
Report to: Cabinet

Date of Meeting: 15 January 2015

Subject: Medium Term Financial Plan and Budget 2015 to 2017

Report of: The Chief Executive and Head of Corporate Finance & ICT

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

The Cabinet is aware that it has been previously forecast that the Council faces £55 million savings for the period 2015/16 to 2016/17. This is in addition to the £114m of cuts that has been identified and implemented in the four preceding years. This represents a real term reduction of 45% on the 2011 spending level.

Consequently detailed ongoing work has sought to identify budget reductions that would meet the two year savings requirement. This process involves detailed risk assessments, relative prioritisation and the impact on our communities. The process was described in detail in the report to cabinet in November. In the same report savings proposals were recommended to the Council totalling £30.288m towards the total requirement.

The Council has now received confirmation of the level of Government funding it will receive in 2015/16 and this has confirmed that previous forecasts are accurate and the level of cuts required remains at £55 million.

Cabinet is also very aware of the continuing and significant impact this level of reductions will have on Council services and outcomes for Sefton communities. It is therefore important that the Council's remaining resources are spent in areas of highest priority that minimises the negative impact on communities. However it is also important to stress that it will be impossible to deliver savings on this magnitude and it not result in reduced levels of service across the range of Council activities. These include those services commissioned with public, private, voluntary, community and faith partners to deliver support to our communities

This report:-

- Updates the Council's financial position for 2015/16 and 2016/17 following the Local Government Finance Provisional Settlement 2015/16.
- Provides the Cabinet with updated and new savings options that will contribute to the forecast budget gap for the next two years
- Outlines the gap remaining and the timetable for producing a balanced two year budget plan

In addition the report also

- Reviews the implementation of the 2014/15 budget reductions
- Requests an amendment to the 2014/15 capital funding funded from external resources

Recommendations

Cabinet are recommended to:

In relation to the 2015/16 and 2016/17 Budget Plan

- i. Note the work programme timetable in Annex A
- ii. To note the update of the Local Government Finance Provisional Settlement 2015/16 as outline in paragraph 3.
- iii. To consider any feedback from the Overview and Scrutiny Committee (Corporate Services and Performance) of 13 January 2015 relating to the budget items included in this report.
- iv. Agree to the items updated in Annex B as efficiencies and note that these will be implemented immediately by officers and recommend to Council
- v. Agree the revisions made to items in Annex C which were originally considered by Cabinet in November 2014 and recommend to Council
- vi. Consider the proposals contained in Annex D, have due regard to the Equality Impact Assessment information, latest recorded position with respect to consultation, identified mitigating actions and information and authorise officers to take necessary steps to progress options pending decision and consideration by Council in due course.
- vii. To consider the bridging the savings gap as outlined in Paragraph 6.
- viii. Delegate authority to the Cabinet Member (Older People and Health) to set the Council's Residential and Nursing Care Home Usual Cost of Care for 2015/16 within the context and constraints of available resources, as set out in the Medium Term Financial Plan and as agreed with the Council's Section 151 Officer, following conclusion of the consultation process. If the Cabinet Member is minded to make a decision which falls outside the ambit of the Council's Medium Term Financial Plan then the decision would have to be referred back to Cabinet for consideration.
- ix. Note that the proposals contained in Annexes C and D and the subject of recommendation (viii) above will be the subject of a further recommendation to Council in due course for consideration of the budgetary and policy framework implications and that all steps authorised by Cabinet to officers are preparatory not determinative steps

- x. Note the officers will comply with HR policies and procedures and this will include regular HR monitoring reports to the Cabinet Member Corporate Services.
- xi. Note that further options are being developed and assessed and a further report will be presented to Cabinet for consideration in February 2015.
- xii. Note that Cabinet and Council will be required to consider the coherence of the proposals when taken as a whole at the March 2015 Council meeting in setting the 2015/16 budget and the two year financial plan.

In relation to the 2014/15 revenue and capital budgets:

- xiii) Note the progress in delivery of the 2014/15 budget savings
- xiv) to approve the inclusion of a Greenspace related Section 106 Deposit at a cost of £38,611 in relation to work at Potters Barn Park in the Capital Investment Plan as detailed in paragraph 9.4
- xv) To delegate authority to the Cabinet Member (Older People and Health) to commence the procurement of services required from 1 April 2015 under the Council's new responsibility for Social Care Services to Prisoners within the identified funding outlined in Paragraph 2.5.1

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community			√
2	Jobs and Prosperity			√
3	Environmental Sustainability			√
4	Health and Well-Being			√
5	Children and Young People			√
6	Creating Safe Communities			√
7	Creating Inclusive Communities			√
8	Improving the Quality of Council Services and Strengthening Local Democracy			√

Reasons for the Recommendation:

To ensure that the Cabinet is fully aware of the latest MTFP position, to consider £36.258m of savings options which will need to be phased over the two budget plan. This will support the Council in its duty to agree a budget for 2015/16 and the level of 2015/16 Council Tax before the statutory date of 10 March 2015, and maintain a

sustainable financial future for the Council by agreeing a balanced two year financial plan for 2015/16 and 2016/17.

(A) Revenue Costs

The revenue gaps for each of the years 2015/16 to 2016/17 are projected at £32.487m and £22.340m respectively. The figures are individual in-year savings targets, assuming the previous years' targets are achieved.

(B) Capital Costs

This report includes a proposal to add £38,611 to the existing capital programme with Section 106 funding to develop the Potters Barn Park.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<p>Legal</p> <p>There are no direct legal implications arising from the contents of this report. However in the course of each of the individual projects, consultations, options etc. to achieve the savings required detailed consideration should be given to the legal, human rights and equality implications. Such consideration will also need to be evidenced to ensure that the Council's decision making processes are defensible.</p>						
<p>Human Resources</p> <p>The proposals contained within this report have a potential impact upon employees and the potential for both voluntary and compulsory redundancies. It will be necessary for the Authority to comply with the duty to consult with recognised Trade Unions and employees and to complete as necessary a notification under Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992. Also form HR1 to the Department of Business Innovation and Skills notifying of redundancies may need to be filed dependent on numbers. Full and meaningful consultation should continue to take place with the Trade Unions and employees on the matters contained within this report. The options contained in this report have estimated post implications of a reduction of over 200 posts.</p>						
<p>Equality</p> <table><tr><td>1. No Equality Implication</td><td><input type="checkbox"/></td></tr><tr><td>2. Equality Implications identified and mitigated</td><td><input checked="" type="checkbox"/></td></tr><tr><td>3. Equality Implication identified and risk remains</td><td><input type="checkbox"/></td></tr></table>	1. No Equality Implication	<input type="checkbox"/>	2. Equality Implications identified and mitigated	<input checked="" type="checkbox"/>	3. Equality Implication identified and risk remains	<input type="checkbox"/>
1. No Equality Implication	<input type="checkbox"/>					
2. Equality Implications identified and mitigated	<input checked="" type="checkbox"/>					
3. Equality Implication identified and risk remains	<input type="checkbox"/>					

Impact on Service Delivery:

Service implications as currently understood are described within the options in this report and the November 2014 Cabinet budget report. The identification of further implications will form part of the budget, public engagement and consultation processes.

What internal consultations have taken place on the proposals and when?

The Overview and Scrutiny (Corporate Services and Performance) will consider this report at meeting of 13 January 2015.

Regular and ongoing consultations have taken place with Strategic Directors, Director of Built Environment, Director of Street Scene, Director of Young People & Families, Director of Older People, Director of Corporate Support Services and Director of Commissioning, Head of Corporate Personnel, Head of Corporate Legal Services and Trade Unions.

The Head of Corporate Finance & ICT (FD 3377/15) has been involved in the preparation of this report.

The Head of Corporate Legal Services (LD 2669/15) has been consulted and her comments have been incorporated into the report.

External Consultations

These are detailed in the individual proposals as appropriate

Are there any other options available for consideration?

Additional budget savings and options will need to be identified over the next few weeks to ensure that future years' budgets can be balanced. It is a legal requirement to set a balanced budget and to ensure the medium term financial position is robust.

Implementation Date for the Decision

Following January 2015 Cabinet.

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Background Papers:

None

1. Introduction

- 1.1. The Cabinet received a report in November 2014 which detailed the significant financial challenge the Council faces in delivering a balanced budget for 2015/16 and 2016/17. The Cabinet noted the estimated budget gap of £55 million which is forecast for these two years and agreed the principles to be applied in the preparation of a budget plan. The proposals for budget savings reflected the agreed relative Council priorities. The report outlined the timescale for preparation and agreement of a balanced budget by March 2015 and highlighted that further options would be presented to the Cabinet and Council in January 2015.
- 1.2 The Government provided the provisional 2015/16 funding levels on 18th December 2014 and these are considered within this report. No further forecasts have been issued relating to 2016/17. This report shows how this latest settlement announcement impacts on the Council's two year financial plan. In summary there is little difference between the Council's previous forecasts and the Government announcements therefore it is confirmed that estimated budget cuts of £55 million will need to be identified over the next two years
- 1.3 It remains important that the process used to identify options should reflect the relative priority of services and the risks associated with a significant reduction in service level. The strategic aim to plan a two year budget continues to be a fundamental component in minimising the risk to the Council and to work towards a sustainable future. However it must be stressed that this level of reduction on top of the £114m delivered since 2011 will have a significant impact on the services provided and commissioned by the Council
- 1.4 This report updates the budget options considered at the November 2014 Cabinet meeting and presents further options for consideration.

2. Local Government Finance Provisional Settlement 2015/16

- 2.1 The levels of external funding included in the budget gaps for 2015/16 and 2016/17 were based on assessments by officers of a number of announcements previously made by the Government. These forecasts have been revised during 2014 as new information has become available.
- 2.2 The Government announced the Provisional Local Government Finance Settlement for 2015/2016 on 18 December 2014.
- 2.3 The Provisional Settlement announcement gives Sefton a **reduction** in Government General Grant funding of £19.639m over the current year.
- 2.4 There have been some other grant announcements that will have an impact on the general grant funding available to the Council in 2015/2016:

New Homes Bonus (NHB) – Sefton's NHB allocation has increased by £0.573m. The 2015/2016 MTFP had assumed an allocation of £0.406m, so £0.167m of funding is available.

Housing Benefit & Council Tax Support Admin Subsidy – The 2015/2016 MTFP assumed that there would be a reduction in grant of £0.250m. However, the actual reduction is only £0.146m an improvement of £0.104m.

Education Services Grant – The MTFP assumed that this grant would reduce by 20% in total. Although the total funding available has reduced by 20% this grant is also influenced by pupil numbers. The impact of three secondary schools transferring to Academy status in 2014/2015 has reduced the grant available to Sefton by £0.183m (see report elsewhere on the agenda). Other changes in pupil numbers have increased the indicative grant by £0.011m (subject to final pupil numbers in January 2015) so the net reduction is £0.172m.

2.5 The net impact on 2015/2016 Government Funding for Sefton compared to the amounts included in the MTFP is shown below:

	2015/2016
	£m
Settlement Funding Assessment and associated grants	-0.220
<u>Other Grants</u>	
New Homes Bonus	0.167
Housing Benefit & Council Tax Support Admin Subsidy	0.104
Education Services Grant	-0.172
Reduced Funding	-0.121

2.5.1 The Government has made specific allocation of new burdens money for the delivery of social care to prisoners in prisons situated within the Borough. The funding relating to this is £33,000 for 2015/16. In order to commence the procurement of a service to meet this new responsibility Cabinet are requested to allocate this funding for 2015/16 to Adult Social Care budget and this will allow the service specification to be agreed by Cabinet Member as part of the delegated procurement process.

2.5.2 Other grant announcements made by the Government are assumed to fund specific expenditure so do not impact on the figures above. Not all specific grants are known at the point of writing this report.

3. Capital Grant Announcement for 2015/2016

The Government has released limited information on Capital Grants for 2015/2016. A report will be presented to the next Cabinet meeting summarising the financial position of the Capital Programme.

4. Budget Process

4.1. Cabinet are reminded that the principles agreed to produce a balanced two year budget are as follows:

- **Efficiency before cuts** – Protect the impact on communities
- Focus on our **core purpose**.

- Keep the needs of our **citizens at the heart** of what we do rather than think and act organisationally.
- Proactively **manage demand** not just supply.
- Ensure we provide services strictly in line with **eligibility criteria**.
- **Pursue growth/investment** as well as savings.
- Communicate and engage with people with **people to expect and need less**

4.2. The Cabinet in November 2014 considered efficiency savings options of £13.278m. At that date Cabinet were informed of the possible need to revisit the size of reduction for those options should insufficient savings be identified from other areas still being reviewed or if the Local Government Funding settlement differs from the forecasts used. These options have been the subject of a further review which in some cases has identified greater efficiencies which are consistent with the agreed principles above. These are detailed in Annex B and these options have been updated and increased by £2.062m to give a revised efficiency total of £15.340m. The Cabinet also approved a service adjustment for green waste collection which is expected to reduce costs by £0.430m.

4.3 At Annex C, Cabinet are presented with an updated list of options previously considered and which Cabinet approved for officers to start preparatory consultation and implementation work on these options. Further work has developed these options and identified a further £0.873m budget reductions.

4.4 A new set of options are presented for consideration at Annex D which will require consultation and approval by Council. These options total £5.696m.

5. Summary of Revised Budget Gap

5.1 The table below summarises the adjustments and options presented in this report

		£m	£m
Budget Gap reported to December 2013 Cabinet			54.706
Options Approved November Cabinet			-30,288
Green waste change approved 27/11/14			-0.430
Adjustment for Funding Settlement		+0.121	
Updated Efficiency savings (Annex B)		-2,062	
Updated Options for consultation and preparation by Officers (Annex C)		-873	
New options for consideration(Annex D)		-5.696	
Net Total Options presented in this report			-8,510
Future options to be determined			15.478

5.2 As can be seen in the table above savings of £15.478m still need to be identified to balance the two year budget plan. In addition it will be necessary to produce a phased budget plan which reflects the implementation of the savings options. Some options cannot be achieved until 2016/17 and assuming sufficient options are identified it may be preferable to Council for others to be phased into the second year to reflect the relative priority of the service.

6. Bridging the Savings Gap

6.1 As can be seen above savings of £15.478m still need to be identified and approved to meet the shortfall of £55 million. This remaining shortfall will need to be met prior to the Budget Council meeting on 5 March 2015. A number of areas are still being analysed and evaluated and are at various stages of consideration;

- a) Management Arrangements - the Chief Executive will undertake a review of senior and middle management to reflect remaining Council responsibilities. At this stage a budget planning assumption of £1.3m is being made. This will be firmed up over the coming months as specific proposals are considered.
- b) An ongoing review of major strategic transactional service contracts will identify the scope to renegotiate and achieve service changes and efficiencies. At this stage a budget planning assumption of £1m is being made. This will be firmed up over the coming months as specific proposals are considered.
- c) A review of the services commissioned from the Voluntary Community and Faith Sector will identify the risk and impact of reductions in this area. No budget planning assumption will be made until specific proposals have been identified
- d) One of the significant challenges facing the Council going forward is balancing early intervention and prevention with acute services particularly in services to vulnerable children and their families. Work is ongoing to identify the impact of savings in these areas and a budget planning assumption will be identified prior to the budget being set.
- e) The relationship between the Council's Capital and Revenue budgets is being considered
- f) All MTFP assumptions remain under review
- g) No assumption has been made regarding a Council Tax increase. Every 1% increase generates around £1million. The Government announced its Council Tax referendum rules in December which indicates that the maximum increase before a referendum is required is 2%. If applied in both years this would generate £4m.

6.2 In addition to the above Council officers will continue to review all areas of Council spending to identify savings options. Further report will be presented to Cabinet over the next two months prior to consideration by Full Council. The Council has a legal responsibility to set a balanced and robust budget.

7. Consultation

7.1. The Council has undertaken wide ranging consultation on the prioritisation for services over the last four years, seeking views of its residents and communities as well as consulting on very specific changes in service changes. The consultation has used face to face, telephone and web based methods and has given opportunity for all to contribute their views.

7.2 Separate consultation has taken place internally with staff and the trade union representatives. The staff has been encouraged through a range of media to contribute ideas to finding ways to make savings across the Council services. These have each been evaluated and where the option is realisable these have been taken forward.

7.3 Care Home Usual Cost of Care Consultation

The Council will consult with Residential and Nursing Care Homes in the early months of 2015, with a view to setting the fees for 2015/16 at the beginning of the financial year. As in 2014, Cabinet is asked to consider delegating authority to the Cabinet Member (Older People and Health) to set the Council's Usual Cost of Care for 2015/16 within the context and constraints of available resources, as set out in the Medium Term Financial Plan and as agreed with the Council's Section 151 Officer, following conclusion of the consultation process. If the Cabinet Member is minded to make a decision which falls outside the ambit of the Council's Medium Term Financial Plan then the decision would have to be referred back to Cabinet for consideration.

8. Equality Act 2010 Duty and Impact Assessments

8.1. As the Council puts actions into place to set a sustainable budget plan 2015/16 2016/17 there is a need to be clear and precise about our processes, and impact assess potential change options, identifying any major risks and mitigating these as far as possible. The impact assessments, including any feedback from consultation or engagement where appropriate, will be made available to Members when final recommendations are presented for a decision. This will ensure that Members make decisions in an open minded balanced way showing due regard to the impact of the recommendations being presented in compliance with the Equality Act 2010.

9. Update on the 2014/15 Financial Position and Budget Risk

9.1 The Council approved a two year financial plan for 2013/14 and 2014/15 which is nearing its completion. The Annex E identifies the progress made in delivering this plan and identifies the outstanding risks associated with the policy changes and the financial forecasts attached to these budget decisions made by Council in March 2013 and further updated in March 2014.

9.2 Overall, as at the end of November 2014, the Council is on schedule to successfully deliver £23.777m savings and policy changes to be complete by March 2015, which is in excess of 82% of the plan. Of the remainder of the change programme, £3.224m is still being targeted for achievement with slippage into 2015 and only 6% (£1.837m) is at risk of not being delivered.

	£000
Savings achieved to date	13,427
Progress is Satisfactory	10,350
Risk of savings not being fully achieved	3,224
Known shortfalls or significant risk that savings will not be achieved	<u>1,837</u>
Total of Savings	<u>28,840</u>

- 9.3 The Cabinet should note that the ability to deliver this size of change programme over the two years is greatly assisted by setting a two year policy and financial plan in 2013. The shortfall in the delivery of the savings is expected to be offset by above budget receipts from Council Tax and Business Rates over the last year and the continuing ability to self-fund the capital programme. As reported to Cabinet in November 2014 the overall Council budget is currently forecast to overspend by up to £0.7m in addition to those matters reported above. Should these or other budget underspending areas not be realised by the end of the financial year then an equivalent level of general balances will be required to support the Council's expenditure.

The Council's budget will continue to require tight management throughout the remainder of the financial year to mitigate any increase in pressure from Children's and Adults Social Care costs and Cabinet will continue to be updated regularly.

9.4 Capital Programme 2014/15

The Planning Committee has considered a scheme for a Skate park for which Section 106 funding has been identified. Planning Committee has allocated a total of £79,109 Section 106 Green space monies to fund improvement works (including a small skate park) at Potters Barn Park, of which, 15% (£11,866) is to be used as revenue to fund future maintenance of the works, with the sum of £67,243 allocated for capital works. Members will recall that £28,632 of this £67,243 has already been included in the Capital Investment Plan for Potters Barn Park in July 2014 and the remaining £38,611 from the S106 allocation is now required to be approved by Cabinet for inclusion in the Capital Investment Plan.

10. Conclusion

- 10.1 The Cabinet, in delivering the actions needed to balance the budget shortfall of £55m, are presented with identified options totalling £36,258m for consideration by Council on 22 January 2015 and appropriate consultation. Assuming the recommendations in this report are accepted, proposals totalling £13.058m will be required for Cabinet to consider at its Meeting in February. The Council in March will determine the final budget and Council Tax for 2015/16 and the 2015/17 two year financial plan. Further options are currently being developed based on the ongoing consultation and a further assessment of all services. These will need to be considered at the next Cabinet meeting if a two year budget plan is to be achieved.

- 10.2 The challenge faced by the Council cannot be underestimated and as stated earlier, this is shared with our public, private, voluntary, and community and faith partners. Implementation of all options would need to take into account appropriate consultation requirements and the possible financial impacts of part year delivery. The plan also needs to be flexible to cope with any variations in the level of uncertainty which surrounds the introduction of the Better Care Fund, a new Government in May 2015 and any unforeseen mitigation which may be required to achieve the changes proposed.
- 10.3 It is still considered essential that the Council aims for a two year plan. This will ensure timely implementation of proposals and release capacity from options identification to transformation and overall redesign of services.
- 10.4 Consultation will continue over the coming months and standard Council procedures will be observed in the instances where we are required to inform the public and staff. Recommendations for changes will be made once the consultation on specific options is considered to be finalised.
- 10.5 The decisions facing the Council over the coming months will require a fundamental rethink of service provision and standards. It will be important that these changes are effectively communicated to ensure that the expectation of our communities can be managed.

BUDGET WORKPLAN

Date	Milestone	Comment
Tuesday 13 th January 2015	Overview and Scrutiny Committee (Performance and Corporate Services)	<ul style="list-style-type: none"> • Progress report • Consider report to be presented to Cabinet 15 January 2015
Thursday 15 th January 2015	Cabinet	<ul style="list-style-type: none"> • Recommend budget savings for implementation • Consideration of further options • Council tax & NNDR tax base • Pay Policy
Thursday 22 nd January	Council	<ul style="list-style-type: none"> • Consider Cabinet budget recommendations • Council tax & NNDR tax base • Pay Policy
Thursday 5 th February 2015	Cabinet	<ul style="list-style-type: none"> • Feedback on any completed Engagement and Consultation activity • Full Year Fees and Charges • Identify any further consultation • Recommend any budget savings for implementation, where complete
Monday 23 February	SCIG	<ul style="list-style-type: none"> • Consider Capital programme
Tuesday 24 th February 2015	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> • Proposed Revenue Budget for 2015/17 for comment
Thursday 26 th February 2015	Cabinet	<ul style="list-style-type: none"> • Feedback on any completed Engagement and Consultation activity • Recommend any budget savings for implementation, • Capital programme update
Thursday 5 th March 2015	Council	<ul style="list-style-type: none"> • Approval of revenue and capital budget and council tax

Budget Reductions Achieved through
Improvements in Efficient and Effective use of Resources

This annex updates the Efficiency improvements identified at the 27 November 2014 Cabinet meeting (Item 6 Annex C1 page 64). These efficiencies do not require a change of policy or external consultation. The figure in () shows the previous proposal

<u>Ref</u>	<u>Service Area</u>	<u>Efficiency</u>	<u>2014/15 Budget £000</u>	<u>Proposed Budget Net Reduction £000</u>	
9	Home Improvements DFG	Re-profiling the allocation of costs and increasing the level of recharges	94	(7)	10
13	Learning Support - LAC	Reduction in the LA budget	129	(7)	10
15	Education Psychology	Spend to be directed to DSG High Needs Funding	93	(17)	25
16	SEN Assessments & Monitoring	Spend to be directed to DSG High Needs Funding	190	(24)	36
25	General inflation provision	Remove general inflation provision set in MTFP at 2%. This will require all services to deliver general efficiency in the delivery of all services	3,400	(3,400)	4,360
28	Review of previous budget assumptions and implications of previous budget decision	The estimates of the financial implications of all budget decisions have been reviewed in the light of implementation of options and subsequent changes in service demand. The original Medium Term Financial Plan can be revised to take account of this updated information.		(841)	1,841
28b	Reduced accommodation costs	Lease on Houghton Street		(0)	76
Additional Budget reduction identified				2,062	

ANNEX C

November Cabinet (Item 6 Annex C2 page 67) recommended that Council approve a number of budget saving proposals. Having given these options further consideration Cabinet is now asked to consider recommending several amendments as shown in Column F. This annex only includes those items amended.

Most Vulnerable

A	B	C	D	E	F
Ref	Service Area	Change Proposal	2014/15 Budget £000	Recommended Budget Reduction November 2014 £000	Recommended Budget Reduction January 2015 £000
30	Children With Disability Service	Continue with the development of, and implement, new eligibility criteria	3,500	210	315
38	Supported living	Alternative and more efficient ways of meeting assessed care needs	18,435	1,200	1,800
52	CHAMPS	Cessation of health protection/emergency preparedness and social marketing programmes and prioritising work. Ceasing Sefton's contribution to cancer information service and CALM (mental health) service	220	57	0
55	Client Contribution	Restructuring and integrating the above service with the specialist Substance Misuse Housing and Welfare Rights Team	586	36	54
64	Children's administrative support	Service redesign	167	42	63
73	Sports Leisure-Active Sports	Increase in income due to increased charges and new programmes and external funding (Litherland sports park)	0	36	84
75	Public Health	Internal restructure to reflect the need to strengthen the influencing role of the team, and reduced need for commissioning capacity	822	278	416
			Total	1,859	2,732
			Net change in budget reduction		873

ANNEX D

This Annex contains a package of budget proposals for Cabinet's consideration.

Community Resilience

Ref	Service Area	Change Proposal	2014/15 Budget £000	Proposed Budget Reduction £000
82	Housing Related Support	Further decommissioning and re-commissioning of funded services in accordance with the approved Commissioning Intentions and Priorities	2,169	900
			Total	900

Health & Wellbeing

Ref	Service Area	Change Proposal	2014/15 Budget £000	Proposed Budget Reduction £000
83	Integrated Wellness	Integration of Lifestyle services	5,349	3,049
84	Substance Misuse	Reduction in Substance Misuse spend	6,031	740
85	Affordable Warmth	Cessation of SEARCH scheme and Easier Breathing Project	54	54
			Total	3,843

Running the Council

Ref	Service Area	Change Proposal	2014/15 Budget £000	Proposed Budget Reduction £000
86	Business Intelligence & Performance	Re-structure	1,077	360
87	Public Health	Reduction in funding for commissioned intelligence work		50
88	Catering	To increase the charge for each meal by 10p in September 2015 (start of the school term) and by a further 10p from September 2016		450
89	Building Cleaning	To increase fees and charges to schools		70
90	Commercial Waste	To increase fees and charges		10
91	Tourism	Additional income from events		13
			Total	953

Community Resilience

Service Description: Ref 82 - Housing Related Support

The Housing Related Support budget funds a mixture of short-term (from a few weeks up to a maximum of two years) and long-term services, falling mainly into the following categories:

- *Visiting/Floating Support Services* - where the support is provided in the person's home and aims to support people who need help to remain independent in their home (e.g. help and advice with rent, bills, managing money, keeping to a tenancy agreement etc.);
- *Short-Term "move-on" Accommodation-Based Services* – where the support is linked to the person's temporary accommodation (e.g. Homeless units; Women's refuge etc.) and aims to provide a stable environment and support to move-on to permanent accommodation;
- *Long-Term Accommodation-Based Services* - where the support is linked to the person's permanent accommodation (e.g. sheltered housing) and aims to provide a stable environment and extra help for vulnerable people;
- *Assistive Technology/Telecare Services* – this is a "lifeline" community alarm system and other technology designed to help someone live independently, provided either as part of the accommodation (e.g. sheltered accommodation) or within someone's own home.

It is proposed to commence consultation on/implement the following change –

Further decommissioning and re-commissioning of funded services in accordance with the approved Commissioning Intentions and Priorities. In particular:

- *Visiting/Floating Support Services* - decommission existing "niche" services and re-commission a more efficient and cost effective all-tenure, all-age Visiting Support Service designed to address multiple needs (with specialist provision only if necessary) in line with Commissioning Principles & Priorities
- *Short-Term "move-on" Accommodation-Based Services* - re-commission more efficient and cost effective all services in line with Commissioning Principles & Priorities, including a joint re-commissioning of Young People provision funded by Housing Related Support and Young People & Families budgets
- *Long-Term Accommodation-Based Services* - Ceasing funding for long-term accommodation-based provision, purpose built and dispersed Sheltered Housing
- *Assistive Technology/Telecare Services* – review funding for Community Alarm and Telecare services, including considering whether those services should be re-commissioned through Sefton Arc (the Council's in-house service provider), in line with the Council's published Adult Social Care Market Position Statement.

Rationale for service change proposal – The Council's reducing resources requires a rigorous prioritisation of activity. Services funded through the Housing Related Support budget are discretionary housing-related services to help vulnerable people live independently in their own accommodation or to move from temporary accommodation into a more permanent place. The Council is not statutorily required to provide these services.

Link to budget principles

- Focus on our core purpose
Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.
- Proactively manage demand not just supply.
- Ensure we provide services strictly in line with eligibility criteria.
- Communicate and engage with people to expect and need less

The following activity will change, stop or significantly reduce –

The Council will:

- Decommission existing Floating/Visiting Support Services and re-commission all-tenure, all-age Visiting Support Service designed to address multiple needs (with specialist provision only if necessary)
- Re-commission Short-Term “Move-On” Accommodation Based Services, including a joint re-commissioning of Young People provision funded by Housing Related Support and Young People & Families budgets
- Work with Providers to explore alternative zero Housing Related Support-contribution models for long-term accommodation-based provision, purpose built and dispersed Sheltered Housing
- Review funding for Community Alarm and Telecare services and consider whether those services should be re-commissioned through Sefton Arc (the Council’s in-house service provider).

Impact of service change –

Service Users – There may be a reduction in the support available to individuals as a result of a reduction in service provision and capacity. Some residents may experience increased rent charges as a result of the withdrawal of Housing Related Support funding to services. In instances where provision is ceasing this will be implemented through a phased approach to ensure that service users are supported through the transition.

Partners – Housing providers may need to reduce services provided to residents, or increase management/rental charges in order to offset the reduction in Housing Related Support funding.

Council – There are risks that a reduction in access to preventative services funded through Housing Related Support could increase the pressure on higher-cost statutory services, including, adult and children’s social care services and services provided to meet the Council’s statutory homelessness duties. These risks can be reduced by the more integrated approach to commissioning suggested. There may be an increase in Housing Benefit costs as a result of ceasing/reducing Housing Related Support funding.

Communications, Consultation & Engagement

Type: Inform Consult internal Engage Partnership

Equality Impact Assessment – Service users will continue to have their eligible assessed care and support needs met if they meet the threshold for statutory services.

Legislation Considered – Provision of appropriate care post assessment/review is a statutory duty for all local authorities.
The Supporting People grant support (which was formerly aid under Local Government Act 2000, s93) was withdrawn in April 2011 and the monies formerly allocated under this grant are now paid as part of the local authority 'Formula Grant'.

The Care Act 2014

Risks & Mitigating Actions –

Services commissioned with Housing Related Support funding are generally recognised as discretionary/non-statutory services, however, the previous review recognised that the services commissioned may to a greater or lesser extent support or enhance statutory services and the meeting of statutory duties, in particular statutory duties relating to homelessness, Children leaving care and adults with an assessed care need.

There are risks that a reduction in access to preventative services funded through Housing Related Support could increase the pressure on higher-cost statutory services, including, adult and children's social care services and services provided to meet the Council's statutory homelessness duties.

The need to prioritise "*Services and interventions that prevent or minimise demand for higher level statutory services*" is clearly recognised within the Commissioning Principles and the approach taken will seek to reduce the risks through a more integrated approach to commissioning.

Service users with the highest needs will continue to receive services if they meet the social care eligibility criteria for adults or children's services.

Service Description: Ref 83 - Integrated Wellness Service

The Integrated Wellness Service is a newly designed service which comprises of self care, wellbeing and prevention. It will be the single point of access service for diet and nutrition, physical activity, weight management, stop smoking, alcohol prevention, positive mental wellbeing and NHS health checks. The service will strengthen community resilience, provide choice in terms of where and when people access services and will be needs led to address individual and community need. This new focus will be targeted to those who are in greatest need specifically those people living in wards with the poorest health outcomes.

It is proposed to commence consultation on/implement the following change

The de-commissioning of the current fragmented range of service providers and the re-commissioning of an integrated service to be implemented from September 2015.

Rationale for service change proposal To deliver a universal programme to improve health and maximise health outcomes within a financial envelope of £2.3 million Council funding. Further work will be progressed with the CCG's to eliminate duplication and target collective resources on those who are in greatest need specifically those people living in wards with the poorest health outcomes. Discussions are also underway to secure European Social Fund resources to further enhance the service.

Link to budget principles

- Efficiency before cuts – Protect the impact on communities
- Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.
- Proactively manage demand not just supply.
- Communicate and engage with people to expect and need less

The following activity will change, stop or significantly reduce

The level of services provided will be reduced with the Integrated Wellness Service supporting those who are in greatest need specifically those people living in wards with the poorest health outcomes. The service will support over 10,000 people in the most deprived wards with a wider reach up to 70,000 people through promotion of self care and prevention through the website, hub, whole family behaviour change, social media, health trainers and brief interventions.

The reduced programme may have an adverse impact on;

- level of progress on health improvement and health inequalities
- continuity of support and health gains for local people due to cessation of locally targeted successful long term community programmes e.g. borough wide Healthy Living Centres
- increased demand on health and social care services
- reduced opportunities for chances of employments, skill increase, motivation and healthier life choices

Impact of service change on

Service users – there will be a reduction in the number of people from the wider population accessing service for diet and nutrition, physical activity, weight management, stop smoking, alcohol prevention, positive mental wellbeing and NHS health checks. The service, however, will target 10,000 people in the most deprived wards with a wider reach up to 70,000 people through promotion of self care and prevention through the website, hub, whole family behaviour change, social media, health trainers and brief interventions.

Partners – the providers commissioned through the Integrated Wellness Service will need to reduce services directly provided to residents and through integrated working promote self-care, use of websites, and social media for information and redesign their workforce to include a health trainers approach to promoting whole family behaviour change, self

reliance and community resilience. Expectation providers will be working more closely together in order to enable data sharing, safeguarding and appropriate clinical governance.

Council – there is an interdependency with this options and all Council Health & Wellbeing Services including Leisure. The change will be managed using a One Council approach with a view to seeking to mitigate impacts on the most vulnerable. There will need to be an enhanced referral process across health, community and social care services will need to be established.

Communications, Consultation & Engagement

Type: Inform Consult internal Engage Partnership

Equality Impact Assessment – Equality implications will be monitored as the newly designed service is implemented and reported through normal process.

Legislation Considered – Health and Social Care Act 2012

Risks & Mitigating Actions –

The community may not engage with the new ways of working and delivery, the new Health Trainer role within the service will reach out to the community to promote self-care and access to services when appropriate.

Key performance indicators may not be achieved as services are reduced. The Council will work with partners as outlined above (the CCGs and European Social Fund) to secure further resources which if achieved may mitigate the non achievement of key performance indicators.

The workforce, within providers and the Council, may fail to work in a integrated way to promote self-care as the default position. An integrated Training and development plan, supported by integrated referral pathways will be put in place to mitigate this risk.

The mandated Public health services may not be delivered within the appropriate geographical spread e.g. NHS Health Checks for old people aged 40 to 74 years. This will be closely monitored and remedial action will be taken to avoid any intervention by the Department of Health.

Indicative Number of Staff at Risk: the staffing implications are not fully understood at this stage. Note that where changes and/or savings cannot be achieved through deletion of vacant posts, VR or VER then there may be a need for compulsory redundancies arising from this option.

Service Description: Substance misuse

Service Description: Ref 84 - Substance misuse

In line with Department of Health and NICE commissioning guidance, a range of services and interventions are commissioned locally to respond to drug and alcohol-related harm. These include:

- a) Community based, inpatient and residential treatment services;
- b) Early intervention and specialist treatment for young people with substance misuse problems; and
- c) Advice and support concerning employment, education, training, accommodation and welfare.

The core substance misuse service was re-commissioned in 2013 and is now provided by Lifeline which provides the following:

- Comprehensive assessment and health checks
- Hepatitis B testing and vaccination provision
- Hepatitis C testing and treatment referral
- HIV testing
- Opiate replacement treatment and medically assisted withdrawal programmes
- Community opiate detoxification programmes
- Structured psychosocial interventions (including cognitive behaviour type interventions and motivational interviewing)
- Relapse prevention programmes
- Criminal Justice and drug Intervention Programmes (DIP)
- Access to residential detoxification and residential rehabilitation programmes
- Needle and syringe programmes
- SMART recovery groups
- Alcohol support and extended Brief Intervention Groups
- Strengthening families
- Recovery support including assisted access to mutual aid groups (NA and AA)

The service currently operates from two offices: Bootle and Southport as well as via community outreach satellite venues.

In addition to the core service, specialist services are commissioned from a range of providers for detoxification, housing related support, employment support etc.

A comprehensive review of all substance misuse services has recently been completed and this will be taken into account in this change.

It is proposed to commence consultation on/implement the following change – the service specification will be redesigned with a view to exploring the move from a predominantly residential to a community detoxification model. The recommissioning of aspects of other services will consider efficiencies and the use of generic models.

Rationale for service change proposal - The Council's reducing resources requires a rigorous prioritisation of activity.

Link to budget principles

- Focus on our core purpose
- Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.
- Proactively manage demand not just supply.
- Ensure we provide services strictly in line with eligibility criteria.
- Communicate and engage with people to expect and need less

The following activity will change, stop or significantly reduce – The key changes are the move from a predominantly residential to a community detoxification model and the respecification of services which are likely to include a reduction in outreach and support services and cessation of health promotions.

Impact of service change –

Service Users – 1600 adults are in community treatment at any one time, with 230 people each year requiring specialist residential care and over 40 seeking housing support. There will be fewer clients receiving residential based treatment and more in community based detoxification programmes which are more cost effective.

Partners – There will a requirement to renegotiate existing contracts, decommission and or recommission services with a new specification. Community safety partners may see an increase in demand for related interventions.

Council – Social Care may see an increase in referrals from clients waiting longer for substance misuse interventions.

Communications, Consultation & Engagement

Type: Inform Consult internal x Engage X Partnership X

Equality Impact Assessment – Equality implications will be assessed should members agree the proposed option be taken forward. This will be reported when final recommendations are brought for a decision.

Legislation Considered – The Council has exercised its power under the Health & Social Care Act to commission substance misuse services and it is a condition of the Public Health grant conditions that the Council must have due regard to substance misuse when performing its public health role.

Risks & Mitigating Actions –

Partners sub contract with medical companies and pharmacies to deliver key components of the service. They may be unable to maintain these contracts leading to instability across the service. In implementing this change the commissioning activity will seek to minimise this risk.

The key performance for indicators within the Public Health Outcomes Framework may not be achieved. In addition to this the Council is awaiting feedback on the consultation relating to the Health Premium Incentive Scheme and this may also be a risk. The Council will work with partners to ensure that resources are prioritised to minimise the risk to achievement.

13,000 people in Sefton are high risk drinkers, and 2000 people use opiate and crack, placing a heavy burden on social care, safeguarding, housing and treatment services. Community services may not be the appropriate treatment model for some clients, there is a risk that the numbers requiring residential based treatment remains the same or increases as result of the reductions in this service. In mitigation individuals needs will be assessed. A detailed review of current activity, client need and provider capacity will be carried out to enable a more efficient care pathway to be developed. This will mitigate against possible inequity in access to appropriate services.

There is a risk that the change to service may lead to other Council departments and partners experiencing increasing demand as a consequence of this change as alcohol and drug misuse harms families and communities, alcohol is implicated in half of all crime, 27% of serious case reviews (SCR) mention alcohol, parental drug use is a risk factor in 29% of all SCRS. In mitigation the most vulnerable will be given priority. The Council will discuss the reduction in investment with CCG, Public Health England and the Local Medical Committee. Essential clinical interventions, including opiate replacement treatment, detoxification options, relapse prevention and child safeguarding procedures will be protected

There is a risk that the current provider, due to the previous contract being awarded in

October 2013, may withdraw from the contract. Ongoing negotiations will provider is taking place to mitigate this risk to ensure business continuity.

Financial National evidence identifies that drug and alcohol services are cost effective

Public Health England cost benefits calculation show every 100 alcohol dependant people treated can prevent 18 A&E visits and 22 hospital admissions releasing savings to the NHS of £60. This is money that could be spent on other co-commissioned adult services.

The same tool shows total benefits accrued from the treatment investment in 2012-13 of £4.7m in total drug treatment and recovery interventions was £21.4m, comprising a crime cost saving of £14.6m and health cost saving of £6.8m.

Moreover, the tool puts the cost of estimated harm 2012-13 if no opiate or crack cocaine users were treated for their addiction as £21.1m

Indicative Number of Staff at Risk: up to 5 note that where changes and/or savings cannot be achieved through deletion of vacant posts, VR or VER then there may be a need for compulsory redundancies arising from this option.

Service Description: Ref 85 - SEARCH and Easier Breathing Funding

The Council currently delivers physical improvement measures in households via:

- SEARCH – delivers 120 heating and insulation improvements since 2005 (originally funded under HAZ and NRF) to households with cold related conditions
- Easier Breathing Project – Assists children under 11 with severe asthma by delivering multiple households improvements that mitigate the impacts of asthma (by reducing unplanned A&E attendance, improving night time sleep and removing one of the key triggers for asthma symptoms to be aggravated).

In addition to these measures the Council receives funding from a number of sources that fund the Affordable Warmth Service.

The Affordable Warmth Service End of Year report 2013/14 states that there were 112 households referred to heating and insulation grant support under the SEARCH scheme and a further 8 households via the Easier Breathing Project.

These interventions are funded to alleviate health inequality with preventative action to address the impact of fuel poverty and cold homes, potentially preventing premature mortality avoid more expensive care and support across the public sector. Reduction of excess winter deaths and fuel poverty targets are included in the Public Health Outcome Framework and HECA Affordable Warmth plan.

It is proposed to commence consultation on/implement the following change –

Cessation of the SEARCH scheme and Easier Breathing Project.

Rationale for service change proposal – The Council’s reducing resources requires a rigorous prioritisation of activity and these services are not statutory and households may still be eligible for grants from other sources.

The following activity will change, stop or significantly reduce –

- SEARCH scheme and Easier Breathing Project. will stop
- There will be a reduced level of support available to households suffering from fuel poverty and cold homes.

Impact of service change –

Service Users –Some SEARCH clients may access ECO funding from utilities but this may take about 2 months to process and allocated on a property basis with the aim of achieving carbon saving

The Easier Breathing scheme is not widely implemented nationally. GOV.uk identifies a number of ways to get help with energy bills or to make homes more energy efficient. The Council will signpost people to alternative sources to apply for support.

Partners - work will continue with health and energy industry partners to seek funding for similar support to continue in future to alleviate health impacts.

Council – The Council has recently developed a Healthy Homes pilot which is a more comprehensive approach to healthy housing which includes affordable warmth and other housing related issues. In two weeks 50 households have signed up for the scheme targeting those with long term respiratory conditions, targeted at over 60s and under 16s. This pilot will be evaluated early in 2015.

Communications, Consultation & Engagement

Type: Inform Consult internal Engage Partnership

Equality Impact Assessment – Equality implications will be assessed should members agree the proposed option be taken forward. This will be reported when final recommendations are brought for a decision.

Legislation Considered – Health & Social Care Act 2012, Home Energy Conservation Act 1995 (revised 2013)

Risks & Mitigating Actions –

Sefton's Affordable Warmth Partnership (and Strategy) work will continue with health, the community and energy industry partners to alleviate health impacts.

Significantly reduced ability to deliver the targets set out in the Public Health Outcome Framework, and HECA Affordable Warmth plan.

Excess winter deaths are influenced by a range of factors including cold homes. More information to evidence the impact of this investment on excess winter deaths is required to understand the effect on individual outcomes. It is possible that the cessation of the SEARCH scheme may lead to a rise in Excess Winter Deaths. As outlined above work is progressing on the Healthy Homes pilot to reduce the impact of this reduction and to explore more cost effective, integrated and sustainable ways to support those households that are in need.

The reduction in funding may impact on the Council's ability deliver Level 0 of Cold Weather Plan. Work with partners will be required to develop mitigating actions.

More analysis of the data regarding service users targeted as part of this de-investment will be undertaken to further understand the impact of the loss of this support.

Running the Council

Service Description – Ref 86 - Business Intelligence and Performance:

The service provides operational and strategic support to Children’s and Adults Services with regards to support on the budget, support to the Health and Wellbeing Board, BCF and Integration, Strategic Needs Assessment, strategy, policy, consultation and engagement, data and data protection, information governance, FOI, statutory returns, performance management, schools planning. In addition, the Division supports Schools Planning and Re-organisation, SEN and a wide range of operational services within Children’s and Adults Services, such as Children’s Centres, Early Intervention and Prevention Services.

There are 28 posts within the Division which are in scope of this proposal, including the 3 posts funded via public health ring fenced resources. There is a further fixed term post funded through Troubled Families Grant based within the Division and 2 Apprentices which are funded corporately. These posts are not in the scope of this proposal.

It is proposed to commence consultation on/implement the following change –

It is proposed to restructure of the team with a loss of up to 14 posts. This proposal provides the opportunity to integrate with other teams of a similar nature or composition from across the Council.

Rationale for service change proposal – To integrate business intelligence and performance within a group of services supporting the strategic direction of the Council.

Link to budget principles

- Efficiency before cuts – Protect the impact on communities
- Focus on our core purpose
Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.

The following activity will change, stop or significantly reduce –

There will be reduced levels of staffing and decisions will need to be taken as to the priority focus of the integrated teams. The team currently prioritises its capacity using a risk based approach, to support Departments/Divisions to achieve the Councils’ priorities and this will continue on an integrated basis.

If approved a reprioritisation exercise will be undertaken to ensure the remaining resource is invested in the priorities of the Council.

Impact of service change – The reduction in staff will impact on the services provided by the team to support the Council core purpose, Children’s and Adults Services. Other services across the Council will be impacted to a lesser extent as they are not currently prioritised by the Team. These impacts will include production of data reports, data quality, policy development, consultation and engagement. Additionally a reduced capacity to undertake statutory functions associated with the Health and Wellbeing Strategy and SSNA.

Communications, Consultation & Engagement

Type: Inform Consult internal Engage Partnership

Equality Impact Assessment Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.

Legislation Considered – Health and Social Care Act 2012 in terms of the Health and Wellbeing Board. Data Protection, Information Governance and FOI are all statutory requirements, as are the many pieces of legislation and government guidance/rules which prescribe the many statutory returns that the Team makes on behalf of the Council and its Departments. The legislative requirements associated with the duty to consult on service

cessation/reduction are fulfilled by the Team, in supporting functions across the Council, and the ability to meet these requirements is mitigated by the Team and should be factored into discussions on cessation, and reduction of services. Equality legislation, Human Rights and other legislation have also been considered, and there are impacts associated with these.

Risks & Mitigating Actions –

Risks include reduced capacity to meet statutory obligations and service demand associated with the breadth of work undertaken. In mitigation the Council will identify opportunities to automate reports, reduce manual intervention and improve management ability to produce and analyse data. The Council will undertake a risk and prioritisation exercise to determine which statutory obligations continue to be met, as appropriate to the resources available in the future through an integration of teams and roles. The Council will explore with partners opportunities to share posts and resources.

Indicative Number of Staff at Risk: up to 14 note that where changes and/or savings cannot be achieved through deletion of vacant posts, VR or VER then there may be a need for compulsory redundancies arising from this option.

Service Description - Ref 87 - Public Health Specialist Intelligence:

Public health specialist intelligence is central to strategy and commissioning across the authority and partners (e.g. CCG) as part of the authority's statutory duty to improve the health of the population. This investment also funds specialist intelligence which enables the authority to contribute to relevant national policy and delivery via Public Health England. The type of work this funds includes:

- monitoring health and disease trends and highlighting areas for action
- identifying gaps in health information
- implementing new knowledge gathered through research
- drawing together information from different sources in new ways to improve health
- carrying out projects to highlight particular health issues
- evaluating progress by local agencies on improving health and cutting inequality
- looking ahead to give early warning of future public health problems
- Contributes to the SSNA

Examples include the domestic violence needs assessment which will inform system wide strategy and internal and external commissioning to improve outcomes across Sefton.

It is proposed to commence consultation on/implement the following change –

The proposal will reduce the funding available for commissioned intelligence work. Some essential intelligence licences are funded from this budget for which investment will be retained.

Rationale for service change proposal – The Council's reducing resources requires a rigorous prioritisation of activity.

Link to budget principles

- Efficiency before cuts – Protect the impact on communities
- Focus on our core purpose
Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.

The following activity will change, stop or significantly reduce – Only essential intelligence licences and databases will be funded from the remaining resources. The capacity to respond to health intelligence needs will be reduced.

Impact of service change – Strategy and commissioning will be reliant on the best available information which will be linked to the prioritisation of the focus for business intelligence in the future as outlined in the above proposal

Communications, Consultation & Engagement

Type: Inform x Consult internal x Engage Partnership X

Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.

Legislation Considered – Health and Social Care Act 2012

Risks & Mitigating Actions (to include costs) –

The Council will prioritise activity to ensure that decisions are well informed and the need of the community is best understood.

<p>Service Description: Ref 88 - School Meals & Catering Services The School Meals & Catering Service undertakes a range of catering functions including the provision of school meals, breakfast clubs, after school clubs, school-related meetings/events, catering provision at Children's Centres, private nurseries on school sites and a private school.</p>
<p>It is proposed to commence consultation on/implement the following change – To introduce an income target for the schools meals element of the service's output. Whilst there is an income target for the other aspects of the service's work, the school meals element has been expected to achieve a break-even trading position, as historically this part of the service had been funded via the Dedicated Schools Grant.</p> <p>It is proposed that the additional income can be generated by increasing the price of a school meal by 10p in September 2015 and a further 10p in September 2016.</p>
<p>Rationale for service change proposal – Previously, any additional income generated by the School Meals element of the Service's work was absorbed within the centrally held Dedicated Schools Grant budget at year-end. As school meals funding has been removed from the Dedicated Schools Grant.</p>
<p>Link to budget principles</p> <ul style="list-style-type: none"> • Efficiency before cuts – Protect the impact on communities • Focus on our core purpose • Keep the needs of our citizens at the heart of what we do rather than think and act organisationally.
<p>The following activity will change, stop or significantly reduce – There will be no change or reduction in service levels or services provided because of this proposal.</p>
<p>Impact of Service Change –</p> <p>Service Users – There will be an increase in the charge to parents of 10p per meal in both September 2015 and 2016.</p> <p>Partners – There will be an increase in the price paid by schools for free school meals by 10p in 2015 and 2016.</p> <p>Council – None</p>
<p>Communications, Consultations & Engagement – Type Inform <input checked="" type="checkbox"/> Consult Internal <input type="checkbox"/> Engage <input type="checkbox"/> Partnership <input type="checkbox"/></p>
<p>Equality Impact Assessment – There are no proposed changes that will affect or disadvantage any individual or specific group with protected characteristics.</p>
<p>Legislation Considered - All relevant legislation relating to the provision of Catering Services has been considered in the development of this proposal.</p>
<p>Risks & Mitigating Actions – Any service which is required to generate additional income is subject to the pressure of maintaining that particular level of income against a backdrop of the economic downturn. As such, there is always a risk that projected income targets will not be met.</p> <p>If the price of a school meal is increased, there may be some customer resistance to</p>

this. However, it is considered that the service would still represent excellent value for money for parents and pupils. The current charge of £1.80 for a primary meal and £2.00 for a secondary meal, is still amongst the lowest in Merseyside and surrounding authorities, and is likely to remain so after the proposed increase.

Service Description: Ref 89 - Building Cleaning

The Building Cleaning Section currently operates across a number of contract areas. The 'core' contracts relate to the cleaning functions undertaken at a range of Council owned and operated buildings, facilities and services. In addition, a number of 'external' cleaning contracts are operated at a large number of schools and work premises.

This proposal only relates to 'external' contracts at a large number of schools and work premises.

This 'external' service currently generates £1.4 million of income per year.

It is proposed to commence consultation on/implement the following change – It is proposed to increase the charge levied to these 'external' contracts by 5%, thereby generating an additional £70k in income.

Rationale for service change proposal –

There has been little increase in the charge made to 'external' contracts over recent years. This has mirrored the wider market which has tended to absorb any potential increases in order to retain the business from existing contracts.

However, across the market there have recently been a number of increases passed on to the customer by way of increased staffing costs and increased equipment and product costs.

It is therefore felt that there is potential to increase the charges made against 'external' contracts by 5% in the coming year in order to generate additional revenue.

Link to budget principles

- Efficiency before cuts – Protect the impact on communities
- Focus on our core purpose

The following activity will change, stop or significantly reduce –

It is not expected that any activity will change, stop or significantly reduce as there will still be a need to deliver the requirements of the contract at each site/location. This proposal is simply based upon increasing the charges made for the service.

Impact of Service Change –

Service Users – No change

Partners – No change

Council – No change as the proposed price increase only applies to 'external' contracts.

Communications, Consultations & Engagement –

Type Inform Consult Engage Partnership

Proposed Timeline This proposal can be implemented with effect from April 2015.

Equality Impact Assessment –

There are no proposed changes which will affect or disadvantage any individual or specific group with protected characteristics.

Legislation Considered - Occupiers' Liability Acts 1957 and 1984 and Health and Safety at Work Act 1974 – All necessary Health and Safety issues relating to cleaning operations have been considered and will not be impacted by this proposal.

Risks & Mitigating Actions –

Any service which is required to generate additional income is subject to the pressure of maintaining that particular level of income against a backdrop of an economic downturn. As such, there is always a risk that projected income targets will not be met.

There is also a further risk that as competition for existing business increases, some service providers may make a business decision to 'hold' or reduce the charges made for their services. As such, some current clients may decide to seek additional quotations from alternative companies for the work currently delivered by the Council's Building Cleaning Section. However, it is felt that it should still be possible to generate an additional 5% (or £70k) from across the contract portfolio as a whole across a full financial year.

Service Description: Ref 90 - Commercial Waste & Skip Services

Brief Description:

The Cleansing Services Section is responsible for both Street Cleansing and Refuse Collection. It provides a comprehensive cleansing service for residential, retail, tourist and visitor areas, as well as all highways, pavements and litter bins. In addition, the service provides an Alternating Weekly Collection service for Grey, Green and Brown wheeled bins and a Sack Collection for other properties.

In addition, commercial waste and skip services, bulky item and clinical waste collections are also delivered.

Under current legislation, Commercial Waste services must be available and offered by a Local Authority if requested to do so, but local businesses are free to choose how to deal with the waste they produce.

It is proposed to commence consultation on/implement the following change –

It has previously been proposed that increased business development, marketing and promotions will deliver an additional £45k for commercial waste and skip operations.

It is now further proposed to increase the fees charged for the collection and disposal of commercial waste by 5% in 2015/16 and a further 5% in 2016/17, thereby generating an additional £20k in income.

Rationale for service change proposal –

The services already benefit from operating within an administrative and operational infrastructure which exists to service the needs of the domestic refuse collection service. As such, there is little additional requirement needed as the volume of business increases. Therefore, additional income can be generated with little additional cost incurred.

Link to budget principles

- Efficiency before cuts – Protect the impact on communities
- Focus on our core purpose

The following activity will change, stop or significantly reduce –

There will be no effect upon existing domestic services. The increasing levels of business will pay for any additional requirement in terms of vehicle maintenance and administration, whilst also recovering costs for the Council.

Impact of Service Change –

Service Users – The services will be actively promoted across the Borough and as such will provide more choice for service users in what is a very commercial market.

Partners – The MWRA will benefit from an increasing amount of recyclable material

arising from commercial collections.

Council – The Council will still meet its requirements under the Environmental Protection Act whilst generating additional revenues.

Communications, Consultations & Engagement –

Type Inform Consult Engage Partnership
internal

Lead in time – This proposal could be implemented by April 2015.

Equality Impact Assessment – There are no proposed changes which will affect or disadvantage any individual or specific group with protected characteristics.

Legislation Considered - The requirements of the Environmental Protection Act 1990 have been considered in the development of this proposal. Under the Environmental Protection Act (1990), the Council has a duty to provide a 'trade collection service' and can charge to do so.

Risks & Mitigating Actions –

Any service which is required to generate additional income is subject to the pressure of maintaining that particular level of income against a backdrop of an economic downturn. As such, there is always a risk that projected income targets will not be met. However, Cleansing Services operates a very efficient service, and for the foreseeable future, it is expected that the ability to generate additional sums from additional works can be met.

Service Description: Ref 91 - Tourism Service
It is proposed to commence consultation/implement the following change – The proposal is to increase income from commercial services by £13,000.
Rationale for service change proposal – There are various means of increasing Tourism income, most significant of which is to review the price tariff for major events. These have been priced competitively during the recession but there is some recovery in demand which could be reflected in increased entry prices.
Link to budget principles <ul style="list-style-type: none"> • Efficiency before cuts – Protect the impact on communities • Focus on our core purpose
The following activity will change, stop or significantly reduce – None.
Impact of service change – Service Users – Some users may be deterred by higher charges. Partners – n/a Council (including other services within the Council) – n/a
Communications, Consultation & Engagement Type: Inform <input checked="" type="checkbox"/> Consult internal <input type="checkbox"/> Engage <input type="checkbox"/> Partnership <input type="checkbox"/>
Equality Impact Assessment – there are no equality implications arising from this saving.
Legislation Considered – n/a
Risks & Mitigating Actions – Advance sales are carefully monitored for several months, so the impact and acceptability of changes in tariff will be detected early, allowing appropriate corrective action to be taken.