

CABINET

REPORT OF CORPORATE DIRECTORS GROUP

8 NOVEMBER 2017

SECTION A – MATTER FOR DECISION

WARDS AFFECTED: ALL

DRAFT 2018/19 BUDGET FOR CONSULTATION

1. Purpose of Report

To seek Member approval to consult on draft proposals for financial savings and income generation for 2018/19 and beyond.

To confirm that consultation will take place to the 15th January 2018 prior to reviewing responses and setting a balanced budget for 2018/19 during February 2018.

2. Executive Summary

Today's report does not seek final decisions from Members on priorities or on where financial savings should be made. The aim of this report is to seek approval to go out to consultation and listen to the views of our County Borough citizens and stakeholders in relation to the issues set out in this report. Final decisions on setting the Council's Budget for 2018/19 will be required to be taken in February 2018 following the end of public consultation and receipt of the Welsh Government's Final Local Government Settlement.

On the 10th October 2017 The Welsh Government (WG) announced details of the Provisional Local Government Settlement for 2018/19. The settlement shows that the Welsh Government is providing £4.205bn of funding to Local Government. However this is £20m or -0.5% less in comparison with the current year. Neath Port Talbot Council's share at £210.832m is slightly better than the Welsh average but is a reduction of £950k or -0.4%. However, given that the Welsh Government provides 75% of our net budget funding, and the Council Tax payer pays only 25%, this reduction in funding has a

significant impact on the amount available to the Council to spend on service delivery. When inflation and other budget pressures are taken into account this results in a 2018/19 funding gap of £10.24m. This report sets out the draft proposals for consultation on how to close that gap.

Members should note that the Chancellor's Budget Statement is due on 22 November with the Welsh Government's Final Settlement expected on 20 December 2017.

The Welsh Government informed Councils to plan for a further cut in funding of 1.5% in 2019/20. The 5 year Forward Financial Plan to 31st March 2023 shows a projected funding gap of over £65m and a further report on reviewing options to close this longer term gap will be discussed with Members in early 2018.

3. Background

There is a statutory duty for the Council to set a balanced budget each financial year. Prior to setting the budget the Council has a duty to consult stakeholders on changes to the Budget. The objective of this report is to set out the projected funding gap for the next 5 years i.e. the current Council's Administrative Cycle following the Council Elections of May 2017.

In February 2017, when setting the Council's Budget for the current year i.e. 2017/18, it was noted that the Council had delivered £77m of savings since 2010 but there remained a projected funding gap of £24m over the next 2 years to 31 March 2020. This report updates that position with projected funding requirements for the next 5 years until 31 March 2023.

Funding Gap @ Feb 2017	2018/19	2019/20	Total
	£'000	£'000	£'000
Gross Budget Gap	14,197	12,268	26,465
FFP Savings identified	-904	-451	-1,355
Reduction of one-off funding to Environment	-970		-970
Net Budget Gap @ Feb 2017	12,323	11,817	24,140

** Members will recall that due to the better than expected Local Government Settlement for 2017/18 this enabled the Council to provide a one off additional investment of £970k to Environment Street scene services and therefore this is the first call for closing the budget savings gap in 2018/19.

The Welsh Government Draft Budget for 2018/19 and 2019/20 announced on 3rd October 2017 continues to prioritise and provide additional funding to the Health Service i.e. £450m over the next 2 years. It is likely that the Welsh Government will continue to prioritise funding for Health for an even longer period probably for the next 5 years and more. This will be at the expense of Local Government and other service areas and hence we are more than likely to continue to receive further funding reductions over the next few years.

Neath Port Talbot Council's net revenue budget for 2017/18 is £274.677m and together with grants and income results in a gross budget of £418m which are invested in Council services across the County Borough. The Council also invests annually a further £50m+ through its capital programme.

4. Council Priorities 2017 – 2022

At its meeting on the 28th September 2017, the Council adopted the Corporate Plan for 2017-2022 which sets out the Council's strategic objectives and priorities for the 5 year period.

The setting of these strategic objectives - the Council's well-being objectives - fulfil the requirement under (s3(2)(a) of the Well-being of Future Generations (Wales) Act 2015.

The Council's three well-being objectives are:

Well-being Objective 1

To improve the well-being of children and young people - "All of our children and young people have the best start in life, so they can be the best they can be".

Well-being Objective 2

To improve the well-being of all adults who live in the county borough - "Everyone participates fully in community life – socially and economically".

Well-being Objective 3

To develop the local economy and environment so that the well-being of people can be improved - “Neath, Port Talbot and Pontardawe will be a vibrant and healthy place to live, work and enjoy recreational time”.

Supporting each of the above well-being objectives are improvement priorities which fulfil different legal requirements set out in (s3(1)) of the Local Government (Wales) Measure 2009.

When setting the well-being objectives and priorities we analysed how they contribute to the seven national well-being goals that the Welsh Government requires all public bodies in Wales to contribute to. Council also agreed that it would further review in March 2018 the detail of its Corporate and Forward Financial Plans to ensure alignment of both plans.

5. Current Budget 2017/18

Neath Port Talbot Council approved its 2017/18 budget on the 1st February 2017 and finalised council tax setting at the meeting of 1st March 2017. The medium term budget forecast, at that time, assumed a 2.5% reduction in Welsh Government funding for 2018/19 and a 2% reduction in 2019/20. The forecast showed the need to identify savings solutions of circa £24m over the next two financial years.

The following table shows the summarised Council Funding and Net Budget for 2017/18.

Funding 2017/18	Budget £m	Budget %
Revenue Support Grant	£161.547	60.2%
National Non Domestic Rates	£46.024	15.7%
Discretionary Rates Relief	-£0.212	-0.1%
Council Tax	£67.318	24.2%
Total Income	£274.677	100.0%

Net Budget 2017/18	Budget	Budget
	£m	%
Total Education, Leisure & Lifelong Learning (including Schools at £79.95m)	£103.449	37.7%
Social Services, Health & Housing	£76.444	27.8%
Environment	£32.710	11.9%
Finance & Corporate Services	£16.554	6.0%
Fire Authority	£7.104	2.6%
Capital Financing	£17.830	6.5%
Council Tax Support	£17.447	6.4%
Other including Contingency	£3.139	1.1%
Budget Requirement	£274.677	100.0%

As Members are aware, the Council's Standard Spending Assessment (SSA) totals £262.581m. The SSA represents the Welsh Government's standard level of funding per service that it makes available to Local Authorities. As the Council spends £274.7m this is £12.1m or 4.6% above SSA. The following table illustrates the position per service area:

	SSA	Budget	Variance	Variance
	£m	£m	£m	%
Education	£101.907	£102.008	£0.101	0.1%
Social Services	£73.371	£83.058	£9.687	13.2%
Roads & Transport	£7.879	£10.772	£2.893	36.7%
Other Services	£39.438	£36.529	-£2.909	-7.4%
Capital Financing	£15.460	£17.830	£2.370	15.3%
Council Tax Support	£16.242	£17.397	£1.155	7.1%
Fire Service	£5.925	£7.083	£1.158	19.5%
Deprivation Grant	£2.359	-	-£2.359	-100.0%
Total	£262.581	£274.677	£12.096	4.6%

6. Provisional Local Government Settlement

The Cabinet Secretary for Finance and Local Government published the Welsh Government's Provisional Local Government Settlement on 10 October 2017.

The headlines are that for 2018/19 the Welsh Government will provide funding of £4.205bn to run local authority services across Wales. This represents an average reduction of -0.5% and is inclusive of a new funding provision of £6m for Homelessness responsibilities. It is also stated that the settlement includes the provision of additional monies of £62m for schools and £42m for Social Services. However, as Members are aware, these amounts are included in funding that shows an overall reduction of -0.5%. The Cabinet Secretary also announced that Local Authorities should plan on a further reduction of -1.5% for 2019/20.

The Neath Port Talbot Council share of the total funds available amounts to £210.832m. This is a reduction of -0.4% on the current year, it is the 11th best settlement in Wales and slightly better than the Welsh average.

The settlement includes a number of specific grants that total over £91m which are transferring into the settlement. This is welcomed by the Council as it will reduce bureaucracy and increase value for money. The following table illustrates the position for Neath Port Talbot and the whole of Wales.

Grant	NPT	All Wales
	£'000	£'000
ENV – Waste element of the Single Environment Grant	1,477	35,000
SS – Welsh Independent Living Grant	1,273	26,889
SS – Social Care Workforce Grant	948	19,000
SS – Looked after Children Grant	363	7,415
SS – Carers Respite Care Grant	150	3,000
Social Care for Prisoners in the Secure Estate	0	412
Total	4,211	91,716
New Monies & Responsibilities		
SS – Homelessness	285	6,000

The Draft Budget proposes to passport these grants to the relevant service area to meet service demand.

The Welsh Government also published on 24 October further information on Specific Grants. Details of the announcement are shown at Appendix 4. The schedule shows that the amount of Specific Grants total £584m with further grants to be confirmed which in the current year are circa £190m. These include Post 16 Education (£98m), Concessionary Fares (60m) and Bus Services (£28m).

Members will note the following points in relation to individual grants:

- The Education Improvement Grant has been cut from £133m to £118m (-£15m) with a further cut of £11m projected for 2019/20.
- The Single Environment Grant has been cut by £6m. This is after transferring £35m into the Settlement with the remaining specific grant amount available for sharing at £20.8m. This grant underpins the Council's waste recycling service and clarification on our share of this grant is being pursued.
- Most Social Services grants have been transferred into the settlement with only the Substance Misuse grant remaining outside at £22.6m
- The Welsh Government have also indicated that they are minded from April 2018 to provide further flexibility on the use of the following grants which total £254m - Supporting People, Flying Start, Families First, Communities First Legacy Fund and Employability Grants
- Further clarification of the changes and implication for these and all grants is being sought from the Welsh Government and consequential impacts are being evaluated and will be reported to members.

7. Budget and FFP Gap 2018/19 to 2022/23

Attached at Appendix 3 is a schedule of the inflation, pay awards and other factors used to prepare the Draft Budget. Given the recent increases in the reported Retail Price and Consumer Price indices together with pay award requests from Trade Unions the budget provides for increases of 2% across all years. It also assumes that the Welsh Government funding will continue to reduce from 2019/20 by 2% per annum. Attached at Appendix 2 is a list of pressures that have been built into the draft budget which total £2.519m (Gross of £3.489m less the £0.970m one-off funding provided in 2017/18).

These provisions result in a budget funding gap in 2018/19 of £10.24m and over £65m over the next 5 years. The following table summarises the latest position:

Service Area	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Budget Gap before Directorate Savings	11,210	14,056	14,263	13,613	13,678
Less one-off 2017/18 investment for Environment	-970	0	0	0	0
Cumulative Gap	10,240	24,296	38,559	52,172	65,850
FFP Savings - Directorate	-6,941	-938	0	0	0
FFP Savings - Corporate	-3,299				
Total savings to be consulted	-10,240	-938	0	0	0
Budget Gap @ October 2017	10,240	13,118	14,263	13,613	13,678
Cumulative Gap @ October 2017	10,240	23,358	37,621	51,234	64,912

Members should note though that there is work ongoing to verify whether the following items also need to be funded with any changes being built in to the final budget in February 2018:

2018/19 Pressures under review/consideration	£'000
Household Waste Recycling centres - increase in tonnages	100
Part funding of existing culvert/drainage clearing "jet-vac" vehicle & crew (previously joint use/funds with SWTRA)	95
Environment NNDR increase	75
Housing growth - increased recycling and street lighting	40
Energy costs increase of 13.57%	160
Planning fee income	100
School Efficiencies	253
Education Needs Support	450
Welsh Language Standards	50
Legislation	?
Reduction in Specific Grants affecting service needs	?
Total	1,323

In relation to schools, the draft budget for 2018/19 provides for an increase in the delegated schools budget of £1.756m to £81.7m. This represents a 2.2% increase in the budget and covers the inflation and workforce agreement related pressures but some efficiencies amounting to £263k are still required given the level of the financial settlement received from the Welsh Government. The following table summarises the projected funding required for the next five years on the basis of the inflation provision and potential changes in pupil numbers.

	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Schools Prior Year Base	79,952	81,708	83,459	85,468	87,524
Virement re debt charges re SSIP Borrowing	0	-300			
Inflation	1,516	1,782	1,766	1,806	1,843
Workforce Agreement	240				
Pupil Numbers projection	263	269	243	250	250
Less Efficiencies	-263	?	?	?	?
Draft Budget	81,708	83,459	85,468	87,524	89,617

The following tables show the estimated funding available from Welsh Government and Council Tax compared to the projected budget required for 2018/19 resulting in a budget gap of £10.24m.

Estimated total funding available 2018/19

	£'000
Net Budget 2017/18	274,677
WG Funding	3,260
Council Tax Increase	3,973
Draft Funds Available 2018/19	281,910

Estimated budget required 2018/19

	£'000
Net Budget 2017/18	274,677
Pay Award - Teachers	925
Pay Award - Other	2,060
LGPS Pension	1,075
Capital Financing	395
Council Tax Support	783
Inflation	2,735
Workforce Agreement	1,686
Schools Inflation	1,516
Pupil Numbers Projection	253
Pressures	2,519
Grants transferred into settlement	4,211
New Monies - Homeless	285
Environment one-off funding	-970
Draft Budget Required 2018/19	292,150

Draft Budget Gap 2018/19

	£'000
Budget Required 2018/19	292,150
Estimated Funds Available	281,910
Draft Budget Gap 2018/19	10,240

8. Draft Savings and Income Generation proposals for Consultation

Attached at Appendix 1 is a schedule of draft savings and income generation proposals for public consultation. The service schedule totals £6.9m for 2018/19 and £0.9m in 2019/20. Members should also note that the balance includes £3.3m of Corporate and Central Budget savings which are shown on the final page of Appendix 1.

The total savings per Directorate and Central as per Appendix 1 are as follows:-

Directorate	2018/19 £'000	2019/20 £'000
Education, Leisure & Lifelong Learning	£980	£677
Social Services, Health & Housing	£4,550	
Environment **	£713	
Corporate	£648	£261
Other	£50	
Total Service Directorates	£6,941	£938
Total Corporate and Central	£3,299	
Grand Total	£10,240	£938

** Members should note that in addition the Environment Directorate will not receive the one-off funding provided in 2017/18 of £970k.

In relation to council tax the 2018/19 Draft Budget assumes a 4.5% increase. However, the actual Council Tax for next year will not be set until the Budget Meeting of mid February 2018. For information Members should note that every 1% increase in council tax generates some £670,000 of additional funding (£500k net of Council Tax Support).

As Members are aware the Deputy Leader is chairing an Income Generation Group to review opportunities to increase income which will assist to close the projected gap and reduce the cost of council subsidies for some service areas such as leisure, parks etc. Given the projected 5-year FFP Gap and hence the requirement for ongoing budget savings beyond 2018, it is critical that we look to maximise income over the next few years. A separate report will be prepared for member consideration later in the year to identify areas for progression. Some pump priming monies will need to be made available to progress this work and this will also be subject to a separate report for members to approve.

9. Other Considerations

As in previous years members will review and scrutinise the draft proposals set out in this report in the relevant Scrutiny Committee from late November to January. The consultation period will end on 15th January 2018.

The Final Local Government Settlement announcement is expected on 20 December and a report will be prepared setting out all changes. The final Budget report due to be considered by Cabinet on 20 February 2018 will also take account of all matters identified by stakeholders during the consultation together with relevant issues from the UK and Welsh Government announcements. Continuous monitoring and appropriate changes will be made re Brexit, other economic, public spending and taxation matters.

As previously mentioned, 75% of the Council's funding comes from the Welsh Government. Local Authorities, the Welsh Local Government Association and Trade Unions have over the past few months set out their case for a reasonable funding settlement for local public services. Whilst the provisional settlement for 2018/19 is challenging with a cut of 0.5% the further reduction of 1.5% in 2019/20 means we must continue to lobby for better settlements in future years as Local Government and this Council will find it ever more difficult to provide the critical services that our citizens and service users need and require.

10. Crime and Disorder Impact

The Council has a legal duty under Section 17 of the Crime and Disorder Act 1998 to carry out all its various functions with "due regard to the need to prevent Crime and Disorder in its area".

Individual proposals are being assessed as to their impact on crime and disorder and should any specific impact be identified these will be identified against individual proposals and summarised in final proposals.

11. Equality Impact Assessment

The Equality Act 2010 requires public bodies to "pay due regard to the need to:

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

This report identifies the need to make budget savings of over £10m for 2018/19 and £65m over the next 5 years. The draft proposals will have different impacts on services provided across the whole of the County Borough i.e. on citizens, on service users and various people included within the protected characteristics groups set out in the Equality Act 2010. Individual Equality Impact Assessments for specific proposals are being undertaken and will be made available to Members as part of the budget scrutiny process.

12. Workforce Impacts

The workforce will be impacted by the reduction in budget funding available to run services. The Council is sharing this report and information with trade unions and will continue to hold staff briefings over the next few months. The Council wishes to minimise compulsory redundancies and has opened the early retirement/voluntary redundancy scheme.

13. Consultation

Today will commence the formal consultation with the public and all stakeholders on the draft budget proposals for savings/income generation.

Members will note the consultation will commence immediately following Cabinet today until the 15th January 2018 prior to final decisions being made in February 2018.

14. Recommendations

It is recommended that Members authorise the Chief Executive to consult the public on the draft savings and additional income proposals set out at Appendix 1 of this report.

15. Reason for Proposed Decision

To commence the budget savings consultation for 2018/19.

16. Implementation of Decision

The decision is proposed for implementation immediately after consultation with the Cabinet Scrutiny Committee.

17. Appendices

Appendix 1 - Draft Budget Savings and Income Generation for consultation

Appendix 2 - Revenue Service Pressures 2018 to 2023

Appendix 3 – Inflation and other Factors

Appendix 4 - Specific Grants Schedule 2018/19

18. Background Papers

Welsh Government Provisional Local Government Settlement
Announcement of 10 October 2017

Budget working files

19. Officer Contact

For further information on this report item, please contact:

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Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
ELLL704	ES&C	Out of county placements	Andrew Thomas	No major impact, pupils will have reached school leaving age. Also savings in special school transport costs	1,251	23%	213	72
ELLL707	ES&C	Pontardawe Arts Centre - Reduce Subsidy	Andrew Thomas	Further reduction in funding to theatres, possibly a reduction in opening times.	224	36%	40	40
ELLL708	ES&C	Gwyn Hall -Reduce Subsidy	Andrew Thomas	More efficient management of Celtic Leisure contract.	220	36%	40	40
ELLL712	ES&C	Reduction in management costs.	Andrew Thomas	Full year impact of 2017/18 decision	1,063	2%	19	0
ELLL714	ES&C	Disability Sport - Withdraw match support for Disability Sports Coordinator's post	Chris Millis	Withdraw match support for Disability Sports Coordinator's post	117	13%	15	0
ELLL715	ES&C	School Catering - Implementation of the review recommendations	Chris Millis	Savings from implementing new pay scale	1,835	5%	100	0
ELLL716	ES&C	Tir Morfa Education Centre	Chris Millis	Potential additional pressure on Adult Education, Skills and Training Unit and Youth Service Budgets.	0	N/A	76	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
ELLL801	ES&C	Re-negotiate current contract to deliver outdoor education at the Discovery Centre, Margam Park.	Andrew Thomas	Likely increased cost for NPT pupils - more in line with what other users pay. Every effort will be made to protect financially disadvantaged pupils from price increases.	366	68%	0	250
ELLL802	ES&C	Celtic Leisure Contract - negotiate a reduction in subsidy	Andrew Thomas	Possible reduction in opening times at leisure facilities. Minimal impact for service users	1,378	22%	100	200
ELLL803	ES&C	Youth Service - secure 5% efficiencies on core budget	Chris Millis	Reduced provision, resulting in less capacity to support young people.	510	5%	25	0
ELLL804	ES&C	School meals	Chris Millis	Savings identified as a direct result of the reduction in the number of schools	1,835	3%	50	0
ELLL805	ES&C	Music - set 10% efficiency target	Chris Millis	Reduced access to music provision across the County Borough.	170	10%	17	0
ELLL806	ES&C	Cut ERW additional funding	Chris Millis	Cease annual contribution to ERW and reduce core funding on the basis there are now far fewer schools in NPT	0	N/A	80	0
ELLL807	ES&C	School cleaning - full cost recovery	Chris Millis	Increase current costs to primary and special schools. Possible risk of outsourcing.	70	100%	70	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
ELLL808	ES&C	Margam Park - market test with a view to appoint an operator for the catering functions.	Andrew Thomas	No impact to service users. Possible TUPE issues for staff for the very small number of staff who may be affected	366	20%	0	75
ELLL809	ES&C	Inclusion services - efficiency savings	Andrew Thomas	Further review of all areas of expenditure to secure efficiencies, e.g. vacancy management, out of county placements of pupils, maximising income	4,648	1%	50	0
ELLL810	ES&C	Cefn Coed Museum - reduce subsidy	Chris Millis	Consult with Friends of Cefn Coed Museum to consider running the service as a Community Facility, if this is not a viable option, the facility could close.	55	18%	10	0
ELLL811	ES&C	Home to School Transport - 1% savings target	Chris Millis	Home to school transport route re-tender savings.	5,360	1%	50	0
ELLL812	ES&C	CYP - 5% efficiency on core budget costs	Chris Millis	Reduced provision, resulting in less capacity to support young people.	515	5%	25	0
SSHH801	SCHWB	Direct Payments	Andrew Jarrett/ Angela Thomas	A package of care (POC) through DP is on average 35% less expensive to deliver than a direct or commissioned service. Continue to promote service option.	18,907	5%	950	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
SSHH802	SCHWB	Asset Based Approach	Andrew Jarrett/ Angela Thomas	The asset based approach is a strategy that diverts demand through earlier intervention & prevention by identifying sources of community provision which will meet people's needs. This approach has been successfully implemented by Wigan Council.	18,907	4%	685	0
SSHH803	SCHWB	Children's Services	Andrew Jarrett	Reduction in the number of looked after children and associated costs by 18 children.	12,139	4%	500	0
SSHH804	SCHWB	Learning Disabilities reconfiguration	Andrew Jarrett/ Angela Thomas	Review of Independent Living packages of care, right sizing care to comparative levels of care, explore assisted technology.	10,772	5%	500	0
SSHH805	SCHWB	Right sizing domiciliary care packages of care	Andrew Jarrett/ Angela Thomas	Carry out reviews for packages as part of an enabling approach.	6,497	1%	85	0
SSHH806	SCHWB	Maximise usage of block booked residential care beds	Andrew Jarrett/ Angela Thomas	Ensure the utilisation for the block contracted beds are maximised to the 80% contracted amount with Pobl.	12,760	2%	200	0
SSHH807	SCHWB	Reconfigure assessment & reablement beds within block contract	Andrew Jarrett/ Angela Thomas	Review the use of assessment and reablement beds, convert a proportion of the capacity to long terms beds to maximise utilisation.	12,760	1%	80	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
SSHH808	SCHWB	Learning Disabilities right sizing	Andrew Jarrett/ Angela Thomas	Review of all placements receiving WILG funding to right size the packages of care	10,772	5%	500	0
SSHH809	SCHWB	Beaufort House	Andrew Jarrett/ Angela Thomas	Develop income generation opportunities for Beaufort House	76	198%	150	0
SSHH810	SCHWB	Mental Health placements	Andrew Jarrett/ Angela Thomas	Review all residential placements and seek ways to create cost effective community based services.	1,638	6%	100	0
SSHH811	SCHWB	Double handling programme	Andrew Jarrett/ Angela Thomas	Review all double handling care calls from the external homecare sector.	6,497	5%	300	0
SSHH812	SCHWB	Internal homecare review	Andrew Jarrett/ Angela Thomas	Explore the optimum operating model. Retain complex, reablement and rapid response elements, and explore ways to commission generic homecare from the independent sector to reduce the existing hours delivered internally. Savings from deleted vacant post and reducing the flexible cover budget.	3,024	17%	500	0

Appendix 1

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
ENV706	CS&PP	Asset Sponsorship	Nicola Pearce	Income generation	0	N/A	75	0
ENV801	S&E	Car Parking	Dave Griffiths	Increased charges. Service options currently being prepared.	-171	-117%	200	0
ENV802	S&E	Waste Disposal Procurement	Michael Roberts	Subject to the outcome of procurement	4,915	4%	200	0
ENV803	S&E	Household Waste Recycling Centres	Michael Roberts	Alternative service delivery in the Upper Swansea Valley	1,299	8%	100	0
ENV804	all	Staff redundancies /deletion of posts	all	Reduced staff capacity	0	N/A	30	0
ENV805	CS&PP	Planning	Nicola Pearce	Reduced staff	310	10%	30	0
ENV806	R&SD	Crynant Business Centre	Simon Brennan	Increase rentals	18	100%	18	0
ENV807	S&E	Gnoll Country Park	Michael Roberts	Increase in charges including car parking	74	40%	30	0
ENV808	S&E	Survey Team	Michael Roberts	Service Review	66	46%	30	0
CORP576	P&R	Introduce revised access to service policy across council	Karen Jones	Implement the digital by choice strategy, moving more customers to self-serve options thus reducing the volume of telephone and face to face enquiries.	614	6%	0	36
CORP577	P&R	CCTV - cost savings	Karen Jones	Savings at the end of the current CCTV Maintenance contract period.	243	12%	0	30

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
CORP604	P&R	Occupational Health - reduce professional fees budget	Sheenagh Rees	Full year impact of savings from introducing Occupational Health on line referral system and the referral hotline number.	260	4%	10	0
CORP702	P&R	Staff reductions	S John	Development capacity will fall and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues. A number of posts are funded from reserves which will be exhausted by March 2019.	3,883	8%	200	100
CORP705	P&R	Human Resources - occupational health, health & safety	Sheenagh Rees	Delete partial hours where post holders have reduced their working hours.	624	2%	15	0
CORP801	P&R	Financial Services - Staff reductions in various teams across the finance division	Dave Rees	These reductions will require restructuring of the relevant sections which may impact on performance levels. It is expected that the staff reduction should be achieved via ER/VR.	3,513	7%	163	95
CORP802	P&R	Financial Services - Non staff savings	Dave Rees	Further pressure to reduce spend on non-staff expenditure heads.	3,513	0%	15	0
CORP803	P&R	Legal services	David Michael	Staff savings	886	4%	32	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
CORP804	P&R	Land charges	David Michael	Staff savings	-51	-53%	27	0
CORP805	P&R	Legal Services - corporate support services	David Michael	Staff savings	112	12%	13	0
CORP806	P&R	Health & safety - Staff reductions	Sheenagh Rees	Reductions in capacity to manage health and safety of projects and staff.	364	4%	15	0
CORP807	P&R	HR - Staff reductions	Sheenagh Rees	Reduce capacity to respond to statutory data returns, implement personnel committee reports, data cleansing, resulting in delays in response to queries, compilation of FOI requests.	1,300	3%	34	0
CORP808	P&R	Training	Sheenagh Rees	Non staff savings	247	1%	2	0
CORP809	P&R	Corporate Services	Hywel Jenkins	Reduction in staff costs	3,513	1%	30	0
CORP810	P&R	Community Safety	Karen Jones	Staff savings	159	5%	8	0
CORP811	P&R	Community Safety	Karen Jones	Non staff savings	159	1%	2	0
CORP812	P&R	Democratic services	Karen Jones	Transport savings	1,344	1%	19	0
CORP813	P&R	Democratic services	Karen Jones	Staff savings	1,344	1%	17	0
CORP814	P&R	Democratic services	Karen	Non staff costs	1,344	0%	3	0

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000	2019/20 £000
			Jones					
CORP815	P&R	Corporate strategy	Karen Jones	Increase income	365	6%	23	0
CORP816	P&R	Corporate strategy	Karen Jones	Non staff savings	365	1%	2	0
CORP817	P&R	One stop shop	Karen Jones	Staff savings	614	1%	9	0
CORP818	P&R	One stop shop and contact Centre	Karen Jones	Non staff savings	614	1%	7	0
CORP819	P&R	Communications	Karen Jones	Non staff savings	272	1%	2	0
OTH801	P&R	Margam Crematorium	David Michael	Contribution from Joint Committee	0	N/A	50	0
				Total			6,941	938

Draft Budget Savings and Income Generation for consultation

Ref	Board	Description	Lead	Main Impacts	Net Budget 2017/18	% saving	2018/19 £000
OTH802	CAB	Council Tax increase	Cabinet	Due to Welsh Government Settlement of -0.4% amend draft Council Tax increase from 3% to 4.5%. Increased payment by council tax payer.	67,318	1.5%	1,024
OTH803	CAB	Council Tax collection rate	Cabinet	Increase the collection rate from 96% to 97%. This has no impact on the council tax payer.	67,318	1%	725
OTH804	CAB	Council Tax Support	Cabinet	Reduce budget provision due to lower costs incurred in current year.	17,397	1%	200
OTH805	CAB	Pay and Pension provision	Cabinet	Retain £650K as a provision. Reduction of £250K possible following distribution of workforce agreement and other pay provisions.	650	38%	250
OTH806	CAB	Contingency - Management of Change	Cabinet	Reduce provision by £300K to £500K	800	38%	300
OTH807	CAB	Contingency – General	Cabinet	Reduce by £800K. Manage any further requirement from reserves.	1,528	52%	800
				Total general savings			3,299
				Grand Total			10,240

Revenue Service Pressures 2018 to 2023

Ref	Service area	2018/19	2019/20	2020/21	2021/22	2022/23
		£'000	£'000	£'000	£'000	£'000
ELLL5	Home to School Transport - Welsh Medium 2nd campus	65	100	35	0	0
ELLL6	Ysgol Bae Baglan Pay Protection	-27	-53	0	0	0
SSHH44	Adult Services LD - growth	100	100	0	0	0
SSHH48	Adult Services LD - transition growth	100	100	0	0	0
SSHH50	Living Wage - Contracts	544	654	705	0	0
SSHH51	Residential care additional provision above 2%.	250	270	280	280	280
SSHH52	Under achievement of previous FFP savings target in care packages and transfers to direct payments	800	0	0	0	0
ENVT19	Provision for Single Environment Grant	100	100	0	0	0
ENVT21	One off funding for Environment and Street scene	-970	0	0	0	0
ENVT24	Environmental Health pressure	25	0	0	0	0
ENVT 25	Maintenance of PDR	50	0	0	0	0
ENVT 26	Additional Housing, Electronic signs and public lighting	28	0	0	0	0
ENVT 27	Additional costs waste strategy implementation	150	0	0	0	0
ENVT 28	Additional recycling crew and vehicle	150	0	0	0	0
CORP16	Housing Benefit Admin Subsidy Grant reductions	100	100	0	0	0
OTH004	Living wage - NPT	333	416	975	0	0
OTH008	Living wage - other contracts	0	250	0	0	0
OTH009	New Pay Scale	0	2,200	0	0	0
CONT1	General Contingency inc. Brexit, etc	721	500	1,000	2,000	2,000
	Total	2,519	4,737	2,995	2,280	2,280

Inflation and other Factors

	2018/19	2019/20	2020/21	2021/22	2022/23
<u>Expenditure</u>					
Teachers Pay Award (Sep)	1.58%	2.00%	2.00%	2.00%	2.00%
Non-Teachers Pay	2.00%	2.00%	2.00%	2.00%	2.00%
LGPS Employers Rate	5.88%	7.41%	1.72%	1.72%	1.72%
NNDR	2.00%	2.00%	2.00%	2.00%	2.00%
Supplies & Services	2.00%	2.00%	2.00%	2.00%	2.00%
General Inflation	2.00%	2.00%	2.00%	2.00%	2.00%
Waste - MREC	2.00%	2.00%	2.00%	2.00%	2.00%
CA Sites – (updated)	2.50%	2.50%	2.50%	2.50%	2.50%
Capital Financing	2.00%	2.00%	2.00%	2.00%	2.00%
Levies	2.00%	2.00%	2.00%	2.00%	2.00%
<u>Income & Funding</u>					
Income - Inflation & Volume	2.00%	2.00%	2.00%	2.00%	2.00%
RSG	-0.40%	-2.00%	-2.00%	-2.00%	-2.00%
Council Tax	4.50%	3.00%	0.00%	0.00%	0.00%

Appendix 4

Provisional Settlement Specific Grants 2018/19			
		£m	£m
Existing Grant name	2017/18	2018/19	Variance
Communities and Children			
Supporting People	123.688	123.688	0.000
Flying Start Revenue Grant	76.052	76.052	0.001
Families First	38.352	38.352	0.000
Communities First	19.647	0.000	-19.647
Childcare Offer	10.000	25.000	15.000
Communities for Work	7.120	7.199	0.079
Cardiff Bay Legacy	5.891	5.400	-0.491
Promoting Positive Engagement for Young People	4.330	4.330	0.000
Out of School Childcare	2.300	2.300	0.000
Violence against Women, Domestic Abuse & Sexual Violence Grant	1.938	2.438	0.500
St David's Day Fund	1.000	1.000	0.000
Lift	0.990	0.000	-0.990
National Approach to Advocacy	0.550	0.550	0.000
Community Cohesion	0.360	0.360	0.000
Maintaining the Delivery of the Wales Adoption Register	0.172	0.172	0.000
Armed Forces Day	0.035	0.100	0.065
Remploy Employment Support Grant	0.006	0.002	-0.004
Communities First Legacy	0.000	6.000	6.000
Communities Work Plus	0.000	10.050	10.050
Economy and Infrastructure			
Concessionary Fares	60.466	NA	
Bus Services Support Grant	25.000	NA	
Bus Revenue Support Traws Cymru	3.057	NA	
Road Safety Grant	2.000	2.000	0.000
Young Persons Discounted Bus Travel Scheme	1.000	NA	
Bus Revenue Support	0.546	NA	
New Developments	0.500	0.000	-0.500
Enterprise Zones	0.271	0.064	-0.207
Ports Development Fund	0.090	NA	
Community Rail Partnership	0.065	NA	
Travel Plan Co-ordinators	0.011	0.000	-0.011
Education			
Education Improvement Grant	133.282	118.137	-15.145
Pupil Development Grant	91.333	91.333	0.000
Pioneer Schools	7.895	NA	
Youth Support Grant	3.856	3.470	-0.386

Appendix 4

Provisional Settlement Specific Grants 2018/19			
		£m	£m
Existing Grant name	2017/18	2018/19	Variance
Reducing infant class sizes grant	2.000	3.000	1.000
School Uniform Grant	0.700	0.000	-0.700
Modern Foreign Languages	0.480	0.432	-0.048
Senior Business Managers	0.200	0.200	0.000
Mentoring and Networking Support for Headteachers	0.150	NA	
National Numeracy Tests - Supported Marking Grant to Consortia	0.020	0.020	0.000
Environment and Rural Affairs			
Single Revenue Grant - See note below	61.790	20.793	-40.997
Waste Infrastructure Procurement Programme - Gate Fee Contributions	7.507	7.867	0.360
Animal Health & welfare Framework Funding	0.200	0.200	0.000
Financial Support to enable prosecutions to be brought for breaches in TB	0.118	N/A	
Renewal of Grant for the South Wales Regional Aggregate Working Party	0.050	0.050	0.000
Waste Planning Monitoring Report - North Wales and South East Wales	0.049	0.049	0.000
Waste Planning Monitoring Report - South West Wales	0.025	0.025	0.000
Renewal of Grant for the North Wales Regional Aggregate Working Party	0.025	0.025	0.000
Finance and Local Government			
Cardiff Capital City Deal	20.000	10.000	-10.000
Lifelong Learning and Welsh Language			
Post-16 Provision in Schools	98.587	NA	
Adult Community Learning	4.307	NA	
Additional Learning Needs Innovation Fund	1.320	0.000	-1.320
Learning in Digital Wales (Phase 2)	0.500	0.450	-0.050
Promote and Facilitate the use of the Welsh language	0.314	0.314	0.000
Development of the Seren Network	0.120	0.250	0.130
Social Services and Public Health			
Welsh Independent Living Grant	27.000	RSG	
Substance Misuse Action Fund	22.663	22.663	0.000
Social Care Workforce Grant	19.000	RSG	
Expanding Edge of Care Services	5.000	RSG	
Carer's Respite Care Grant	3.000	RSG	
Support for Care Leavers	1.650	RSG	

Appendix 4

Provisional Settlement Specific Grants 2018/19			
		£m	£m
Existing Grant name	2017/18	2018/19	Variance
Reflect Project	0.850	RSG	
Secure Estates	0.412	RSG	
National Framework for Fostering	0.400	RSG	
Development of Adoption Support Services in Wales	0.215	0.090	-0.125
All Grants	900.454	584.424	-57.437
All Grants excluding NA (for like-for like comparison)	606.861	584.424	-22.437
NA = figures not available at time of publication			
RSG = funding transferring to Revenue Support Grant			