until the borrowing is locked into longer term fixed rates *but the main issue for the Council is that higher rates would limit invest to save opportunities*. A new LA company structure will be required to minimise the trading risks *and has started to be created to enable the ADL property company to function effectively*.

As services are better targeted, equalities issues need to be considered. *As more digital services are used those that require other methods of communication need to be protected.*

There is always the risk that efficiency savings will in future be hard to deliver, but targets have been reviewed to reflect the existing levels of efficiency, and opportunities seen elsewhere in the public sector.

Performance Management

The Directorate intentions will be reflected in individual Team Plans for each of the Divisions in the Council. These team plans are a mixture of deliverable actions and key performance indicators. Overall performance of these plans will be reported quarterly and via an Annual Report through senior management teams, Informal Cabinet and the Policy Development and Scrutiny process. The underlying information will be published as Open Data.

PART THREE: DIRECTORATE RESOURCE PLAN

The Directorate's financial strategy is to deliver the changes set out in the previous section in accordance with the budget impact statement, and draft capital programme attached.

The lead role for finance is carried out within this Directorate by the Divisional Director for Business Support, who is the S151 officer (Chief Finance Officer), and responsible for the corporate finance strategy.

In terms of workforce it is expected that the number of posts will fall as indicated in the impact statements. However, through TUPE transfers and effective management of staff turnover it is intended compulsory redundancies will be kept to a minimum. There will continue to be a shift in skills requirements towards commercial skills. Partnerships with external commercial organisations, especially in finance, have been developed to support this. For capital project delivery external expertise will continue to be bought in to work as part of the Project Delivery structure to enable a flexible approach and to minimise overheads.

The property needs of the whole Council will continue to be reviewed and flexible working will be further developed to help provide better integrated services, and enable key partners to be accommodated. The main opportunities to rationalise the corporate estate (mainly offices) have already been taken *but new opportunities are arising from the success of flexible working and office reconfiguration linked to the Workplaces 2018 project.* Further integration with health may provide opportunities as the Your Care Your Way initiative progresses *and will put us in a strong position to support delivery of the Sustainability and Transformation Plans being developed with our NHS partners.*

Attachments

- Appendix 1: Directorate structure
- Appendix 2: Analysis of Headline Numbers for 2016/17 for comparison purposes
- Appendix 3: Draft Capital Programme - new & emerging items
- Appendix 4: Budget proposals and Service Impact Statement

Strategic Director Resources, Andrew Pate

Business Support

Chief Finance Officer

Tim Richens

Finance

Pensions

Payroll & People Services

ICT

Procurement

Internal Audit, Risk & Assurance

Information Governance

Revolving Infrastructure & Regional Growth Funds

Customer Services

Ian Savigar

Council Connect (MV)

Libraries (MV)

Council Tax

Business Rates

Council Tax Support (Benefits)

Welfare Reform

Emergency Planning & Business Continuity

Strategy & Performance

David Trethewey

Policy Co-ordination (TW)

Public Service Partnerships (TW)

Connecting Communities (MV)

Communications (TW)

Performance Management (TW)

Human Resources

Health & Safety

Equalities

Sustainability (MV)

Property & Project Delivery

Derek Quilter

Capital project delivery-several major schemes (Cabinet)

Property Maintenance delivery

Programme & project support

Commercial Estate

Corporate Estate

Facilities Management

Asset Management & Property Transactions

Print, cleaning & catering traded services

Key:

Resources PDS Panel remit except where coloured grey

Portfolio holder Charles Gerrish except where indicated otherwise.

NB Legal and Democratic Services also falls within Resources PDS remit.

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**Appendix 2 - Resources including Legal & Democratic Services - Analysis of
Headline Numbers of 2016/17 for comparison purposes**

Service	2016-17 Budget				
	Gross	Income	Net Budget	Staffing	
	£'000	£'000	£'000	FTE	Headcount
Customer Services	6,106	(2,190)	3,916	166	215
Council Connect	1,151		1,151		
Registrars	465	(555)	(90)		
Revenues & Benefits	3,042	(1,497)	1,545		
Libraries & Information	1,644	(138)	1,505		
Hsg / Council Tax Benefits Subsidy	(195)		(195)		
Business Support	8,960	(1,414)	8,103	207	222
Information Technology	5,001	(584)	4,417		
Business Transactional Services	1,380	(155)	1,782		
Corporate Finance	650	(195)	455		
Management Accountancy	662	(62)	600		
Audit, Risk & Assurance Services	1,110	(418)	692		
Procurement	156		156		
Property & Project Delivery	8,715	(18,952)	(10,237)		
Corporate Estate	3,658	(906)	2,888		
Commercial Estate	3,215	(16,633)	(13,486)	87	90
Project Delivery	172		172		
Print	8	(35)	(50)		
Catering	1,408	(1,171)	258	123	315
Cleaning	253	(206)	(19)		
Strategy & Performance	3,811	(325)	2,929	66	73
Community Services	1,375	(60)	1,315		
Corporate Services	1,920	(190)	1,173		
Human Resources	516	(75)	441		
Legal & Democratic Services	2,725	(175)	2,550	35	40
Legal Services	1,004	(145)	859		
Democratic Services	1,530	(24)	1,506		
Electoral Services	191	(6)	185		
Total for Resources Cashlimits only	30,318	(23,057)	7,261	684	955

Notes

The directorate also carries out the functions relating to the Council's role as the Accountable body for the West of England Partnership including the City Deal Economic Development Fund

Council wide Support Services Budgets within the Directorate budget is equivalent to 4% of the Council's Gross Budget.

The Corporate Budgets also managed within the directorate include: Business Rates, £66.2m for 2016/17 (includes the Fire Authority and central government share) and Council Tax £95.6m (including parishes, police and fire precepts)

Housing Benefit administered by the service in 2016/17 is estimated at £55.4m and Local Council Tax Support at £8.5m.

The Avon Pension fund is also managed by Business Support, is accounted for completely separately, has a value of approximately £4Bn, serves 230 employers and has over 100,000 members"

The Corporate functions also carried

- Treasury Management
- Vat Advice and Management
- Compilation and submission of Statutory Financial Statements

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Appendix 3 – Capital Programme – New & Emerging Items 2017/18 – 2020/21

RESOURCES DIRECTORATE

	Cost			Funding		
Project Title	Total 2017/2018	2018/19 Onwards	Total 5 Year Cost	Borrowing/ Capital Receipts	Grants/ External Funding	Comments: All projects proposed for provisional approval unless otherwise stated
	£'000	£'000	£'000	£'000	£'000	
Property Services						
New/Emerging Schemes						
Corporate Estate Planned Maintenance	1,357	0	1,357	1,357	0	Proposed for Full Approval
Equality Act Works	150	0	150	150	0	Proposed for Full Approval
Commercial Estate Investment	29,100	24,500	53,600	53,600	0	To deliver commercial income
Cleveland Pools Trust	200	0	200	200	0	Grant to community led project
Corporate Estate – Remediation Works	250	0	250	250	0	For works arising from statutory compliance tests
Sub Total - Property Services	31,057	24,500	55,557	55,557	0	
Business Support						
New/Emerging Schemes						
Digital Programme	1,850	3,150	5,000	5,000	0	Council wide cross cutting programme
IT Asset Refresh Programme	271	1,241	1,512	1,512	0	Routine programme
Income systems upgrade	45	0	45	45	0	
Sub Total - Business Support	2,166	4,391	6,557	6,557	0	
Customer Services						
New/Emerging Schemes						
Modern Libraries & Workplaces	5,953	0	5,953	5,595	358	To enable revenue savings
Radstock Healthy Living Centre	1,046	0	1,046	760	286	Part of wider scheme funded by NHS England – library, children's centre, health visitors, new GP surgery – saves revenue for the Council
Revenues & Benefits System	0	750	750	750	0	End of life replacement
City Centre Protection Measures	200	0	200	200	0	To reflect Police advice
Sub Total - Customer Services	7,199	750	7,949	7,305	644	

	Cost				Funding		
Project Title	Total 2017/2018	2018/19 Onwards	Total 5 Year Cost		Borrowing/ Capital Receipts	Grants/ External Funding	Comments: All projects proposed for provisional approval unless otherwise stated
	£'000	£'000	£'000		£'000	£'000	
Strategy & Performance							
Bath Area Forum – CIL Funded Schemes	140	0	140		0	140	Equivalent to the parish element of local schemes
Sub Total – Strategy & Performance	140	0	140		0	140	
TOTAL RESOURCES NEW & EMERGING	40,562	28,641	70,203		69,419	784	

Appendix 4 - Budget Proposals and Service Impact Statements

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

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

Income Generating Opportunities									
Property development company	<ul style="list-style-type: none"> To generate Revenue Income for the Council To hold, manage and operate market housing for private short-term lettings. To sell market housing for investment Provision of other market housing related activity Deliver and manage other commercial and property developments. To deliver long term capital appreciation 	225	150	200	575	M	0	Better use of underused or vacant Council sites	Also generates new homes bonus, Council Tax, and capital receipts. Improves service delivery by fulfilling the agreed objectives: <ul style="list-style-type: none"> • Deliver new developments of market housing. • To align with Corporate Priorities • To manage market housing assets • To stimulate / accelerate market housing and development delivery • To improve supply, quality and quantity of private rented housing • To act as a responsible private landlord

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Communications Hub & CCTV Income Generation	Approach the external Market to use the spare capacity in our 24/7 Operation, including CCTV monitoring, Radio monitoring, Lone Worker Support, and Alarm Monitoring.	50	50	50	150	H	0	None directly anticipated.	Community benefits from increased security for those that use the service.
Energy services for B&NES	Local Energy Services in the form of a local tariff, energy supply and efficiency investments on Council buildings and investment in community led energy schemes	15	10	75	100	H	0	Renewable energy installations on some Council assets	Efficiencies but also positive impacts for the B&NES community especially those suffering fuel poverty
Commercial Estate	Active commercial property investment approach targeted at acquisitions in line with the councils commercial estate strategy - which is being refreshed to include properties beyond B&NES boundaries and mainly in the WoE devolution area - and non retail investments	525	825	125	1475	M	2 additional	Increase in number of assets held by the commercial estate	The strategy relies on the Council's cost of borrowing remaining low relative to property returns. Fixed rates borrowing is to be used as investments occur. Some additional specialist staff may be required to support the active approach although external advice remains key.
Parish Councils to contribute to By-Elections	Parish Councils will be asked to contribute to the cost of running their by-elections - 50% for the first by-election and then 100% for future ones with discretion to waive the charge in specified circumstances.	10	0	0	10	M	None	None	More effective use of resources. The number of Parish Council by-elections and their cost has been increasing over several years.
Sub Total - Income Generating Opportunities		825	1,035	450	2,310				

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

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Business partnering - Accountancy	To establish an external business partner for the delivery of accounting and corporate financial services to the Council covering Business Planning, Specialist Financial Advice, Staff Secondment and Training and Development.	0	50	50	100	L	0	None	Offers improvements including additional specialist support paid for by projects that require it as well as enhanced due diligence work.
Legal Service review and business partnering	Implementation of Legal Service restructure with better targeted use of external legal advice	0	50	50	100	H	0	None	Improved value for money
Traded services	Combining and co-locating Print and Post services followed by procurement to support specialist and bulky print requirements and linking this with support to move away from print to digital	25	25	0	50	L	2	Release of Dartmouth Avenue site back into Commercial Estate use	the strategy depends on costs of borrowing remaining low for the Council relative to property returns
Staffing reduction	As a result of further consolidation of policy functions the numbers of posts in the service will be further reduced.	75	75	0	150	L	4	None	Less capacity for new initiatives and new policy development and support
Reduce the number of formal elected member meetings	Review of Council meetings may result in savings to this budget	5	0	0	5	M	0	None	Improved value for money / more effective use of resources
Sub Total - Service Redesign		445	245	820	1,510				
TOTAL RESOURCES		1,660	1,495	1,370	4,525				

ONE COUNCIL - CROSS CUTTING

Efficiency Savings									
Commissioning and Contract Management	Improvements to existing commissioning approaches including wider use of Dynamic Purchasing Systems, controls over contract variations and more effective Contract Management arrangements	87.5	262.5	0	350	M	0	None directly anticipated.	Potential to improve service delivery through more effective commissioning although increasing controls but will impact on management capacity and requires an agreed benefits realisation approach
Review and Reduce Discretionary Spend	Undertake a review of relevant commissioning discretionary spend	150	250	0	400	M	0	None directly anticipated.	This will focus on internal spend on day to day consumables and services not services for the public.
Review Purchase to Pay process	Undertake a review of purchase to pay process to ensure efficient payment of suppliers for approved spend ensuring invoices are processed efficiently	6.25	18.75	0	25	H	0	None directly anticipated.	May impact supplies if suppliers have not received official Council orders for goods and services.
Rightsize the organisation	Review of organisational, management and support arrangements to assess the opportunity for savings from changes to the operating model. This should reflect changes in Council activity resulting from budget prioritisation and new ways of working emerging from themes such as digital by choice, commercialisation, a stronger commissioning approach and better procurement	0	0	600	600	H	15	None directly anticipated.	The aim will be to avoid any impact but may result in less capacity and resilience

Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
Apprenticeship Levy	A New National Apprenticeship Scheme comes into effect in 2016-17 with a levy to be paid by employers to meet recognised training cost. Full details are awaited and it is believed that there is an opportunity to offset some training costs for skills development against the levy.	0	25	0	25	M	0	None	Opportunity to enhance skills development across the workforce
Additional Savings expected from Legal Services when restructure fully implemented including external spend	Implementation of the proposed Legal Service restructure will enable a detailed review of the use of external legal advice, which it is anticipated will result in savings to client budgets. This is therefore a cross-cutting savings across all directorates. The Council is part of the Lawyers in Local Government (Southern) legal framework, which will be retendered in March 2017. This will secure savings when instructing external legal firms.	75	75	0	150	M	None	None	Improved value for money
Efficiency savings cumulative staffing impacts	The smaller efficiency targets above will in many cases impact on staff numbers required	0	0	0	0	H	12	Less office space	This shows cumulative staff impact of the smaller efficiency savings, which individually shown as having no staff impact, but when considered together are likely to have some impact. The larger changes affecting staff numbers are already separately quantified.
Finance Managers to undertake a review of reoccurring underspends	Undertake a review of existing and projected underspends from 2016/17 Outturn Budget.	550	0	0	550	M	0	None	May impact on some areas if underspends are being used to mitigate other cost pressures.
Sub Total - Efficiency Savings		869	631	600	2,100				

Service Redesign									
Devolution to town & parish councils	A number of Councils have devolved services and assets to town and parish councils. This has delivered savings through reducing duplication and leveraging-in additional resources such as volunteer time and the local skills and knowledge of town and parish councils. Before this is progressed in Bath and North East Somerset a devolution framework will be agreed with town and parish councils in our area.	0	25	0	25	M	0	Potential for asset transfer to town and parish councils	The aim is to improve efficiency and effectiveness of delivery through redesigning local services working with town and parish councils. There is the potential for pump-priming funds to be used from the Devolution Initiative Fund which would see investment in new ways of working to deliver savings.
Digital by Choice - digital services and customer services transformation	Digital means enabling the Council to continue to function effectively with fewer resources. Fundamentally re-designing many services from end to end – the customer gets what they need as quickly as possible, in a way that works for them. Well-designed digital solutions are cheaper, faster and often better. This is a truly council wide and cross cutting initiative.	0	0	2800	2800	M	70	new ICT and greater flexibility in working arrangements - less demand for office space	Services delivered more quickly and efficiently for customers & visitors. Also better use of data to target services. Benefits realisation approach will need to be developed. This is a truly cross cutting savings proposal and metrics and a methodology will be needed to both drive the creation of the savings and then apportion them. Shown as medium risk but the level of savings is high so at the margins the risk is high.
Sub Total - Service Redesign		0	25	2,800	2,825				

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

869	656	3,400	4,925
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Savings Title	How to be achieved	17/18 Saving £000	18/19 Saving £000	19/20 Saving £000	3 year Savings Total	Risk to delivery of saving (H/M/L)	Impacts on staff - (incl no of posts deleted)	Impacts on property / assets etc	Impacts to service delivery
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CORPORATE

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

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

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

TOTAL CORPORATE

7,077	-19	-59	6,999
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Bath & North East Somerset Council	
MEETING:	Resources Policy Development & Scrutiny Panel
MEETING DATE:	30th January 2017
TITLE:	Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report: <ul style="list-style-type: none"> • Appendix 1: Budget report (to follow) • Appendix 2: Equalities Impact Assessment • Appendix 3: Summary notes from the Area Forum Meetings • Appendix 4: Summary of other January 2017 PDS meetings (to follow) 	

1 THE ISSUE

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

2 RECOMMENDATION

The Panel is asked to:

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

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

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

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

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

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

5 THE REPORT

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

6 RATIONALE

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

7 OTHER OPTIONS CONSIDERED

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

8 CONSULTATION

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

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

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

9 RISK MANAGEMENT

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

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

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Appendix 2

Equality impacts: budget proposals, January 2017.

1. Introduction and legal background

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

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

2. Actions so far

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

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

3. Directorate Proposals

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

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

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

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

4. A Focus on Prevention

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

5. A new relationship with customers and communities

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

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

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

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

6. An efficient business

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

7. Cumulative impacts

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

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

8. Recommendations

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

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

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

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

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

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Bath & North East Somerset Council

Budget Engagement November/December 2016

Feedback Report

Contents

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

1. Background

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

The budget workshops took place as follows:

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

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

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

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

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

These questions were:

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

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

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

2. Summary of Forum Feedback and Responses

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

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

A) Concerns about the impacts of the Council budget direction

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

Comment at Chew Valley Forum

Participants raised concerns that:

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

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

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

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

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

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

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

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

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

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

B) What communities can do to help

“Don’t waste opportunities to work together”

Comment at Somer Valley Forum

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

Comment at Chew Valley Forum

Participants identified opportunities to:

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

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

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

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

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

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

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

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

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

C) What participants think about what other councils have done

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

Comment at Bathavon Forum

Participants identified examples from other areas as follows:

- Some Councils are introducing local lotteries

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

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

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

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

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

- Introduce a tourism tax or levy

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

- Increase taxes on second homes

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

- Consider asking students to make a contribution

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

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

Meeting of 8th December 2016

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

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

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

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

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

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

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

Meeting of 5th January 2017

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

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

RESOURCES PDS FORWARD PLAN

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

Should you wish to make representations, please contact the report author or Michaela Gay, Democratic Services (01225 394411). A formal agenda will be issued 5 clear working days before the meeting.

Agenda papers can be inspected on the Council's website and at the Guildhall (Bath), Hollies (Midsomer Norton), Civic Centre (Keynsham) and at Bath Central, Keynsham and Midsomer Norton public libraries.

Ref Date	Decision Maker/s	Title	Report Author Contact	Strategic Director Lead
30TH JANUARY 2017				
10 Jan 2017	PHED PDS	Directorate Plans	Tim Richens Tel: 01225 477468	Strategic Director - Place
16 Jan 2017	CTE PDS			
17 Jan 2017	CYP PDS			
25 Jan 2017	HWSC			Strategic Director - People
30 Jan 2017	Resources PDS			Strategic Director - Resources
30 Jan 2017	Resources PDS	Budget and Council Tax 2017/18 and Financial Outlook 2017/18 to 2019/20	Andrew Pate Gary Adams Tel: 01225 477300 Tel: 01225 477107	Strategic Director - Resources
1 Feb 2017	Cabinet			
14 Feb 2017	Council			
E2914				
29TH MARCH 2017				
29 Mar 2017	Resources PDS	Budget Monitoring Report (December Quarter Monthly Figures)	Tim Richens Tel: 01225 477468	Strategic Director - Resources
17TH MAY 2017				

Ref Date	Decision Maker/s	Title	Report Author Contact	Strategic Director Lead
17 May 2017	Resources PDS	Commercial Estate Strategy	Derek Quilter Tel: 01225 477739	Strategic Director - Resources
12TH JULY 2017				
12 Jul 2017	Resources PDS	Digital Strategy - Annual Update	Angela Parratt Tel: 01225 396576	Strategic Director - Resources
13TH SEPTEMBER 2017				
22ND NOVEMBER 2017				
22 Nov 2017	Resources PDS	Budget Monitoring Report (September Quarter Monitoring Figures)	Tim Richens Tel: 01225 477468	Strategic Director - Resources
ITEMS TO BE SCHEDULED				
The Forward Plan is administered by DEMOCRATIC SERVICES : Michaela Gay 01225 394411 Democratic_Services@bathnes.gov.uk				

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