

READING BOROUGH COUNCIL
REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	17 JULY 2017	AGENDA ITEM:	11
TITLE:	BRIDGING THE GAP: MEDIUM TERM FINANCIAL STRATEGY		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO:	LEADER / FINANCE
SERVICE:	ALL	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report presents and seeks agreement to a revised Medium Term Financial Strategy (MTFS). The budget report to Council in February 2017 identified a substantial gap between expenditure and funding over the medium term to 2019/20. In addition the 2017/18 budget relied on the use of reserves up to £11.1m.
- 1.2. Since the February meeting a range of options have been considered in order to make progress on the MTFS, including:
 - 1.2.1. testing the underpinning assumptions of the budget in areas such as the Council Tax base, interest rates, inflation etc., to ensure that as much funding as possible is directed to the front line services;
 - 1.2.2. using the experience gained from the end of 2016/17 to identify where assumptions may be changed or budgets adjusted;
 - 1.2.3. reviewing the proposals presented to the Council in February 2017 to ensure that they remain robust and deliverable, or are amended/removed if not;
 - 1.2.4. creation of new options to enable service delivery costs to be constrained and/or demand influenced.
- 1.3. The conclusion of this work is a MTFS that is capable of being balanced in 2017/18 with a small residual gap in 2018/19, rising to a gap of £5.331m in 2019/20. It is necessary to use balances over the 3 years but less than was agreed in February to be used in 2017/18, thereby allowing a contribution to later years.. At the current time £11m is the maximum sum that is available, but more is required, so further work is required to address the residual gap and further reduce the strain on hard pressed balances.
- 1.4. However, this MTFS is based upon a number of caveats and assumptions that are set out in this report so there is no opportunity to relax our effort at this time, not least because the proposed budget is only based upon prompt and rigorous action to deliver a range of budget proposals, most of which are challenging. In addition

to the delivery of savings proposals, robust control of all expenditure is required to prevent overspends which will disrupt this balance. Furthermore, there is still a large dependency on one-off solutions such as balances. Further commentary on this is set out in the report below.

2. RECOMMENDED ACTIONS

2.1. That the Policy Committee:

2.1.1. note the financial context and budget outlook;

2.1.2. approves the proposals for change in Appendices A to D and authorises officers to undertake any necessary public consultation and individual equality impact assessments with the outcomes and recommendations being reported back for decision at the relevant committee or sub-committee;

2.1.3. approves the change and improvement cost estimates in Appendix E;

2.1.4. notes that the proposals for change set out in Appendices A to D, as recommended for approval at 2.1.2, will be utilised in order to ensure that the 2017/18 budget agreed by Council in February 2017 can be delivered and to set the conditions for a provisional budget to be prepared for 2018/19, subject to Council approval in February 2018. The impact on the 2017/18 budget is set out in Appendix G;

2.1.5. approves the budget guidelines for the 2018/19-2019/20 planning period in Appendix F;

2.1.6. requests the Corporate Management Team to bring forward in the autumn additional savings and income proposals to bridge the remaining budget gap between 2018-20.

3. POLICY AND STRATEGIC CONTEXT

3.1. The area of Reading Borough Council is home to 161,700 people comprising around 70,800 households. The population is growing, up by 9% over the last 10 years and this is not expected to stop. Reading has a younger population than the average for England and hence a smaller proportion (12%, 19,400) of older adults living in the area compared to other localities.

3.2. Reading's population is ageing in line with the national picture implying increasing demands on care services. The forecast change in those aged over 65 is 9% by 2020. Rising demand for services driven by increased needs through population growth and demographic trends have placed increased pressure on both Children's and Adult Social Care Services. Further commentary on these services is provided below.

3.3. The Council continues to focus on business development to increase income where possible in areas of the Council which operate in a commercial environment. Many of the Council's statutory services are fee-based such as registration, planning and regulatory services and much of the cost of these services is recovered through fee income. Discretionary services, such as leisure and arts facilities are reliant on the income they can generate to fund them and some of the commercial direct services like housing repairs are also sold to others. Further work is currently underway to

explore every opportunity maximise income generation commensurate with our objectives and good commercial practice.

- 3.4. In many of the proposals for bridging the financial gap, there is a continued drive to increase efficiency in service delivery and support functions. The Council will continue to improve the use of technology to both enhance the customer experience and to reduce cost, for example by providing as many services as possible via our website.
- 3.5. Working with partners within our sector and across sectors is increasingly important if we are to meet the public's needs within our limited resources. There are already a variety of shared service relationships with partners across Berkshire, for example in the areas of legal services and waste disposal. Within the proposals now being put forward, further exploration of such partnership arrangements is being promoted. In addition to straight forward public sector partnerships the Council is currently considering the potential for alternative delivery models.
- 3.6. Following the Ofsted report, which judged Children's Services inadequate in August 2016, the Council has been focussing on developing and implementing the improvement plan; seeking to put in place adequate resources to deliver services which keep children safe. Officers and members have been working to move to a steady state with a focus on early help and prevention to address demand pressures in the medium term. The General Election has delayed any announcement from the Minister on the future of Children's Services in the Borough, so the costs associated with any change of direction are as yet uncertain. There may be significant additional costs in 2017/18 and/or later years which the Council will need to budget for or secure from the Government.
- 3.7. While a review of the Council's Corporate Plan is underway, it is expected that the essence of the core service priorities will not change, being: Safeguarding and protecting those that are most vulnerable • Providing the best life through education, early help and healthy living • Providing homes for those in most need • Keeping the town clean, safe, green and active • Providing infrastructure to support the economy • Remaining financially sustainable to deliver these service priorities. In support of these priorities and given the challenging financial environment that this Council, along with others, finds itself in, it is essential that there is a well-considered and deliverable MTFs in place, covering at least three years.
- 3.8. Set out below are some more detailed paragraphs on the core service areas that deliver the Council's services.
- 3.9. Directorate of Adult Care and Health Services (DACHS)
- 3.10. DACHS strategic challenges are based on the delivery of statutory services under the 2014 Care Act and 2012 Health and Social Care Act. In order to support budget efficiencies and continue to provide high quality, cost effective services to meet the needs of our residents, the Directorate has developed a Directorate Strategy. The strategy is supported by our Transformation Plan as the vehicle for the delivery of change and savings.
- 3.11. The strategic themes within the strategy are:
 - Prevention
 - Personalisation
 - Participation and Partnerships

- Integration
- Innovation
- Safeguarding
- Financial recovery and sustainability

- 3.12. Linked to this are the Workforce and Performance Strategy, which we believe is intrinsic in both the delivery of the strategy and the success of the transformation plans. In terms of challenges, there are broadly three, which we are focusing on in the delivery of the transformation plans. As follows:
- 3.13. Workforce - We need to invest in managers, teams, services and individuals to ensure that they are supported and confident in delivering services and making decisions. In particular we need to ensure our staff seek suitable alternatives to residential care and that options for self-help with individuals and within the community are maximised. Recruitment is challenging, as is retention in certain key posts. We believe that the re-structure of operational services will bring into place a more coherent care pathway and the workforce and performance strategy will help improve the outcomes and help deliver more effective outcomes and financial efficiencies.
- 3.14. Market Place - Reading Borough Council is a comparatively small unitary authority and this brings with it considerable challenges in both influencing the market and helping to shape the diversity and choice. We have taken steps to reduce costs and are improving our oversight of contracts. However, unless we can work with our strategic partners from neighbouring authorities and the NHS much of this challenge will remain. A more joined-up integrated commissioning approach will allow for greater influence of the market. This will facilitate continuity of prices and quality across the whole system. The positive effect will be improved service choice for residents and help manage demand and costs, which will support greater financial efficiencies and sustainability.
- 3.15. Partnerships - Reading is an intrinsic part of the whole Health and Wellbeing system and therefore we are dependent on forming and sustaining positive relationships with our partners to ensure positive outcomes and more effective and efficient services. This has not always been the case and has limited our ability to identify and capitalise on potential opportunities. Going forward we believe that integration provides greater opportunities for us as well as supporting better holistic person centred care. Greater partnership working allows us to maximise our input whilst achieving efficiencies. An example of this would be to integrate out approved mental health practitioner service into the current Crisis home treatment service which would reduce the number of approved mental health practitioners by 50% but provide a 24/7 service of integrated holistic care. Closer working arrangements have also had very positive results on the delayed transfer of care figures in the last quarter. We have already had a number of positive and meaningful meetings with our colleagues from the Clinical Commissioning Group and BHFT who are interested in closer working arrangements.
- 3.16. Directorate of Environment and Neighbourhood Services
- 3.17. The income and savings proposals are significant and wide-ranging. The Directorate continues its journey to becoming a more financially self-sufficient and resilient set of services by maximising opportunities to trade and generate income, ensuring as far as practical full cost recovery for all its chargeable services.
- 3.18. The rationalisation of the Council's property estate is making good progress and continues to reduce running costs and future maintenance liability whilst improving

customers' experience and optimising income generation. Assets will continue to be reviewed and, where surplus, disposed of to realise capital receipts. In addition investment property will be acquired where it is financially sustainable to do so in order to secure additional rental income.

- 3.19. Despite an increasingly ambitious range of rationalisation, cost recovery and income generation initiatives, the Directorate also needs to reduce its service offer in order to help close the budget gap, as set out elsewhere in this report. As well as a wide range of universal and fee-based regulatory services, the Directorate has some key demand led services that continue to be challenging, notably homelessness. The current round of proposals focus on reducing reliance on bed and breakfast (B&B) accommodation and builds on previously approved re-commissioning and reduction of housing and homelessness contracts and on-going demand management and intensive case work to reduce expenditure related to homelessness, B&B and temporary accommodation, including the judicious use of additional Government grant funding.
- 3.20. Discretionary services, such as our Leisure, Culture and Arts facilities will continue to look for support from external partners to maintain these offers but increasingly will be provided only where they are commercially viable and run at no cost to the Council. The Council is in the process of securing an external partner to replace/improve and reduce the cost of its principal leisure facilities and swimming pools.
- 3.21. Waste collection and disposal services will continue to transform over the coming years, in order to drive down costs, not least by achieving an ambitious recycling target of 50% by 2020. This builds on previous service efficiencies including redesign of collection rounds, increased enforcement, digital solutions to reduce our back-office activity and increased commercial income targets, all necessary to deliver savings while addressing the growth of the town. Many of the initiatives are expected to be developed and implemented through the Re3 Partnership.
- 3.22. The Council will continue to maintain the Borough's public realm and will seek to secure investment in highway and transportation infrastructure, while continuing to develop strategies to actively manage traffic and parking across the town and in so doing address associated air quality issues.
- 3.23. Directorate of Corporate Support Services
- 3.24. The Directorate delivers a wide range of services, some of which are front line such as Customer Services which incorporates our call centre and customer hub as well as Revenues and Benefits and Registration of Births, Deaths and Marriages and Cemeteries and the Crematorium. Others are closely coupled to the front line (e.g. solicitors for children's cases and procurement of contract arrangements) and some which are supporting the delivery of services (e.g. Finance and Human Resources). However, each of these support services are crucial to the effective operation of the Council and the delivery of its objectives.
- 3.25. Each service within the Directorate must operate to optimum efficiency in order to ensure that support to directorates is delivered effectively but consumes the least amount of resources thereby leaving the maximum amount available for other front line services. Setting aside the Directorate's front line services, the remaining areas are overheads on the business, hence the ambition to constrain this cost.
- 3.26. It should be noted, however, that constraining resources in the Corporate Services Directorate is not necessarily effectively delivered by just taking cash out. In fact,

there can be occasions when investment is the most prudent action. For example, investment in the Procurement and Commissioning function is being actively explored as it is felt that, with some extra capacity, the Team can more quickly identify savings opportunities by smarter contracting and through more effective contract management. In Customer Services, for example, it is felt that adding further services for the service to manage and reducing costs elsewhere in the Council, would be more cost effective than reducing head count and cost.

- 3.27. In addition the Directorate is instrumental in enabling the use of technology across the Council with the aim of maximising self-serve and use of digitisation for both staff and customers to reduce cost while ensuring the customer experience in dealing with the Council is good. Customer Services will reduce in size overall with transactions shifting on-line as much as possible while recognising there will always be a need for some face to face support.
- 3.28. The ICT service will be reviewed as we move towards the end of the contract in 2019 to ensure it meets the needs of a smaller organisation, while ensuring we invest in the right technical support to deliver new ways of working and maximising the use of technology to underpin reduced staffing levels.
- 3.29. We will maintain our organisational change resource over the medium term as this is key to delivering technical investment and support redesign of services to deliver savings.
- 3.30. The Communications function encompasses media, marketing, social media and events functions, as well as Mayoralty and Lord Lieutenant's Office. An increasing focus on 'digital' communications as an effective communication tool has seen the Council's Twitter followers reach 17,500, with a strong residents following on Facebook. The Communications Team will also increasingly play an important role in helping to effectively communicate change to residents. This is particularly the case at a time when service delivery is being transformed as a result of budget savings, with Communications support required across the various budget Council-wide workstreams, both at the planning and implementation stages.
- 3.31. The Corporate Support Services Directorate works well together as a team, supporting and advocating for each other in order to ensure that the best possible support, challenge and insight is offered to the remainder of the Council to enable delivery of key Council priorities as well as providing a range of customer services and our 'front of house' to serve our residents on behalf of the Council.
- 3.32. Directorate of Children, Education and Early Help Services
- 3.33. Reading's Children's Services were categorised as inadequate following the June 2016 Ofsted Inspection of children in need of help and protection. Ofsted identified 18 key areas for development that required action to improve.
- 3.34. As a result of the systemic failure of Reading's Children's Services the Department for Education identified and secured the services of a commissioner in line with the DFE vision for excellence, Putting Children First. The presumption being that the children's services will be placed outside of the Council's control, unless the Commissioner identifies good reasons not to do so.
- 3.35. The Directorate is subject to regular, three monthly Ofsted monitoring visits.
- 3.36. The Directorate's plan for improvement is outlined in the Learning and Improvement Plan, following the June 2016 Ofsted Inspection of Children's

Services. The Plan was approved at full Council on 18 October 2016 and endorsed by the independently chaired Children's Services Improvement Board (November 2016).

- 3.37. The three fundamental pillars of reform underpinning the learning and improvement plan are people and leadership; practice and systems, and governance and accountability.
- 3.38. It is clear that significant challenges face Children's Services in relation to the recruitment and retention of a social care workforce. High levels of the social care workforce are currently covered via agency staff. Previous national and international recruitment campaigns have failed to meet the vacancies across the service. A revised campaign of recruitment and an updated retention strategy, focussing on workforce development form part of the learning and improvement plan.
- 3.39. The service faces significant challenges in relation to demand management and the application of thresholds. Increased numbers of children are entering the whole system, this places pressure at all levels and particular challenges through the court system and the increasing numbers of children becoming looked after by the local authority. Increases in volume and costs place additional pressures on the Children's Services budget.
- 3.40. Across the service increasing numbers of Education, Health, and Care Plans place additional pressures on alternative and specialist provision for children with additional needs. The application of education funding, (particularly that allocated for high needs from the Dedicated Schools Grant (DSG)) cannot fully meet the levels of delivery across the current system. A full review of the allocation and application of the DSG is required to ensure a system wide review to achieve delivery within budget.

4. THE MEDIUM TERM FINANCIAL STRATEGY 2017-2020

- 4.1. In the Budget 2017-2020 report to the Council meeting of 21 February 2017, it was noted that, "having used reserves of £11.1m to set the budget, only £13m of savings have actually been made in 2017/18, so from the original £44m gap there remains a total gap of £31.0m before savings required for 2018/19 and 2019/20 combined. Savings planned in those years of £12.3m are at an early stage of implementation with a significant amount still to be found of £18.7m, £13.7m in 2018/19 and £5.0m in 2019/20."
- 4.2. The report further noted that "the development and delivery of a fundamental review of the Council's service offer and how the Council operates is crucial to deliver a sustainable position from 2018 onwards. The recourse set out above for 2017/18, which is drawn from one off measures, has exhausted reserves except for maintaining the absolute minimum level."
- 4.3. This left the Council needing to produce a realistic plan for 2017/18 (to reduce the strain on balances) and future years to enable delivery of its ambitions and key services within the available resources. The February report to Council indicated that this plan would be needed by quarter 2 of 2017/18; i.e. by July 2017. Since March 2017 officers and Administration Councillors have been working together under the programme title "Bridging the Financial Gap" to deliver a robust MTFS for the years 2017/18, 2018/19 and 2019/20 with the focused determination to present a deliverable MTFS to the July Policy Committee.

- 4.4. To produce the proposed MTFS illustrated in the table below, officers and the Administration have reviewed all previous proposals for deliverability, timing and quantum, removed or amended any that are no longer deliverable in the same way and identified new options to fill the gap. The impact on the 17/18 budget is set out in Appendix G. In addition, there has been a rigorous review of base budget assumptions around areas such as interest rates, borrowing, inflation, etc.
- 4.5. The review of existing savings and income proposals and creation of new ones has been intense over recent weeks. The result of this effort is set out in the appendices as follows:
- Appendix A Summary of savings and income options. This shows the movement from the February 2017 proposals, through removal of undeliverable proposals, allocation of the contingency and addition of new proposals. This summary shows that £36.1m of savings have been identified over the period from 2017/18 to 2019/20. The summary position by directorate is also presented.
- Appendix B Summary of new (post Feb 2017) savings and income options by category. During the process of developing options it was appropriate to categorise them for discussion and subsequent implementation. Of the £11.251m of new proposals; £2.410m are viewed as for management action, £5.848m are presented to this Committee for approval, and a further £2.993m are presented to the Committee for approval for further work on the implications and feasibility.
- Appendix C Brief description, by directorate, of the new savings proposals.
- Appendix D Detailed proposals for change for the new savings.
- Appendix E Estimates of the cost of change and implementation. It is recognised that many of the proposals require investment and/or additional resources to implement, hence this schedule of costs including provision for corporate capacity.
- 4.6. Currently, if all the savings proposals are agreed and delivered and all other finances are brought under control then the MTFS has a much reduced gap by the end of 2019/20. However, it must be noted that there are several underpinning assumptions and caveats that must remain true in support of this budget. The assumptions and caveats are set out below:
- 4.6.1. a number of proposals are at an early stage of development. Hence, the confidence levels for some proposals are quite low, but are being developed through the creation of suitable proposals for change. In addition, the most effective way to gain confidence is to begin delivery;
- 4.6.2. there will be ongoing review of the most appropriate contingency to set. Currently £2.3m is allowed in 2017/18 with a further £1m in each of 2018/19 and 2019/20 and this is allowed for in the savings line in the table below. Hence the contingency rises to £4.3m by 2019/20, which is logical given the greater gap and lesser certainty of proposals in that year;
- 4.6.3. funding is required to deliver some proposals and this is built into the figures in this report (Appendix E);

- 4.6.4. enough capital receipts are collected in order to provide for the base budget and release of the equal pay provision. In addition, it is hoped that receipts can be generated to support change work. If these do not materialise then the current budget strategy is at risk;
- 4.6.5. the residual gap depends on all proposals being accepted through the democratic process, and then delivered. In addition, there have been some revised assumptions around interest rates and debt, for example, that will need to continue to be monitored to ensure that the judgements now made are not adversely influenced by national and international events;
- 4.6.6. the balanced budget in 2017/18 still depends on the use of £4.451m of reserves and has a £5.331m gap in 2019/20, and considerable work will need to continue to deliver a “balanced and sustainable” budget.

	2017/18	2018/19	2019/20
	£000's	£000's	£000's
Gross Budget	£ 142,765	£ 141,071	£ 136,887
Funding	-£ 125,327	-£ 128,927	-£ 124,670
Savings	-£ 12,987	-£ 11,923	-£ 6,886
Cumulative Base gap	£ 4,451	£ 221	£ 5,331
Use of balances for ongoing spend	-£ 4,451	-£ 221	-£ 5,331
Cost of implementation - one-off *	£ 3,175	£ 2,760	£ 1,815
Organisational change funding (revenue)	-£ 800	-£ 800	-£ 800
Total use of balances **	£ 6,826	£ 2,181	£ 6,346
* no allowance yet made for any costs of redundancies			
** maximum available £11m dependant on incoming capital receipts			

- 4.7. In carrying out this review of the MTFs, the proposals and base budget for 2017/18 have also been checked. Some of the previous proposals are amended, while there are also some new ones.
- 4.8. The base budget challenge has also revealed opportunities to release funds from corporate headings. Key changes currently are:
- 4.8.1. Treasury Management: a review of actual capital spend in 2016/17 and likely spend in 2017/18 and of forecast interest rates , together with agreeing beneficial arrangements with the actuary and Pension Fund about the timing of contribution payments, has led to a reduction of about £3.3m in 2017/18, £2.7m in 2018/19 and £2.8m in 2019/20. This area will be kept under review, especially as the Capital Programme is also being reviewed (see 4.10.2. below);
- 4.8.2. Council Tax base: the gap between planning permissions and the number of properties in the base has been reviewed and is likely to add about £100k to the base budget;

- 4.8.3. National Non-Domestic Rates & the NNDR Levy: a review of this has taken place taking account of the actual 2016/17 position and forecast inflation. This has allowed for a slightly improved income assumption for 2018/19 and 2019/20 of about £1m in each year, which has eased some pressure on those budget years. In addition, additional collection in 2016/17 flows through into an estimated £3.6m benefit for Reading Borough Council in 2018/19. This is a one off collection fund surplus, which is not available in years beyond 2018/19. In parallel we have reviewed the forecast NNDR Levy on business rates growth. Whilst we will keep this under review, we have not changed assumptions at this stage.
- 4.8.4. Better Care Fund: some later information has enabled an increase of £300k in 2018/19 as well as factoring in the £1.6m of transitional grant for 2017/18 and 2018/19, reducing to £800k in 2019/20;
- 4.8.5. National Insurance: in light of the first month's payroll it has been possible to review the average percentage calculation used for NI. The assumption used for the budget was a little high and reducing it has produced savings of around £1.0m;
- 4.8.6. National Living Wage: an initial provision for increases totalling £1m in each of 2018/19 and 2019/20 had been made. However, further detailed work has now been carried out and the Council's commitment to the National Living Wage can be delivered with substantially less additional funding than the earlier estimates;
- 4.8.7. Staff Terms & Conditions: following an initial review of staff terms and conditions, the modelling of the MTFs has included a proposal to review terms and conditions in 2018/19 and 2019/20 with an estimated value of £2m overall. It is recognised that more work needs to be undertaken on the review and development of proposals which will be taken forward in discussion with members and in collaboration with staff and their representatives; including formal engagement with the staff side as appropriate.
- 4.9. Some of the above work has strengthened the budget for 2017/18, which still depends on the use of £4.451m of reserves. Furthermore, it remains challenging to deliver all of the savings required in the current year; close monitoring of progress continues.
- 4.10. In addition to the review of assumptions that has already been undertaken, others continue:
- 4.10.1. Fees and charges: while some proposals already include increased fees or wider charging, a more thorough review is underway to identify opportunities where services may become more self-sufficient and where charging for discretionary services might support statutory services. There will be exploration of the potential for in-year implementation as well. This will include reviewing the arrangements around Reading Transport Ltd to identify if this commercial activity could further support the Council's revenue account;
- 4.10.2. Capital Programme: the Council has an ambitious programme that supports its priorities and also includes some income generating initiatives. However, the programme does imply an increasing level of debt and hence an impact on the revenue budget for interest and debt repayments. The impact of

this is being constrained at the current time by low interest rates and short term borrowing. In due course, as interest rates rise, the burden of debt will inevitably increase. Therefore the review of capital plans is going to challenge the appropriateness of all of the schemes taking account of expenditure already incurred, grant funding, income generation and/or whether the scheme will enable a revenue budget saving (e.g. by reducing the Council's own footprint). Initial scrutiny has indicated that there are few options for reducing as a number of schemes have beneficial impacts on revenue spending, grants or service outcomes;

4.10.3. Workforce Planning: in addition to the development of proposals around staff Terms and Conditions opportunities will be explored for ensuring that we are able to recruit employees we need and reduce reliance on interim and agency staff;

4.10.4. Procurement: there is currently a £1m savings target against this heading without identifying where precisely the savings are to come from. A programme of work is underway to ensure that not only is this target achieved, but that it is stretched. This will include work around consolidating low value spend, avoiding/recovering duplicate payments and renegotiating existing major contracts.

5. CONCLUSION AND NEXT STEPS

5.1. Since March 2017 considerable work has been undertaken to identify opportunities to bridge the financial gap. This included development of proposals to deliver different ways of working, efficiencies, savings, to generate income and manage demand.

5.2. The collection of changes and proposals to date present an optimistic position for the MTFS and an encouragement to continue in the same manner. It is requested that Policy Committee considers the overview contained in this paper as well as the detailed proposals in the context of the overall financial challenge. Together these proposals begin to form the foundations of a robust MTFS and hence a sustainable financial future for Reading Borough Council. However, there must be continued work through the remainder of 2017 to not only ensure successful delivery of the 2017/18 budget but to further improve the proposals for 2018/19 and 2019/20. Consideration will also need to be given to the development of the MTFS beyond 2019/20 once more clarity is received from Government about their plans for future local government financing.

6. CONTRIBUTION TO STRATEGIC AIMS

6.1 A robust MTFS is essential to ensure that funding is in place to support the delivery of the Council's Corporate Plan priorities:

1. Safeguarding and protecting those that are most vulnerable;
2. Providing the best start in life through education, early help and healthy living;
3. Providing homes for those in most need;
4. Keeping the town clean, safe, green and active;
5. Providing infrastructure to support the economy; and
6. Remaining financially sustainable to deliver these service priorities.

6.2 This MTFS has been created with a clear focus on the demands being placed upon Council services and the priorities of the Council as expressed by the people of Reading.

7. COMMUNITY ENGAGEMENT AND INFORMATION

7.1 Local authorities are under a Duty to Consult¹ representatives of a wide range of local persons. Authorities must consult representatives of Council Tax payers, those who use or are likely to use services provided by the authority and those appearing to the authority to have an interest in any area within which the authority carries out functions. Authorities should include local voluntary and community organisations and small businesses in such consultation. This should apply at all stages of the commissioning cycle, including when considering the decommissioning of services.

7.2 Consultation and community engagement will take place on individual savings proposals as appropriate.

8. EQUALITY IMPACT ASSESSMENT

8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2 Assessment of Equality impact will take place on individual savings proposals as appropriate.

9. LEGAL IMPLICATIONS

9.1 There is a legal requirement for the Council to set a balanced budget, normally by 17 March each year. While this was done, this report sets out a revised budget for 2017/18 and beyond.

10. FINANCIAL IMPLICATIONS

10.1 The financial implications of these proposals are set out in detail throughout this report.

10.2 The council's constitution envisages that budget guidelines will be approved by Policy Committee at this time of year and revised guidelines for 2017/2018 to 2019/20 are attached at Appendix F for approval.

11. BACKGROUND PAPERS

11.1 The most significant background document is the report to the Council meeting 21 February 2017 entitled Budget 2017 - 2020.

¹ Best Value Statutory Guidance, Department for Communities and Local Government, September 2011

APPENDIX A- SAVING AND INCOME OPTIONS SUMMARY

ALL	£'000's			
	2017/18	2018/19	2019/20	TOTAL
Savings already agreed up to and including February 2017 Policy Committee	20,743	7,805	4,448	32,997
Directorate view of agreed savings that will be delivered	13,718	8,149	3,006	24,874
Gross impact on budget gap of proposed variation to agreed savings	7,025	-344	1,442	8,123
Allocation of savings contingency included in February 2017 budget	5,378	0	0	5,378
Savings net of allocation of contingency	1,647	-344	1,442	2,745
NEW Saving options included in this report	1,596	4,775	4,880	11,251
<i>TOTAL SUM OF EXISTING SAVINGS & NEW OPTIONS TO REDUCE BUDGET GAP</i>	15,314	12,924	7,886	36,124

DACHS	£'000's			
	2017/18	2018/19	2019/20	TOTAL
Savings already agreed up to and including February 2017 Policy Committee	7,378	389	200	7,967
Directorate view of agreed savings that will be delivered	4,007	1,187	215	5,409
Gross impact on budget gap of proposed variation to agreed savings	3,371	-798	-15	2,558
Allocation of savings contingency included in February 2017 budget	2,378			2,378
Savings net of allocation of contingency	993	-798	-15	180
NEW Saving options included in this report	60	652	948	1,660
<i>TOTAL SUM OF EXISTING SAVINGS & NEW OPTIONS TO REDUCE BUDGET GAP</i>	4,067	1,839	1,163	7,069

CSS (incl. Corporate and cross cutting)	£'000's			
	2017/18	2018/19	2019/20	TOTAL
Savings already agreed up to and including February 2017 Policy Committee	3,223	1,755	1,424	6,402
Directorate view of agreed savings that will be delivered	2,182	778	785	3,745
Gross impact on budget gap of proposed variation to agreed savings	1,041	977	639	2,657
Allocation of savings contingency included in February 2017 budget	1,000			1,000
Savings net of allocation of contingency	41	977	639	1,657
NEW Saving options included in this report	369	1,792	1,881	4,042
<i>TOTAL SUM OF EXISTING SAVINGS & NEW OPTIONS TO REDUCE BUDGET GAP</i>	2,551	2,570	2,666	7,787

DCEEHS	£'000's			
	2017/18	2018/19	2019/20	TOTAL
Savings already agreed up to and including February 2017 Policy Committee	3,977	2,920	1,100	7,997
Directorate view of agreed savings that will be delivered	1,934	2,700	0	4,634
Gross impact on budget gap of proposed variation to agreed savings	2,043	220	1,100	3,363
Allocation of savings contingency included in February 2017 budget	2,000			2,000
Savings net of allocation of contingency	43	220	1,100	1,363
NEW Saving options included in this report	0	219	524	743
<i>TOTAL SUM OF EXISTING SAVINGS & NEW OPTIONS TO REDUCE BUDGET GAP</i>	1,934	2,919	524	5,377

DENS	£'000's			
	2017/18	2018/19	2019/20	TOTAL
Savings already agreed up to and including February 2017 Policy Committee	6,165	2,741	1,724	10,631
Directorate view of agreed savings that will be delivered	5,595	3,484	2,006	11,086
Gross impact on budget gap of proposed variation to agreed savings	570	-743	-282	-455
Allocation of savings contingency included in February 2017 budget	0			0
Savings net of allocation of contingency	570	-743	-282	-455
NEW Saving options included in this report	1,167	2,112	1,527	4,806
<i>TOTAL SUM OF EXISTING SAVINGS & NEW OPTIONS TO REDUCE BUDGET GAP</i>	6,762	5,596	3,533	15,892

APPENDIX B - NEW SAVING AND INCOME OPTIONS BY CATEGORY

ALL	£'000's			
	2017/18	2018/19	2019/20	TOTAL
1. To be implemented as Management Action	439	1234	737	2410
2. Detailed proposals for consideration by this Policy Committee (see Appendix D)	1127	2903	1818	5848
3. Outline proposals for detailed development	30	638	2325	2993
	1596	4775	4880	11251

DASCH	£'000's			
	2017/18	2018/19	2019/20	TOTAL
1. To be implemented as Management Action	0	40	0	40
2. Detailed proposals for consideration by this Policy Committee (see Appendix D)	60	312	18	390
3. Outline proposals for detailed development	0	300	930	1230
	60	652	948	1660

DCEEHS	£'000's			
	2017/18	2018/19	2019/20	TOTAL
1. To be implemented as Management Action	0	219	524	743
2. Detailed proposals for consideration by this Policy Committee (see Appendix D)	0	0	0	0
3. Outline proposals for detailed development	0	0	0	0
	0	219	524	743

CSS (including corporate and cross cutting)	£'000's			
	2017/18	2018/19	2019/20	TOTAL
1. To be implemented as Management Action	256	252	77	585
2. Detailed proposals for consideration by this Policy Committee (see Appendix D)	113	1540	1469	3122
3. Outline proposals for detailed development	0	0	335	335
	369	1792	1881	4042

DENS	£'000's			
	2017/18	2018/19	2019/20	TOTAL
1. To be implemented as Management Action	183	723	136	1042
2. Detailed proposals for consideration by this Policy Committee (see Appendix D)	954	1051	331	2336
3. Outline proposals for detailed development	30	338	1060	1428
	1167	2112	1527	4806

APPENDIX C - NEW SAVING AND INCOME OPTIONS (by Directorate)

Key:		
Status	Flag	
1	●	To be implemented as Management Action
2	✓	Detailed proposals for consideration by this Policy Committee
3	●	Outline proposals for detailed development

Directorate of Adult Care and Health Services

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	SAVINGS			% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
								2017/18	2018/19	2019/20			
DACHS5	Reductions in Services; Service Delivery Models	Leader	DACHS	Adult Social Care		Review of the Performance Function across the Council	40	0	40	0	50%	Proposal to centralise the Performance Function within the Council	This proposal seeks to explore the principle of centralising functions which may result in efficiencies.
DACHS2	Managing Demand; Service Delivery Models; Reductions in Services	Health	DACHS	Public Health & Commissioning		Undertake a commissioning exercise with the voluntary sector to secure Preventative and non-prescribed (non mandated) Public Health Services at a reduced rate	97	0	79	18	75%	Using the principles of the Narrowing the Gap Framework undertake a commissioning exercise with the voluntary sector to secure Preventative and non-prescribed (non mandated) Public Health Services at a reduced rate	Adult Social Care investment in preventative and public health services has already been reduced. The Public Health Ring Fenced Grant allocation has been reduced year on year since 2015. These reductions have already placed the Council under pressure to meet its duties to protect and promote the health of the Reading population.
DACHS3	Managing Demand; Service Delivery Models	Health	DACHS	Public Health & Commissioning		Continuation of review of current delivery models for Wellbeing Public Health (Mandated Services) contracts	135	35	100	0	75%	Adopting a phased approach to review the needs outlined in the Joint Strategic Needs Assessment against the available resources	Changes in models of delivery may impact on the health of Reading population which could increase the burden across the whole health and social care economy. Along with possible negative impact on Partnership working. The Council are responsible for the allocation for the Public Health Grant however a proportion of the large contractual services are commissioned across 3/6 Berkshire local authorities - reducing funding could incur costs locally to fulfil responsibilities within the shared agreement. If the Grant isn't spent in line with Public Health conditions we will be subject to scrutiny from Public Health England, which may result in loss of grant.
DACHS7	Service Delivery Models	Adult Social Care	DACHS	Adult Social Care Operations		Further development of Maples Day Opportunities	158	25	133	0	50%	This project will seek to further develop the Maples Day opportunities offer including reviewing other successful delivery models available within the market. This could pose opportunities to potentially share provision with similar services.	Service users could be offered an alternative service offer in line with the personalisation agenda, which or may not be acceptable to them.
DACHS1	Reductions in Services; Service Delivery Models	Health	DACHS	Commissioning		Delivery Models for Commissioning, Prevention & Quality Services	800	0	300	500	30%	Review and explore alternative delivery models of Care Act commissioning including preventative services and quality standards whilst maintaining a focus on delivering services to meet the needs of the residents of Reading.	In the short term minimum efficiencies would not be gained in terms of the cost of provision, however this could be realised medium term as synergies are formed. Alternative models may impact on the ability to grow and develop local markets. This may result in impact costs and impact on our ability to meet our statutory obligations of meeting care needs for eligible service users.
DACHS4	Reductions in Services; Service Delivery Models	Health	DACHS	Public Health		Review of alternative delivery models for Public Health	430	0	0	430	30%	This proposal will review a variety of models in collaboration with the Strategic Director of Public Health for delivering Public Health functions and monitoring of the Reading mandated contracts, whilst maintaining a focus on delivering services to meet the needs of the residents of Reading.	This proposal will review a variety of models for delivering the Public Health functions and monitoring of the Reading mandated contracts. Change may result in a reduction of local intelligence and control over the delivery of mandated services to meet the needs of Reading citizens. There could be an impact on the other Berkshire local authorities in terms of the shared agreement.
TOTAL							1,660	60	652	948			

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	2017/18	2018/19	2019/20	% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
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Directorate of Children, Education and Early Help Services

DCEEHS1	Service Delivery Models	●	Children's Services & Families	DCEEHS		Deletion of post within Parent Partnership team.	30	0	30	0	100%	Deletion of post.	Work in progress impact being prepared.
DCEEHS2	Reductions in Services	●	Children's Services & Families	DCEEHS		Reduction in Reading Children's & Voluntary Youth Service Contract from November 2017.	28	0	28	0	100%	Reduction in contract costs.	Work in progress impact being prepared.
DCEEHS3	Managing Demand; Service Delivery Models	●	Education	DCEEHS		School Improvement Advisors & Running Costs.	161	0	161	0	100%	To be 100% funded by schools.	Work in progress impact being prepared.
DCEEHS4	Reductions in Services	●	Children's Services & Families	DCEEHS		Deletion of Rapid English post within Youth Offending team.	24	0	0	24	100%	Deletion of post.	Work in progress impact being prepared.
DCEEHS5	Service Delivery Models	●	Children's Services & Families	DCEEHS		Current level of additional investment will no longer be required following delivery of Improvement Plan	500	0	0	500	50%	Result of establishing workforce via recruitment drive.	Work in progress impact being prepared.
TOTAL							743	0	219	524			

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	2017/18	2018/19	2019/20	% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
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Corporate Support Services (including corporate and cross cutting options)

CSS4			●	Leader	CSS	Customer Services	Income and Assessment	Revenue & Benefits IT Contracts - Reduce budget to match expenditure	120	40	40	40	50%	Contract has been renegotiated with Northgate and Capita. Needs to estimate likely costs based on release roadmap for coming year. Academy support from Northgate beyond existing support and maintenance contract	No impact
CSS9			●	Leader	CSS	Customer Services	Income and Assessment	Increase in year collection of Council Tax	150	0	150	0	90%	Employ additional Council Tax Officer to encourage faster turnaround on new registration and changes.	
CSS10			●	Leader	CSS	Customer Services	Policy and Voluntary	Reduction in hours	76	53	23	0	90%	Reduction in working hours across the Policy Unit	Some services have moved to DENS
CSS13			●	Leader	CSS	Customer Services	Registration and Bereavement	Stretch income target	60	60	0	0	65%	A combination of the 2017/18 pricing structure and recruitment of a part-time marketing officer increases the opportunity to cross-sell products at the cemetery.	No impact
CSS14			●	Leader	CSS	Customer Services	Registration and Bereavement	EU Settlement card service - started January 2017 so should get FYE in 2017/18	81	27	27	27	50%	Home Office continues to use Register offices as a Trusted Partner. This a new service offered to EU nationals on behalf of the Home Office. Demand for this service will be robust	No impact
CSS16			●	Leader	CSS	Customer Services	Corporate Improvement	Fund change post through capital	36	36	0	0	100%	Service improvement officer - Reduction in revenue cost of staffing (transfer to organisational change reserve)	No impact
CSS17			●	Leader	CSS	Communications	Communications	Reappoint Marketing & Communications Manager at lower grade/Spinal Column Point	22	0	12	10	100%	Retirement of current post holder on 31st December 2018	No Impact
CSS21			●	Leader	CSS	Finance	Audit	Additional resource to increase recovery of Council assets / monies	40	40	0	0	100%	Invest to save, by recruiting additional resource to increase recovery of Council assets/monies through criminal confiscation proceedings	Although it is difficult to quantify the loss of fraud, we anticipate we have delivered notional savings in the region of £180k this financial year. Budget £150k. The employment of an additional member of staff will be in the region of £40k including on-costs, but this should result in a return of investment of £40K. However, this is difficult to qualify, given notional (£) recovery values used.
CSS1	Service Delivery Models		✓	Leader	CSS	Customer Services	Income and Assessment	Engagement of transformation partner to drive process efficiency and cost reduction in parallel with market testing of service.	654	0	287	367	75%	Engagement of transformation partner to drive process efficiency and cost reduction with market testing of service at end of the period. Saving in 2020/21 would rise to £492k.	Overall there should be no direct impact on residents, businesses or other organisations provided that the new alternative service delivery model is effectively implemented and that the service specification ensures that key outcomes and deliverables from the service, including advice, support and monitoring are accurately specified and managed
CSS2	Reductions in Services		✓	Leader	CSS	Customer Services	Income and Assessment	Housing Benefit overpayment recovery	345	100	120	125	50%	Investing in additional resources to improve recovery levels. Income generation for recovery of overpayments. Additional resources required to review and consider what is recoverable. Additional cost of 2 officers needed based on similar council. Modelling needs to be carried out by Reading Borough Council	Collecting additional income from housing benefits overpayment recovery to reduce revenue cost
CSS3	Service Delivery Models		✓	Leader	CSS	Customer Services	Income and Assessment	Civil penalties for non-disclosure of change of circumstances	15	5	10	0	70%	Implementation of Civil Penalties in Housing Benefit, Council Tax Support and Council Tax cases	It is anticipated that these changes would increase customer demand in the short term as they would be keen to advise us of all changes at the time that they happen. There is also the possibility of additional financial hardship in cases where customers have failed to notify us of changes which may impact on their ability to keep up with other bills such as rent or Council Tax. However, as the recovery of the Housing Benefit Civil Penalty would sit alongside standard overpayment recovery, this is expected to be minimal

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	SAVINGS			% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
								2017/18	2018/19	2019/20			
CSS11	Service Delivery Models / Reduction in Service / Increasing Productivity	Leader	CSS	Customer Services	Policy and Voluntary	Realignment of commissioned Tackling Poverty, Thriving Communities and Community Buildings services	100	0	83	17	95%	The potential realignment of service specifications and apportionment of the Narrowing the Gap Commissioning Framework budget would be developed in consultation with the voluntary sector through the re-commissioning process. This would involve discussion on which areas are in a better position to secure alternative sources of funding so that we can protect those areas of our priorities least able to attract alternative sources of funding.	The Narrowing the Gap Commissioning Framework includes services for individuals supporting those who are vulnerable, marginalised or in poverty, or supports the infrastructure required for a healthy voluntary sector e.g. support for volunteering, community buildings, and community capacity-building. A full Equality Impact Assessment will be undertaken in relation to any area where this Proposal for Change is likely to lead to a reduction in service in that area.
CSS15	Service Delivery Model	Leader	CSS	Customer Services	Registration and Bereavement	Direct cremations	8	8	0	0	75%	There is a small but growing demand for direct cremations. To continue to meet the needs of customers direct cremations will be included in the offer mix.	No impact
CSS22	Increasing Productivity	Leader	ALL	ALL	Terms and Conditions	A range of proposals relating to changes to staff terms and conditions	2,000	0	1,040	960	70%	Average of options to reduce. Overall staffing cost to be developed in collaboration with staff and their representatives.	To be determined depending on proposals identified.
CSS5		Leader	CSS	Customer Services	Income and Assessment	Review and improve council tax collection, discounts, etc.	335	0	0	335	90%	Further options for increasing Council Tax collection to be developed.	To be determined once further options are developed.
TOTAL							4,042	369	1,792	1,881			

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	2017/18	2018/19	2019/20	% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
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Directorate of Environment and Neighbourhood Services

DENS1	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Directorate Management Team	Reduce Personal Assistant support to Directorate of Environment and Neighbourhood Services (DENS) Management Team.	25	0	25	0	90%	Deletion of post	Reduction in support to managerial team.
DENS3	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Planning, Development and Regulatory Services	Regulatory Services and Planning Merger of Regulatory Service Manager and Planning Manager posts.	0	0	0	0	100%	Deletion of post (alternative method of delivering an agreed saving)	Loss of high level professional expertise capacity
DENS4	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Planning, Development and Regulatory Services	Valuations Property Investment and continued rationalisation of property assets	500	0	500	0	70%	Further analysis of property assets to identify potential revenue savings and further rental income opportunities.	Increased borrowing required to purchase additional investment properties and capital investment in retained property assets to unlock other assets for disposal.
DENS6	Increasing Productivity	●	Strategic Environment, Planning & Transport	DENS	Planning, Development and Regulatory Services	Valuations Increased income from Section 106 negotiations	12	0	12	0	100%	Increased income via provision of viability advice to developers.	Limited/none
DENS8	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Planning, Development and Regulatory Services	Sustainability Deletion of part time post within Sustainability team.	10	0	10	0	100%	Reduction in team by 1 post (part time).	Reduction in service in relation to corporate property and or housing / Home Energy Conservation Act work
DENS9	Reduction in Services	●	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Town Hall and Museum Deletion of Programme Development Officer post.	25	15	10	0	100%	Do not fill and delete the currently vacant post.	Post is essential to the development and deliver of the exhibition programme at the Museum. This is key to generating footfall and secondary income. Mitigated via retention of part of the salary budget to deliver a reduced programme.
DENS10	Reduction in Services	●	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Town Hall and Museum Further efficiencies in Cultural Services	40	0	0	40	60%	With demanding income targets and a range of efficiencies already implemented, including the Programme Development Officer post at the Museum (see above), there is limited scope to find further savings. However, with judicious use of external funding and ongoing review of staff roles and responsibilities it is considered that a £40k saving is possible.	Will increase pressure on existing staff and potentially reduce capacity to generate secondary income and external funding, although this is difficult to quantify.
DENS12	Service Delivery Models	●	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Arts Venues Introduce 'Live Screening' of high profile performances.	20	0	10	10	80%	Enhanced service offer via provision of live screening.	Positive additional offer. £50k capital investment required - to be sought initially as a grant from Arts Council England. (risk on not securing grant funding but could choose as an invest to save)
DENS13	Service Delivery Models	●	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Arts Venues Develop room hire option at the Hexagon	10	0	10	0	90%	Further opportunities to utilise rooms in the Hexagon for hire options.	Positive additional offer.
DENS14	Service Delivery Models	●	Education	DENS	Economic and Cultural Development	New Directions Reduce New Directions subsidy.	50	50	0	0	100%	Restructure of New Directions has already been completed and will be implemented for the 2017/18 Academic Year. The service will no longer require subsidy other than a £20k contribution to support its role in managing the Apprenticeship Levy (£400k +) on behalf of the Council.	Core service provision unaffected and will have a positive impact in relation to integration with other services.
DENS15	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Strategic Transport Review hosting of travel information data.	7	0	7	0	100%	Stop hosting the site, instead, transferring content on to the corporate website and Reading Buses website.	Officers have discussed the proposed changes with Reading Buses, and they have confirmed they will be able to replicate the data on their new website ready for implementation of the change on 1st April 2018. Therefore, there will be no impact on the public.

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL					% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact	
						TOTAL	2017/18	2018/19	2019/20					
DENS23	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Streetcare Services	Highway Asset Management efficiency savings and additional income	60	0	60	0	90%	Highway Asset Management efficiency savings and additional income	Highways Efficiency Savings using Asset Management - No impact - improved more efficient service will be delivered Rationalisation of software systems - There will be no impact on external bodies as the change is only to the systems not the services provided Drainage -Additional income dependant on the delivery of the Highway Asset Management efficiency savings - A targeted approach to cleansing should reduce the number of problematic gullies and incidences of localised carriageway flooding. Reduction in Bus Shelter Maintenance of RBC owned shelters (circa 5% of total bus shelters)
DENS25	Reduction in Services	●	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Streetcare Services	Reduce bridge assessments to fall in line with Statutory Duty	50	0	50	0	80%	Reduction in the number of assessments conducted to bring this in line with the Statutory Duty.	No impact on the general public is anticipated. Structures will still be inspected at a level conforming with the code of practice but they will be carried out in a different manner.
DENS30	Reduction in Services	●	Neighbourhoods	DENS	Transport and Streetcare	Neighbourhood Services	Stop the contribution to Reading UK Community Interest Company for hanging baskets and seek alternative sponsorship.	5	0	5	0	100%	Remove current contribution of £5,000 to the Reading CiC hanging basket initiative, and promote alternative sponsorship.	Reading UK CiC will have to find an alternative means of funding the £5K contribution that they currently receive from the Council.
DENS32	Reduction in Services	●	Neighbourhoods	DENS	Transport and Streetcare	Neighbourhood Services	Reduce frequency of public parks grass cutting	32	0	0	32	90%	Prioritisation of grass cutting sites.	The current service and maintenance levels of some Parks will be affected as some areas of grass which are currently cut fortnightly will be cut less frequently and some areas will remain un-cut. In practice this will result in areas of grass around trees, fences and woodlands being long and appearing un-maintained. Areas that are not accessible by tractor (such as fenced off areas, playgrounds etc.) will be cut at a 6 weekly frequency rather than the current 3 weekly frequency. The resulting un-cut areas may trap litter which will place more reliance on litter picking. All public parks are currently cut 17/18 times a year. More intensively used parks will be cut every 3-4 weeks, with those less intensively used parks cut every 6-8 weeks.
DENS34	Increasing Productivity	●	Neighbourhoods	DENS	Transport and Streetcare	Neighbourhood Services	Implement an invest to save for a new tree gang.	23	0	10	13	80%	Invest to save business case to be developed to provide an arboricultural service.	Residents and businesses will have a reliable arboricultural contractor available.
DENS36	Increasing Productivity	●	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Office Budgets- miscellaneous	4	4	0	0	100%		None
DENS41	Reduction in Services	●	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Deletion of one Full Time Equivalent post in Housing Needs	41	0	0	41	100%	Reduced capacity in 19/20 - required to deliver change through 17/18 and 18/19.	Reduction in capacity to develop housing solutions and partnerships to address need
DENS42	Reduction in Services	●	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Delete temporary post in Rent Guarantee Scheme.	0	15	-15	0	100%	Deletion of post with remainder of team to absorb priority tasks.	The post was implemented as part of the revised Rent Guarantee Scheme offer on a fixed term basis to develop the scheme. Post-holder seconded and has a substantive post. No redundancy.
DENS46		●	Housing	DENS	Housing and Neighbourhood Services	Supporting People	Transfer of Supporting People budget to Housing Services	50	50	0	0	100%	Confirmation of £50k unallocated to any contract provision.	None
DENS49	Increase Productivity	●	Culture, Sport & Consumer Services	DENS	Library Service	Central Library	Increased rental income from Family History Society.	18	14	4	0	100%	Family History Society to move to Central Library from July 2017 leading to increased rental income.	Positive; takes space at Central Library which could be an issue in the event of significant reduction in branches.
DENS50	Increase Productivity	●	Culture, Sport & Consumer Services	DENS	Library Service	Whole Service	Additional savings achieved through new library service offer.	60	35	25	0	90%	Additional savings achieved via reduced revenue cost of recently procured Library Management System; additional efficiencies through stock procurement and management systems etc.	No further impact
DENS2	Reduction in Services	✓	Neighbourhoods	DENS	Planning, Development and Regulatory Services	Regulatory Services	Changes to the Animal Warden service.	15	0	15	0	100%	Reduce staffing costs by stopping discretionary services.	Loss of advice, education and enforcement as well as licensing role. Statutory strays service to be continued through different delivery model.
DENS11	Reduction in Services	✓	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Arts Venues	Cease the classical programme season at the Hexagon.	50	0	25	25	100%	Cease the classical programme provision.	No large scale orchestras performing regularly in Reading with a potential impact on the profile and reputation of the town. Less access to local classical music performances for a core loyal audience and the numerous schools and students that benefit. Loss of partnership working with our resident orchestra the Royal Philharmonic.

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	2017/18	2018/19	2019/20	% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact	
DENS19	Increasing Productivity	✓	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Network and Parking Services	Introduce weekend charging for Hospital & University Pay & Display (P&D)	50	0	50	0	80%	Extension of existing Pay & Display scheme to cover weekends.	The existing Royal Berkshire Hospital and University Area on-street Pay and Display scheme is currently operational Monday to Friday with residents protected through residents permit parking. Extending on-street Pay and Display to cover weekends will provide more short term parking for the area but will impact on some residents who currently use those parking areas during the weekends for free. If accepted, the weekend charging will manage parking in the pay and display areas in the same way that Monday to Friday is managed.
DENS20	Service Delivery Models	✓	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Network and Parking Services	Seek alternative funding for Real Time Passenger Information	50	0	30	20	70%	Seek alternative funding for the existing Real Time Passenger Information system, potentially replacing the Reading Borough Council core system with a feed from an alternative provider (such as Reading Buses).	If alternative funding is agreed, there will be no impact on RTPi information.
DENS22	Increasing Productivity	✓	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Network and Parking Services	Review of off-street parking contract and budget to identify additional income .	100	0	100	0	80%	Additional income from parking contract review.	None
DENS29	Increase Productivity	✓	Neighbourhoods	DENS	Transport and Streetcare	Re3	Explore utilisation of Re3 facilities to introduce trade use of the public recycling centre to generate income	50	0	50	0	80%	Subject to agreement with re3 partners. Additional income to be generated from dedicated trade access arrangements.	Increase use of recycling centre by trades people.
DENS31	Reduction in Services	✓	Neighbourhoods	DENS	Transport and Streetcare	Neighbourhood Services	Reduce children's playgrounds maintenance regime	20	0	20	0	90%	Reduce the Children's Playground maintenance budget by £20K per annum. (current budget is £120k per annum).	Reducing the maintenance budget for children's playgrounds (CPG) will mean that equipment is painted and repaired less frequently than at present.
DENS33	Increase Productivity	✓	Neighbourhoods	DENS	Transport and Streetcare	Neighbourhood Services	Review and increase all allotment rental charges and review plot sizes.	35	0	9	26	60%	Comprehensive review of allotment services, including regulising plot sizes, simplifying and increasing charges comparable with other providers and improved enforcement to optimise use of plots.	Existing plot holders will see increased charges. This may affect plot availability.
DENS39	Managing Demand	✓	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Reduce expenditure on homelessness, Bed and Breakfast and temporary accommodation	1,490	890	350	250	70%	Reduction in expenditure.	Targets to reduce expenditure on Bed & Breakfast are included across three years from 17/18 (below). These targets and underpinning actions build on progress made to date to reduce the number of households and length of stay in Bed & Breakfast. A new virtual 'Homefinder Team' will work intensively with families in Bed & Breakfast providing intensive, personalised support to find accommodation. Two additional posts have been employed as part of the team on an 'invest to save' basis. Officers are reviewing current homelessness policy and practice to inform proposals to reduce future placements into Bed & Breakfast. Additional funding secured through the redistribution of a national pot has also benefitted Reading and alleviated some budget pressure.
DENS40	Reduction in Services	✓	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Staffing reduction in Housing Needs Service	32	0	32	0	100%	Reduction in staffing numbers by 1 Full Time Equivalent (FTE) from 18/19.	Staffing reduction by 1 Full Time Equivalent but increased investment in new delivery approach as per DENS39.
DENS43	Increase Productivity	✓	Housing	DENS	Housing and Neighbourhood Services	Housing	Transfer of shops and garages from Housing Revenue Account to General Fund	300	0	300	0	70%	Transfer shops and garages held under the Housing Revenue Account to the General Fund in order to generate an income to the General Fund - net of maintenance, management and capital financing costs.	No significant impact.
DENS44	Increase Productivity	✓	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Increased income through further increase in rents for Reading Borough Council owned/managed temporary accommodation.	129	49	70	10	80%	Homelessness: temporary accommodation rent. Further increase rents for Reading Borough Council owned/managed temporary accommodation units for homeless households up to 90% of LHA (Local Housing Allowance - the limit which Housing Benefit will pay up to) at re-let.	No impact for existing temporary accommodation occupants. Households that are subject to the Benefit Cap are supported by a specialist team to access employment; review options that may exempt them from the cap; or budget within their new income in a manner that prioritises rent payments. Where necessary Discretionary Housing Payment (DHP) will be paid to avoid hardship.
DENS47	Reduction in Services	✓	Housing	DENS	Housing and Neighbourhood Services	Winter watch	Reduce budget for Winterwatch (Public Health Funding)	15	15	0	0	100%	Reduce budget.	Less funding available for repairs and home improvements - minimal impact, service underspent in 2016/17 by £10k.
DENS5	Reduction in Services	🟡	Strategic Environment, Planning & Transport	DENS	Planning, Development and Regulatory Services	Planning	Planning Fees	75	0	75	0	70%	Additional income from planning fees	Maintains the service at current resource levels

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	SAVINGS			% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
								2017/18	2018/19	2019/20			
DENS16	Reduction in Services	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Strategic Transport	Review of the discretionary elements of the Concessionary Fares Scheme	140	0	80	60	80%	This proposal is to further review the discretionary elements of the current scheme and potentially revert to the standard English National Concessionary Travel Scheme for access (disabled) pass holders.	To be determined - subject to review and outcome of consultation.
DENS18	Managing Demand	Strategic Environment, Planning & Transport	DENS	Transport and Streetcare	Network and Parking Services	Develop and implement a new borough-wide Car Parking Strategy and associated action plan.	0	0	0	0	80%	Within the context of a new Local Transport Plan (LTP4), review, develop and consult on a comprehensive borough-wide Car Parking Strategy, to include future management and charging initiatives, as part of a wider set of proposals to address future network capacity and the Council's air quality targets.	To be determined once a new strategy has been developed
DENS28&35	Alternative Delivery Model	Neighbourhoods	DENS	Transport and Streetcare	Re3	Review of waste collection delivery models.	1,000	0	0	1,000	60%	Review delivery models to increase efficiency and increase recycling rates, including potential introduction of food waste collection for example.	To be determined - subject to outcome of review.
DENS37	Reduction in Services	Housing	DENS	Housing and Neighbourhood Services	Housing Needs	Review and recommission young people's supported housing services	45	11	34	0	80%	Review and recommission young people's supported housing services - with a reduced contract value.	To be determined - subject to review; aim to optimise use of commissioned services and secure efficiency savings.
DENS45	Reduction in Services	Housing	DENS	Housing and Neighbourhood Services	Supporting People	Review historic Supporting People funding arrangements	53	19	34	0	70%	Review funding for intensive housing support paid to external providers of Sheltered and Extra Care Housing Accommodation	To be determined - services needed can now be provided through different funding streams such as Housing Benefit or commissioned as part of a care contract (this will depend on the nature of the support provided). Other providers are reconfiguring services.
DENS53	Reduction in Services	Culture, Sport & Consumer Services	DENS	Library Service	Whole Service	Reduce costs further in library services	115	0	115	0	75%	Seek further reductions based on the new service model implemented in April 2017 retaining a service offer in all areas through: - further reductions in branch opening hours - reducing to single staffing in additional branches through co-location/partnership models	To be determined - will depend on final options. Reduced access/choice for public if opening hours reduce further; there is potential for a volunteer run service outside of and extending LA staffed opening hours which would enhance the statutory offer however. E-book/online offer has been improved and elderly & housebound service would continue. Partnership models could add value.

NEW SAVINGS PROPOSALS

SAVINGS

£'000's

Theme	Proposal for Change	Portfolio	DIR	Service (1)	Service (2)	SAVINGS AND INCOME PROPOSAL	TOTAL	SAVINGS			% Confidence	DESCRIPTION OF SAVINGS AND INCOME OPTIONS - What would we stop, reduce or do differently?	Impact
								2017/18	2018/19	2019/20			
DENS54	Service Delivery Models	Culture, Sport & Consumer Services	DENS	Economic and Cultural Development	Culture	Review option of trust model for Arts						Examine possibility of developing a trust model for the delivery of Arts and Culture.	
DENS55		Leader	ALL			Review of Fees and Charges						Review all fees and charges to identify opportunities to maximise income.	Part of on-going twice-yearly review of fees and charges.
TOTAL							4,806	1,167	2,112	1,527			

Appendix D- Proposals for Change

Directorate of Adult Care And Health Services (DACHS)	
DACHS2 - Preventative and non-prescribed (non-mandated) Public Health services	2
DACHS3 - Review of current delivery models for Public Health prescribed and other mandated services	9
DACHS7 - Further development of Maples Day opportunities	14
Corporate Support Services (CSS)	
CSS1 - Engagement of transformation partner to drive process efficiency and cost reduction in parallel with market testing	17
CSS2 - Housing Benefit overpayment recovery	23
CSS3 - Civil Penalties for non-disclosure of change of circumstances	29
CSS11 - Realignment of commissioned Tackling Poverty, Thriving Community and Community Buildings services from 2018/19	35
CSS15 - Direct Cremations	40
CSS22 - Proposal to develop a range of options for changes to staff terms and conditions	45
Directorate of Environment and Neighbourhood Services (DENS)	
DENS2 - Changes to the Animal Warden Service	49
DENS11 - Cease the Classical Season at the Hexagon	52
DENS19 - Introduce weekend charging for Hospital & University Pay & Display (P&D)	62
DENS20 - Seek alternative funding for Real Time Passenger Information	65
DENS22 - Review of off-street parking contract and budget to identify additional income	68
DENS29 - Utilisation of re3 Facilities to introduce Trade use of the Public Recycling Centre	71
DENS31 - Reduce children's playgrounds maintenance regime	74
DENS33 - Increase all allotment rental charges by 100% and review plot sizes.	77
DENS39&40 - Homelessness Support Grant/Reducing Bed & Breakfast expenditure	82
DENS43 - Transfer of Shops and Garages from the Housing Revenue Account to the General Fund	87
DENS44 - Housing and Neighbourhoods- Increasing rent in Temporary Accommodation	91
DENS47 - Housing and Neighbourhoods - Winter Watch	101

Proposal for Change: (DACHS 2)

DACHS 2: Preventative and non-prescribed (non-mandated) Public Health services

Directorate: DACHS
Head of Service: Jo Hawthorne

Delivery Unit Ref: DACHS2

1. The proposal is to:	
✓	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The Directorate of Adult Care and Health Services (DACHS) commissions a number of services to enhance health and wellbeing within the local population and so prevent health needs from developing/escalating. The proposal is to review these services to:</p> <ul style="list-style-type: none"> - Identify which services evidence the greatest impact on population health and evidence the greatest impact on reducing demand for formal care services (e.g. more costly Council support); - Ensure that the public health funding of local services has regard to the need to reduce inequalities between the people in its area in line with grant conditions. - Explore options for reconfiguring services; and - Identify how to mitigate against the adverse impact of reducing services. <p>Services will then be re-commissioned to deliver improvements in population health and deliver savings, principally through a second iteration of the Narrowing the Gap Bidding Framework for community services.</p> <p>(NB: This Framework will also be used to re-commission services funded from the Corporate Support Services budget and to deliver any agreed savings against that budget line)</p> <p>In recognition of the need to rationalise officer input, the proposal is to award future funding agreements on an annually renewable basis for a period of up to four years. This would give providers greater stability but retain flexibility from the Council's perspective to withdraw from arrangements if required, e.g. in the event</p>

of needing to adapt to further central government cuts.

The proposal will deliver a net saving of £79k in 2018-19 then an additional £18k in 2019-20 making £97k per annum recurrent from 2019/20, £26k of which is from the Public Health Grant.

The table below outlines the current breakdown of funding:

<i>17-18 Service</i>	<i>17-18 funding</i>	<i>Public Health Grant contribution (17-18)</i>
Care navigation	57,000	
Self advocacy (LD)	29,000	
Reducing social isolation (LD)	17,000	17,000
Peer support (dementia)	15,000	
Peer support (visual impairment)	15,000	
Reducing social isolation (visual impairment)	22,000	22,000
Peer support (hearing impairment)	15,000	
Reducing social isolation (hearing impairment)	22,000	22,000
Peer support (autism)	15,000	
Peer support (MS)	15,000	
Peer support (Parkinsons)	15,000	
Reducing social isolation (PD)	15,000	15,000
Reducing social isolation (Black and Minority Ethnic communities)	37,000	37,000
Reducing social isolation (frail including elderly & Long Term Conditions)	72,000	72,000
Peer support (MH)	76,000	
Carers breaks	70,000	
Home from hospital	34,000	
Home handyhelp	20,000	
Samaritans volunteer recruitment & training	2,025	2,025
Bespoke adaptations	500	
Culturally sensitive listening & integration support	21,000	
Mental Health First Aid Training	7,000	7,000
Making Every Contact Count	10,000	10,000

Adult condom distribution and HIV peer support	52,000	52,000
HIV testing	1,000	1,000
Breast feeding peer support	30,000	30,000
Implementation of Healthy Weight Strategy	40,000	40,000
Carers Information & Advice Service	90,000	
Flu vouchers for frontline staff	5,000	5,000
Smoking Cessation	355,000	355,000
Children's Weight Management - Let's Get Going	22,000	22,000
Adult Weight Management - Eat 4 Health	46,203	46,203
IT Platform for Genito-urinary Medicine (Sexual Health) Services	3,000	3,000
Child Death Overview Panel Berkshire	7,590	7,590
Library	1,000	1,000
Web system for Pharmacy contracts	3,193	3,193

The final suite of services to be commissioned via the Narrowing the Gap II framework, which could include new service areas, and those which will need to be re-commissioned separately, is to be determined following the review.

2a. Confidence level

75 % will vary across individual programmes - see below.

Explanation:

The first Narrowing the Gap Framework has proved successful in re-focusing the Council's investment in community provision and managing residents' needs with reduced recourse to the Council. The proposal is to build on this by bringing additional funding lines into the next iteration of the framework, and applying the same principles to Wellbeing commissioning which continues to sit outside that framework. An initial review has identified some further areas where funding could be better targeted than now, areas where reduced funding is most easily mitigated against, but also areas where maintaining or increasing investment in voluntary community sector/preventative provision is likely to be the most cost effective way of meeting the Council's objectives and delivering on statutory

functions.

Reducing the overall level of funding for preventative and non-mandated Public Health functions, however, would expose the Council to the risk of an inability to deliver on joint priorities, e.g. per Health & Wellbeing Strategy, an increase in the incidence of communicable disease, poor lifestyle choices and an increase in long term health conditions such as diabetes and coronary heart disease. This could manifest itself as increased demand on social care services with potentially a huge impact on the wider health and social care economy.

Although the local authority has discretion to how to meet the requirements, there are statutory duties to ensure that preventive support for wellbeing is available to residents. These are set out in:

Local Authority Circular 15/12/16 - Public Health Ring Fenced Grant 2017/18 - categories for reporting against Public Health spend Annex C
Care Act 2014 Section 2

3. Impact on residents, businesses and other organisations:

Residents:

Adult Social Care investment in preventative services was reduced by 30% in 2016 at the time when new Care Act duties to ensure the provision of such services came into force. The Public Health Ring Fenced Grant has been subjected to year on year grant reductions since 2015. A further reduction will be imposed in 2017/18 by £250,000. These reductions already place the Council under severe pressure to meet its duties to protect and promote the health of the Reading population. Furthermore, a failure to meet these duties will lead to an increase in the need for health and social care services.

Cuts to population health services across Reading aimed at tackling smoking, obesity, sexually transmitted infections and protecting the public from harm will impede our ability to impact on the main causes of death and premature mortality across the Borough. Reductions in preventative support will have an adverse impact on residents' ability to stay well and independent. Cuts are likely to mean we see inequalities in Reading widen which would inevitably impact disproportionately upon the health of some of the most vulnerable in the Borough, who are also disproportionately represented in the user groups of other Council services.

Other organisations:

Many of the community services commissioned to support wellbeing work closely with other organisations commissioned by the Council per the first Narrowing the Gap framework. A reduction in the capacity of community groups to deliver wellbeing outcomes will have an adverse impact on the ability of partners to tackle poverty and to support thriving communities and vice versa. This budget proposal therefore needs to be considered alongside the Corporate Support Services proposal to reduce their investment in Narrowing the Gap II.

Reducing investment from Reading could de-stabilise services in neighbouring boroughs, particularly as commissioning for wellbeing is often carried out across the county or several boroughs within the county via the Public Health Shared Services Team for Berkshire.

4. Impact on other services we provide

See Section 3 above regarding the inter-relationship between non-mandated Wellbeing investment and Corporate Support Services investment.

Cutting public health services directly undermines the Council's efforts in relation to improving the public's health and keeping the pressure off Reading's social care services. Cutting public health services is likely to cost the Council more money further down the line as it makes it more likely that people will need health services and social care in the future - the very outcome we are striving to avoid.

5. Impact on staff

The proposal would lead to a focused period of officer input from Summer 2017 to put in place new funding agreements, and thereafter a commissioning programme which rationalises officer input, e.g. developing monitoring frameworks with very clear outcomes and using longer contract periods where appropriate to reduce the frequency of tender exercises.

The number of FTE that might be lost is:	FTE: 0
The number of posts that might be lost is:	FTE: 0

6. Resources and support needed to make the change

Wellbeing / Commissioning Officer time to:

- Review all current commissioning arrangements to identify what can be brought into Narrowing the Gap Mk II
- Review and develop Wellbeing themes and service descriptions for Narrowing the Gap Mk II, based on agreed strategic priorities
- Engage with the public and potential providers on the format of the new framework
- Run the Narrowing the Gap II tender process
- Develop appropriate processes for re-commissioning outside the new framework
- Prepare recommendations to Members, including equality analyses where appropriate

There may be a need for support from Corporate Procurement and Legal at various stages of the re-commissioning processes.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Project Lead and associated colleagues identified	24.05.2017
Review of existing contracts to determine which vehicle will be used to recommission or de-commission	24.05.2017
Prepare Project Initiation Document and Project Plan for approval at Adult Social Care Transformation Board & Children's Directorate Management Team	31.07.2017
Consultation on overall preventative / community services budget and proposed Narrowing The Gap (NTG) II themes and approach	Aug-Sep 2017
Commence Equality Analyses	01.08.2017
Confirm preventative / community services budget from 18-19	31.10.2017

Publish draft NTGII framework for (provider) feedback	01.11.2017
Secure authorities to extend /award contracts	31.12.2017
Open NTGII for bids	05.01.2018
Close NTGII bidding	09.02.2018
New / revised contracts in place to achieve 2018-19 (recurrent) savings	31.05.2018

8. Risks and Opportunities

Risks as described in sections 3 and 4.

Re-commissioning as per this proposal offers opportunities to build on the successes of the first Narrowing the Gap framework and to apply a more strategic, planned and rigorous approach across the breadth of preventative services being commissioned.

There are opportunities to collaborate with the Berkshire West Clinical Commissioning Groups and neighbouring authorities on this approach, all of which could strengthen our integrated care approach. Priorities for prevention across these various bodies are quite similar. However, with the various organisations currently working to different timescales and processes for allocating funding, moving towards collaborative arrangements is potentially quite complex. Committing to collaboration therefore carries a risk of compromising individual organisation deadlines or targets.

9. Dependencies

See section 8 regarding cross boundary contractual arrangements.

See Policy and Funding Budget Proposal which will also use the Narrowing the Gap Framework.

10. Initial Equality Impact Assessment

Equality Impact Assessments will need to be undertaken in relation to any area where this Proposal for Change is likely to lead to a reduction in service in that area.

All care and support services, including preventative ones, are used more by older people or by people with disabilities than by the general population. It follows that, because of their greater longevity and higher likelihood of taking on a caring role, the same services are used more by women than by men. Historically, take up of care and support services has been lower from minority and ethnic communities, and targeted approaches may be needed to address this.

This proposal therefore has the potential to impact disproportionately in relation to age, disability, gender and race. Any report setting out recommendations for funding against bids received should therefore include a full equality analysis.

11. Consultation and Communications plans:

A consultation and communication plan will need to be completed for the services funded in both directorates if the decision was made to withdraw the funding and no alternative funding was available resulting in the services stopping.

Full consultation and communication plans will need to be developed to ensure the Council's investment in preventative / wellbeing support remains relevant to local need and is informed by local communities.

12. Legal Implications

The Council could be at risk of legal challenge in the event that it ceased to commission services to prevent the development / escalation of health needs. The Care Act 2014 placed new duties on local authorities regarding preventing the need for care and support and the promotion of the efficient and effective operation of the market for adult care.

The Public Health grant should be spent in line with the grant conditions and is routinely scrutinised by Public Health England. Any mismanagement of funds or use of budget that is not considered to be in line with grant conditions could result in the grant being withdrawn; could leave the Council vulnerable to legal challenge and/or could lead to an additional £10m budget pressure for the Council to deliver its public health service and additional services currently funded from the grant.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£79	£	-£	£79
2019/20	£18	£	-£	£18
Total	£97	£	-£	£97

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£0
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£0
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£0
	TOTAL	£0

Proposal for Change: (DACHS 3)

DACHS 3: Review of current delivery models for Public Health Prescribed and other mandated services

Directorate: DACHS
Head of Service: Jo Hawthorne

Delivery Unit Ref: DACHS3

1. The proposal is to:	
✓	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The purpose of the Public Health grant is to provide local authorities in England with the funding required to discharge public health responsibilities and must be used only for meeting eligible expenditure incurred as defined by the grant conditions. The public health grant in Reading is currently used to fund a range of mandated public health services as prescribed under the 2012 Health and Social Care Act as well as non-mandated services.</p> <p>The Council is also obliged to make available advocacy support under prescribed circumstances in order to support adults' engagement in health or social care processes. These services must be independent of the Council and are commissioned from external bodies in order to meet the Council's statutory obligations under the Mental Capacity Act (2005), the Mental Health Act (2007), the Health and Social Care Act (2012) and the Care Act (2014).</p> <p>In addition, the Council is also required to establish a Local Healthwatch delivering prescribed functions in order to fulfil a health and social care watchdog function.</p> <p>This proposal consists of two phases:</p> <p>Phase 1: The proposal is to realise £135K savings across two financial years (2017/8 & 2018/19) across three areas:</p> <ul style="list-style-type: none"> • Savings generated as a result of the robust re-procurement of the Reading

Public Health Nursing Service for 0-19(25s). The next stage in the delivery of the mandated universal health visitors and school nurses programme was considered by the Adult's, Children's and Education Committee on the 13th December 2016. It was agreed to bring the health visitors service and school nursing service together into a single contract with associated budget. It was further agreed that the service would be commissioned from an external partner for 2 years with an option of a 1 year extension, with effect from 1st October 2017. An outcomes-based commissioning approach was taken in regards to the new specification and tender for this service. Following competitive procurement, where both cost and quality were considered as part of contract award, a contract award letter has been issued and, under the new contract terms, savings will be realised in year with effect from 1st October 2017.

- Re-commission Independent Mental Health Act, Independent NHS Complaints Advocacy and Care Act advocacy under a single contract to streamline the service and deliver efficiencies.
- Re-commission the Local Healthwatch function to rationalise the service and deliver efficiencies where possible, considering a joint contract with neighbouring authorities.

Phase 2: Having realised savings in 2017/18 and planned for additional savings in 2018/19 the second phase proposal is to undertake a comprehensive review of the arrangements for the commissioning of all mandated services for which the Wellbeing Team is responsible.

It is proposed to continue with the already commenced work on reviewing each of the mandated contracts - including reviewing arrangements for commissioning and procurement. It is proposed that options for future commissioning of mandated services include consideration of greater co-operation and sharing of commissioning and procurement resource and expertise between and across Reading Borough Council and our partners, NHS Clinical Commissioning Groups and the voluntary and community sector. All contractual and commissioning arrangements will be reviewed in respect to e.g. contract duration and pricing and with consideration of what arrangement would maximise cost effectiveness and best value. It is proposed that discussions are held with our partners regarding the timetable for procurement across our mandated services and how the associated procurement workload could be organised in a way that delivers efficiencies across the piece.

2a. Confidence level

75

% will vary across individual programmes

Explanation:

The Public Health Grant has dealt with centrally imposed year on year grant reductions since 2015 and will be forced to further reduce, stop or secure alternative funding to manage this budget pressure and manage within its grant allocation.

3. Impact on residents, businesses and other organisations:

Phase 1:

- Re-commissioning cost effect public health services could result in changes to services without compromising our statutory public health function
- By re-commissioning Independent Mental Health Advocacy, Independent Complaints Advocacy Service and Care Act advocacy under a single contract, there are opportunities to achieve efficiencies and make savings without compromising on the quality of service or compromising the Council's discharge of its statutory duties.
- Reducing spend on the Local Healthwatch function will reduce its reach and may confine the service to its statutory minimum. In particular, the non-statutory advocacy function would be lost with greater risk of local residents failing to be connected with the right part of the health and social care system at the right time.

Phase 2:

- There should be minimal impact on local residents at the point of delivery as a result of any changes to the way in which mandated services might be commissioned in the future. Residents should benefit from efficiencies realised as a result e.g. economies of scale and strengthened purchasing power which could drive down costs and improve quality of services purchased.

4. Impact on other services we provide

At the moment we are unable to specify what impact this change will have on other Directorates as it entirely depends on the options chosen. It is assumed that local provision will continue although potentially at a reduced rate to fit in with the grant reduction. However as the Public Health funding supports the achievement of Public Health outcomes in other Directorates the funding reduction could impact on their bottom line.

This could lead to an increase of complex cases not only within social care and housing but also the wider health and social care economy.

5. Impact on staff

The proposal would lead to a focused period of officer input to review all arrangements for the commissioning of prescribed contracts.

The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change

Officers' time to work through commissioning arrangements across prescribed (mandated) programmes. Should changes to arrangements be proposed and/or reducing or stopping any area be identified it is likely the following resource may be required:

- Legal: support would be required to establish the Council's legal position with delivering its mandated Public Health functions and as a number of the services have contracts linked to delivery - some of these are jointly held with other Berkshire Local Authorities.
- Finance: resource may be required if any services within this proposal are still to be delivered then alternative budgets would need to be identified.
- Procurement time to tender for new services.
- Support from the Director of Public Health to ensure that public health commissioning has the required clinical oversight.

7. Timescale to deliver and major milestones

Planned accomplishments to track progress [Milestone]	[Date]
Project Lead and associated colleagues identified	24.05.2017
Verify mechanism for capturing Year 1 savings	June 2017
Prepare an overview of all mandated/statutory contracts to determine timescales and resource requirements for recommissioning	June 2017
Prepare Project Initiation Document and Project Plan for approval at Adult Social Care Transformation Board	June 2017
Publish Single Adult Advocacy tender	30.06.2017
Commence conversations with other local authorities to share procurement activity	June 2017
Present and agree approach to contract renegotiations	July 2017
Select contracts for re-specification led by Reading (earlier if contract end date allows)	July 2017
Develop timetable/schedule for contract negotiation	
Award Single Adult Advocacy contract	30.09.2017
Publish Local Healthwatch tender	30.09.2017
Award Local Healthwatch contract	31.03.2018

8. Risks and Opportunities

There are opportunities to collaborate with the Berkshire West Clinical Commissioning Groups and neighbouring authorities to increase purchasing power and maximise efficient use of the commissioning and procurement expertise across local authority boundaries. This approach could strengthen our integrated health care approach. Priorities for prevention across these various bodies are quite similar. However, with the various organisations currently working to different timescales and processes for commissioning mandated services, moving towards collaborative arrangements will be challenging and complex.

9. Dependencies

See section 4 regarding cross boundary contractual arrangements

- That the appropriate local authorities and the Director of Public Health are engaged in the process
- That resources are available both in officer time and internal support from HR, Legal and Finance

10. Initial Equality Impact Assessment

Equality Impact Assessments would to be undertaken in relation to any service where budgets were proposed to be further reduced or stopped.

11. Consultation and Communications plans:

Full consultation and communication plans will need to be developed to ensure the Council's investment in preventative / wellbeing support remains relevant to local need and is informed by local communities.

12. Legal Implications

The Public Health grant should be spent in line with the grant conditions and is routinely scrutinised by Public Health England. Any mismanagement of funds or use of budget that is not considered to be in line with grant conditions could result in the grant being withdrawn.

The Council is required to commission independent advocacy services for adults under the Mental Capacity Act (2005), the Mental Health Act (2007), the Health and Social Care Act (2012) and the Care Act (2014). The Council is also required to establish a Local Healthwatch under the Health & Social Care Act.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£35	£	-£	£35
2018/19	£100	£	-£	£100
2019/20	£TBC	£	-£	£
Total	£135	£	-£	£135

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (DACHS 7)

DACHS 7: Further development of Maples Day Opportunities

Directorate: DACHS
 Head of
 Service/Lead:
 Graham Wilkin
 (Interim Director of
 Adult Care &
 Health Services)

Delivery Unit Ref:
 DACHS 7

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The Maples Day Service has recently undergone service development resulting in a streamlined wellbeing service in a new location.</p> <p>This project will seek to review alternative delivery models for the service in line with ongoing market development, including the potential to explore shared provision with similar services.</p>

2a. Confidence level		
<table border="1"> <tr> <td>50</td> <td>%</td> </tr> </table> <p>Explanation:</p> <p>This project is dependent on further market development. This is a second phase of this project as part of the Adult Social Care Transformation Programme. It is still being scoped.</p>	50	%
50	%	

3. Impact on residents, businesses and other organisations:**Residents:**

The impact of Phase 1 has been positive. Eligible service users enjoy an extended choice of activities within the new Maples environment. Phase 2 would seek to enhance the offer and provide tailored support to meet their needs.

Businesses/Other Organisations:

Based on the agreed options businesses/other organisations may have a greater share of the market by offering viable day opportunities.

4. Impact on other services we provide

Social care staff will have the ability to potentially refer to a wider range of day opportunities

5. Impact on staff

This is unknown at this stage until the review of the alternative delivery models is undertaken.

The number of FTE that might be lost is:

The number of posts that might be lost is:

6. Resources and support needed to make the change

A Project Manager would be required to support the Locality Manager to deliver the change. Project Manager support is required to develop plans, facilitate conversations with the market, capture risks and issues, and develop and deliver a robust communications strategy.

Possible Legal support dependent on the chosen model.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Appoint Project Lead	July 2017
Develop Project Initiation Document & Project Plan for Approval at Adult Social Care Transformation Board	August 2017
Further milestones to be developed once chosen option is agreed	TBC

8. Risks and Opportunities**Risks:**

- Staff morale could be affected in the light of any changes
- Market not robust enough to meet demand and provide new opportunities

Opportunities:

- Increased range of day opportunities options available to meet the needs of eligible service users

9. Dependencies

Market testing results in viable options
Resource are available within the Directorate to scope and develop plans

10. Initial Equality Impact Assessment

Full Equality Impact Assessment will be completed once options appraisal has been completed.

11. Consultation and Communications plans:

Consultation and robust communications plans will be developed (if required) once options have been defined.

12. Legal Implications

Scope of project will identify legal implications, these are currently not fully identified

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£25	£	-£	£25
2018/19	£133	£	-£	£133
2019/20	£	£	-£	£
Total	£158	£	-£	£158

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£20
	<i>Sub-total</i>	-£20
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£20
	<i>Sub-total</i>	-£20
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£0
	TOTAL	-£40k

Proposal for Change: (CSS1)

CSS 1: Engagement of transformation partner to drive process efficiency and cost reduction in parallel with market testing

Directorate: CSS

Delivery Unit Ref: CSS1

Head of Service:
Zoe Hanim

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

In March 2016, an options appraisal report was produced reviewing several Alternative Service Delivery Models available for the management and delivery of the Revenue and Benefits Services. This options appraisal concluded that either an outsourcing solution or the use of a transformation partner offered the greatest potential opportunity for savings and improved service delivery¹. Further work has been undertaken on both models, including a soft market testing exercise, to identify potential costs and savings of each option. Both options have been previously presented to Members.

Following a further recent assessment, a proposed change in service delivery is recommended which identifies the use of an external transformation partner to drive potential efficiency and reduce cost, with a further assessment planned at an agreed milestone point to assess progress against savings targets and to benchmark against externally provided service comparators. This will ensure progress on service transformation and cost reduction whilst retaining options to consider other delivery models, if performance or savings realisation is insufficient.

¹ Also considered was in-house transformation but discounted due to timescales to deliver savings

2. Outline of the proposed change

1. The opportunity to deliver an estimated £300k - £500k of savings (net of costs over a three-year period) through a significant programme of transformation using an external transformation partner and the implementation of new technology.

Scope

The scope of these proposals is intended to apply to the whole of the Council's Revenue and Benefits service and associated customer services functions (excluding Financial Assessment and Benefits and Licensing. Potentially in scope are:

- Administration of Housing Benefits
- Collection of Council Tax
- Collection of Business Rates
- Collection of Sundry Debts
- Revenue and Benefits Customer Services functions via telephone and face-to-face*

*The scope of the proposals currently limits the customer service functions to those related to Revenue and Benefit services. However, the scope could be extended to include other customer services functions and wider transactional finance functions if required.

Revenue and Benefits External Service Transformation Partner

The benefits of an external transformation partner are the skills, capacity and experience they bring which is not available in the in-house team. Such partners have generally delivered transformation of the service areas in other authorities and will understand the challenges. They will also have access to the latest technology to support transformation, change and performance management. It is likely an external service transformation partner would support the Council in a radical redesign of the current Revenue and Benefits Service and associated Customer Services functions.

This approach will develop further a 'digital by design' model whereby the majority of customers will access and transact with customer services on-line. Under this approach, a likely scenario is that an external transformation partner will enter a contract with the Council to deliver an agreed level of savings over an agreed period (typically between 3 and 5 years).

To achieve the savings the transformation partner 'will embed' their own team resources alongside the existing Revenue and Benefits staff and will work to identify process improvements and performance improvements. However, the most significant impact and transformation will be using modern technology to move many of the services delivered face-to-face or by telephone to a self-serve model. In some cases, this will require the introduction of new technology and the transformation partner will either enable or deliver elements of this depending on the scope of the contract. It is possible that instead of one transformation partner an arrangement which involves several 'best of breed' partners may prove best and this will be tested as part of the procurement process necessary to establish the external transformation arrangements.

The proposal also recommends setting an agreed milestone point within the transformation programme to test progress against agreed performance and savings targets. Should performance prove that progress is insufficient to meet key

2. Outline of the proposed change

required savings then recommendations and proposals will be made to develop other alternative delivery models for the service. Further details on this process will be brought before Members at this stage.

2a. Confidence level

Revenue and Benefits Outsourcing Service Delivery Model

75

%

Explanation:

Work has been undertaken to qualify the benefits from an external transformation partner. Several tried and tested transformation approaches have been reviewed and discussions undertaken with potential transformation partners. Confidence levels reflect the fact that ultimately savings need to be made by the Council based on recommended changes made by the Transformation Partner and these may not always be realised. However, there is high confidence in the delivery capability of the transformation partner working with the in-house Revenue and Benefits team.

3. Impact on residents, businesses and other organisations:

The use of a Transformation Partner may have a short-term impact on service performance whilst mobilisation is underway.

If potential outsourcing service delivery arrangements were to be agreed in the future (following assessment at the agreed milestone point), it would be important to ensure that access to advice and support in relation to Benefits, Council Tax Support, Council Tax and Business Rates remains fully accessible to the complete range of customer groups within our community. However, overall there should be no direct impact on residents, businesses or other organisations provided that the new alternative service delivery model is effectively implemented and that the service specification ensures that key outcomes and deliverables from the service, including advice, support and monitoring are accurately specified and managed.

4. Impact on other services we provide

Further work will be required on assessing the impact on staff. In particular, the Customer Services function (telephone and face-to-face) provides advice and services for a wide range of council services. Any proposal to make changes to these services (as a result of transformation or alternative delivery arrangements) would require consultation with services impacted.

5. Impact on staff	
<p>Should this proposal proceed it is likely that between 70 - 90 staff could be impacted. The exact number of staff involved will depend on a number of decisions regarding the scope, size and shape of the transformation programme. Further work is required to address these decisions and create a proposed approach and structure if this proposal is approved. Staff consultation will be required on this proposal depending on the scope and details of the transformation programme.</p> <p>* An estimate of staff reductions is made depending on scope and approach taken in each model. These changes would wherever possible be made by natural wastage and reductions in temporary posts.</p>	
The number of FTE that might be lost is:	5 - 15*
The number of posts that might be lost is:	5 - 15*

6. Resources and support needed to make the change
<p>If a service transformation approach is agreed work will include the development and agreement of a service specification and procurement activity to procure and negotiate a contract with the service transformation partner. Due to limited internal resources this is likely work which will need to be resourced either through a temporary appointment or external contractor.</p> <p>If following assessment of progress a decision were to be made to proceed with an outsourcing model, a significant amount of effort is required to ensure this is successful. Costs will include development of a service specification, procurement of the service in accordance with requirements of the public procurement regime, legal advice, Transfer of Undertakings (TUPE) staff transfer or secondment, IT advisory support, project and programme management. Much of this work will need to be undertaken prior to realisation of the saving. Once again, because of limited internal resources and capacity it is envisaged that this work will require the appointment of additional programme resources either as fixed term appointments or using external contractors. For some of the specialist legal and technical advice this will require access to relevant external professional services. A full resource impact assessment will be made as part of any proposals to implement this approach.</p>

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
External Transformation Partner	
0. Approval to proceed (assumed)	July 2017
1. Develop requirements specification and tender documents	October 2017
2. Undertake procurement (assumes through framework agreement)	January 2018
3. Contract Award	March 2018
4. Transformation Partner mobilisation	April 2018

8. Risks and Opportunities

Further detailed work on risks, issues and opportunities is required depending on the scope of the transformation programme. The following generalised risks and opportunities can be identified:

Risks

- Savings are not delivered in time to meet Council budget requirements (bulk of savings delivered in 2019/20 and 2020/21 after taking account of investment to achieve them)
- Lack of internal resources to undertake a successful project in the timescales required
- Lack of delivery or under delivery from future transformation partner
- Difficulty in developing a service specification and clear outcomes in an area such as Revenues and Benefits which is subject to such a wide range of legislative changes
- The envisaged savings do not materialise
- Drop in staff morale and staff disruption/concern
- Significant change required in an environment which has already made cuts

Opportunities

- To deliver significant savings
- To gain innovative ideas and better ways of delivering the service
- To develop a contract which provides the opportunity to 'bolt on' transformation support for other services in the future
- Training and development investment by transformation partner for Council staff
- Improved service levels and better performance
- Resilience provided by an external bigger organisation

9. Dependencies

This proposal is dependent on implementing the overall vision for customer services which includes implementing the IT and Digital Strategy 2017-2020 designed to support the delivery of transformed electronic services.

The proposal is also dependent on ensuring that resources are made available to support with the implementation and delivery of the project (as indicated in this proposal).

10. Initial Equality Impact Assessment

Yes

No negative impacts identified

11. Consultation and Communications plans:

No public consultation is required

Formal staff consultation is required depending on the scope and nature of the

transformation programme. Consultation will be carried out with staff and unions as part of the timetable outlined above and in accordance with the agreed procedures.

Consultation with key external housing, social welfare agencies and the relevant voluntary sector partners is also recommended

12. Legal Implications

Staff consultation is required

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£287	£	-£	£287
2019/20	£367	£	-£	£367
Total	£654	£	-£	£654

* Costs include transformation partner input to deliver savings. The business case needs to be considered over a minimum of three years for it to be viable. When taking account of savings in year 3, potential savings after transformation partner could reach £500k for the cumulative three-year period depending on the scope of the transformation programme.

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£50
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£75
	<i>Sub-total</i>	-£125
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£450
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£140
	<i>Sub-total</i>	£
	TOTAL	-£715

Proposal for Change: (CSS2)

CSS2: Housing Benefit overpayment recovery

Directorate: Corporate Resources

Delivery Unit Ref:
CSS2

Head of Service: Zoe Hanim

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

Housing Benefit overpayments occur for a variety of reasons:

- Customers failing to report changes in circumstances
- Delays in awarding or processing changes by our department
- People joining or leaving the household
- Changes in income or benefits
- Household members joining or leaving
- Children being born or leaving
- Birthdays and other significant events

The level of overpayments impacts on our capacity to act upon reported changes in time. This contributes to loss of Housing Benefit government subsidy due to administration delay, which is then classed as local authority error/delay overpayments.

For all of the Housing Benefit we pay out to our customers, we are reimbursed by the Department for Work and Pensions (DWP) up to 100%. However, where an overpayment occurs we only receive 40% for identified overpayments caused by customers and we receive 0% for those caused by authority error (above a very low threshold figure).

Overpayments caused by fraud are reimbursed at 40% and given the cause of such overpayments, there is an expectation that the overwhelming majority of cases should be considered recoverable from the persons who have either committed or significantly contributed to the fraud.

The Council is entitled to keep 100% of the income collected from overpayments

recovery in addition to any subsidy claimed.

Overpayments of benefit regularly occur in respect of claimants who still remain on very low incomes. The potential for successful recovery is often very low and any repayments are often extremely long term arrangements at a very low payment rate. Therefore the sooner overpayments are dealt with, the more successful recovery can be acted upon.

The current breakdown of our outstanding Housing benefit debt is
£7.8 million

Of that debt amount the following is:

- £1.9 Million is in agreement
- £2.2 Million is being clawed back from on-going Housing Benefit entitlement
- £1.2 Million is awaiting next action /review by the team (2 officers)
- £0.5 Million with Legal
- £0.5 Million needs preparing for legal action
- £1.1 Million (waiting to come back on to Housing Benefit)
- £300k being collected through DWP attachments of benefits
- £100k on attachment of earnings

Of this debt the age profile is as follows

2014	£1,053,910.29
2015	£2,157,428.93
2016	£2,067,423.41
2017	£ 585,483.63

(the remaining balances spread back to and including 2000 but do have active recovery going on against balances)

When it comes to tackling the issue we need to look at the causes, we know that a key cause is our lack of capacity to action changes in reported circumstances quickly. This is why we have been using a resilience contract to supplement the number of housing benefit assessors available to action the work, we have also trained front line staff in customer services to recognise what would cause an overpayment and suspend customers benefit, however we know that this is still not enough.

To concentrate on prevention as well as collection we need to have additional Housing Benefit Officers processing changes, or continue with our resilience contractors to stop overpayments occurring in the first place and additional Housing Benefit Overpayment officers concentrating and reviewing the pre-existing arrangements in place in the historic debt as well as reviewing overpayments as and when customers are no longer in receipt of on- going benefits.

We propose in the first instance concentrating on the £1.2 Million of debt sat in awaiting next action by employing 2 additional staff on fixed term contracts to focus specifically on the collection of overpaid Housing Benefit.

In addition employ two additional staff in the Housing Benefit team to ensure that customers are contacted straight away to discuss any overpayments that have occurred on the day their change takes place- or a combination of both. This would

require a business process change moving the initial recovery of debt decisions from the overpayment officers to the assessment officers. This works well at other local authorities but would slow down the assessor's capacity to deal with incoming Housing Benefit assessments, hence the need to resource this further to maintain current performance.

We would run this as a pilot initially to measure which approach worked best and produced the better results.

The cost of employing the additional 4 staff would be circa £120k per annum and the target would be to double the investment cost, whilst reducing the ongoing subsidy loss which this year was £525,062 of a total subsidy for £78,183,804. However, it should be noted this remains high risk to us, such is the nature of the subsidy regime, small errors can still result in large losses to the local authority.

This option would have minimal start-up costs, aside from recruitment and some possible training costs, and would be comparatively quick to get off the ground, if there are suitable officers on the market willing to work in Reading on fixed term 3 year contracts.

There is a risk as experienced officers have been difficult to recruit, in addition we are also carrying a Housing Benefit Officer vacancy.

The further risk is that the DWP have also initiated WURTI - 'Wider Use of Real Time Information' that is creating more overpayments on a month by month basis as it directly takes earned income and pension details from HMRC, and informing us of these changes on a monthly basis. Whilst we have had additional funding for WURTI changes all local authorities are reporting that they are receiving far more than the DWP had forecasted and therefore capacity to process these is a challenge.

The further risk to overpayment recovery is that we are trying to recover more money from people with very limited disposable income, who are seeing their benefits / incomes being reduced because of the wider welfare reform agenda, including our own reduction in Council Tax Support.

Our current performance on Housing Benefits overpayments raised and collected in 2016/17 is 62.43%.

National Picture Of Housing Benefits Overpayment Levels Source:



National Office Of Statistics

Main stories

During the first half of 2016/17:

- £455 million Housing Benefit overpayments identified.
- £337 million Housing Benefit overpayments were recovered.
- £40 million Housing Benefit overpayments were written off.

The total value of outstanding Housing Benefit overpayments continues to follow an increasing trend.

At July 2016 (the beginning of quarter 2, 2016/17) the total value of outstanding

debt was around £1.94 billion, an increase of £240 million (14%) on this point the previous year.

At July 2016 the largest average Housing Benefit outstanding debt amount per claimant was in London (£ 243 per claimant) while the smallest was in Wales (£ 72 per claimant.)

The average Housing Benefit overpayment outstanding per claimant in Great Britain was £137 at July 2016.

According to the National Office of Statistics the total value of Housing Benefit overpayments outstanding in Great Britain is steadily increasing.

Our aim is to collect an additional 10% each year of the £1.2 million currently in decide next action with the use of the two additional officers and prevent further overpayments and subsidy loss entering the system by the use of two additional Housing Benefit officers or the continued use of the resilience contractors.

We believe with additional resources the additional income recovery could be achievable based on a feasibility study carried out by a similar size local authority with a caseload demographically similar to Reading in the South.

We are being encouraged by the DWP that once our Housing Benefits customers start to migrate over to Universal Credit (UC), recovering from on-going Housing Benefit will no longer be available to us for working age customers. Therefore it is imperative that we attempt to maximise recovery now prior to full UC migration.

With this in mind we have been offered some additional help from the DWP's Performance and Improvement Team who believe they can share some further best practice with us. The Performance Development Team (PDT) consultants have visited a number of local authorities in recent months to undertake debt assignments. They have found that performance can be improved by introducing some of their recommendations. We have therefore in anticipation of this proposal being approved, contacted them to ask for their assistance.

We propose if 4 officers are agreed only 2 are fixed term for 3 years and 2 are 12 month, the effect of this pilot then can be reviewed to see what the impact has been on recovery and subsidy loss.

2a. Confidence level

50 %

Recruiting additional resource maybe a challenge. Collecting additional monies from those already on a low income may be difficult. Additional changes to on-going benefits and welfare reform may impact our ability to recover larger overpayments in short time frames. Therefore whilst we may get low level arrangements in place they may not be realised within a financial year and therefore whilst the debt is in an arrangement we may not achieve 100% collection in year.

3. Impact on residents, businesses and other organisations:	
Increase in enquiries from customers: Citizens Advice Bureau / Welfare Rights Debt Advise Agencies Housing Associations / Private landlords as we increase recovery rates	
4. Impact on other services we provide	
Housing Rents - Arrears may be impacted Council Tax - Collection maybe impacted	
5. Impact on staff	
Additional Posts x2	
The number of Full Time Equivalent staff that might be lost is:	0
The number of posts that might be lost is:	0
6. Resources and support needed to make the change	
Additional Housing Benefit or Housing Benefit Recovery Officers Training / Monitoring Additional IT kit Desks	
7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
Recruit / Interview	June/ July
Train	August
Effective	September
8. Risks and Opportunities	
Housing Benefit overpayments continue to rise Missed opportunity to maximise collection Universal Credit	
9. Dependencies	
Recruitment Agreed Housing Benefit Officers available Capacity of Legal Services Team if next stage becomes legal action rather than arrangement.	
10. Initial Equality Impact Assessment	
N/A (these debts are legally recoverable and legislative process already in place)	
11. Consultation and Communications plans:	
N/A	

12. Legal Implications

13.a Financial implications - net change to service budget in each year				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£ Improvement on subsidy loss not possible to estimate	£100	-£	£100
2018/19	£	£120	-£	£120
2019/20	£	£125	-£	£125
Total	£	£345	-£	£345

13.b One off project costs and income (not included in above)				
£'000's				
2017/18	Capital Costs		-£	
	Capital Receipts		£	
	Estimate of redundancy costs		-£	
	Estimate of resource costs to deliver		-£110	
	<i>Sub-total</i>			-£110
2018/19	Capital Costs		-£	
	Capital Receipts		£	
	Estimate of redundancy costs		-£	
	Estimate of resource costs to deliver		-£60	
	<i>Sub-total</i>			-£60
2019/20	Capital Costs		-£	
	Capital Receipts		£	
	Estimate of redundancy costs		-£	
	Estimate of resource costs to deliver		-£60	
	<i>Sub-total</i>			-£60
		TOTAL		-£230

Proposal for Change: (CSS3)

CSS3: Civil Penalties for non-disclosure of change of circumstances

Directorate: CSS
Head of Service:
Zoe Hanim

Delivery Unit Ref: CSS3

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>Implementation of Civil Penalties in Housing Benefit, Council Tax Support and Council Tax cases.</p> <p>Civil Penalties, particularly in Council Tax, are currently in use in at least 5 of the 10 authorities contacted, with a number of others actively considering introducing these. Other authorities currently imposing the penalty for Council tax include West Oxfordshire, South and Vale and Cherwell and South Northants Shared Service.</p> <p>The appropriate legislation for each of the three areas in which Civil Penalties could be introduced does differ and so has been set out separately below.</p> <p>Housing Benefit:</p> <p>The Social Security (Civil Penalty) Regulations 2012 (SI 2012/190) and the Welfare Reform Act 2012, section 116, amended the Social Security Administration Act 1992 to insert sections 115C and 115D to introduce Civil Penalties in cases of claimant error from 1 October 2012.</p> <p>The Civil Penalty is a flat penalty of £50, set by legislation (Statutory Instrument S.I 2012/1990). It may be given to claimants who incur an overpayment caused by either negligently making incorrect statements or negligently giving incorrect information and failing to take reasonable steps to correct the error, or failing, without reasonable excuse, to provide information or to disclose relevant changes in their circumstances.</p>

The penalty is only for cases of claimant error which is where the claimant was responsible for the failure to notify as opposed to a landlord or an error made by a Local Authority in dealing with a change.

Each instance of claimant error identified needs to be considered individually before determining that a claimant has been negligent or there is no reasonable excuse to account for their failings.

This means that for cases of claimant error where the claimant has been negligent or failed to report changes of circumstances when they knew they should have and have no reasonable excuse there is now:

- Recovery of the overpayment
- A Civil Penalty of £50 imposed but with
- A right of appeal against the decision including the decision to impose the Civil Penalty.

In cases where the decision maker for the appropriate authority (Secretary of State or a local authority) satisfies themselves that an overpayment has arisen as a result of the claimant's culpable failure or negligence, they may impose a Civil Penalty as well as recovery of the overpayment.

The penalty is added to the overpayment total and notified at the same time to the claimant and recoverable by the same means. It is possible to invoice separately for the penalty but it is anticipated that this would increase costs associated with the process.

Where an appeal against an overpayment decision results in there being no overpayment then the associated Civil Penalty will no longer apply and any monies already recovered of the Civil Penalty and overpayments are repaid.

Where the appeal is against the Civil Penalty only, and it is decided no grounds for the Civil Penalty exist, the penalty will no longer apply and any monies already recovered of the Civil Penalty are repaid. It is important to explain however that a customer does not agree to a penalty, it is imposed and therefore there is no agreement necessary which is different to the administration penalty which can be applied by Department of Work and Pensions.

The aim of the £50 Civil Penalty is to deter claimants from negligent behaviour in the future and increase their personal responsibility for keeping claims correct.

Any income generated by the introduction of Civil Penalties in Housing Benefit would be kept by Reading Borough Council and could be invested into maximising recovery of overpayments and administration of benefit cases and reviews.

It is anticipated that subject to the penalty being approved by Policy Committee, it should be administered by the Housing Benefit Team and any case considered for a penalty, should be approved by a Senior Officer. We need to prepare a policy on the application and purpose of Civil Penalties which would become a public document and we may be asked to report details of these in subsequent Freedom of Information Requests. However, it is anticipated the number of such requests being limited and we could meet these demands without any additional resource.

In terms of income we could realise, if we take West Oxfordshire as an example.

They applied 111 penalties in 2016/17 all of which were repaid by customers. This resulted in £5,550 additional income. West Oxfordshire has a considerably smaller caseload and due to the demographics of the area, these customers have fewer changes as they have a lower in work population than Reading. It is therefore anticipated that if the policy were approved and implemented, it is anticipated that we could realistically generate c.£10,000 additional income per annum with minimal investment or risk.

Council Tax Support (CTS):

For CTS cases, we do not currently include or publish details about sanctions which may be imposed by any subsequent investigation process. However, the Welfare Reform Act 2012 introduced new regulations under Sections 14a to 14C of the Local Government Finance Act 1992 which make provision for powers to require information, the creation of offences and powers to impose penalties in connect with Council Tax Reduction Schemes. (The Council Tax Reduction Schemes (Detection of Fraud & Enforcement) (England) Regulations (2013))

It could therefore be argued that as the above regulations are part of the Local Government Finance Act 1992, they are an intrinsic part of our scheme but I would recommend including these in our scheme for 2018/19 and including them in any consultation in relation to this. This income would only become available to the authority in 2018/19 and subsequent years and could not be realised in this financial year.

Regulations 12 and 13 of the Council Tax Reduction Schemes. (The Council Tax Reduction Schemes (Detection of Fraud & Enforcement) (England) Regulations (2013)) enable a billing authority to impose a Civil Penalty of £70 (S.I 2013/501) on a person in circumstances where they negligently make an incorrect statement in connection with an application for a reduction under a Council Tax Reduction Scheme, or where a person fails to notify a change of circumstances where required to do so. The £70 penalty is a fixed amount and would not be reduced.

Council Tax:

The Council has powers under the Local Government Finance Act 1992 (Schedule 3) to impose civil penalties to those charge payers who wilfully neglect to inform the Council of changes which affect their Council Tax liability.

Introduction of a penalty scheme will encourage customers to inform the Council of changes as soon as possible thus reducing collection costs.

These penalties would be applied using a consistent approach to those proposed in receipt of Housing Benefit and Council Tax Support.

It is proposed the Council would impose a penalty when a charge payer fails to report a change in their circumstances or provide information requested within 21 days, and has not provided a reasonable explanation for the delay in reporting the change resulting in excess discount or incorrect Council Tax liability.

The Council may impose a penalty of £70 where a person fails to:

- Notify the council without reasonable excuse on any matter which affects entitlement to a discount
- Notify that their dwelling is no longer an exempt dwelling
- Supply relevant information requested after the issue of a liability order has

been obtained. Failure to supply could lead to a criminal prosecution and a fine

- Notify the council of a change of address within 21 days or as soon as practicable
- Notify the council of a change in liability party.
- Notify the Council that Council Tax Support should have ended

Where a penalty has already been applied and further requests for the same information are made additional penalties of £280 may be applied.

Guidelines for the application of penalties and an internal review procedure for dealing with any appeals will be required to ensure consistency between the officers responsible for imposing the penalties for both Council Tax and Local Council Tax Benefit Scheme. An increase in reviews of discounts and exemptions will also need to be adopted therefore it is not foreseen that any income will be generated from Council Tax penalties in 2017/18.

2a. Confidence level

70 %

The implementation of the policy would increase work for all teams initially and therefore may reduce current clearance rates thereby increasing customer dissatisfaction and corresponding risk may be seen as too high.

Council Tax -

There are no adverse financial implications associated. It is however not possible to estimate the value of penalties that might be applied and collected during 2018/19. All penalty income collected does not form part of the collection fund. The management information collected during the year will enable a decision to be made as to how much should be added to the Medium Term Financial Plan for future years.

3. Impact on residents, businesses and other organisations:

It is anticipated that these changes would increase customer demand in the short term as they would be keen to advise us of all changes at the time that they happen rather than now, which is far more re-active.

There is also the possibility of additional financial hardship in cases where customers have failed to notify us of changes which may impact on their ability to keep up with other bills such as rent or Council Tax. However, as the recovery of the Housing Benefit Civil Penalty would sit alongside standard overpayment recovery, this is expected to be minimal.

Introducing a penalty is unlikely to be supported by agencies in the 3rd sector but it should be noted that these are in place in other authorities and there is even a section on Civil Penalties on the Citizens Advice Bureau website so this is not unknown territory.

Council Tax - The Council will exclude taxpayers from the imposition of a penalty where they have relevant mitigating family/personal circumstances, for example recent bereavement or serious illness. Council Tax payers who are severely mentally impaired are also excluded from the penalty scheme.

Exclusion from a penalty will also be considered in cases where the customer or their partner has a significant degree of physical or mental infirmity, such as a

terminal illness, severe clinical depression, and hearing/sight/speech problems, learning difficulties or frailty due to old age.
All identified exceptional cases will be passed to a Revenues Team Leader or the Revenues and Benefits Manager for a decision to be made.

4. Impact on other services we provide

There may be increased pressure on overpayments teams working within the Council and on appeals teams within Benefits.

5. Impact on staff

The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change

No additional funding would be required for Housing Benefit changes.

Council Tax Support would need to be included in the 2018/19 scheme for which we pay a small fee to an external agency to prepare for us and which we consult upon each year.

We would need sign off from the Head of Audit and I would suggest our Section 151 Officer, and would need a policy approved by Members.

Council Tax - An increase in Council Tax officer roles will be requires ensuring the correct resource is available to undertake Council Tax reviews.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
Report to be drafted for Corporate Management Team (CMT)	Apr / May 2017
CMT to consider and approve / reject	May 17
If approved, policy to be drafted by service	May 17
Policy to be signed off by Section 151 Officer and Head Auditor	Jun 17
Policy Committee to sign off policy	Jul 2017
Service to introduce Housing Benefit and Council Tax Civil Penalty	July 2017
Civil Penalty to be introduced in Council Tax Support scheme	April 2018

8. Risks and Opportunities

- Risk to income via rents team as overpayments would be increased and recovery would be for longer period
- Risk to reputation as may not be considered supportive of residents or of adding debt to generate income
- Risk of increased complaints, appeals for team to manage
- Opportunity for real and permanent change in customer behaviour
- Opportunity for income generation to assist with overpayment recovery and administration of benefit

Council Tax - There may be challenges to the imposition of penalties increasing the number of appeals; however a right of appeal to an independent Valuation Tribunal

exists. Staff will be fully trained in the administration of this policy to ensure fairness and consistency. Any penalty will be applied to the Council Tax liability and recovered through the usual means.

9. Dependencies

Council Tax ICT configuration and Systems Support Team resource

10. Initial Equality Impact Assessment

These changes will affect all customers regardless of any other factors.

11. Consultation and Communications plans:

Message on benefit and Council Tax pages of Reading Borough Council website
Section added to Benefit application form to advise this is happening

12. Legal Implications

- There is no duty to consult for Housing Benefit / Council Tax changes
- There is a duty to consult if significant changes are made to Council Tax Support scheme
- If Policy is approved by Section 151 Officer and Head of Audit, will be accepted by Department for Work and Pensions

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£5	-£	£5
2018/19	£	£10	-£	£10
2019/20	£	£	-£	£
Total	£	£15	-£	£15

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (CSS11)

CSS11: Realignment of commissioned Tackling Poverty, Thriving Communities and Community Buildings services from 2018/19

Corporate Plan Priority: Safeguarding and protecting those that are most vulnerable

Directorate: CSS Delivery Unit Ref: CSS11

Head of Service: Zoe Hanim

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>From 2016/17 a proposal was implemented to generate a saving of £963,000 in voluntary sector grants budgets over a 2 year period, reducing expenditure from £1.963m in 2015/16 to £1m in 2016/17 and creating a better alignment with priorities set out in the Corporate Plan. The majority of these savings have been achieved via the implementation of the Narrowing the Gap Commissioning Framework from 1 June 2016 with 2 year agreements in place expiring 31 May 2018.</p> <p>The first Narrowing the Gap framework contained seven commissioning themes - developed in consultation with community organisations - related to tackling poverty, supporting thriving communities, and promoting wellbeing. The framework was designed to enable community organisations to apply for funding to deliver services in support of corporate priorities. Narrowing the Gap commissioning is funded through Adult Social Care and Corporate Support Services budgets.</p> <p>The voluntary sector is a key partner that adds significant financial value through volunteering contributions and their ability to lever in external funding; as well a social value via service delivery reaching out to vulnerable groups. Historically, this partnership way of working has been supported by Reading Borough Council through a mixture of grant aid; contractual arrangements; and help in kind through subsidised lease arrangements for our properties.</p>

The current position in 2017/18 already reflects new partnership arrangements and new ways of working that have been made in the voluntary sector to support service delivery within a reduced budget framework.

The Narrowing the Gap Corporate Support Services budget is for commissioning Tackling Poverty and Thriving Communities services and the Community Buildings transition scheme.

The current Narrowing the Gap Commissioning Framework contracts end in June 2018. The process of recommissioning for a new set of contracts to start in June 2018 is proposed to commence with consultation with the voluntary sector in August 2017. Due to the resource involved in commissioning it is expected that new contracts would run for 4 years.

Through the recommissioning process for the Narrowing the Gap Framework, to provide services that support those who are vulnerable and in greatest need and maintain a strong and sustainable voluntary sector, it is proposed that specifications for future Narrowing the Gap services would be reviewed to obtain best value for money. The potential realignment of service specifications and apportionment of the Narrowing the Gap Commissioning Framework budget would be developed in consultation with the voluntary sector through the re-commissioning process. This would involve discussion on which areas are in a better position to secure alternative sources of funding so that we can protect those areas of our priorities least able to attract alternative sources of funding.

2a. Confidence level

95 %

It would be possible to implement any savings decision by June 2018 which is when recommissioned serviced would commence.

3. Impact on residents, businesses and other organisations:

The Narrowing the Gap Framework provide services that support those who are vulnerable and in greatest need and maintain a strong and sustainable voluntary sector. A reduction in budget could impact on the viability of some voluntary organisations and services provided to vulnerable people and those in greatest need. There are also opportunities for bringing in alternative or additional funding which could benefit the local community.

4. Impact on other services we provide

Services provided through the Narrowing the Gap framework support homeless and housing services and council tax collection.

Support for participation and engagement provided through the Narrowing the Gap framework impacts on the work of neighbourhood teams in terms of engagement with local residents in a structured way.

Community Buildings - The capacity to manage the centres is variable, and in local neighbourhoods there is a dependency on council officers to support committees and to provide both continuity and funding support.

5. Impact on staff

The number of Full Time Equivalent staff that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change

The resource to carry out this proposal will be provided through the Narrowing the Gap commissioning process which involves Policy, Commissioning, Legal, Procurement and is already provided for in mainstream service planning.

7. Timescale to deliver and major milestones

To include key decision points and governance meetings

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Consultation on CSS Narrowing the Gap (NTG) budget and proposed NTG II themes and approach	August to September 2017
Equality Analyses	August to September 2017
Confirm CSS Narrowing the Gap budget 18-19	31.10.2017
Publish draft NTGII framework for (provider) feedback	01.11.2017
Secure authorities to extend /award contracts	31.12.2017
Open NTGII for bids	05.01.2018
Close NTGII bidding	09.02.2018
New / revised contracts in place to achieve 18-19 (recurrent) savings	31.05.2018

8. Risks and Opportunities

A review of specifications for Narrowing the Gap services in the light of emerging needs, performance, outcomes and continual improvement would bring opportunities to reduce contract costs and direct resources more effectively along with potential for obtaining additional funding which could benefit the local community.

9. Dependencies

Adult Social Care Narrowing the Gap promoting wellbeing strands form part of the Narrowing the Gap Framework. The cross council impacts of the Adult Social Care Preventative and non -prescribed (non-mandated) Public Health services should be considered in the context of this proposal and vice versa.

10. Initial Equality Impact Assessment

The Narrowing the Gap Commissioning Framework includes services for individuals supporting those who are vulnerable, marginalised or in poverty, or supports the infrastructure required for a healthy voluntary sector e.g. support for volunteering, community buildings, and community capacity-building. A full Equality Impact Assessment will be undertaken in relation to any area where this Proposal for Change is likely to lead to a reduction in service in that area.

11. Consultation and Communications plans:

Full consultation and communication plans will be developed as part of the Narrowing the Gap re-commissioning process to ensure that new arrangements are in place from 1 June 2018.

Consultation will be required with all groups responsible for managing community buildings.

12. Legal Implications

Individual properties owned by Reading Borough Council and managed by voluntary organisations have leases in place with appropriate break clauses.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£83	£	-£	£ 83
2019/20	£17	£	-£	£ 17
Total	£100	£	-£	£ 100

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£

2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
	TOTAL	£

Proposal for Change: (CSS15)

CSS15: Direct Cremations

Directorate: CSS
Head of Service:
Zoe Hanim

Delivery Unit Ref: CSS15

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change							
<p>This proposal sets out consideration for including “Direct Cremations” as an additional service the Cemetery & Crematorium team is able to provide families. This service will provide a new income stream.</p> <p>What is a Direct cremation? A direct cremation is a disposition option in which the body is cremated in the days immediately following the death, without a funeral service beforehand. Direct cremation is the most economic (affordable) option for disposition.</p> <p>Basic Features Of Direct Cremation: Because direct cremation does not include a formal funeral or any pre-funeral events, many of the costs of a traditional funeral are avoided.</p> <p>Why would a family choose this option?</p> <ul style="list-style-type: none"> • The express wishes of the deceased. • Keeping costs to a minimum • Funeral poverty and the steep increase in funeral costs <p>In 2014 the cost of dying rose seven times faster than the cost of living. The cost of an average, basic funeral in the UK has increased from £3,562 then to £3,675 in 2016. This is an increase of 3.2%, over three times higher than the rate of UK inflation. (Quaker Social Action - Funeral Poverty Briefing, November 2016)</p> <p>Current pricing structure</p> <table border="1"> <tbody> <tr> <td>Reading Borough Council set Cremation fee</td> <td>£745 Includes chapel of £275</td> </tr> <tr> <td>Cost of the average funeral in Reading (Hearse, service, Bearers & Celebrant)</td> <td>£3250* (*includes Cremation fee above)</td> </tr> <tr> <td>Average Local offer for Direct Cremation</td> <td>£1250</td> </tr> </tbody> </table>		Reading Borough Council set Cremation fee	£745 Includes chapel of £275	Cost of the average funeral in Reading (Hearse, service, Bearers & Celebrant)	£3250* (*includes Cremation fee above)	Average Local offer for Direct Cremation	£1250
Reading Borough Council set Cremation fee	£745 Includes chapel of £275						
Cost of the average funeral in Reading (Hearse, service, Bearers & Celebrant)	£3250* (*includes Cremation fee above)						
Average Local offer for Direct Cremation	£1250						

Table 1

Competition

Most Funeral Directors locally now have a “direct” or online offer and the trend is for all Funeral Directors to include this option in their service mix. Reading Crematorium does not currently offer a “direct” fee, and understands that a Local Funeral Director who offers the “direct” service travels to an out-of-borough crematorium offering a lower fee and by doing multiple coffin deliveries achieves economy of scale.

It is therefore important that as a Borough, Reading presents a “direct” fee attractive to local Funeral Directors to ensure they too can keep their costs down and retain business within the borough.

Most importantly, this fee will go a long way in supporting local residents afford the cost of laying their loved ones to rest.

There are number of considerations in implementing this service:

1. Proposed fee: £460 (Cremation fee -chapel fee of £275)

This does imply a loss of income of £275 for non-use of the chapel; however, it is unlikely that Reading Borough Council would have obtained this additional business given the price sensitivity. This would be considered new business.

		Proposed income 2017-18	Proposed income 2018-19	Proposed income 2019-20
The Reading Borough Council proposed Fee per Direct Cremation	£460 (Current Crematorium fee £745 - £275 Chapel fee)	£8.2k (-£2.7k costs)	£11.3k	£12.3k
Number of Cremations		18	22	30

Table 2

2. Capacity:

The current daily cremation capacity: 10 cremations/ day using 2x cremators; however, this capacity level is principally attained and sustained between Mid-December and April. This implies for the remaining 7.5 months of the year, the service could increase “production” without requiring significant changes to resources.

Given this capacity restriction, there is a recognition that Reading Crematorium will only be able to accept “direct” where the service can cremate within the limits of its resource and storage base.

The current storage infrastructure meets the needs of the service; however, to meet the future “direct” need, additional racking will be acquired at a one-time cost of £2.5k.

There is no fear yet that demand for this service will hamper the traditional route as highlighted in Table 3, only a small number of families will choose this route.

3. Staffing costs:

This is yet an unknown and will be dependent on service pressures particularly in the Winter months when demand for funeral services is highest. There may be a need for staff to either stay late to complete cremations where “carrying over” is not an option.

Additional resource cost: £1200 /year of overtime working on the assumption of 5 operational Saturdays/ year.

This cost would only be incurred if the demand supersedes the weekly production capacity and would require management approval to ensure efficiency.

2a. Confidence level

75	%
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Explanation: - Market position:

Direct cremations are a niche but growing area of the funeral business highlighted under the heading “Basic Features of Direct Cremation”

There is a strong online presence for direct cremations and local business now offer this service at an average cost of £1250.

Having stated the above position, it is, however, important to note this service will continue to be niche as The National Association of Funeral Directors (NAFD) estimates that direct cremations and the rarer burials without ceremonies follow less than 3% of the 480,000 or so annual deaths that occur in England & Wales. (<http://www.bbc.co.uk/news/magazine-35812014>) Reading’s bereaved population who would choose this service option amounts to less than 1% of all cremations at the crematorium. The NAFD goes on to say “Funerals are acknowledged as an important step in the grief journey as we learn to come to terms with life without someone in it.” (<http://nafd.org.uk/2016/10/19/impact-direct-cremation-grieving-process/>)

3. Impact on residents, businesses and other organisations:

Positive impact as customers will have more choice.

More attractive offer for funeral directors to keep business local.

4. Impact on other services we provide

This offer could help to reduce the demand for local authority funded public health funerals and provide additional savings.

5. Impact on staff

Possible Ad hoc requirement to increase hours to meet demand.

The number of Full Time Equivalent staff that might be lost is:

0

The number of posts that might be lost is:

0

6. Resources and support needed to make the change

Additional resource cost: £1200 /year of over-time working on an assumption of 5 operational Saturdays a year.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
Business case approval to include fee in current year	June 2017
Update all fee charts	July 2017
Brief Funeral Directors	July /August 2017

8. Risks and Opportunities

Opportunity: Strong and steady demand albeit the small volume.

Risk: Demand may be too high at critical times putting a strain on the current resource pool. A resourcing review may require appointing additional casual resource to manage the ebbs and flow. Could result in Funeral Directors losing faith in Reading Cremation's ability to deliver.

9. Dependencies

None

10. Initial Equality Impact Assessment

This is a discretionary and non-discriminatory service accessible to all members of the public.

11. Consultation and Communications plans:

Consultation is not required as this is a discretionary service which the public may choose to purchase.

12. Legal Implications

Prior to each cremation, all medical and legal paperwork must be completed and checked.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£ 8.2	-£	£ 8.2
2018/19	£	£	-£	£
2019/20	£	£	-£	£
Total	£	£ 8.2	-£	£ 8.2

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£

		<i>Sub-total</i>	£
2019/20	Capital Costs		-£
	Capital Receipts		£
	Estimate of redundancy costs		-£
	Estimate of resource costs to deliver		-£
		<i>Sub-total</i>	£
		TOTAL	£

Proposal for Change: (CSS22)

CSS22: Proposal to develop a range of options for changes to staff terms and conditions

Directorate: CSS
Head of Service: Chris Brooks

Delivery Unit Ref: CSS22

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The Council is working to close its financial gap and it is proposed that in line with other councils managing through austerity, avoiding growth in employee costs in the medium term is important if job losses and service cuts are to be minimised.</p> <p>It is proposed that the Council seeks to reduce the increase in the pay bill of non-schools staff over the next 2 financial years by £2m.</p> <p>The main measure proposed for consideration is going ahead with the annual pay rise agreed as part of the national agreement but pausing incremental progression within grades. This is proposed because it does not reduce pay but delays a pay rise until after the Council's financial position has been stabilised.</p> <p>There are a number of other proposals which could be considered. Throughout the process all options will be considered, including alternative suggestions that staff and trade unions may have.</p>

2a. Confidence level

70 %

The confidence level reflects the fact that delivering the cost reductions to the timetable proposed through the inclusive, collaborative approach proposed will require the engagement of all parties and timely agreement of the measures to be implemented.

3. Impact on residents, businesses and other organisations:

It is not anticipated that there will be any impacts of this proposal on residents, businesses or other organisations.

4. Impact on other services we provide

This proposal is intended to help close the budget gap without making reductions in services.

5. Impact on staff

This proposal is designed to achieve a reduction in staff costs without additional staff losses.

The impact on staff will be dependent on the nature of the proposals that are implemented. The consultative approach proposed and level of engagement with staff and their representatives will inform which options are taken forward to deliver the level of saving required.

The number of FTE that might be lost is: 0

The number of posts that might be lost is: 0

6. Resources and support needed to make the change

The development of options, engagement with staff and their representatives and implementation will require support from internal resources including HR, Legal, Communications and Finance.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
The process will be consultative and iterative with a view to reaching agreement in order for implementation in April 2018.	1/4/18

8. Risks and Opportunities

The key risk is that any proposed cost saving amendments to our Terms and Conditions of Service may have an adverse impact on staff morale and/or impact on recruitment and retention.

The proposal provides an opportunity to agree ways to reduce staff costs to help stabilise the finances of the Council without directly affecting front line services or creating additional job losses.

The proposal also provides an opportunity to extend the conversation with staff and Trade Unions beyond Terms and Conditions to establish a new partnership approach including areas such as learning and development, career development, management practice and processes etc.

9. Dependencies

N/A

10. Initial Equality Impact Assessment

An Equality Impact Assessment will be undertaken as specific proposals are developed and informed consultation processes.

11. Consultation and Communications plans:

A collaborative and consultative approach to identifying and agreeing options is proposed to include:

- An open discussion with Trade Unions and local branch representatives;
- All staff meetings outlining the Council's financial situation;
- A sharing of all the options and a discussion to establish the Unions' preferred options;
- A proposed joint Trade Union, management consultation exercise on the options for change;
- A negotiation informed by these exercises;
- Completion of an Equalities Impact Assessment and Low Pay impact assessment for any proposed package; and
- A consultative ballot of all staff on any proposal.

12. Legal Implications

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£ 1,040	£	-£	£ 1,040
2019/20	£ 960	£	-£	£ 960
Total	£ 2,000	£	-£	£ 2,000

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£

	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
	TOTAL	£

Proposal for Change: (DENS2)

DENS2: Changes to the Animal Warden Service

Delivery Unit Ref: DENS 2

Directorate: DENS

Head of Service: Giorgio Framaliccio

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The Animal Wardens Service is currently staffed by one officer covering the statutory function of collection of strays and discretionary functions including targeting reductions in dog fouling, licensing of animal boarding establishments (home boarding, kennels etc) and also supports noise nuisance case work where dogs are involved.</p> <p>This proposal sets out options to reduce the staffing costs by stopping discretionary services. The statutory function for the collection of strays will be outsourced and consideration will be given to outsourcing animal boarding establishment work on a cost neutral basis.</p>

2a. Confidence level	
100%	The provision of the discretionary elements of the current service is completely within the control of the Council.

3. Impact on residents, businesses and other organisations:
<p>Residents should not see a change in the strays service and the contractor may also be able to provide out of hours cover. There is however less control over fees unless the Council chooses to maintain control over these.</p> <p>Key impacts will be reduced service for animal nuisance cases; no RBC (Reading Borough Council) officer conducting licensing of animal boarding establishments; no lead officer for dog behavioural issues and public space protection orders; loss of Facebook page which manages a range of customer contacts and helps to re-unite owners with their lost</p>

dogs.

4. Impact on other services we provide

There is likely to be an increase in complaints to Parks and through 'Love Clean Reading' requesting cleansing in affected areas.
There will be a loss of income from animal establishment licensing.

5. Impact on staff

There will be a reduction in staff.

The number of FTE that might be lost is: 1

The number of posts that might be lost is: 1

6. Resources and support needed to make the change

- Contract support
- Human Resources support for redundancy/TUPE (Transfer of Undertakings (Protection of Employment) Regulations)

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Consult with staff	September - December 2017
Contract discussions related to strays service	September - December 2017
Savings achieved	1 April 2018

8. Risks and Opportunities

- Loss of control over fee setting
- Reduced service level offered by strays contractor (slower response etc)
- Increase in workload in street cleaning due to unchecked fouling
- Lost expertise on dog behavioural issues contributing to noise nuisance
- Loss of RBC licensing expertise and income

9. Dependencies

Availability of contract support for strays.

10. Initial Equality Impact Assessment

If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	✓
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	✓

11. Consultation and Communications plans:

Consultation with staff will be required. A communications plan is not required.

12. Legal Implications

TUPE / contract matters may apply.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£0	£0	-£0	£0
2018/19	£15	£0	-£0	£15
2019/20	£0	£0	-£0	£0
Total	£15	£0	-£0	£15

13.b One off project costs and income (not included in above)

		£'000's
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (DENS11)

Cease the Classical Season at the Hexagon

Directorate: DENS

Delivery Unit Ref:
DENS11

Head of Service:
Grant Thornton

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
<p>The Classical Season at the Hexagon is the only regularly loss-making element of the overall programme. The costs of putting on the classical concerts are greater than the returns generated through box-office and secondary income is relatively limited. The season is essentially subsidised by the Council (this is reflective of a national picture where both classical and opera receive significant levels of public subsidy in one way or another).</p> <p>The proposal is to curtail the classical 'season' of 6-8 concerts. This will remove the losses currently sustained and also free up additional dates for programming shows / performances that do not lose money.</p> <p>Some small scale concerts could continue at the Concert Hall in the Town Hall & Museum where these can break even.</p> <p>It is the intention to have occasional large scale concerts at the Hexagon if of sufficient profile to secure a larger audience to achieve break-even or better and to explore maintaining a relationship with our resident orchestra the Royal Philharmonic Orchestra (RPO). This will include retention of the annual 'Noisy Kids' concert which has high attendances.</p>

2a. Confidence level

100 %

In terms of the action required to implement the proposal there are no identified issues.

3. Impact on residents, businesses and other organisations:

Loss of large scale orchestras regularly performing in Reading, with the possible loss of profile and reputation for the cultural offer in the town. A relatively small, although numerous, proportion of the public would lose local access to frequent larger scale classical concerts.

We would lose our long-standing partnering relationship with the Royal Philharmonic Orchestra and associated educational programmes. Discussions are though underway to establish whether it will be possible to retain a connection to the RPO based on a very much more limited number of performances.

Impact on the schools and students that visit the venue for these concerts at discounted rates.

4. Impact on other services we provide

No major impacts identified.

5. Impact on staff

Minimal as capacity would be absorbed in developing alternative programme.

The number of FTE that might be lost is:

The number of posts that might be lost is:

6. Resources and support needed to make the change

No major resources needed

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Stop programming any new classical concerts at the Hexagon (from the date of in principle decision - July Policy Committee.	17/07/17
Commence Public Consultation	19/07/17
Complete Public Consultation	13/09/17
Confirm Decision	30/10/17
2017/18 Classical Season completes	30/06/18
Reduced Season for 2018/19 completes	30/06/19
Full-year saving delivered in 19/20	31/03/20

8. Risks and Opportunities

Reputational damage and public reaction.

Will remove large scale orchestras performing regularly from the town for the foreseeable future, once Reading is off the touring map for orchestras.

Risk of potential press stories, more likely in specialist trade media such as The Stage and Arts Professional.

The freeing up of dates in the programme calendar will provide an opportunity to substitute more profitable shows or performances.

9. Dependencies

None identified

10. Initial Equality Impact Assessment

The classical audience has a skewed demographic profile towards the more elderly. An Equality Impact Assessment is required as whilst this would be a commercial decision we would be stopping a 'service' currently provided.

11. Consultation and Communications plans:

User engagement exercise to be explored.

Consultation with the Royal Philharmonic Orchestra to explore potential for ongoing albeit more limited collaboration.

12. Legal Implications

None provided existing contractual commitments are honoured.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£20k	£5k	-£	£25k
2019/20	£20k	£5k	-£	£25k
Total	£40k	£10k	-£	£50k

13.b One off project costs and income (not included in above)

£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£

2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
	TOTAL	£

Provide basic details

Name of proposal/activity/policy to be assessed

Budget Saving Proposal - Curtailing the Classical Music Season at the Hexagon

Directorate: DENS

Service: Economic & Cultural Development

Name and job title of person doing the assessment

Name: Grant Thornton

Job Title: Head of Economic and Cultural Development

Date of assessment: 23 June 2017

Scope your proposal

What is the aim of your policy or new service/what changes are you proposing?

This is a savings proposal in the context of severe financial constraints facing the Council. The Classical Season at the Hexagon currently comprises around 6-8 concerts per year and is the only element of the overall programme that consistently loses money year on year. The costs of putting on the classical concerts with large orchestras are high and greater than the returns generated through box-office and secondary income is relatively limited. There is a loyal core of regular attenders but overall numbers attending classical concerts have gradually diminished over time. It is not possible to recoup losses through increasing ticket prices as the cost increase would further drive down attendance. The season is essentially subsidised by the Council and over recent years this level of subsidy has ranged between £40k and £60k per annum. It is proposed to curtail the programme other than possibly one or two high profile concerts per year that have the capacity to break even or make a modest surplus. Smaller scale classical music performances would still be offered at the Concert hall in the Town Hall & Museum, again subject to an assessment of likely viability.

Who will benefit from this proposal and how?

The primary beneficiary is the Council as the proposal supports the need to make substantial savings. Insofar as this enables the Council to continue to deliver other statutory and high priority services there are a range of indirect beneficiaries.

What outcomes does the change aim to achieve and for whom?

The outcome is simply that of reducing costs borne by the Council through subsidising performances and thus enabling scarce resources to be directed to higher priority services and needs.

Who are the main stakeholders and what do they want?

Primary stakeholders are the audiences for the Classical Season; the Royal Philharmonic Orchestra as our 'resident' orchestra and other classical performers. None of these stakeholders would wish to see the curtailment of the Classical Season.

Assess whether an EqIA is Relevant

How does your proposal relate to eliminating discrimination; promoting equality of opportunity; promoting good community relations?

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others? (Think about your monitoring information, research, national data/reports etc.)

Yes

Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.

No

If the answer is Yes to any of the above you need to do an Equality Impact Assessment.

If No you **MUST** complete this statement

An Equality Impact Assessment is not relevant because:

Signed (completing officer) As below

Date

Signed (Lead Officer)	GRANT THORNTON	Date 23.06.2017
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Assess the Impact of the Proposal

Consultation

The proposal relates to the programming of the Hexagon as a commercial operation and the need to ensure that it is as cost-effective as possible. Programming at the Hexagon is not and has not been subject to public consultation, although the venue does seek to provide a varied programme with wide-ranging appeal to different audiences. The proposal is an adjustment to current programming to make the venue more cost effective and consultation is not required, although known customers for the classical season will be contacted and informed. The proposal forms part of the Council's overall budget savings that are required in order to be able to set a legal budget in the context of severe reductions in Government funding.

Initial discussions with the resident orchestra, the Royal Philharmonic, have taken place with a view to establishing whether and how a relationship can be maintained with a greatly reduced programme of concerts. These discussions will continue.

Collect and Assess your Data

The Hexagon collects relatively detailed, although completely anonymised, data on the demographics, geographic distribution (postcodes) and socio-economic classification (Mosaic Groups) of audiences attending performances of all types at the theatre. For the last two classical concerts at the Hexagon 51% and 47% of the audience were over 65, 75% and 76% were over 55. This is far more skewed towards older age-groups than audiences for other elements of the programme.

It is clear that curtailing the Classical Season will therefore have a disproportionate impact on those over 55 years of age compared to other age-groups.

Equally, however, the numbers impacted as a proportion of all those in the Borough who are over 55 is relatively modest.

In addition, Mosaic data would indicate that the audience is predominantly a relatively affluent one with over 50% falling into the 'Symbols of Success' grouping. Whilst acknowledging that this does not apply to all attendees, it does imply that a high proportion of the audience would be able to access alternative classical performances in other regional venues such as Basingstoke, albeit less conveniently and at additional cost.

Describe how this proposal could impact on Racial groups

Is there a negative impact? No

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)

Is there a negative impact? No

Describe how this proposal could impact on Disability

Is there a negative impact? No

Describe how this proposal could impact on Sexual orientation (cover civil partnership)

Is there a negative impact? No

Describe how this proposal could impact on Age

Is there a negative impact? Yes

Describe how this proposal could impact on Religious belief?

Is there a negative impact? No

Make a Decision

If the impact is negative then you must consider whether you can legally justify it. If not you must set out how you will reduce or eliminate the impact. If you are not sure what the impact will be you MUST assume that there could be a negative impact. You may have to do further consultation or test out your proposal and monitor the impact before full implementation.

Tick which applies (Please delete relevant ticks)

1. No negative impact identified Go to sign off

2. Negative impact identified but there is a justifiable reason

Yes

You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.

Reason

As outlined above the demographic of the audiences for classical music at the Hexagon is skewed towards more elderly age-groups. However, the Council is being forced into making significant budget reductions due to both reductions in Government funding and increasing demands on its services. Increasing demand and cost is particularly acute for both children's and adult social care, including looking after the most vulnerable elderly in the town. In these circumstances it is not considered appropriate to provide public subsidy for a relatively small proportion of the Borough's population to regularly access classical concerts locally.

3. Negative impact identified or uncertain

What action will you take to eliminate or reduce the impact? Set out your actions and timescale?

Discussions will continue to take place with the RPO to consider maintaining a local relationship and staging one or two high profile concerts every year that will continue to provide more limited opportunities to attend large orchestral performances.

Smaller scale classical concerts will continue to be programmed at the Concert Hall in the Town Hall & Museum.

There will continue to be a range of local amateur orchestral and classical performing groups in Reading who will continue to provide opportunities to experience classical music.

The separate proposal to introduce live screenings at the Hexagon will also provide opportunities to offer an alternative classical music experience that is likely to appeal to current audiences.

Reading Arts will continue to publicise and market classical performances in the town.

How will you monitor for adverse impact in the future?

We will continue to engage with the audience for classical music and endeavour to provide access where it is cost-effective to do so.

Signed (completing officer)	As below	Date
Signed (Lead Officer)	GRANT THORNTON	Date 23.06.2017

Proposal for Change: (DENS19)

DENS19: Introduce weekend charging for Hospital & University Pay & Display (P&D)

Delivery Unit Ref: DENS 19

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
Introduce weekend charges to the Royal Berkshire Hospital and University on-street Pay & Display.

2a. Confidence level	
80%	This is a change to the current scheme where there are no charges currently at weekends - expected income £50K.

3. Impact on residents, businesses and other organisations:
The existing Royal Berkshire Hospital and University Area on-street Pay and Display scheme is currently operational Monday to Friday with residents protected through residents permit parking. Extending on-street Pay and Display to cover weekends will provide more short term parking for the area but will impact on some residents who currently use those parking areas during the weekends for free. If accepted, the weekend charging will manage parking in the pay and display areas in the same way that Monday to Friday is managed.

4. Impact on other services we provide
There will be no Impact on other services we provide.

5. Impact on staff	
There will be no impact on staff.	
The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change

Staff time in Network Management and Legal Services to promote the proposed changes and complete the Statutory Consultation.
Support from the Councils' Direct Labour Organisation will be required to make changes to the on-street parking signs.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Reports to Traffic Management Sub-Committee seeking authority to advertise and make the relevant Traffic Regulation Order (TRO)	September and/or Nov 2017
Prepare TRO	January 2018
Statutory consultation	February 2018
Objections to Traffic Management Sub-Committee	March 2018
Implement change	April 2018

8. Risks and Opportunities

There may be residual impact on residents, although most of the risks have been realised through the introduction of the Monday to Friday scheme.

9. Dependencies

The internal legal team will be required to support the legal process to produce the TRO(s).

10. Initial Equality Impact Assessment

If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.

A full EIA has already been completed as a part of the main Monday to Friday scheme but will require reviewing for Saturday and Sunday.

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	ü
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	ü

11. Consultation and Communications plans:

A Statutory Consultation will have to be completed before any changes can be made to the existing Pay and Display scheme. If accepted, approval will be sought at the September 2017 Traffic Management Sub-Committee to complete the statutory consultation, with any objections reported to a future Traffic Management Sub-Committee.

12. Legal Implications

Local Authorities are required to promote Traffic Regulation Orders in order to create and enforce waiting restrictions.

13.a Financial implications - net change to service budget in each year				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£0	£0	-£0	£0
2018/19	£50	£0	-£0	£50
2019/20	£0	£	-£0	£0
Total	£50	£0	-£0	£50

13.b One off project costs and income (not included in above)		
		£'000's
2017/18	Capital Costs	-£5
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	-£5
2018/19	Capital Costs	-£0
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	£0
2019/20	Capital Costs	-£0
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	£0
TOTAL		-£5

Proposal for Change: (DENS20)

DENS20: Seek alternative funding for Real Time Passenger Information

Delivery Unit Ref: DENS 20

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
✓	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
Seek alternative funding for the existing Real Time Passenger Information system, potentially replacing the Council core system with a feed from an alternative provider (such as Reading Buses).

2a. Confidence level
70% The approach of transferring costs to an alternative provider will need to be agreed with the company.

3. Impact on residents, businesses and other organisations:
If alternative funding is agreed, there will be no impact on Real Time Passenger Information. However, it may limit the potential for other bus operator's information to be displayed at bus stops.

4. Impact on other services we provide
N/A

5. Impact on staff	
No internal staff impact - this is a contracted service.	
The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change
Financial resource will be required to reconfigure the existing system to align with the alternative providers tracking system (estimated to be £20k).

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
Policy Committee decision	17/07/17
Liaison with an alternative provider and RTPi provider	01/09/17
CMT	25/09/17
Budget Sub-Group	02/10/17
Labour Group	16/10/17
Policy Committee decision	30/10/17
Implementation of proposal project timeline (provide notice to system supplier and system reconfiguration)	31/10/17
Savings achieved (linked to existing contract)	18/07/18

8. Risks and Opportunities
There is a risk that an alternative provider will not agree to this proposal. There is a risk that an alternative provider will not agree to continue to maintain all of the current bus stop displays, therefore there will be a reduction in the number of stops with Real Time Passenger Information provision.

9. Dependencies
An alternative provider agrees to this proposal.

10. Initial Equality Impact Assessment				
If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.				
Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	✓
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	✓

11. Consultation and Communications plans:
Consultation not required.

12. Legal Implications
When making a decision about these proposed recommendations, Members will need to take account of the requirements of the Council's duty under the Transport Act 2000 to ensure that appropriate public transport information is made available to the public. Reading Borough Council has an existing contract with the Real Time Passenger Information supplier, therefore notice will need to be given in line with the contract.

13.a Financial implications - net change to service budget in each year				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£0	£0	-£0	£0
2018/19	£30	£0	-£0	£30
2019/20	£20	£0	-£0	£20
Total	£50	£0	-£0	£50

13.b One off project costs and income (not included in above)		
		£'000's
2017/18	Capital Costs	-£20
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	-£20
2018/19	Capital Costs	-£0
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	£0
2019/20	Capital Costs	-£0
	Capital Receipts	£0
	Estimate of redundancy costs	-£0
	Estimate of resource costs to deliver	-£0
	<i>Sub-total</i>	£0
TOTAL		-£20

Proposal for Change: (DENS22)

DENS22: Review of off-street parking contract and budget to identify additional income

Delivery Unit Ref: DENS 22

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
Review the existing off-street parking contract to identify additional income

2a. Confidence level	
80%	This is subject to a positive outcome following the review of the contract.

3. Impact on residents, businesses and other organisations:
None

4. Impact on other services we provide
There will be no impact on other services we provide.

5. Impact on staff	
There will be no impact on staff.	
The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change
Staff time in Network Management and Legal Services to review and amend the existing contract.

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Review contract with Local Government Association expert and Legal Services	July 2017 - December 2017
Draft contract variation and approvals	January 2018 - March 2018
Implement change	April 2018

8. Risks and Opportunities
Contract savings are not found.

9. Dependencies
The internal legal team will be required to support the review of the contract.

10. Initial Equality Impact Assessment				
If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process. A full EIA has already been completed as a part of the main Monday to Friday scheme but will require reviewing for Saturday and Sunday.				
Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	✓
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	✓

11. Consultation and Communications plans:
None

12. Legal Implications
Legal support in reviewing and proposing variations to the existing contract

13.a Financial implications - net change to service budget in each year				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£0	£0	-£0	£0
2018/19	£100	£0	-£0	£100
2019/20	£0	£0	-£0	£0
Total	£100	£0	-£0	£100

13.b One off project costs and income (not included in above)		
		£'000's
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	-£
2018/19	Capital Costs	-£
	Capital Receipts	£

	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (DENS29)

DENS29: Utilisation of re3 Facilities to introduce Trade use of the Public Recycling Centre

Delivery Unit Ref: DENS 29

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change	
<p>The re3 Partnership procured a Private Finance Initiative (PFI) contract in 2006 which incorporated the construction and redevelopment of facilities in both Reading and Bracknell. With specific reference to the facility in Reading, there is potential for increased commercial utilisation at the facilities.</p> <p>The proposal involves change at the public Recycling Centre ('tip') in order to utilise the facility for the disposal, and recycling, of waste from local traders. This might involve a reduction in opening hours for the delivery of household (non-trade) waste to facilitate separate receipt of trade waste. Charges for trade waste could be levied via either a charge on the gate or a season-ticket arrangement for a manageable number of customers.</p> <p>The proposal has been considered and approved for further development by the joint re3 Board. If approved, and also subject to agreement of the joint re3 Board, possible opening hours would be 8am to 4pm for public access and 4.30pm to either 6pm or 8pm (winter/summer) for trade.</p>	

2a. Confidence level	
80%	The concept of a trade service at the Recycling Centres has been considered elsewhere and was referenced in Government's recent Litter Strategy for England. The re3 Board has recently considered and approved further work on this initiative to develop a proposal and ascertain the potential for this form of service within the local waste market.

3. Impact on residents, businesses and other organisations:

This proposal will require the cooperation of our PFI contract, private sector partner, FCC. To some extent, this proposal is likely to impact on FCC trade business.

4. Impact on other services we provide

The proposal will lead to a reduced service at the Recycling Centre (principally hours of opening) for residents. Assessment has shown that there is some scope for reduced hours. The impact would be in a potential reduction of service to a minority of users who visit the site outside of core hours.

5. Impact on staff

No impact on council staff.

The number of FTE that might be lost is:	0
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The number of posts that might be lost is:	0
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6. Resources and support needed to make the change

As this proposal falls within the re3 Partnership, the benefits and costs will be shared (to some extent tbc) between the partners. Accordingly, officers have assumed that the resources of the partnership will be used in developing and promoting the proposals. Additional advice likely to be needed from: Legal and Finance.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i>		[Milestone]	[Date]
1. Investigation and proposal of preferred delivery model for trade service at Recycling Centre.			10/2017
	Formal Contract Change Notice		12/2017
	Approval by re3 Board		01/2018
	Advertising (both to public and traders)		01/2018
	Commencement		04/2018

8. Risks and Opportunities

Risks - That demand for the respective services does not meet expectations.
That commercial activities require greater input than expected.

Opportunities -Increased revenue
Increased utilisation of publicly funded facilities for local benefit.

9. Dependencies

Collaboration of re3 PFI Contractor

10. Initial Equality Impact Assessment

If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes	✓	No	
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes	✓	No	

11. Consultation and Communications plans:

Consultation on this proposal, initially with re3 Partners and thereafter, as appropriate, with residents and stakeholders, to be undertaken prior to commencement.

Consultation (marketing) on service cost and offer for trade service at Recycling Centres also to be undertaken, ideally with the support of the Contractor. As described above, communications will be managed by the re3 Project Team.

12. Legal Implications

N/A

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£	£ 50	-£	£ 50
2019/20	£	£	-£	£
Total	£	£ 50	-£	£ 50

13.b One off project costs and income (not included in above)

		£'000's
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£2
	<i>Sub-total</i>	-£2
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£5
	<i>Sub-total</i>	-£5
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		-£7

Proposal for Change: (DENS31)

DENS31: Reduce children's playgrounds maintenance regime

Delivery Unit Ref: DENS 31

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change
Reduce the Children's Playground maintenance budget by £20K per annum. (Current budget is £120k per annum).

2a. Confidence level		
<table border="1" style="width: 100%;"> <tr> <td style="width: 20%; text-align: center;">90%</td> <td>These budgets can be reduced at any time.</td> </tr> </table>	90%	These budgets can be reduced at any time.
90%	These budgets can be reduced at any time.	

3. Impact on residents, businesses and other organisations:
Reducing the maintenance budget for children's playgrounds (CPG) will mean that equipment is painted and repaired less frequently than at present.

4. Impact on other services we provide
None

5. Impact on staff	
None	
The number of FTE that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change
Communications Team

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Inform staff of reduction in the budget	01.08.17
Implement change	01.08.17

8. Risks and Opportunities

Risks:

- Potential reduction in residents' satisfaction levels
- Potential increase in complaints
- Potential reduction in corporate credibility
- Potential loss of highly qualified playground technician

9. Dependencies

None

10. Initial Equality Impact Assessment

If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	ü
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	ü

11. Consultation and Communications plans:

Internal staff consultation required.

12. Legal Implications

All operations relating to the maintenance of children's playgrounds are subject to the Health and Safety at Work Act 1974.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£20	£	-£	£20
2019/20	£	£	-£	£
Total	£20	£	-£	£20

13.b One off project costs and income (not included in above)

		£'000's
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£

	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (DENS33)

DENS33: Increase all allotment rental charges by circa 100% and review plot sizes.

Delivery Unit Ref: DENS 33

Directorate: DENS

Head of Service: Cris Butler

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

Increase current allotment rental charges by circa 100%, carry out a review of the current plot sizes in order to simplify the offer and review the current system of concessions to simplify the system. If accepted, the proposal will also include improvements to enforcement to ensure facilities are optimised.

Reading has 20 allotment sites spread throughout the Borough with a total of 1416 plots varying in size from 25m² to 250m². Plots were originally 250m² but smaller plots, in multiples of 25m² are now offered in order to reduce waiting lists.

Table 1

Allotment Site	Category	No. of Plots	No. of vacancies*	No. on waiting list	No. of weedy letters sent	No. of eviction letters sent
Ardler Road	C	6	0	55	0	0
Ashampstead Road	C	13	1	16	0	2
Baltimore	A	34	8	90	3	2
Bulmershe	A	285	84	0	0	36
Caversham Court	A	30	1	97	0	0
Circuit Lane	B	55	10	8	13	6
Coley Park	B	55	13	20	6	10
Emmer Green	A	64	4	67	4	2
George Street	C	12	2	54	1	0
Goddards Farm	B	71	9	26	3	7
Henley Road	B	121	9	26	10	11
Lower Southcote	B	74	32	11	7	6
Meadway	C	32	5	19	3	3
Mockbeggar	C	24	3	75	0	6

Newcastle Road	B	41	10	24	8	6
Oakley Road	A	35	7	71	3	0
Oaktree Road	A	119	13	35	9	6
Scours Lane	A	221	43	36	0	22
Victoria Road	B	27	4	17	1	3
Waterloo Meadows	A	97	28	14	14	16

* Vacancies are offered to waiting list holders who have a certain amount of time to accept or reject the offer of a plot, the numbers in this column reflect the number of vacancy offers that are in process.

Current charging structure is shown in table 2. There are 3 different cost categories depending on the facilities offered:

Table 2

Category	Facilities	Current Price per 25m ² plot per year			Price per 25m ² plot per year after proposed increase.		
		NO CONCESSION	General YRP 10% Discount	OAP with YRP 84% Discount	NO CONCESSION	General YRP Discount	OAP with YRP Discount
A	Water within 30m of each plot.	£7.36	£6.62	£1.18	£15	£13	£2
A. Cost of 125m plot pa		£36.80	£33.10	£5.90	£75	£65	£10
B	Water on site.	£5.51	£4.96	£0.88	£11	£10	£2
B. Cost of 125m plot pa		£27.55	£24.80	£4.40	£55	£50	£10
C	No water.	£3.68	£3.31	£0.59	£8	£7	£1
C. Cost of 125m plot pa.		£18.40	£16.55	£2.95	£40	£35	£5

(YRP - Your Reading Passport)

(OAP - Old Age Pensioner)

Concessions: Currently discounts are given to two categories of YRP holders:

1. General non - OAP holders who receive a 10% discounted rate
2. OAP YRP holders who receive an 84% discounted rate.

It is recommended that the current concession scheme is reviewed and brought in line with the Green waste concession scheme which offers a 25% discount to residents on Council Tax Support, with no specific discount for OAP's and no discount for YRP holders. This change could be introduced for new applicants from 1st April 2018 with existing plot holders retaining the current discount.

Current revenue Per Annum is £35,600. Maintenance costs for allotments are in the region of £70,000 Per Annum. The proposed increase will therefore cover the Council's maintenance costs.

We have recently rationalised the administrative procedures to make it less onerous and we are looking to transact as many applications on-line as possible.

Benchmarking

Plot sizes and facilities offered by other Town and Borough Councils vary widely.
 Swindon Borough Council - £5.10 per month (£61.20 per annum) for a 125m plot
 Wokingham Town Council - £3.71 per month (£44.55 per annum) for a 125m plot
 Basingstoke and Deane - £3.72 per month (£44.75 per annum) for a 125m plot

2a. Confidence level

60%

The proposals will be subject to public consultation and any changes will be subject to the current allotment holder's agreement, the current legal framework and Housing, Neighbourhoods and Leisure (HNL) Committee resolution.

3. Impact on residents, businesses and other organisations:

Plot holders and residents on the waiting list for certain sites will be affected and some tenants will be adversely affected.

4. Impact on other services we provide

None

5. Impact on staff

None

The number of FTE that might be lost is: 0

The number of posts that might be lost is: 0

6. Resources and support needed to make the change

- Web team support
- Neighbourhood Support staff time
- Some evening working by Parks staff.
- Geographic Information System and Mapping
- Call Centre
- Customer Services
- Councillor Services
- Legal Services

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Carry out plot review	01.08.17
Work with Reading Borough Council Legal Department	01.08.17
Create communications plan.	01.08.17
Prepare consultation including letters to all users, on-line and public meetings	01.09.17
6 week public consultation starts	15.01.18

Consultation results report to Highways, Neighbourhood and Leisure Committee	14.03.18
Agree new charging and plot structure and new charges introduced	01.04.18
Invoices for 2019 sent out	01.11.18

8. Risks and Opportunities

- Tenant numbers may drop, leaving some of the less popular sites with vacant plots.
- Increased maintenance input by Reading Borough Council for vacant plots.

9. Dependencies

- Web team
- Neighbourhood Support team
- Call Centre
- Customer Services
- Councillor Services

10. Initial Equality Impact Assessment

If the answer is Yes to any of the below, and if accepted, a full EQIA will be completed as part of the consultation process.

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others?	Yes		No	ü
Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.	Yes		No	ü

11. Consultation and Communications plans:

This will be subject to a public and tenant consultation and a communications plan will be required.

12. Legal Implications

Any changes would be subject to the conditions of the tenant agreement and the relevant allotment legislative framework and Reading Borough Council duty of care.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£	£9	-£	£9
2019/20	£	£26	-£	£26
Total	£	£35	-£	£35

13.b One off project costs and income (not included in above)

	£'000's
2017/18	
Capital Costs	-£5
Capital Receipts	£
Estimate of redundancy costs	-£
Estimate of resource costs to deliver	-£
<i>Sub-total</i>	-£5

2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		-£5

Proposal for Change: (DENS39&40)

DENS 39&40: Homelessness Support Grant/ Reducing Bed & Breakfast Expenditure

Corporate Plan Priority: Providing homes for those in most need.
Safeguarding and protecting those that are most vulnerable.

Directorate: DENS

Delivery Unit Ref:
DENS 39&40

Head of Service: Sarah Gee

1. The proposal is to:	
✓	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

This proposal sets out ambitious targets to reduce expenditure on emergency accommodation for homeless households and make the best use of resources.

Background

Over the past few years Reading has seen a sharp rise in the number of households approaching the Council for assistance who are accepted as homeless. Subsequently the use of temporary accommodation, including placements in Bed & Breakfast (B&B) establishments, has risen. This has significantly increased pressure on the General Fund budget. The Housing service has, over the past year, contained B&B growth (in terms of numbers placed at any one time and unit costs) in spite of rising homelessness acceptances.

Reducing B&B use and length of stay is a key priority for the Council to deliver the best outcomes for homeless families and to reduce expenditure in this area. Ambitious targets have therefore been set over a period of the next three years to reduce B&B usage.

As documented in previous reports, the Housing Service has implemented a wide range of measures both to prevent homelessness and to increase access to affordable accommodation to improve outcomes for homeless families and to reduce the budget pressure in this area including (in brief):

1. Developed a more commercial Rent Guarantee Scheme (RGS) to secure vetted and affordable private rented sector (PRS) housing.
2. Further strengthened prevention activity with enhanced training for specialist staff in preventing homelessness and a new frontline triage system introduced.
3. 35 temporary accommodation units refurbished and brought back into use over 2 years and 40 flats vacated as part of a regeneration brought back into use as pending redevelopment.
4. Developing 28 new Reading Borough Council units of modular construction temporary accommodation to be let in Autumn 2017.
5. Implemented the Private Sector Offer to discharge homelessness duty from Summer 2017.
6. Incorporated Homes for Reading Ltd to purchase and responsibly let private rented housing.
7. Development of 57 new Council homes at Conwy Close.
8. Regular monitoring of supply and demand - reforecasting and refocusing activity.
9. Working across services to ensure a collaborative/targeted case management approach to support families affected by the Benefit Cap
10. Developing a package of support to help people to move out of area where they are interested in doing so and promoting this opportunity.

Proposal

Targets to reduce expenditure on B&B are included across three years from 2017/18 (below). These targets and underpinning actions build on progress made to date but changes in policy and practice and some investment will be required to secure real traction.

In the past year the service engaged an officer to work intensively with families in B&B to secure PRS accommodation. The Council's highly regarded Rent Guarantee Scheme accommodates over 300 families in vetted PRS accommodation (at rents up to the Housing Benefit limit payable) but our ability to secure properties is limited in a highly competitive market. The authority is now additionally, outside of this scheme, working proactively with individual households to secure accommodation. This includes help to source accommodation and arranging viewings; financial assistance to pay for deposits or rent in advance and if necessary with costs of attending viewings.

This approach is meeting with some success and the service proposes to extend this by engaging 2 additional posts for a fixed term of 2 years, as an invest to save proposal. These posts will form part of a new virtual 'Homefinder Team' to reduce the backlog of cases in B&B and to avoid admission to, and to reduce length of stay in, B&B in the future. The new Homefinder Team will provide intensive, personalised support to find accommodation through a dedicated team with a key worker approach.

A number of local authorities secured 'trailblazer' funding and have been trialling new approaches to homeless prevention through the Department of Communities and Local Government (DCLG) Homelessness Prevention Programme funding - including to support planning for, and impact assessment of, the Homelessness Reduction Act. The Housing Needs service has been researching lessons learnt thus far. Officers are reviewing current homelessness policy and practice and changes will be proposed to reduce future placements into B&B.

Additional funding secured through the redistribution of a national pot has also benefitted Reading and alleviated some budget pressure.

Finally there is a proposal to reduce staffing in Housing Needs by one Full Time Equivalent (FTE) staff member from 2018/19.

2a. Confidence level

70%

Explanation:

See risks below.

3. Impact on residents, businesses and other organisations:

If successful this will have a positive impact as homeless families will spend less time in B&B.

4. Impact on other services we provide

Positive if the use of B&B is avoided or lengths of stay reduce for families with complex or additional needs.

5. Impact on staff

Reduction of one post in Housing Needs from 2018/19.

The number of FTE that might be lost is:	1
The number of posts that might be lost is:	1

6. Resources and support needed to make the change

As above, 2 additional Full Time Equivalent staff members will be engaged for a fixed term of 2 years to work intensively to reduce the use of B&B and to procure additional private rented housing, on an invest to save basis. Key functions of these roles are set out below as part of an intensive case management approach to reduce the backlog of cases in B&B and reduce future use:

- Accommodation Procurement - working alongside the existing Rent Guarantee Scheme team to procure private rented accommodation inside and outside of the borough at market rent. Carrying out market assessment and scanning. Completing property suitability checks.
- Personalised intensive advice and support to households to find accommodation provided through a dedicated resource.
- Providing financial assistance and/or offers of financial incentive and assistance to move.
- Relocation support through Homefinder to deliver out of area social housing prevention options.
- Welfare benefit, budgeting and money advice.
- Advice and support regarding retraining and getting back to work.
- Support to attend specialist appointments

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Determining team requirements and role functions for Rent Guarantee Scheme	November 2017
Completing necessary HR requirements - including staff consultation as required.	January - February 2018
Post-deletion	April 2018

8. Risks and Opportunities

The pressure on services is likely to increase significantly in 2018 with the introduction of the Homeless Reduction Act, likely to be implemented early in the year (with guidance potentially in Autumn 2017 - subject to confirmation). The Act will place new responsibilities on local authorities for providing prevention options and accommodation relief to single people. The DCLG is predicting that local authorities will experience a 26% increase in caseloads as a result of this legislation. This is likely to lead to increased costs which will be covered only in part by Government 'new burdens' funding. Allocation of new funding at a local level has yet to be determined but the funding is intended to cover the costs of additional staffing only - not any increase in placement related costs.

Social housing turnover and new lettings continue to decline year on year and are at the lowest they have ever been. The local authority loses c. 40 units of temporary accommodation in the period as these are in use pending regeneration. However, new Council permanent and temporary accommodation will come on stream over the next two years at Conwy Close and Lowfield Rd and the Council is planning the next phase of its local authority new build housing programme - maximising funding streams available.

Demand has been increasing through homelessness acceptances year on year - as this is demand-led budget there are factors impacting outside of the authority's control. In late 2017 Universal Credit will be introduced in Reading and this is likely to lead to rising arrears as households are paid benefit 6 weeks in arrears (a matter which has been the focus of significant national lobbying), and will trigger an increase in evictions.

9. Dependencies

Member endorsement of any policy/procedural changes proposed to manage and reduce demand will be required. This will include a thorough review of our social housing allocation scheme which is linked to the Council's broader housing strategy and consideration of overall housing demand in the borough. This is likely to be a substantive element of work.

10. Initial Equality Impact Assessment

There would be a need for an Equality Impact Assessment (EIA) in respect of policy changes which may be proposed. No EIA otherwise required.

11. Consultation and Communications plans:

Any significant change to Local Authority Allocation Schemes is accompanied by a requirement to consult. The Code of Guidance issued by the Government sets out expectations in respect of consultation.

Staff consultation necessary for reduction of one Full Time Equivalent staff member.

12. Legal Implications

Policy needs to be compliant with Homelessness legislation including case law in respect of placements of homeless families.

13.a Financial implications - net change to service budget in each year

£'000's	Savings	Income	Growth/Costs	Total
2017/18	£300	£667	-£77	£890
2018/19	£282	£100	-£	£382
2019/20	£250	£	-£	£250
Total	£832	£767	-£77	£1,522

13.b One off project costs and income (not included in above)

£'000's	INCLUDED ABOVE - FIXED TERM POSTS x2	
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£tbc - 1FTE
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£tbc - 1FTE

Proposal for Change: DENS43

Transfer of shops and garages from the Housing Revenue Account (HRA) to the General Fund

Corporate Plan Priority: Remaining financially sustainable.

Directorate: DENS

Delivery Unit Ref:
DENS 43

Head of Service: Sarah Gee

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>
2. Outline of the proposed change	
<p>Background The Housing Revenue Account (HRA) deals with all the finances associated with the housing stock in the ownership of the Council. The main income is housing rent, and all expenditure related to council housing (such as dealing with lettings; managing, maintaining and repairing the stock; collecting rent) is charged to this account. The Council's 'General Fund' covers the rest of the Council's business.</p> <p>Currently shops and garages which are not linked to Council homes but form part of the Council's housing estates are accounted for and managed within the HRA. The Council lets out 1,070 garages currently to Reading residents - only 11% are let to Council tenants.</p> <p>Proposal The proposal is to transfer shops and garages held under the Housing Revenue Account to the General Fund in order to generate an income to the General Fund.</p> <p>This proposal would involve the appropriation of assets (garages and shops) out of the HRA and moving the capital financing and MRP (minimum revenue provision - repayment of the capital) costs to the General Fund accordingly. The total income accruing to the General Fund would be <u>net</u> of the costs of maintenance, management and the capital financing and MRP costs. Costs are estimated as below.</p> <p>The transfer of assets would, on this basis, result in an estimated net income to the General Fund of £251k per annum. However, a review of Council owned</p>	

garages is underway to review void levels and opportunities to increase income. There is potential to increase the level of income if voids (empty garages) are reduced and a review of charges may yield further improvement on income. Maximising income may necessitate some one-off investment in estate improvements.

This is only possible for those that are independently let (in a small number of cases the garage is linked to a specific house under a tenancy agreement).

	General Fund		HRA
Garage Income	-£444,720	2016/17 actual uplifted by 2% (garage rent increase)	-£444,720
Shop Income	-£186,000	2016/17 actual	-£186,000
Maintenance	£90,000	2016/17 actual spend (budget 2017/18 is £110k)	£90,000
Management	£35,000	1 Full Time Equivalent Officer	£35,000
Interest (on debt)	£143,476	Based on 15/16 rates plus adjustment	£179,388
MRP (debt repayment)	£110,880	2%	£110,880
Total	£251,364		£215,452

2a. Confidence level

70%

Income included is an estimate as above. The garage review will inform opportunities to exceed current income. There is no legal impediment to transfer of the assets that officers are aware of but the process is being determined.

3. Impact on residents, businesses and other organisations:

Transfer of the assets will have a minimal impact on the HRA Business Plan.

4. Impact on other services we provide

None identified. The Housing Service will continue to maintain and manage the shops and garages and costs will be financed through the General Fund.

5. Impact on staff

None

The number of Full Time Equivalent staff that might be lost is:	0
The number of posts that might be lost is:	0

6. Resources and support needed to make the change

Possible external valuations capacity - substantial work will be involved at initial scope in valuing assets and there may not be capacity to complete in-house. The estimated cost would be borne by the General Fund.

Legal advice/support to transfer the assets.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Process and timescales not yet determined	To be confirmed

8. Risks and Opportunities

Impact on the 30 year HRA Business Plan has been appraised as minimal. There are a range of risks to HRA income as a result of welfare reform (impacting on rent collected); national rent policy; and other Government plans. However, income into the HRA has increased over the past year by circa £400k through substantively improving void turnaround on Council housing and there is a drive to achieve further gains in the current year.

9. DependenciesShops

Most of the units have separately let council tenanted flats above them. This would require a partial transfer (of the shops only and not the flats).

Garages

A strategic review of garages is currently underway to consider the future of sites including investing to improve 'letability' (improved lighting; closure of alleyways etc. - to increase income) or for redevelopment (this could be for parking or homes). Data is up to date on garages which are sold, leased, tenanted, vacant or demolished.

The assets will need to be valued for transfer.

Secretary of State approval may be required in some circumstances.

10. Initial Equality Impact Assessment

An Equality Impact Assessment is not relevant in respect of asset transfer.

11. Consultation and Communications plans:

Any wider plans to develop or improve garage sites are likely to require consultation but that is linked to this option not part of it.

12. Legal Implications

Secretary of State approval may be required in some circumstances.

13.a Financial implications - net change to service budget in each year NB estimated income as above pending detailed valuations/other work.				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£	£	-£	£
2018/19	£	£251 - 300	-£	£251 - 300
2019/20	£	£-	-£	£
Total	£	£251 - 300	-£	£251 - 300

13.b One off project costs and income (not included in above)		
£'000's		
2017/18	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£tbc
	<i>Sub-total</i>	£
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	<i>Sub-total</i>	£
TOTAL		£

Proposal for Change: (DENS44)

DENS 44: Housing and Neighbourhoods - Increasing rent in Temporary Accommodation.

Corporate Plan Priority: Providing homes for those in most need.
Safeguarding and protecting those that are most vulnerable.

Directorate: DENS

Delivery Unit Ref:
DENS44

Head of Service: Sarah Gee

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
✓	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

At the start of 2017/18 the Housing Service transferred three blocks of Temporary Accommodation (84 flats) from the Housing Revenue Account (HRA) in to the Housing General Fund (GF). In addition 28 new units of Temporary Accommodation are due to come on line on in October 2017 at Lowfield Road, creating a total of 112 units.

The rents for these properties were set at a flat rate of £120 per week across all unit sizes on transfer. This is below the maximum rent income we can charge - 90% of Local Housing Allowance (LHA - this is the maximum amount which Housing Benefit will pay for rental and it differs by property size). This creates an opportunity to increase income to the General Fund by increasing the rents charged for these units, as shown in the table below:

Unit size	Number of units	Current rent	Proposed rent	Difference per week	Additional income per week	Additional income per year
1 bed	72	£120.27	£137.72	£17.45	£1,256	£65,325
2 bed	39	£120.27	£169.50	£49.23	£1,919	£99,832
3 bed	1	£120.27	£199.61	£79.34	£79	£4,125
Total	112				£3,255	£169,283
Total additional income net of voids and bad debt allowance (7.5%)						£156,587

With an allowance for voids and bad debt, the projected income to the General Fund would be £156,587, full year effect - net of costs below.

It is proposed that the new rent levels would be implemented at re-let, existing tenants would remain on the current rent levels. This means that the increased income will be staggered over an 18 month period.

A further consideration is that for some households reliant on Housing Benefit, rent at this level would increase their benefit income to above that of the Benefit Cap. Households that are subject to the Benefit Cap are supported by a specialist team within the Housing Service in order to support them to either take steps to access employment; review options that may exempt them from the cap; or budget within their new income in a manner that prioritises rent payments. However, for some households there will be no alternative but to apply for a Discretionary Housing Payment (DHP) at least in the short term to cover the gap. Any additional pressure on the DHP budget will need to be funded from the additional income set out above. The exact amount of pressure on the DHP budget will fluctuate depending on the circumstances and family makeup of the households in the units at any one time. However, further analysis of the current occupiers of temporary accommodation indicate the following:

- 55% will not be impacted by the Benefit Cap at the proposal rent levels.
- 20% will be potentially be impacted the benefit cap (if not exempt for other reasons) by between £8 and £17 per week at the proposed rent levels.
- 25% will *already* potentially be impacted by the benefit cap (if not exempt for other reasons) so will have the additional pressure of the rent increase, an average of £29.32 per property.

If all households impacted by the Benefit Cap required an additional DHP to cover the increased rent, and assuming that these payments were made for 6 months (most households on DHP are supported for 13 weeks), this would be an estimated total cost of £27,284 to the DHP budget.

Therefore the net saving from this proposal is expected to be c.£129k full year effect. As noted above this may fluctuate depending on the circumstances of those accommodated at any one time.

2a. Confidence level

80 %

Explanation: Unable to definitively predict the individual circumstances of the tenants and therefore an accurate level of income until there is trend data.

3. Impact on residents, businesses and other organisations:

As above - all Reading residents impacted by the Benefit Cap are supported, regardless of tenure. Occupants of temporary accommodation impacted by the cap will be supported as above. Whilst a greater number of occupants of temporary accommodation would be impacted by the cap at increased rent levels, the rental would still be below that payable for most in private rented housing - where many homeless households will be accommodated. The Housing Service takes a proactive casework approach to ensure as far as possible that households are in a financially sustainable situation.

4. Impact on other services we provide

Increased rent levels will impact on the DHP expenditure as outlined above but the saving proposed is net of this additional cost so that the DHP budget is 'compensated' and the ability of the service to support residents is not impacted by this proposal.

It will also have the potential to increase pressure on the Benefit Cap team and the rents team (prevention of bad debt).

5. Impact on staff

N/A

The number of FTE that might be lost is: 0

The number of posts that might be lost is: 0

6. Resources and support needed to make the change

Finance input would be required to support the IT changes required to set the new rent levels, however, this would be minimal.

No other resources required as rents will be set at re-let and before tenancy sign up.

7. Timescale to deliver and major milestones

<i>Planned accomplishments to track progress [Milestone]</i>	<i>[Date]</i>
Obtain approval in increase rent levels - Policy Committee	July 2017
IT system changes	Aug-Sept 2017
Start to implement higher rent levels at re-let of existing stock	1 st October 2017
Implement higher rent levels for new units when they come on line	1 st October 2017

8. Risks and Opportunities

Opportunity to increase General Fund income with minimal detriment to vulnerable groups.

9. Dependencies

None identified.

10. Initial Equality Impact Assessment

An Equality Impact Assessment is required (attached) - the proposed rent increase will directly affect people who are accepted as homeless and are placed in Reading Borough Council temporary accommodation. Although the policy will be implemented universally across all of the six protected groups should they be a licensee, a snapshot review of residents in the temporary accommodation units on the 29th June 2016 suggests that women, adults under the age of 45 and households from the Black and Minority Ethnic community are disproportionately represented within these households.

11. Consultation and Communications plans:

None - increased rent would only be implemented at re-let so no communication with existing tenants is required.

12. Legal Implications

None

13.a Financial implications - net change to service budget in each year

£'s	Savings	Income	Growth/Costs	Total
2017/18	£	£ 58,946	-£ 10,268.41	£48,677.69
2018/19	£	£ 84,743	-£ 14,762.18	£69,980.55
2019/20	£	£ 12,898	-£ 2,246.89	£10,651.43
Total	£	£ 156,587	-£ 27,277.48	£129,309.66

13.b One off project costs and income (not included in above)

£'000's	N/A
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Equality Impact Assessment

Provide basic details

Name of proposal/activity/policy to be assessed:

Increasing Temporary Accommodation Rents

Directorate: DENS

Service: Housing

Name and job title of person doing the assessment

Name: Sarah Tapliss

Job Title: Housing and Neighbourhoods Service Development Officer

Date of assessment: 20/6/17

Scope your proposal

What is the aim of your policy or new service/what changes are you proposing?

The Housing Service has three blocks of Temporary Accommodation (84 flats in the Housing General Fund (GF). In addition 28 new units of Temporary Accommodation are due to come on line on in October 2017 at Lowfield Road, creating a total of 112 units.

The rent for these properties is set at a flat rate of £120 per week across all unit sizes on transfer. This is below the maximum rent income we can charge - 90% of Local Housing Allowance (LHA - this is the maximum amount which Housing Benefit will pay for rental and it differs by property size). This creates an opportunity to increase income to the General Fund by increasing the rents charged for these units, as shown in the table below:

Unit size	Number of units	Current rent	Proposed rent	Difference per week	Additional income per week	Additional income per year
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3 bed	1	£120.27	£199.61	£79.34	£79	£4,125
Total	112				£3,255	£169,283
Total additional income net of voids and bad debt allowance (7.5%)						£156,587

With an allowance for voids and bad debt, the projected income to the GF would be £156,587, full year effect.

It is proposed that the new rent levels would be implemented at re-let, existing tenants would remain on the current rent levels. This means that the increased income will be staggered over an 18 month period.

A further consideration is that for some households reliant on Housing Benefit, rent at this level would increase their benefit income to above that of the Benefit Cap. Households that are subject to the Benefit Cap are supported by a specialist team within the Housing Service in order to support them to either take steps to access employment; review options that may exempt them from the cap; or budget within their new income in a manner that prioritises rent payments. However, for some households there will be no alternative but to apply for a Discretionary Housing Payment (DHP) at least in the short term to cover the gap. Any additional pressure on the DHP budget will need to be funded from the additional income set out above. The exact amount of pressure on the DHP budget will fluctuate depending on the circumstances and family makeup of the households in the units at any one time. However, further analysis of the current occupiers of temporary accommodation indicate the following:

- 55% will not be impacted by the Benefit Cap at the proposal rent levels
- 20% will be potentially be impacted the benefit cap (if not exempt for other reasons) by between £8 and £17 per week at the proposed rent levels
- 25% will already potentially be impacted by the benefit cap (if not exempt for other reasons) so will have the additional pressure of the rent increase, an average of £29.32 per property.

If all households impacted by the Benefit Cap required an additional DHP payment to cover the increased rent, and assuming that these payments were made for 6 months (most households on DHP are supported for 13 weeks), this would be an estimated total cost of £27,284 to the DHP budget.

Therefore the net saving from this proposal is expected to be c.£129k full year effect. As noted above this may fluctuate depending on the circumstances of those accommodated at any one time.

Who will benefit from this proposal and how?

The benefit from this proposal is an increase of income of c.£129k (full year effect) in to Reading Borough Council's General Fund.

What outcomes does the change aim to achieve and for whom?

Increased income to Reading Borough Council to support public service provision and reduce the impact of funding cuts.

Who are the main stakeholders and what do they want?

Assess whether an EqIA is Relevant

How does your proposal relate to eliminating discrimination; promoting equality of opportunity; promoting good community relations?

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others? (Think about your monitoring information, research, national data/reports etc.)

Yes - the proposed rent increase will directly affect people who are accepted as homeless and are placed in Reading Borough Council temporary accommodation. Although the policy will be implemented universally across all of the six protected groups should they be a licensee, a snapshot review of residents in the temporary accommodation units on the 29th June 2016 suggests that women, adults under the age of 45 and households from the Black and Minority Ethnic (BME) community are disproportionately represented within these households.

Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.

No

If the answer is Yes to any of the above you need to do an Equality Impact Assessment.

If No you MUST complete this statement

An Equality Impact Assessment is not relevant because:

Signed (completing officer) Sarah Tapliss

Date 23/6/17

Signed (Lead Officer) Sarah Gee

Date 23/6/17

Consultation

As the increased rent will apply to new tenants, and not the existing tenants, no consultation is proposed.

Describe how this proposal could impact on Racial groups

Is there a negative impact? Yes - indirectly

The rent increase would be implemented across all households accessing temporary accommodation, however a snap shot completed on the 29th June 2016 indicates that 49% of households define themselves as being from a BME community. This compares to 35% of Reading residents as recorded in the 2011 census (note this may have changed since). Therefore this change in policy would have a disproportionate impact on this protected group.

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)

Is there a negative impact? Yes - indirectly

The rent increase would be implemented across all households accessing temporary accommodation, however a snap shot completed on the 29th June 2016 indicates that 69% of households registered as paying rent are women. Therefore this change in policy would have a disproportionate impact on women.

Describe how this proposal could impact on Disability

Nationally it is recorded that a substantially higher proportion of individuals who live in families with disabled members live in poverty, compared to individuals who live in families where no one is disabled. 19% of individuals in families with at least one disabled member live in relative income poverty, on a before housing costs basis, compared to 15% of individuals in families with no disabled member. 21% of children in families with at least one disabled member are in poverty, a significantly higher proportion than the 16% of children with no disabled member. As this proposal has a negative impact on those on a lower income, the protected group may be disproportionately impacted. 15% of those in temporary accommodation have a disability. Therefore this proposal has a disproportionate impact on this protected group.

Is there a negative impact? Yes

Describe how this proposal could impact on Sexual orientation (cover civil partnership)

Is there a negative impact?

No

Describe how this proposal could impact on Age

Is there a negative impact?

Yes - indirectly

The rent increase would be implemented across all households accessing temporary accommodation, however a snap shot completed on the 29th June 2016 indicates that 82% of households are 44 years old or younger. Therefore this change in policy would have a disproportionate impact on younger age groups.

Describe how this proposal could impact on Religious belief?

Is there a negative impact?

No

Make a Decision

If the impact is negative then you must consider whether you can legally justify it. If not you must set out how you will reduce or eliminate the impact. If you are not sure what the impact will be you **MUST** assume that there could be a negative impact. You may have to do further consultation or test out your proposal and monitor the impact before full implementation.

Tick which applies (Please delete relevant ticks)

1. No negative impact identified Go to sign off

2. Negative impact identified but there is a justifiable reason

You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.

Reason

The negative impact flagged is indirect and is the result of a disproportionate representation of some parts of our community as licensees of temporary accommodation. It is classed as a negative impact as it will result in an increased rent for the residents. However, it is believed that for the majority of residents the increase will be absorbed as part of their Housing Benefit entitlement, and mitigations will be put in place for those affected by the Benefit Cap. Equally the 9% who pay rent will have recourse to Housing Benefit should the rent levels become unaffordable.

It is felt that the negative impact will be mitigated and is therefore justifiable.

How will you monitor for adverse impact in the future?

Signed (completing officer) Sarah Tapliss	Date	23/6/17
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Signed (Lead Officer)	Sarah Gee	Date	23/6/17
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Proposal for Change: (DENS47)

DENS47: Housing and Neighbourhoods - Winter Watch

Corporate Plan Priority: Providing homes for those in most need.
Safeguarding and protecting those that are most vulnerable.

Directorate: DENS

Delivery Unit Ref:
DENS47

Head of Service: Sarah Gee

1. The proposal is to:	
	Managing Demand <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, How could we work across the wider local system with partners? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models <i>Are you aware of any alternative delivery models that could work in Reading to deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19</i>
✓	Reductions in Services <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change

Proposal

The proposal is to reduce the Winter Watch repairs/emergency intervention budget by £15k. The repairs and emergency intervention part of the budget was underspent by c.£10k in 2016/17 due to the visiting officer finding alternative solutions to address needs identified. With careful management it is felt that this can be increased to £15k for 2017/18.

Background

Winter Watch is a Public Health funded scheme with the objective of supporting vulnerable people to avoid fuel poverty and keep their home adequately heated. In England, estimates suggest that some 10% of excess winter deaths are directly attributable to fuel poverty; that 1 in 10 households are currently living in fuel poverty, and this rises to 1 in 5 in the private rented sector; and 35% of all single pensioner households are thought to be in fuel poverty, and 25% of pensioner couples.

Winter Watch tackles fuel poverty through a range of interventions. Home visits are completed with almost all clients referred (210 in the 2016/17 winter period) with advice and emergency interventions delivered where appropriate. Support is provided to switch fuel companies and also to apply for grants and loans to complete home improvements. Minor repairs (such as draught excluders and window repairs) are funded through the scheme or completed directly by the Winter Watch visiting officer.

In 2017/18 the scheme has a budget of £60k, reduced from £75k in 2016/17. This funds the cost of a visiting officer (£33k), and the repairs/emergency interventions (£27k) - this would reduce to £12k for future years.

2a. Confidence level

100%

As above this change can be implemented with minimal impact whilst sustaining a scheme.

3. Impact on residents, businesses and other organisations:

Very little impact is anticipated as alternative solutions for residents are being identified. The Council will continue to take a multi-agency approach to addressing needs identified and to assist clients to access available grant funding and other assistance. This includes optimising benefit income; negotiating to write-off energy company debts; applying for Warm Home discounts; securing grants for insulation, replacement boilers etc; and referring on to other sources of advice and support including Fire Service risk assessments for vulnerable households. A small pot will continue to be available to fund emergency heating appliances, bedding, fit smoke alarms and carry out minor repairs for instance.

4. Impact on other services we provide

No significant impact anticipated.

5. Impact on staff

None.

The number of FTE that might be lost is:	Nil
The number of posts that might be lost is:	Nil

6. Resources and support needed to make the change

None.

7. Timescale to deliver and major milestones	
<i>Planned accomplishments to track progress</i> [Milestone]	[Date]
Can be implemented with immediate effect	August 2017

8. Risks and Opportunities
None.

9. Dependencies
None.

10. Initial Equality Impact Assessment
A reduction in budget will have a limited impact on the service delivered so no Equality Impact Assessment is required.

11. Consultation and Communications plans:
None.

12. Legal Implications
None.

13.a Financial implications - net change to service budget in each year				
£'000's	Savings	Income	Growth/Costs	Total
2017/18	£15	£	£	£15
2018/19	£	£	£	£
2019/20	£	£	£	£
Total	£15	£	£	£15

APPENDIX E - Change and Improvement Cost Estimates

Change and Improvement Cost Estimates

Already Agreed

Change Funding already agreed for period April 17 - September 17

		£'000's	17/18	18/19	19/20	Description
a.1	Corporate Programme of Change Programme Manager		80			Programme Manager to support □ the programme of work to deliver existing savings and to identify further savings to bridge the financial gap. □ provide skills transfer to in-house resources
b.1	Revenues and Benefits		100			Backfill to maintain service levels during in house work on service improvement and redesign: 1 x backfill for 6 = £24k 2 x assessment temps for 6 months to maintain service performance (£40k and additional overtime across the service - averaged at £6k per month = £36k to maintain service performance
c.1	MOSAIC - Electronic Social Care record		265			Investment in continuing programme of work including specialist support to drive and implement improvements in the MOSAIC system essential to adopting improved ways of working in Children's and Adult Services and to support improved social care practice in Children's Services. Resources requirement comprises: □ Senior consultant to act as System Owner □ Interim Business Systems Manager leading business process review and MOSAIC improvement for Children's services □ Programme Management funding to complete current phase ("16/17 Programme") □ Early Help implementation □ Interim reporting post in Children's Services
d.1	MOSAIC - Reporting		150			Implementation of a new reporting system to ensure high quality and accurate data to inform decision making in Children's and Adults services.
e.1	Adult Social Care Transformation		105			To continue funding of Project Managers and Project Support needed to deliver service transformation to deliver savings and improved outcomes for elderly and vulnerable residents.
f.1	Children's Services Transformation		80			Programme manager with senior Children's Services experience who will drive the delivery of currently required and additional savings.
e.1	DENS Savings Programme		20			To provide Project Officer support for DENS savings beyond March 17.
TOTAL ALREADY AGREED			800	-	-	800

Estimated further funding requirement to March 2020

1. Estimate of implementation costs arising directly from saving proposals

		£'000's	17/18	18/19	19/20	Description
1.a	Savings already agreed		505	585	175	Project costs to deliver saving and income proposals that have already been agreed by Committee
1.b	New savings		610	905	500	Project costs to deliver saving and income proposals that are currently being considered by Cllrs. Does not include capital requirement costs for property investment work.
1.c	10% Contingency		110	150	70	
			1,225	1,640	745	3,610

2. Estimate of other change costs to deliver the savings and Programme of Change

		£'000's	17/18	18/19	19/20	Description
2.a	Legal		30	55	55	Estimate of additional legal support required across the Corporate Programme of Change
2.b	HR		30	110	85	Estimate of additional HR support required across the Corporate Programme of Change
2.c	Finance		55	110	110	Estimate of additional Finance support required across the Corporate Programme of Change
2.d	Procurement		30	55	55	Estimate of additional Procurement support required across the Corporate Programme of Change
2.e	Programme Management		135	225	225	Programme Management required incl. Corporate Programme Manager and Programme Management for Children's, Adults and Customer Service's Programmes
2.f	Performance Analyst		50	75	50	Estimate of Performance Analyst support required across the Corporate Programme of Change
2.g	Programme Support, including NMTs		45	95	95	Continued funding of full NMT complement and programme support for Adults and DENS
2.h	Communications		20	45	45	Communications officer to backfill senior role who will be freed up to support change programme communications
2.i	Service Specialist - Finance Director		100	-	-	Part funding of FD in 17/18
2.j	MOSAIC Programme - Specialist Support		225	-	-	Consultant System Owner to oversee MOSAIC Programme and establish sustainable support model. Specialist input to reporting configuration and management and finance support.
2.h	Adult Social Care mobile working		80	-	-	Estimate of hardware costs
2.i	System and process support and improvement		250	250	250	Support and improvement of key corporate systems and ways of working.g. MOSAIC, I-Trent, Fusion
			100	100	100	
			1,150	1,120	1,070	3,340
TOTAL NEW			2,375	2,760	1,815	6,950

TOTAL INCLUDING AMOUNTS AGREED IN MARCH 2017		3,175	2,760	1,815		7,750
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**FINANCIAL GUIDELINES FOR SETTING THE REVENUE BUDGET
2017-18 TO 2019-20
(Covering 2017-18 revision and 2018-19 budget in particular)**

1. Introduction

- 1.1 In setting the budget over the medium term, it is important that individual service budgets are drawn up in accordance with a common and transparent framework, owned by services and directorates and approved by the Policy Committee.

These guidelines have been set for three years from 2017-18 to 2019-20, to help the Council develop a strategy to develop its budget process for the medium term. This will be reviewed by Councillors and corporate directors at least annually.

Officers are required to develop proposals for setting budgets over a medium term cycle which match the Council's priorities.

In developing savings proposals, consideration should be given to the impact in future financial years.

1.2 Guiding Principles

These budget guidelines have been developed to:

- Allocate resources to Council priorities;
- Link the budget setting process to business and service planning, and the requirement to consider value for money and efficiency
- for the identification of options, which will produce efficiency savings;
- Minimise inappropriate competition between services for resource allocations and avoid one service making a budget saving at the expense of another;
- Enable a cross-service and partnership approach to be taken (e.g. where there is a shared customer base or areas of commonality); and
- Ensure that where services are provided to other Directorates (including the provision to schools); there is a transparent method for charging a fair cost;
- Implement agreed savings and efficiency proposals as part of the budget setting process

The guidelines are intended to encourage managers to:

- Bring forward innovative ideas and options to make more effective use of existing resources, clearly identifying how the ideas may develop over the medium term, including any requirements for pump priming money;
- Focus attention on corporate and service priorities and improving performance.

Appendix F - Financial Guidelines for setting the Revenue Budget 2017/18-2019/20

1.3 Service Guidelines

The base budget for services for 2017-18 has been taken from the 2016-17 “Approved Budget” and adjusted to take account of the full year effect of future agreed savings, and will include those being agreed by Policy Committee in July 2017, along with the removal of any one off savings (in 2016-17). A similar process, starting with the 2017-18 approved budget is being used to establish the 2018-19 base budget.

It is important that all budget holders identify and estimate the potential impact on their respective budgets of pay awards, inflation, other expenditure and income variations. However, these variations will not be added to the Base Budget until they have been considered and approved by Lead Councillors. Therefore budget holders should not assume that in setting the 2018-19 budget there will be any automatic increase in the adjusted Approved Budget for 2017-18.

2. Corporate Financial Guidelines

Corporate financial guidelines must be used in estimating changes in expenditure and income over the medium term.

2.1 Employee Budgets

The Council will continue to implement nationally agreed pay awards.

A two year pay deal has been agreed for employees on National Joint Council contracts for 2016-17 and 2017-18, ongoing public sector pay restraint and government policy continues to require restraint in public sector pay.

- Salaries have been updated by 1% for 2017-18 with additional supplements for staff on scale points 11 and 12 to take their pay up to the Living Wage level.
- The cost of increments has been identified, budgeting for vacant posts at the bottom of their grade. This will require managers to make some judgment as to the proportion of staff that might be eligible and meet the performance criteria to be offered an increment.
- With regard to salary on costs the following rates should be used in 2017-18 and 2018-19 (all percentages to be confirmed):

	Teachers	All other staff
Employers National Insurance	By service (Typically 10-12%)	By Service (Typically 10-12%)
Superannuation Fund Rate	16.4%	21.9%
Total On Costs	By service (Typically 26.4-28.4%)	By Service (Typically 31.9-33.9%)

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2.2 Other Costs

- A schedule of non-pay budgets where there is a legal or contractual commitment to an inflationary increase should also be identified within each Directorate and agreed with the Head of Finance.
- The general rule is that no allowance will be made for uncommitted inflation and a general uplift in budgets for inflation.
- For employees not in the Pension Scheme then no budget for Superannuation Contribution Rate should be applied. (Care should be taken to ensure that employees who have joined because of auto enrolment are properly budgeted for.)
- The Director of Finance will consider, with each directorate whether to provide for a vacancy factor on staffing costs. The following table gives the default rates for inflation and other costs to be used in forecasting budgets over the medium term.

	2017-18	2018-19	2019-2020
Pay award	1%	1%*	1%*
Increments and other pay claims e.g. long service award	As due	As due	As due
Employers Pension Contributions Rate (Teachers)	16.4%	16.4%	16.4%
All other employees	21.9%	21.9%	21.9%
Employers National Insurance	By Service (Typically 10-12%**	By Service (Typically 10-12%)**	By Service (Typically 10-12%)**
Inflation default for forecasting purposes	Lower of 2.5% or CPI Sep or as contracted	Lower of 2.5% or CPI Sep or as contracted	Lower of 2.5% or CPI Sep or as contracted
Fees and Charges default guidelines#	RPI Sep	RPI Sep	RPI Sep

* This is an estimated figure as the actual figures have not yet been agreed/published

** Individual staffing budgets have been reviewed by accountants and the appropriate percentage applied based on average grade of staff in service area (The rate varies because the proportion of pay that is “National Insurance free” varies depending upon pay levels)

There will be a separate process for formally setting fees & charges

2.3 Income

In building income budgets it is essential that a realistic assessment of income achievement is undertaken. Budget holders should use their knowledge of past trends and current market conditions in assessing income levels for the future and the scope for increases in fees and charges.

It is important to not only look at financial information, but also non-financial information such as activity data on customer usage and trends over time to help build realistic income estimates.

Variations to the existing approved budget for income must be clearly identified and explained.

Variations in Fees and Charges need to be considered taking into account the Council's priorities and objectives to ensure that proposals are consistent with these priorities and objectives.

Where increases in fees and charges are proposed which may affect other service budgets then the Director proposing the increase is responsible for bringing this to the attention of other Directors so overall income and expenditure budget assumptions are consistent.

2.4 Variations in Income and Expenditure or Existing Service Levels/Policies

The general rule is that there should be no allowance made for service growth, being the provision of a new service or an increase in the standard of an existing service. However, it is expected that demographic, legislative, grant change or demand led issues will be fully estimated and considered as part of assessing the overall budget requirement.

2.5 Establishment Control

The Council has introduced establishment control. The initial establishment was built to match the agreed 2016/17 budget and variations, and the establishment control process includes managing variations and their financing.

2.6 Demographic & Demand Issues (excluding schools)

It is important that Directorates produce robust forecasts of the impact of future demand and demographic changes. Services which identify increases in demand should bring forward a clear statement of the assumed demand, and its likely variation (e.g. the central projection is there will be 100 clients, but

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we anticipate this may vary between 90 and 120), how that projection varies from historical levels and proposals. Directorates should demonstrate that there has been full consideration of:

- Options for changing existing policies so that the service can be managed within the Directorate budget (as set out in the forward plan);
- Alternative provision of the service at a lower cost together with a transparent statement of the effect of the change in demand on the base budget; and
- If the first two steps described above are not appropriate, full justification as to why to be produced for consideration by Councillors before any increase is included in the base budget.

2.7 Savings

For the past two years, savings have been agreed over the medium term looking forward three years. The savings that relate to 2017-18, 2018-19 & 2019-20 have already been taken out of the base budget (though following the review in early 2017-18 some undeliverable savings have been restored).

Directorates have worked up a full range of budget savings options for consideration by Councillors. The initial round of savings will be taken to Policy Committee on 17th July 2017. In year savings identified for 2017-18 have been built into the revised base budget for 2017-18, and future year agreed savings through to 2019-20 have also been removed (unless the review completed in Q1 of 2017-18 has identified they are no longer deliverable).

Directorates have been asked to draw up proposals which:

- Identify opportunities for efficiency savings;
- Challenge current methods of service delivery and identify alternative ways of providing services;
- Challenge existing policies and service levels so a complete range of service reductions are identified; and
- Consideration of whether some services should continue, or not.

All options need to be considered in the light of the statutory requirement to provide the service and at what minimum level, or whether the service is discretionary.

In addition, the Corporate Management Team will be working to consider across the Council savings themes, including a consideration of procurement, apparent value for money outliers when the Council's costs are compared to others and the opportunity for further management and back office savings so as to protect front line services.

2.8 Schools Budgets

The schools budget should be drawn up in line with the requirements of the Dedicated Schools Grant and the framework agreed with the Schools Forum. The following will need to be taken into account in drawing up individual school budgets:

- The impact of school pupil demographic changes;
- Pay and price variations;
- Opportunities for achieving efficiencies; and
- Changes the Department for Education requires to the Education funding regime

As far as is practical the principles outlined above should be applied.

2.9 Risk Management

In drawing up revenue budget proposals, risk assessments should be undertaken to test the robustness of proposals and to identify key factors which may impact on the proposals put forward. Where appropriate action plans should be put in place to manage or mitigate the risks identified.

2.10 Overall Approach

It is intended that detailed budgets are prepared for 2 forward years; i.e. for 2018/19 and 2019/20.

3. CAPITAL PROGRAMME GUIDELINES AND PROCESS

3.1 Officer arrangements for drawing up and monitoring the capital programme and generation of resources are via the Capital Programme and Infrastructure Group.

The work and suggestions for drawing up the capital programme and its funding are the subject of briefings to Lead Councillors and the Administration, with the programme periodically being considered by Policy Committee.

3.2 Overall Control

The development of a three year rolling capital programme and resources should be drawn up within the context of the following objectives:

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- (a) minimising the impact on reserves and balances, with appropriate contingencies.
- (b) The opportunities to invest to save and/or to reduce revenue running costs of the Council's estate along with generating capital receipts.
- (c) Maintaining Council assets and the Borough's infrastructure to agreed standards.

The Capital Strategy, Asset Management Plans, and Capital Guidelines are consistent with these aims.

3.3 Capital Programme Guidelines

The capital programme should be drawn up within an overall framework of forecast resources available.

Within the overall framework of forecast resources available, service and/or Programme planning totals should be set which recognise:

- Existing commitments;
- Government allocation and expectations;
- Approved strategies and plans (e.g. Local Transport Plan);
- Council priorities and objectives;
- Cross cutting proposals; and
- Invest and Save.

3.4 Criteria for Prioritising Individual Schemes

Within service or programme area planning totals scheme priorities should be drawn up consistent with the achievement of the Directorate's Service Plans, priorities, policies and objectives, and in accordance with:

- Health & Safety requirements;
- Generation of school places;
- Leverage for External Funding opportunities;
- Invest to save opportunities;
- The need to maintain assets identified from Asset Management Plans;
- Service development aspirations; and
- Schemes linked to specific grant funding allocations.

Services should only put forward priorities in the light of service reviews where completed, or following formal option appraisals of the best way of securing the outcomes intended by the proposed investment. Such appraisals should include a thorough consideration of the revenue impact (e.g. higher

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costs of maintenance, protecting trading income) of investing or not investing.

The Capital Programme and Infrastructure Group will manage the process of drawing up capital programme options which match the capital guidelines and the likely level of resources available over the next five years.

Capital Programme options to match the likely resources available will be presented against the background of this schedule, to give Councillors the full picture on corporate investment demand and show them what would not be funded as well.

When drawing up Capital Schemes, Directorates should ensure that robust cost estimates, validated by Building Services/External Consultants, as appropriate, are produced.

3.5 Planned or Capital Maintenance Needs

As part of the budget process, each Directorate is requested to identify planned/capital maintenance needs, in particular Health and Safety requirements.

Where Directorates identify such needs a full explanation of the requirement, including alternative funding sources, should be given so they can be assessed for inclusion in to the Capital Grid maintained by the Capital Programme and Infrastructure Group and also Asset Management Plans.

3.6 Generating Capital Receipts

In order to assist longer term planning of the capital programme and the certainty of resources, officers will be working towards generating capital receipts options over a five year period, so that a realistic and sustainable capital programme can be set which strike the right balance between resources for capital and reducing the need for borrowing that is not sustained by the benefits of the investment itself. A £20m target has been established as part of the Council's financial plans.

3.7 Risk Management

In drawing up the capital programme and individual scheme proposals, a risk assessment should be undertaken to test the robustness of proposals and to identify key factors which may impact on the proposals put forward. Action plans should be put in place to mitigate/manage risk identified. Project

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officers should be appointed for all schemes within the capital programme. Project officers need to ensure that proper arrangements are in place to manage and monitor the project(s) under their control and ensure that Council's rules and procedures are correctly followed (standing orders, procurement, Council and other approvals etc.).

4. PROCUREMENT

When setting future years' budgets, regard should be given to the Corporate Procurement Strategy and the Council's Contract Procedure rules. In particular, budgets and projections should be based on Corporate and agreed framework contracts. Further advice and guidance can be found in the Procurement Toolkit (available on the intranet).

5. BUDGET MANAGEMENT - ESSENTIAL PRACTICE FOR BUDGET MANAGERS

- 5.1 Ensure for each cost centre there is one person (budget manager) who is clearly accountable for 2 to 7 below even if that person has delegated responsibility to one or more people for committing expenditure on that cost centre. (This is normally the person who will receive the monthly cost centre report automatically from Oracle Fusion)
- 5.2 Ensure as Budget Manager you know the budget you have for the year (track it to the financial system).
- 5.3 Ensure you know what spend has been committed on your budget(s) (continually update forecast for the year and beyond - raising purchase orders creates commitments; paying them properly replaces the commitment with actual expenditure).
- 5.4 Ensure you know the financial impact of the commitment you are about to undertake (for this year and beyond - is there budget available to meet it; if not, how is it being funded?).
- 5.5 Ensure you have considered value for money in respect of this commitment (is this the most effective, efficient, economical way of delivering the service).
- 5.6 If insufficient budget - secure additional budget or cease commitment process.
- 5.7 If you are the budget manager you are accountable for all the above. Your Service Accountant will play an essential support role in this process and must be informed of all variations to budget.

CORPORATE SUPPORT SERVICES DIRECTORATE

	2017-18 Budget Breakdown					2018-19 Budget Breakdown				
	Employee	Running	Gross	Income	Net Budget	Employee	Running	Gross	Income	Net Budget
	Costs	Costs	Expenditure			Costs	Costs	Expenditure		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>MANAGING DIRECTOR & CUSTOMER SERVICES</u>										
Managing Directors Office	256	5	261	0	261	259	5	264	0	264
Business Improvement	1,650	115	1,765	-353	1,412	1,649	85	1,734	-359	1,375
Registration and Bereavement Services	631	394	1,025	-2,514	-1,489	637	400	1,037	-2,541	-1,504
Voluntary Sector and Grants	83	565	648	0	648	85	376	461	0	461
IT Services	308	4,381	4,689	-156	4,533	311	4,623	4,934	-156	4,778
Entitlement and Assessment	2,654	648	3,302	-2,239	1,063	2,423	609	3,032	-2,249	783
Corporate Customer Services	1,155	214	1,369	-140	1,229	1,174	214	1,388	-140	1,248
Housing Benefit and Subsidy	0	78,200	78,200	-77,930	270	0	78,080	78,080	-77,930	150
MANAGING DIRECTOR & CUSTOMER SERVICES TOTAL	6,737	84,522	91,259	-83,332	7,927	6,538	84,392	90,930	-83,375	7,555
<u>FINANCIAL SERVICES</u>										
Accountancy	1,772	722	2,494	-60	2,434	1,683	736	2,419	-60	2,359
Accounts Payable	177	30	207	0	207	178	30	208	0	208
Audit	374	23	397	-40	357	379	23	402	-40	362
Corporate Investigations Team	145	14	159	0	159	147	14	161	0	161
Procurement Services	221	7	228	-52	176	223	7	230	-52	178
FINANCIAL SERVICES TOTAL	2,689	796	3,485	-152	3,333	2,610	810	3,420	-152	3,268
<u>LEGAL, HUMAN RESOURCES & DEMOCRATIC SERVICES</u>										
Legal and Landcharges	3,130	1,778	4,908	-2,752	2,156	3,183	1,743	4,926	-2,752	2,174
Elections and Electoral Registration	204	321	525	-103	422	208	321	529	-103	426
Democratic Services	311	31	342	-8	334	315	31	346	-8	338
Human Resources	1,103	372	1,475	-218	1,257	1,124	299	1,423	-218	1,205
Corporate Learning and Workforce Development	567	5	572	-19	553	571	5	576	-19	557
LEGAL, HUMAN RESOURCES & DEMOCRATIC SERVICES TOTAL	5,315	2,507	7,822	-3,100	4,722	5,401	2,399	7,800	-3,100	4,700
<u>COMMUNICATION</u>										
Marketing and Public Relations	350	37	387	0	387	346	37	383	0	383
Mayoralty and Lord Lieutenant	63	40	103	-54	49	66	40	106	-55	51
COMMUNICATION TOTAL	413	77	490	-54	436	412	77	489	-55	434
Recharge to Non-General Fund Services	0	0	0	-3,340	-3,340	0	0	0	-2,881	-2,881
CORPORATE SUPPORT SERVICES DIRECTORATE TOTAL	15,154	87,902	103,056	-89,978	13,078	14,961	87,678	102,639	-89,563	13,076

DIRECTORATE OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

	2017-18 Budget Breakdown					2018-19 Budget Breakdown				
	Employee	Running	Gross	Income	Net Budget	Employee	Running	Gross	Income	Net Budget
	Costs	Costs	Expenditure			Costs	Costs	Expenditure		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>TRANSPORTATION AND STREET CARE</u>										
Neighbourhood Services	4,274	1,531	5,805	-2,454	3,351	4,348	1,207	5,555	-2,473	3,082
Streetcare Services	2,825	2,556	5,381	-2,486	2,895	2,892	2,315	5,207	-2,698	2,509
Network and Parking Services	1,141	4,623	5,764	-10,328	-4,564	1,163	4,447	5,610	-10,902	-5,292
Strategic Transportation	1,050	7,037	8,087	-933	7,154	1,067	6,554	7,621	-933	6,688
Waste Disposals	229	25,352	25,581	-17,608	7,973	234	25,417	25,651	-17,658	7,993
TRANSPORTATION AND STREET CARE TOTAL	9,519	41,099	50,618	-33,809	16,809	9,704	39,940	49,644	-34,664	14,980
<u>PLANNING, DEVELOPMENT & REGULATORY SERVICES</u>										
Sustainability	144	45	189	-238	-49	136	45	181	-238	-57
Facilities Management	2,310	4,725	7,035	-3,200	3,835	2,323	4,773	7,096	-3,250	3,846
Land and Property Development	277	243	520	-2,827	-2,307	282	243	525	-3,679	-3,154
Regulatory Services	2,113	204	2,317	-1,205	1,112	2,150	153	2,303	-1,205	1,098
Planning	1,183	264	1,447	-949	498	1,213	264	1,477	-1,094	383
Building Control	497	54	551	-429	122	504	54	558	-429	129
Health and Safety	194	63	257	-35	222	181	0	181	-55	126
Public Conveniences	1,271	106	1,377	-1,313	64	1,276	108	1,384	-1,313	71
Property Development Service	291	220	511	-500	11	298	220	518	-557	-39
Joint Arrangement	531	780	1,311	-971	340	547	780	1,327	-1,041	286
PLANNING, DEVELOPMENT & REGULATORY SERVICES TOTAL	8,811	6,704	15,515	-11,667	3,848	8,910	6,640	15,550	-12,861	2,689
<u>HOUSING & NEIGHBOURHOOD SERVICES</u>										
Libraries	905	471	1,376	-224	1,152	918	336	1,254	-228	1,026
Community Safety	577	46	623	-541	82	558	46	604	-549	55
Housing Building Maintenance	1,457	758	2,215	-2,212	3	1,489	747	2,236	-2,233	3
Housing General Fund	1,062	8,230	9,292	-5,184	4,108	1,075	7,279	8,354	-5,214	3,140
HOUSING & NEIGHBOURHOOD SERVICES TOTAL	4,001	9,505	13,506	-8,161	5,345	4,040	8,408	12,448	-8,224	4,224
<u>ECONOMIC & CULTURAL DEVELOPMENT</u>										
Sports & Leisure	1,842	1,014	2,856	-2,208	648	1,887	1,047	2,934	-2,208	726
Arts Venues	1,170	2,761	3,931	-3,556	375	1,183	2,770	3,953	-3,616	337
Town Hall and Museum	1,164	735	1,899	-1,074	825	1,187	753	1,940	-1,214	726
New Directions	1,156	304	1,460	-1,433	27	1,169	304	1,473	-1,433	40
Business Development	224	120	344	-500	-156	221	120	341	-675	-334
Records and Archives	619	367	986	-897	89	636	373	1,009	-897	112
ECONOMIC & CULTURAL DEVELOPMENT TOTAL	6,175	5,301	11,476	-9,668	1,808	6,283	5,367	11,650	-10,043	1,607
<u>DENS Directorate</u>										
DENS Directorate	661	8	669	-146	523	696	66	762	-146	616
DENS Training	131	0	131	0	131	131	0	131	0	131
DENS DIRECTORATE TOTAL	792	8	800	-146	654	827	66	893	-146	747
DIRECTORATE OF ENVIRONMENT & NEIGHBOURHOOD SERVICES TOTAL	29,298	62,617	91,915	-63,451	28,464	29,764	60,421	90,185	-65,938	24,247

<u>DIRECTORATE OF CHILDREN, EDUCATION & EARLY HELP SERVICE (DCEEHS)</u>										
	2017-18 Budget Breakdown					2018-19 Budget Breakdown				
	Employee Costs	Running Costs	Gross Expenditure	Income	Net Budget	Employee Costs	Running Costs	Gross Expenditure	Income	Net Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>CHILDREN'S SERVICES</u>										
Children's Social Care General	1,775	295	2,070	0	2,070	715	295	1,010	0	1,010
Family Placement	2,934	329	3,263	-70	3,193	2,964	331	3,295	-70	3,225
Locality Teams	2,918	572	3,490	0	3,490	2,947	572	3,519	0	3,519
Children's Placement	0	13,596	13,596	-157	13,439	0	13,695	13,695	-157	13,538
Service Improvement	2,707	306	3,013	-80	2,933	2,734	309	3,043	-80	2,963
Asylum Seekers	34	123	157	-114	43	34	123	157	-114	43
CHILDREN'S SERVICES TOTAL	10,368	15,221	25,589	-421	25,168	9,394	15,325	24,719	-421	24,298
<u>EDUCATIONAL SERVICES</u>										
Education General	1,102	586	1,688	-81	1,607	1,150	283	1,433	-81	1,352
Early Years	1,489	9,320	10,809	-1,021	9,788	1,504	9,320	10,824	-1,021	9,803
School Improvement	1,090	572	1,662	-724	938	1,098	572	1,670	-724	946
Special Education Needs	385	16,237	16,622	-245	16,377	390	16,237	16,627	-245	16,382
School Support Services	654	334	988	-712	276	662	334	996	-712	284
EDUCATIONAL SERVICES TOTAL	4,720	27,049	31,769	-2,783	28,986	4,804	26,746	31,550	-2,783	28,767
<u>SCHOOLS</u>										
Schools Block	0	51,515	51,515	-76,728	-25,213	0	51,515	51,515	-76,728	-25,213
Schools - Individuals Schools Budget	2,130	484	2,614	-2,614	0	2,143	484	2,627	-2,614	13
SCHOOLS TOTAL	2,130	51,999	54,129	-79,342	-25,213	2,143	51,999	54,142	-79,342	-25,200
<u>EARLY HELP</u>										
CYPDT 0-17 Support Costs	830	1,803	2,633	-150	2,483	839	1,803	2,642	-150	2,492
General	318	172	490	0	490	21	0	21	0	21
Children's Action Teams and Children's Centres	4,706	129	4,835	-1,470	3,365	4,754	129	4,883	-1,470	3,413
Intensive Support	964	471	1,435	-1,201	234	974	472	1,446	-1,201	245
EARLY HELP TOTAL	6,818	2,575	9,393	-2,821	6,572	6,588	2,404	8,992	-2,821	6,171
<u>DCEEHS DIRECTORATE</u>										
DCEEHS DIRECTORATE TOTAL	3,583	424	4,007	-125	3,882	3,220	189	3,409	-125	3,284
DIRECTORATE OF CHILDREN, EDUCATION & EARLY HELP SERVICE TOTAL	27,619	97,268	124,887	-85,492	39,395	26,149	96,663	122,812	-85,492	37,320

DIRECTORATE OF ADULT SOCIAL CARE & HEALTH SERVICES (DACHS)

	2017-18 Budget Breakdown					2018-19 Budget Breakdown				
	Employee	Running	Gross	Income	Net Budget	Employee	Running	Gross	Income	Net Budget
	Costs	Costs	Expenditure			Costs	Costs	Expenditure		
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ADULT SERVICES										
Adult Social Care Management	508	838	1,346	-2,032	-686	514	956	1,470	-1,999	-529
Group Homes and Properties	19	83	102	-275	-173	19	83	102	-342	-240
Adult Social Care Activities	8,923	620	9,543	-4,621	4,922	8,970	8	8,978	-4,621	4,357
Safeguarding Adults	352	219	571	-225	346	357	219	576	-250	326
Mental Health Support	414	2,222	2,636	-354	2,282	418	2,305	2,723	-362	2,361
Learning Disability Support	1,205	14,134	15,339	-1,377	13,962	1,216	14,503	15,719	-1,386	14,333
Older People/ Physical Disability Support	0	19,070	19,070	-5,301	13,769	0	19,637	19,637	-5,319	14,318
ADULT SERVICES TOTAL	11,421	37,186	48,607	-14,185	34,422	11,494	37,711	49,205	-14,279	34,926
WELLBEING										
Commissioning and Improvement	1,205	27	1,232	-80	1,152	937	25	962	-80	882
Public Health	738	8,129	8,867	-9,202	-335	743	8,029	8,772	-9,202	-430
Preventative Services	114	1,151	1,265	-651	614	115	1,072	1,187	-651	536
WELLBEING TOTAL	2,057	9,307	11,364	-9,933	1,431	1,795	9,126	10,921	-9,933	988
DIRECTORATE OTHER										
Transformation	58	0	58	0	58	58	0	58	0	58
Directorate	474	32	506	0	506	479	37	516	0	516
DACHS Training	100	0	100	0	100	100	0	100	0	100
DIRECTORATE OTHER TOTAL	632	32	664	0	664	637	37	674	0	674
DIRECTORATE OF ADULT SOCIAL CARE & HEALTH SERVICES TOTAL	14,110	46,525	60,635	-24,118	36,517	13,926	46,874	60,800	-24,212	36,588