

CHESHIRE EAST COUNCIL

REPORT TO COUNCIL

Dates of Meeting:	28 February 2013
Report of:	Leader of the Council
Subject/Title:	The Council's Medium Term Financial Strategy

1 Delivering our Three Year Plan

- 1.1 In October last year, my Cabinet and I set out the framework of a new 3 Year Council Plan, which gave us all a clear strategic direction. This showed the purpose of the Council, the main outcomes we wanted (to ensure good quality of life for local people in Cheshire East), and our priorities for action to achieve these. A summary of our Three Year Plan is attached to my report.
- 1.2 We recognised that, if we were to realise our ambitions to make Cheshire East a better place to live and work, we needed a new, medium term financial strategy that would make the best use of our limited resources, and would provide tangible value for money for local people in these difficult times.
- 1.3 That is why we also set out the principles that would drive our thinking in preparing the Council's Budget, and would guide the difficult decisions that need to be made over where to find savings and to cut costs, whilst also investing in necessary improvements in our vital services.

Our principles to underpin budget decisions:

- We will be policy-led and stick to our decisions
- We will make decisions based on evidence of need and of what works, with due regard to our equality duty
- We are planning for at least 3 years
- We must be a more productive and affordable organisation
- We will stop doing some things to focus on those that matter most to local people
- We will invest in innovative new ways of providing services
- We will ensure that those who provide services, whether inhouse or externally, give real value for money
- We will promote self reliance and capacity in local communities to reduce demand on public services
- We will focus our limited resources on prevention and early intervention
- We will invest in infrastructure to promote local economic growth and access to job opportunities

- 1.4 As well as ensuring that our main priorities for improvement are properly resourced, I want to create a Council that is financially stable. So, we have also taken a prudent approach in a time of unprecedented change and uncertainty in local government, and of growing demand for some local services, such as care for those who are elderly and vulnerable.

- 1.5 This sound financial management and wise stewardship of public money is what this Council is about under my leadership. Hard pressed, hard working local people and families can be confident that we are on their side, and that they can rely on us in these uncertain times.
- 1.6 Over the past few months, the intensive and wide-ranging work I and my Cabinet have done means that we can confidently make decisions now on the best use of the Council's resources. My recommendations to Council for a balanced budget over the next 3 years will protect and enhance our essential frontline services, retain sufficient skilled staff to get the job done well, and give local people even better value for money as we cut our costs. This approach is also the best way to make our contribution to reducing the burden of public debt and to create greater prosperity for hard working local people.

2 Recommendations

That Cabinet recommends to Council that Members:

- 2.1 Note the ongoing Budget Engagement exercise undertaken by the Council, as set out in the attached Appendix 4;
- 2.2 Note the comments of the Council's Chief Finance Officer regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals;
- 2.3 Approve my 2013/2016 Budget Report, which presents the financial implications of the Medium Term Financial Strategy, and the detailed changes needed to implement it, as set out in the attached Appendix;
- 2.4 Approve the 3 Year Capital Programme for 2013/2014 to 2015/2016 as set out in the attached Appendix 3;
- 2.5 Approve a Band D Council tax of £1,216.34 (no change from 2012/2013);
- 2.6 Approve the recommended Reserves Strategy;
- 2.7 Note the 2013/2014 non ring-fenced Specific Grants, and that any amendments to particular grants, in the light of further information received from government Departments or other funding bodies, will be reported to Council;
- 2.8 Agree the 2013/2014 Dedicated Schools Grant (DSG) of £182.4 million and the associated policy proposals;
- 2.9 Authorise the Children's and Family Services Portfolio Holder to agree any necessary amendment to the DSG position in the light of further information received from DfE, pupil number changes, further academy transfers and the actual balance brought forward from 2012/2013;
- 2.10 Note the receipt by the Council of the transferred and ring-fenced grant for Public Health functions, and acknowledge the positive benefits for local people from the Council acquiring these new functions and responsibilities from 1 April 2013;
- 2.11 Approve the recommended Prudential Indicators for Capital Financing to Council for approval; and
- 2.12 Note the risk assessment detailed in the Chief Finance Officer's report.

3 Good Business Planning and the Use of Reserves

- 3.1 Our Three Year Plan identifies the core purpose of the Council, reflects the changing role of local government, responds positively to the challenge of major funding reductions, and is in line with policy changes at both national and local levels. Since I introduced this last October, further conversations on the best way forward have taken place with Members, our staff, our local partners, and others with a stake in the future of Cheshire East.
- 3.2 This has resulted in an improved Plan. In particular, the major change programmes we identified as necessary in October, have been developed further through our improved business planning process. The updated list of change programmes is set out in the first appendix to my report.
- 3.3 Our ambitious change programmes have been an important focus for the rigorous budget setting process undertaken by me and my Cabinet over the past few months. They are the key to us putting all our creative energy and resources into those areas of change which will ensure maximum value for money for local people – and also build a sustainable Council for the future.
- 3.4 Our business planning process has helped us to group together all the change proposals that I intend to bring forward and put in place over the next 3 years. The appendices attached to my report set out how these proposals will deliver against our agreed priorities; show the major change programmes by Head of Service; and list the individual projects in detail (using the change programme numbering to assist the read across).
- 3.5 All the major change programmes are supported by thorough Business Cases and by Action Plans to put them in place in a planned way. These will, of course, be subject to review under our recently formed member-led Executive Monitoring Board, which is already doing excellent work and providing strong and healthy challenge to our managers and Cabinet Portfolio Holders.
- 3.6 The change programmes themselves are necessarily supported by a recommended service transformation investment budget. This is sufficient to create the right pace to drive us forward quickly, so that we can reduce our costs further in the later years of our funding strategy. In other words, I will ensure that we invest to save – and to provide better value for money, whilst avoiding any increases in the tax burden on our local residents. By funding this essential investment from Government Council Tax freeze grants, I have avoided the need for deeper cuts in our spending.
- 3.7 The bold approach I and my Cabinet are recommending will involve some risk, given the scale and pace of changes involved. However, this will be well-managed and closely monitored, not least so that we can also take full advantage of the new opportunities the changes will present to do things better and more cheaply in future.
- 3.8 Our ambitious change programme will be supported also by my recommendation to maintain a prudent level of reserves. This will be reassessed each year, to determine the level of risk cover required. In other words, as our robust improvement plans are put in place, we should be able to reduce our reserves level, as we become more confident that our spending targets will be met, in an unparalleled period of turbulence and uncertainty over funding levels. Our reserves will also allow us to iron out any peaks or troughs in our spending over this period, to ensure that our Budget balances over the life of the Council's agreed Three Year Plan.

4 The Main Headlines

- 4.1 To make it easier for people to understand what I am recommending in this 3 Year Financial Strategy, I have listed below the main elements of the sound thinking that has come out of the work that I and my Cabinet have done. The detail behind these is set out in the appendices to my report.
- 4.2 I will not try to disguise the fact that some difficult decisions, choices and trade-offs have been unavoidable. But, we have stuck to our principles and priorities, and we have protected both the scope and quality of essential frontline services, as well as our commitment to those local people who are vulnerable or most in need. Have no doubt though that this is possible only because of the major changes we intend to make in the way we do things in the future.

Lifting the burden of taxation

- 4.3 There will be no increase in Council Tax this year. This is the third year that local tax levels have not risen and Council Tax will remain frozen next year and the year after that also. This means that by 2015, we will have saved the average local Council Tax Payer over £470.

The added benefit of this approach is that we have gained additional Government funding which we have applied to improving the way we work in ways which will reduce our costs in the future.

Giving better value for money

- 4.4 We will be cutting out millions of pounds of unnecessary costs, by being more efficient in the way we work, without affecting essential frontline services. Indeed, the bulk of our savings comes from elected Members insisting on good management of our limited resources. Cutting out waste, bureaucracy and duplication means we will give local people even better value for money in future.

Reducing management overheads and improving productivity

- 4.5 By changing the way the Council is structured, we will reduce the tiers and numbers of managers, cutting these overheads by a quarter, saving £5 million a year by 2015. This will remove unhelpful internal barriers and service silos, to make the whole organisation more effective and easier for local people and businesses to get what they need from us.
- 4.6 By changing the way our staff do things, we will do more with less in future. Over the next few years our wages and salaries bill will reduce by at least 20%, as we change to operate with a thousand fewer posts, and move a similar number of our staff into new local service delivery businesses.
- 4.7 By careful management of staff turnover as posts become vacant, we will keep the number and cost of staff redundancies to a minimum, so that we don't put local people on the dole. At the same time, we will keep the best of our experienced and committed staff, and we will update their skills to keep service standards high, as well as give them modern tools to do their jobs better.

Sweating our assets

- 4.8 We will introduce more flexible working arrangements and share more with our partners, (such as Health, the Police, and Fire and Rescue Services). This will cut the number (and cost) of the buildings, depots and facilities we operate, while offering more convenient, joined up local services to our residents.
- 4.9 We will dispose of unwanted land and property, and invest this income (our ambition is that this should be over £12 million a year) to improve our local economy and create local jobs. Where we own sites which are ripe for development, we will use these to attract investment for the building of new houses, workplaces and roads, to make our local communities more vibrant and flourishing.

Growing our economy

- 4.10 We have committed to growth and to making Cheshire East a more prosperous place. Our ambitious plan will put in place the new infrastructure to do this, creating 27,000 new homes to deal with the shortage for both existing and new residents, and at least 20,000 jobs by 2030. In the next three years the Council's Capital Programme is in excess of £220 million. By managing assets and linking with national and regional funding, it is expected that less than half of this programme will require local financing.
- 4.11 Over the next three years, we will invest £25 million in our road network, to make major improvements in the condition of over 200kms of the Borough's worst roads. This will include filling over 50,000 potholes every year.
- 4.12 Additional investment will be made also in new infrastructure to improve key transport routes, such as the Congleton Relief Road and Poynton Relief Road. At the same time, we will continue to make progress on the Crewe Green Link Road and Crewe Rail Exchange, as well as major projects like the Manchester Airport to A6 Relief Road (with benefits for Handforth, Poynton and Disley) and the A556 motorway project.
- 4.13 We will enter into a Joint Venture with AstraZeneca, one of our many international corporations based in East Cheshire, to develop a new Science Incubator Park in Alderley alongside a world class R & D facility. This will attract leading talent from around the world to Cheshire to set up their science businesses. This is just one example of how the Council will use our assets or funding to invest to generate jobs and create the right conditions for local companies to grow.
- 4.14 We will set up a new Development Company to drive forward our programme of major infrastructure improvements efficiently, effectively, and quickly. This will also ensure that our substantial portfolio of land and property assets is used to generate substantial external investment and realise the benefits of a revitalised local economy. To assist with this, we have reshaped our extensive Capital Programme to make a bigger investment of £200 million over the next few years in supporting economic growth, and in providing income to the Council to sustain the good quality of our services.
- 4.15 At the same time, we will provide expertise and staffing support to the Local Enterprise Partnership for Cheshire and Warrington, to promote Cheshire East as a great place to do business. This will ensure that we capture the maximum benefit for our towns and villages from Government funding and private sector investment in economic growth to make Cheshire East a more prosperous place.

Getting a better deal

- 4.16 We will enter into new and better contracts for a wide range of goods and services – such as building and property services, facilities management and cleaning, waste services and car parking, as well as social care services – from good quality suppliers and providers. This will reduce our costs, improve choice for local people, and maintain good quality.
- 4.17 Where it makes sense, we will also set up our own businesses, including arms-length companies, social enterprises, and staff mutuals. These will also be commissioned by us to find innovative solutions, to make quick improvements in our services, and to reduce costs – for example, in bereavement services, and in leisure, culture and recreational services, as well as in some social care services for both children and adults.
- 4.18 This more commercial and entrepreneurial approach will make “public profit” – money that can be invested in better services and more secure local jobs, without increasing taxes to pay for the improvements.

Retaining facilities at the heart of our communities

- 4.19 We will set up new arrangements for the running of our 14 leisure facilities, which will reduce costs by almost £1 million a year, and provide investment to enhance these valuable assets and keep them up to date. This is an important part of our move to promote healthier lifestyles and reduce future costs for us and for the NHS.
- 4.20 By investing £300,000 in developing a new model for sustainable local library services and community hubs, we will change how this important service is delivered. But, this means we can continue to provide libraries in 16 towns across Cheshire East, as we do today, while cutting out £1 million of unnecessary costs.
- 4.21 Working with important local partners, like our Town and Parish Councils, as well as directly with local communities, we will devolve more of our services and community assets to local level. This will help us harness energy and ideas, encourage volunteers to get involved directly, and tailor what we do to local tastes and preferences.
- 4.22 Through a new emphasis on our enforcement powers, we will work with local community groups and businesses to change the behaviour of those who undermine our quality of life or threaten our environment.

Protecting the vulnerable and the elderly

- 4.23 We will reshape the market locally for the provision of social care. This will reduce our reliance on costly specialist placements outside the Borough, to keep local people close to their families, friends and communities.
- 4.24 For example, we will grow our fostering and adoption options, increase supported and sheltered housing, and adapt people’s homes to help them live independently as long as possible. This will reduce the cost of expensive alternatives, like residential care homes.
- 4.25 Working more closely with our partners – like Health and the Police – we will change the way that we provide reablement, respite and intermediate care for adults. This will involve, for example, investing in more or better facilities, such as the expansion and

redesign of Hollins View in Macclesfield, along with building alternative and better accommodation for care support.

Showing that “prevention is better (and cheaper) than cure”

- 4.26 Whilst cutting out unnecessary costs and inefficiencies, we will invest more in improving early intervention and prevention for both children and adults in need. This will also reduce demand for more costly “acute” services at a later stage, as well as promoting greater independence and self-reliance for those involved – for example, by reducing the number of local children needing to be taken into care.
- 4.27 We will target our services to where they are needed most, reducing them where levels of deprivation and social need are low, and we will look for the best value, high quality, reliable local providers, as well as encouraging new, more effective approaches.

Protecting the rights and entitlements of learners

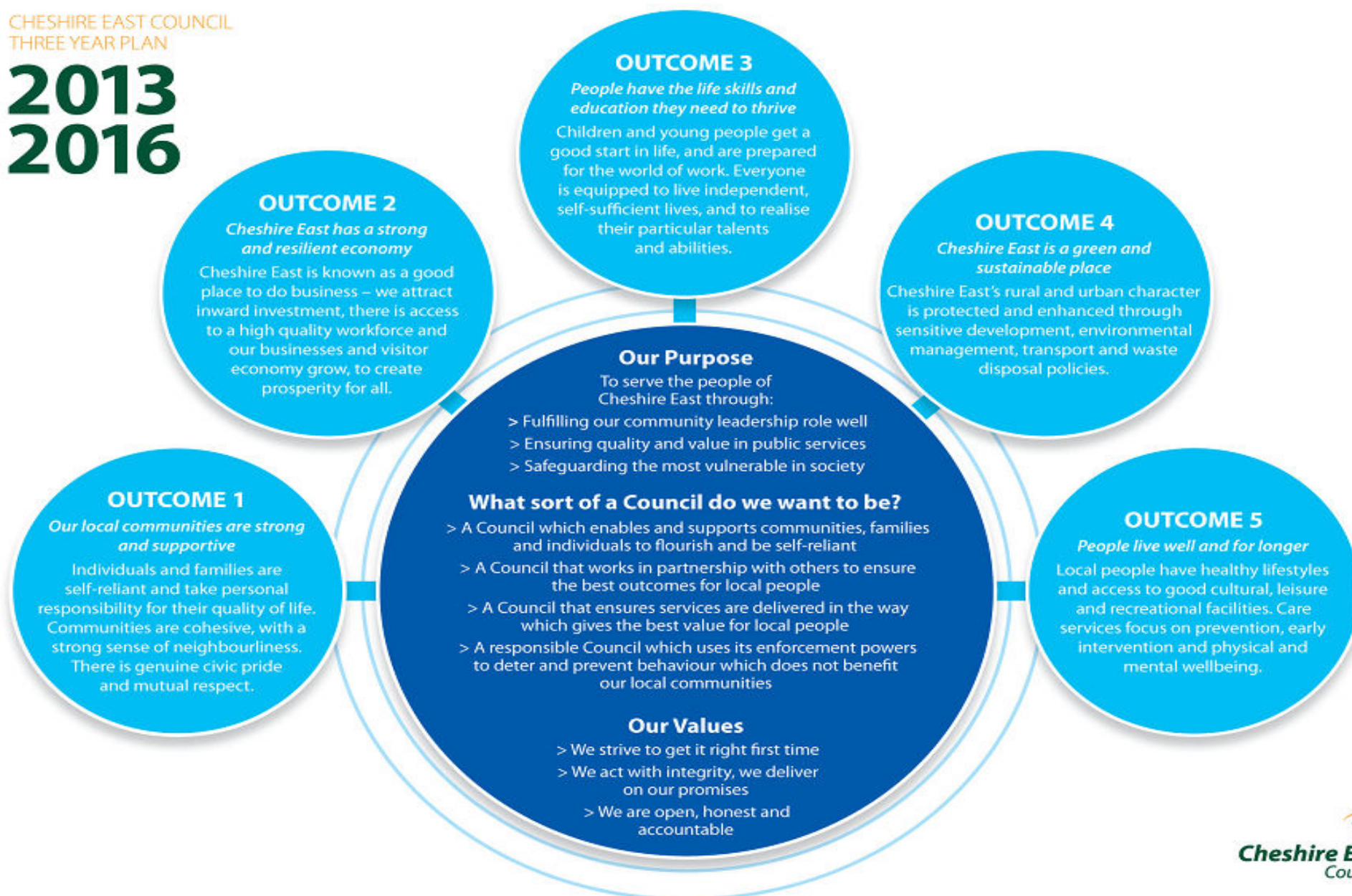
- 4.28 We will continue to reshape the Council’s relationship with increasingly autonomous local schools. This will involve offering them good, value for money support services, to be paid for from their own locally managed resources.
- 4.29 We will act as “guardian” of the interests of pupils, students and parents – protecting those who are vulnerable or who have special needs, and ensuring that school standards are closely monitored.
- 4.30 We will be proactive in pursuing opportunities to develop the skills for work of our young people – this will include pursuing the development of a new University Technical College with key business partners in Crewe, focussed on the growth of engineering opportunities in the town and the surrounding area.
- 4.31 Additionally, we will take steps to secure investment in better special school provision with Free School Partners – we expect to see the proposed new special school in Alsager for children with autism come to fruition, subject to the release of capital funds by the Government for this important development for local children and young people.

5 Wider Engagement in Setting the Budget

- 5.1 Our Business Planning process provides the best way for us to fulfil our statutory duty to consult on our Budget proposals, for example with certain local stakeholder groups, local schools and local businesses. Of course, we also choose to consult more widely with others, including our local partner public services, like Health and Fire and Rescue, as well as Town and Parish Councils, for example.
- 5.2 This process has been under way for some time, as our thinking has advanced, and will continue in its later stages up to (and beyond, where necessary) the final decision making at Council later this month. The major uncertainties over funding levels being faced by local councils currently have made it challenging to produce the Budget proposals recommended here, and so full engagement with the public on them is being undertaken at a later stage than normal. That is why, in some cases, they remain subject to feedback from further targeted consultation activity, before they will be finalised and implemented (with revised financial projections where necessary).
- 5.3 Details of our Business Planning engagement process are attached to my report.

6 **Summary**

- 6.1 In difficult times, when the going gets tough, the tough get going! The financial strategy set out here by me and my Cabinet is based on taking some tough decisions. But, with skill and careful choices, we have created new opportunities to invest in the future of Cheshire East, whilst protecting the quality of our essential frontline services.
- 6.2 This is the ideal combination of sound financial management and bold creative thinking that people are coming to expect from my administration.

2013
2016

2013 2016

Our principles to underpin budget decisions

- We will be policy-led and stick to our decisions
- We will make decisions based on evidence of need and of what works, with due regard to our equality duty
- We are planning for at least three years
- We must be a more productive and affordable organisation
- We will stop doing some things to focus on those that matter most to local people
- We will invest in innovative new ways of providing services
- We will ensure that those who provide services, whether in-house or externally, give real value-for-money
- We will promote self-reliance and capacity in local communities to reduce demand on public services
- We will focus our limited resources on prevention and early intervention
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Priorities

1. Local economic development	1.1 Investment in existing and new road infrastructure 1.2 Investment in high speed broadband network for Cheshire East 1.3 Investment to support business growth and delivery of Macclesfield and Crewe regeneration, and the Sustainable Towns programme
2. Developing affordable and sustainable local models of care for vulnerable children and adults	2.1 Improve the sufficiency of care locally for vulnerable children and adults 2.2 Next phase of development of Care4CE service 2.3 Secure new integrated health and care pathways for learning disabilities 2.4 Securing efficiencies through strategic commissioning of children and adult services
3. Focusing services on early intervention and prevention	3.1 Focus Childrens Services on early help for families 3.2 Review adult assessment and case management services
4. Responding to the changing education and learning environment	4.1 Develop our relationship with self-sustaining schools 4.2 Continue review of Home to School transport 4.3 Improve the range of special school provision 4.4 Pursue the development of a new University Technical College
5. Securing housing that is locally-led, community-based and that meets local needs	5.1 Develop a new delivery model for the housing service and ensure housing services support independent living and health improvement 5.2 Develop accommodation strategy for vulnerable adults and those with learning disabilities
6. Redefining the Council's role in core place-based services	6.1 Develop new delivery model for leisure provision 6.2 Develop new delivery model for streetscape and bereavement 6.3 Develop a new model for sustainable library services and community hubs 6.4 Determine future delivery model for waste management services 6.5 Develop Total Transport Programme
7. Re-shaping the organisation	7.1 Restructure the organisation 7.2 Develop a more affordable model of corporate and support services with key subject expertise, to enable better strategic commissioning and delivery of frontline services 7.3 Continue targeted business improvement reviews to find efficiency savings from all services 7.4 Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery 7.5 Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives 7.6 Develop resilient communities
8. Workforce planning	8.1 Further develop employment and working practices to enable flexible and agile working 8.2 Identify changing skills requirements over medium term and equipping the organisation with these skills 8.3 Manage workforce turnover so that vacant posts are used to provide efficiency savings, whilst retaining staff with essential skills

Change Programmes

Appendix 2

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Children & Families								
Safeguarding/Early Intervention	Children's placements	Children's placements	Nigel Moorhouse		3,600		This is a base correction as a result of high cost complex care.	
	Children's staffing	Children's staffing	Nigel Moorhouse		800		Base correction as a result of high cost agency staff.	
	2.0 - Affordable models of care	Rationalise residential provision	Nigel Moorhouse		0		Continue to implement the residential care review across Cheshire East, with additional beds in the Macclesfield and Congleton areas.	
	2.0 - Affordable models of care	Joint funding/continuing healthcare assessments - children	Nigel Moorhouse		-250		Some children have healthcare needs that should be recharged and funded from health.	
	2.0 - Affordable models of care	Review contracting - Establish market sufficiency and sustainability	Nigel Moorhouse		-50		External contracts will be reviewed and costs will be reduced.	
	2.0 - Affordable models of care	Full year effect of placement savings achieved in 2011/2012	Nigel Moorhouse		-900		Placements during the last 2 quarters of 2012/2013 have been reduced.	
	2.0 - Affordable models of care	Placements	Nigel Moorhouse		-500		Placements will be reduced in 2013/2014 utilising foster carers as an acceptable alternative and following preventative activity for later year reductions.	
	2.0 - Affordable models of care	Reduction of agency staff, appointing permanent staff to achieve saving	Nigel Moorhouse		-500		The number of agency staff will be reduced, to be replaced by social workers with child protection expertise.	
	3.0 - Focus on prevention and intervention	Investment in preventative contracts to achieve savings	Tony Crane		1,100		Increase investment in preventative contracts, seeking to reduce the need for care placements in the future.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Education	3.0 - Focus on prevention and intervention	Troubled Families Grant	Tony Crane		685		2013/2014 grant allocation for Troubled Families investment, the remaining balance of the grant is subject to performance and will be claimed by the service pending results.	
	3.0 - Focus on prevention and intervention	Early intervention	Tony Crane		-2,100		Following the change in Connexions and the Youth Service, there will be a reduction in universal service funding and a more effective focus on targeted services.	
	3.0 - Focus on prevention and intervention	Review Children Centres	Tony Crane		-200		Review and consult on the closure/reduction of hours of Children Centres, without loss of key services. Member decision required.	-5
	Transport	Transport	Fintan Bradley		1,100		Base correction following the delayed implementation of transport policy changes.	
	4.0 - Changing education environment	Transport	Fintan Bradley		-800		Impact of delivering post 16 and denominational budget reductions and the full year effect of actions taken during 2012/2013.	
	4.0 - Changing education environment	Rationalisation of home to school transport	Fintan Bradley		-625	75	Continued rationalisation of transport activity, including reviews of routes, special educational needs transport and fully absorbing inflationary pressures for later years.	
	4.0 - Changing education environment	Home to school transport - post 16	Fintan Bradley		-250		Remove the subsidy provided to schools and colleges for the post 16 transport.	
	4.0 - Changing education environment	Home to school transport - safer routes	Fintan Bradley		-100		Review safer route home to school transport provision.	
	4.0 - Changing education environment	Restructure for schools support	Fintan Bradley		-600	150	Review and reduce support to schools, following Academy conversions.	-15
	7.3 - Business reviews	Realign DSG and base budget	Fintan Bradley		-400		Seek to recharge Schools/DSG for services.	
	4.0 - Changing education environment	Education support	Fintan Bradley		-250	75	Review and reduce support to schools, following Academy conversions.	-6

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Business Challenge and Performance	7.4 - Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery	Support the frontline, Business Systems and Processes	Dominic Oakeshott	Supporting the Front Line ICT Programme	-170	60	Review support across Children and Families, both team support and business support.	-6
	7.3 - Business reviews	Business efficiency and effectiveness	Dominic Oakeshott	Supporting the Front Line ICT Programme	-50	20		-2
	7.1 - Restructure the organisation	One year funding allocation to assist delivery of major change programme	Dominic Oakeshott		370			
TOTAL: CHILDREN & FAMILIES		Sub-Totals			-90	380		-34
Adults								
Care4CE	2.0 - Affordable models of care	Close a Community Support Centre	Dave Watson		-325	50	Review and consult on the closure of Mountview, mothballing initially, while opportunities for the future use of the site by Adults Social Care are considered within the Council and with other partners. Member decision required.	
	2.0 - Affordable models of care	Redevelop Hollins View	Dave Watson	Hollins View 2014/15		100	Capital investment to renew Hollins View, Member decision required.	
	2.0 - Affordable models of care	Reshaping of services delivered by Care4CE	Dave Watson		-775	400	Review of all Care4CE services to generate further efficiencies / generate further reductions in operating costs.	-10
	7.3 - Business reviews	Business review for catering - delivering efficiency through strong procurement	Dave Watson		-100		More effective procurement of food/supplies to support Care4CE meals provision.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Strategic Commissioning	2.0 - Affordable models of care	Strategic commissioning networks/pooled contracts	Brenda Smith / Lucia Scally		2,100		Base Budget Adjustment linked to Pooled Budget contracts.	
	Adults valuing people grant adjustment (Base Pressure)	Adults Valuing People Now transfer from health - grant adjustment	Lucia Scally		6,128		Valuing People Now, transfer of responsibilities from health for Learning Disability.	
	2.0 - Affordable models of care	Unachieved Social Care redesign reductions	Lucia Scally		800		Redesign from 2010/2011 with the full year effect to be achieved in 2013/2014.	
	2.0 - Affordable models of care	Establish market sufficiency and sustainability	Lucia Scally		-50	100	Better procurement of care provision.	
	2.0 - Affordable models of care	Establish market sufficiency and sustainability - Supported Employment	Lucia Scally		-20		Review supported employment, increase income.	
	3.0 - Focus on prevention and intervention	Section 256 - Funding transfer from NHS to social care	Lucia Scally		1,436		Department of Health investment in Social Care, transferred via a Section 256 agreement.	
	3.0 - Focus on prevention and intervention	Safeguarding new provision - transfer from Health	Kate Rose		33		New responsibility transferred from Health in 2013/2014.	
	3.0 - Focus on prevention and intervention	Transfer of Healthwatch responsibilities from health via grant funding	Lucia Scally		100		New responsibility transferred from Health in 2013/2014.	
	3.0 - Focus on prevention and intervention	Transfer of Mental Health Advocacy responsibilities from health via Local Reform and Community grant funding	Lucia Scally		121		New responsibility transferred from Health in 2013/2014.	
	3.0 - Focus on prevention and intervention	Reduce third sector contracts	Lucia Scally		-100		Review and reduce number/costs of third sector contracts (achieved).	
	3.0 - Focus on prevention and intervention	Rationalise Commissioned Preventative Services - SP	Lucia Scally		-500		Review and reduce number/costs of Supporting People contracts	
	3.0 - Focus on prevention and intervention	Rationalise Commissioned Preventative Services - VCFS	Lucia Scally		-350		Review and reduce Voluntary, Community and Faith Sector contracts.	
		Review of housing accommodation with support			0	150	Working with Registered Social Landlords/ providers to review the provision of housing accommodation with support.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Individual commissioning	7.1 - Restructure the organisation	Review staffing structures	Lucia Scally		-500	320	Review staffing structures to improve productivity.	-12
	Care costs (Base Pressure)	Care costs	Brenda Smith		7,600		Additional complexity of care impacting as base pressure.	
	2.0 - Affordable models of care	Increasing Demand	Brenda Smith		0		Early indications of growth: £4m of care; £1.9m of inflation, in years 2 and 3.	
	2.0 - Affordable models of care	Increasing Demand	Brenda Smith		1,000	100	In 2013/2014 all inflation and £3m of care growth will be held within current budget. Cost of investment to support high volume review work.	
	2.0 - Affordable models of care	Hold growth	Brenda Smith		-3,000		Continued holding of earlier years growth pressures.	
	2.0 - Affordable models of care	Hold inflation			-400		Continued holding of earlier years inflation costs.	
	3.0 - Focus on prevention and intervention	Placements	Brenda Smith		-600	100	Review of placements commenced by Skylakes.	
	3.0 - Focus on prevention and intervention	Review all direct payments to ensure packages reflect assessed care needs and remove any unused / surplus funds.	Brenda Smith		-1,000		Review all Direct Payment/Empower clients. Potential Member decision required.	
	2.0 - Affordable models of care	Reduce external commissioned provider contracts	Lucia Scally		-400		Working with providers to reduce the contract costs.	
	2.0 - Affordable models of care	Joint funding/continuing healthcare assessments - adults	Brenda Smith		-250		Ensure the Clinical Commissioning Groups are recharged appropriately for Continuing Health Care	
	2.0 - Affordable models of care	Health related funding - Continuing Health Care; Rehabilitation; Learning Disabilities	Brenda Smith		-950		Ensure the Clinical Commissioning Groups are recharged appropriately for Continuing Health Care.	
	2.0 - Affordable models of care	Transport	Brenda Smith		-500		Completion of the Transport Review and removal of the remaining redundancy funding.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Business Challenge and Performance	7.3 - Business reviews	Business review for adults social work team (based on no further increase in staffing in Individual Commissioning over the next 18 months)	Brenda Smith		-250	60	Staff reductions across Individual Commissioning.	-6
	3.0 - Focus on prevention and intervention	Investment in Health Improvement	Guy Kilminster		100		Funding for new Health Improvement activity.	
	3.0 - Focus on prevention and intervention	Transfer of Independent Living Fund Responsibilities from Department of Work and Pensions to Local Authorities (2015/2016)	Lucia Scally		0		Funding and activity of commissioning Independent Living Fund contracts will transfer from the Department of Work and Pensions to Local Authorities in 2015/2016 (i.e. this growth will be funded).	
	7.4 - Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery	Business Systems and Processes to support the front line	Brenda Smith / Lucia Scally / Dave Watson / Dominic Oakeshott	Supporting the Front Line ICT Programme	-80	20	Review and reduce support across Children, Families and Adults, delivering as part of the Smarter Support Review, which seeks to reduce the levels of secretarial support, client finance, business and team support.	-2
	7.4 - Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery	Business management and challenge	Dominic Oakeshott	Supporting the Front Line ICT Programme	-100	20	Review support across Children and Families, both team support and business support.	-2
	7.3 - Business reviews	Business efficiency and effectiveness - workforce	Dominic Oakeshott		-50	10	Review and combine workforce development teams across Children, Families & Adults.	-1
	7.3 - Business reviews	Business management and challenge earlier reductions	Dominic Oakeshott		200		Review support across Children and Families, both team support and business support.	
	7.3 - Business reviews	Service support review	Dominic Oakeshott		-200	80	Review support across Children and Families, both team support and business support.	-8

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
	7.1 - Restructure the organisation	One year funding allocation to assist delivery of major change programme	Dominic Oakeshott		580			
TOTAL: ADULTS		Sub-Totals			9,698	1,510		-41
Public Health								
Public Health	3.0 - Focusing services on early intervention and prevention	Transfer of Public Health Budget from NHS	Heather Grimaldeston		12,725		<p>Public Health is a new Local Authority responsibility transferred from Health in 2013/2014.</p> <p>The Council is given a ring fenced Health Grant from Public Health England/DoH to protect and improve the health of residents of Cheshire East in a number of mandated areas.</p> <p>These include sexual health services, children's weight, health checks, support to NHS commissioners and public health emergencies.</p> <p>Other services covering drug and alcohol and smoking services also have to be commissioned using the budget. The Council will be reviewing the budget in light of its own priorities and current related service areas.</p>	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
	3.0 - Focusing services on early intervention and prevention	Ring Fenced Specific Grant Funding	Heather Grimaldeston		-12,725		Note: This is an indicative budget based on the PCT baseline allocation (25/04/2012). The Public Health budget allocations to Local Authorities were published on 10th January 2013 and work is now underway to work through the budget requirements.	
TOTAL: PUBLIC HEALTH		Sub-Totals			0	0		0
Places & Organisational Capacity								
Waste	6.4 - Determine future delivery model for waste management services	Waste & Recycling - New delivery model for waste management services	Ray Skipp		0	400	Alternative model for collection operation and integrated solution for recycling and disposal; budget estimates are based on outsourcing and use of the "restricted" procurement route could facilitate delivery by mid-2014/2015, subject to availability of an operational transfer station in the North.	
Waste	6.4 - Determine future delivery model for waste management services	Waste & Recycling - Diversion from landfill for one-year, pending new delivery model	Ray Skipp		-113		Diversion from landfill in 2013/2014 through collaboration within existing contract provisions and procurement of haulage arrangements [This is subject to a collaborative arrangement being agreed prior to 31/03/2013]; from 2014/2015 further landfill diversion will be considered via the new delivery model for waste.	
Waste	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Waste & Recycling - Adjustments to base budgets for landfill and recycling contracts	Ray Skipp		576		Adjustments to contract costs, to reflect underlying base budget shortfalls relating to disposal (HWRCs) and recycling (bulking/ green waste haulage); increases in Landfill Tax and contractual inflation, partly offset by reduced residual waste tonnages.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Waste	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Waste & Recycling - Adjustments to base budgets for collection costs and income levels, including Bank Holiday/ Christmas service provision, fuel and supplies inflation	Ray Skipp		749		Adjustments to core staff, vehicles and bulky/ Schedule 2 property income budgets to reflect underlying base budget shortfalls, additional resources for Bank Holiday waste transfers and Christmas catch-up period; fuel and tyres cost inflation.	
Waste	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Waste & Recycling - Waste Service structure review	Ray Skipp		-185		Review/Removal of vacant posts in Waste Service.	-3
Waste	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Waste & Recycling - One-off reductions in 2013/2014 in the waste minimisation budget and recycling credits	Ray Skipp		-153		One-off savings to assist in 2013/2014, via reduced waste minimisation expenditure (reduces waste awareness and educational activity for 1 year) and saving in recycling credits (through not paying 3rd party credits re collection of materials already collected at kerbside).	
TOTAL WASTE					874	400		-3
Highways and Transport	1.1 - Investment in existing and road infrastructure	Highways - Charging of staff time to major highways capital investment project, during 2013/2014 and 2014/2015	Kevin Melling	Investment in highway infrastructure	-200		Charging of costs to Capital project, rather than Revenue, in relation to major two-year programme of highways improvement works.	
Highways & Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Highways & Transport - Adjustment to base budgets for concessionary fares passes, flexible transport, transport and fleet client recharges and countryside	Kevin Melling		435		Adjustment of income and operating cost budgets, to correct for underlying base budget shortfalls.	
Highways & Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Transport - Expenditure, fully funded by Local Sustainable Transport Fund DfT grant; £2.236m to 2014/2015	Kevin Melling		0		Fully funded spending of £2.236m revenue to 2014/2015, in conjunction with £1.273m capital investment, on improved transport services, enabling greater access to employment, links to the railway and travel awareness.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Highways & Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Highways - Contract inflation, offset by efficiency savings in 2014/2015 and 2015/2016	Kevin Melling		324		Cheshire East Highways annual contract inflation, offset by 3% efficiency saving (NB. 2013/2014 efficiency saving already in base budget rolled forward).	
Highways and Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Transport - Inflation in public transport support and concessionary fares subsidy	Kevin Melling		236		Inflation in public transport support and concessionary fares subsidy.	
Highways and Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Highways - Savings from reviews in winter servicing and rural verge maintenance	Kevin Melling		-175		Following the review of winter operations undertaken during 2011/2012 and 2012/2013 which will be complete in early summer 2013, changes will be made to the extent of network pre-salted, enabling reductions in number of routes, generating further efficiencies. This will be combined with reduction in swathe cuts (verge maintenance) to once per year, maintaining visibility at junctions and on bends.	
Highways and Transport	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Highways & Transport - A range of operational efficiency savings across Highways and Transport services (over a 2 year period) including review of winter salt/gritters, capitalisation of staff time and maintenance (where appropriate), developing charging to become self financing and pursuing increased enforcement activity.	Kevin Melling		-480	125	Change in specification of salt used for gritting; savings via hiring additional gritters through Cheshire East Highways (CEH) supply chain; increase in staff recharge to capital programme over medium term (incl. Local Sustainable Transport Fund (LSTF) - funded programme); new income target for pre-application advice fees; change in focus to capital improvements and remove reactive responses to enquiries; charge for inspectorate service and traffic survey team to become self-financing; develop income from permit scheme for utility openings; capitalise Public Rights of Way expenditure where appropriate; efficiencies in bus shelter maintenance contract.	
TOTAL HIGHWAYS & TRANSPORT					140	125		0

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Service	Change Project	Description	Responsible Officer	Capital Link				
Communities	6.1 - Develop delivery models for frontline place-based services	Leisure Services - Adjustments to employees and income base budgets	Peter Hartwell		742		Increase in staffing (£0.5m) and income budgets (£0.2m) to correct for underlying base budget shortfalls.	
Communities	6.1 - Develop delivery models for frontline place-based services	Leisure Services - New service delivery model to create efficiencies in operating costs; along with increasing income from fees and charges	Peter Hartwell	Crewe Cumberland Arena	-450	200	Develop a new delivery model in 2013/2014 to realise staff and non pay cost savings, along with increasing prices by an average of 3%.	
Communities	6.1 - Develop delivery models for frontline place-based services	Sports Development - Service cost efficiency savings	Peter Hartwell		-156	14	Review of service structure, operational budgets and grant payments.	-3
Communities	6.1 - Develop delivery models for frontline place-based services	Arts & Culture - Service cost efficiency savings and reductions	Peter Hartwell		-296	90	Service structure review and move to commissioning role, review of non-externally funded activities, remove subsidy from Silk Heritage Centre in 2015 following new two-year agreement.	-5
Sub-total LEISURE					-160	304		-8
Communities	6.1 - Develop delivery models for frontline place-based services	Car Parking - New delivery models for parking enforcement	Peter Hartwell		-350	49	Develop new delivery models for enforcement function (£0.25m) and back-office rationalisation (£0.1m), to realise cost efficiencies.	-3
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Car Parking - Adjustments to Pay & Display and fines income base budgets	Peter Hartwell		899		Reduction in income budgets to correct for underlying base budget shortfalls - Pay and Display (£0.5m) and Enforcement (£0.3m).	
Sub-total CAR PARKING					549	49		-3
Communities	6.1 - Develop delivery models for frontline place-based services	Streetscape - New service delivery model, via transfer of mechanical cleansing to managing agent and integration with Highways services contract, along with other efficiency savings in employees and supplies costs	Peter Hartwell / Kevin Melling		-336		Transfer of mechanical cleansing to Highways Services provider and other efficiencies in employees and operating costs.	-12

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Service	Change Project	Description	Responsible Officer	Capital Link				
Communities	6.1 - Develop delivery models for frontline place-based services	Streetscape - Closure of public conveniences	Gareth Edwards		-104	112	Transfer of facilities to Town/Parish Councils or closure and decommissioning of public conveniences from April 2013, full year saving assumed.	-2
Communities	6.1 - Develop delivery models for frontline place-based services	Streetscape - Closure of Automatic Public Conveniences, via buy-out of long-term leasing contract	Gareth Edwards		0	213	Closure of automated facilities via buy-out of leasing arrangement. 2013/2014 temporary budget to finance lease repayments (£0.08m) and Cost of Investment to give notice on 2 sites 01/04/2013 and 3 sites 01/04/2014 (£0.1m) to realise annual saving of £125,000 (phasing closures between 2013/2014 and 2015/2016).	
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Streetscape - Adjustments to income base budgets relating to grounds maintenance, parks management and markets	Gareth Edwards		247		Adjustment of income budgets to correct for underlying base budget shortfalls.	
Sub-total STREETSCAPE					-193	325		-14
Communities	6.1 - Develop delivery models for frontline place-based services	Regulatory Services - Reduction of pest control service and increase of fees	Peter Hartwell		-65	46	Reduction of pest control service and increase of fees.	-2
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Community Services - Adjustments to staffing, operating cost and income base budgets	Peter Hartwell		442		Increase in staffing and operating costs and reduction of income budgets, to correct for underlying base budget shortfalls.	
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Community Safety - withdraw neighbourhood policing grant, following Home Office's transfer of grant payment from Council to the new Police & Crime Commissioner	Peter Hartwell		-150		Expenditure saving, reflecting that Home Office grant is now to be paid direct to Cheshire Police, rather than the Council, following the election of the Police & Crime Commissioner.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Community Services - Reduction in supplies and services budgets	Peter Hartwell		-52		10% reduction across a range of supplies and services budgets.	
Communities	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Community Safety - Staffing and maintenance cost efficiency savings in CCTV services	Peter Hartwell		-250	104	Reduction in CCTV staff (by 3fte) and maintenance budgets, including rationalisation of BT fibre costs.	-3
Communities	8.3 - Manage workforce turnover so that vacant posts are used to provide efficiency savings whilst retaining staff with essential skills	Community Services - Recruitment Freeze and continued vacancy management.	Peter Hartwell		-181		Recruitment Freeze and in year vacancy management based on the 2012/2013 vacancy savings.	-6
Sub-total Other COMMUNITIES					-256	150		-11
TOTAL COMMUNITIES					-60	828		-36
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets Service - Adjustments to base budgets for underlying budget shortfalls in operating and maintenance costs, income budgets, holding costs of surplus properties, street lighting energy and planned inspections	Caroline Simpson		2,886	100	Adjustments relating to underlying base spend and income budget shortfalls on operational and non-operational investment properties, holding costs of surplus and interim-managed properties, street lighting energy and planned programme of inspections.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets - Carbon Reduction Commitment payments, inflation in energy, water and rates costs and energy efficiency investment loan repayments	Caroline Simpson		515		Carbon Reduction Commitment (CRC) payments, inflation in energy, water and rates costs and energy efficiency investment loan repayments. [Re Carbon Reduction Payments, the assumption here is that the first CRC payments will be made in 2014/2015 and forecast at £334k however there is a risk that the liability could fall in 2013/2014].	
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets - Continuation of benefits realisation from introduction of Corporate Landlord model, via rationalisation of operational property portfolio	Caroline Simpson		-750	350	The saving will come from a significant reduction in office space and rationalisation in buildings occupied by staff as well as a reduction in assets for front line delivery. An estimate of the cost of investment has been made to reflect buy outs and to facilitate exit. There is a risk that the saving in the first year will need to come from temporary measures and in-year savings as rationalisation is progressed for 2014/2015.	
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets - Accelerated disposals/ demolitions of surplus properties	Caroline Simpson	Assets Accelerated Disposals/ Demolition	-300		Savings in running and/or holding costs, following disposal or demolition of surplus properties. £500k one-off Capital expenditure is required to deliver these additional revenue savings and is included in the draft capital programme for 2013/2014.	
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets: Managed reduction in both planned and responsive maintenance, for 2013/2014 only	Caroline Simpson		-400		Managed reduction in maintenance spending, for one-year only, focussing on essential repairs and minimising adverse effects on condition of premises.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets - Operational efficiency savings from reviews of caretaking and cleaning services, postage services, ceasing internal electricians services and reviewing service-related income and debt position	Caroline Simpson		-255	50	Reducing running costs for caretaking and cleaning and postage services, review of the internal electricians service and introducing alternative ways of managing income.	-4
Development	7.5 - Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives	Assets - Reduce energy consumption from street lighting and illuminated signs	Caroline Simpson		-141		Following deferred capital investment in 2012/2013, energy cost savings have been re-profiled over 5 years; a reduction in the number of illuminated traffic signs will also save on energy and maintenance costs.	
Sub-total ASSETS					1,555	500		-4
Development	1.3 - Investment to support business growth and delivery of Macclesfield and Crewe regeneration and the Sustainable Towns programme	Economic Development & Regeneration - Increase in resources to deliver the economic growth agenda	Caroline Simpson	Property Development Programme	200		Increase in (revenue) budget for economic growth initiatives. [In addition a new capital scheme will facilitate a dedicated team approach to physical asset development (£300k)].	3
Development	5.2 - Better integrate housing across all Council services	Housing & Adults Services - New delivery model for Housing, via integration with Adults Services	Caroline Simpson		-50	100	Realisation of efficiency savings through integration of Service structures.	-4
Development	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Economic Development, Visitor Economy and Tatton Park - Review of Visitor Economy and Economic Development services; implement Tatton Vision projects to reduce subsidy	Caroline Simpson		-235		Visitor Economy and Economic Development Services efficiency savings (2013/2014 £105k; 2014/2015 £30k & 2015/2016 £5k); implement Tatton Vision projects to reduce subsidy (2013/2014 £130k; 2014/2015 £273k & 2015/2016 £130k).	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Development	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Development Management - Adjustments to base income budgets, including increase in prescribed fees and charges for pre-application advice, along with pay cost savings	Caroline Simpson		-304		Increase in prescribed planning application fees (£100k), charges for pre-application advice (£30k) and search fees income levels (£200k), along with pay protection cost savings (2013/2014 (£79k) & 2014/2015 (£25k)) and adjustments in Building Control income to correct for underlying shortfalls +£105k).	
Development	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Spatial Planning - Local Development Framework Public Inquiry and Local Plan site allocation project, followed by a review of integrated place and project based teams across Development and Places.	Caroline Simpson		0	400	Increase in Local Plan budget provision for 2013/2014 - 2014/2015 and Local Plan site allocation resource for 2013/2014; and review of integrated place and project based teams across Development and Places.	
Sub-total Other DEVELOPMENT					-389	500		-1
TOTAL DEVELOPMENT					1,166	1,000		-5
Performance, Customer Services & Capacity	6.3 - Develop a model for sustainable library services and community hubs	Libraries - Development of a sustainable library service	Paul Bayley	New Library Model	-100	50	Involving a town-by-town review of provision, development of a sustainable service will result in libraries appropriate for each community and will require some reduced provision.	-4
Performance, Customer Services & Capacity	7.6 - Resilient communities	Corporate and Partnerships - Removal of temporary budget for External Funding Team	Vivienne Quayle		-50		Corporate approach to re-focus of area working, to prevent demand on local services.	
Performance, Customer Services & Capacity	7.6 - Resilient communities	Grants - Removal of one-off grants to Town and Parish Councils	Vivienne Quayle		-209		Removal of one-off item for 2012/2013.	
Performance, Customer Services & Capacity	7.6 - Resilient communities	Grants - Transitional grants to Town and Parish Councils in relation to implementation of local council tax benefit support scheme	Vivienne Quayle		450		Transitional grant support to mitigate for reduction in tax base as a consequence of the change from national to local scheme for council tax benefits.	
Performance, Customer Services & Capacity	7.6 - Resilient communities	New way of working with communities and implementing localism	Vivienne Quayle					
TOTAL PERFORMANCE, CUSTOMER SERVICES & CAPACITY					91	50		-4

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Service	Change Project	Description	Responsible Officer	Capital Link				
Unallocated	7.1 - Restructure the organisation	One year funding allocation to assist delivery of major change programme	Caroline Simpson		470			
TOTAL: PLACES & ORGANISATIONAL CAPACITY		Sub-Totals			2,681	2,403		-48
Corporate Services								
HR and OD Organisational Development	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Service restructure	Julie Davies		-53	33	A small restructure in HR&OD, with the reduction of 1 post at Grade 11.	-1
Organisational Development	8.1 - Further develop employment and working practices to enable flexible and agile working	Performance related pay scheme	Julie Davies		0	230	Performance related pay is being explored. An investment of £230k will be required over the next 2 years. Options are currently being considered by the relevant Policy Development Group.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Organisational Development	8.1 - Further develop employment and working practices to enable flexible and agile working	Enabling flexible working practices	Julie Davies		0	50	The savings associated with this project are directly linked to the asset disposal/reduction strategy. Equally, the investment costs linked to this project are detailed in the ICT Strategy. An additional £50k is requested to invest in advice and small scale office redesign to better facilitate the 'agile worker' concept in Council buildings.	
Organisational Development	8.1 - Further develop employment and working practices to enable flexible and agile working	Creating job families, to support workforce and service development	Julie Davies		0		This project does not require up front investment and will not generate any savings (directly). It will however ensure that we have streamlined job structures which will help services to increase productivity whilst changing size and shape and enable the Council to have a flexible, multi skilled and agile workforce.	
Organisational Development	8.2 - Identify changing skills requirements over medium term and equipping the organisation with these skills	Changing skills project, to support workforce development, individual and Service performance improvement	Julie Davies / Rosie Ottewill		100	70	This project does not produce savings or cost reductions for the Council directly. It will however ensure that we have a highly skilled, flexible and high performing workforce to take the Council into the future (with significantly fewer Managers). It will also help to improve front-line Services through better leadership and management skills, improved commissioning and business skills, honed customer service skills and improved change and transformation skills. It will become embedded in Workforce Planning and assist Services in to increase productivity whilst changing size and shape.	

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Service	Change Project	Description	Responsible Officer	Capital Link				
Organisational Development	8.2 - Identify changing skills requirements over medium term and equipping the organisation with these skills	Health & well-being support for staff, including Employee Assistance Programme (EAP)	Julie Davies		45		An investment of £45k for an Employee Assistance Programme (EAP) will significantly mitigate against a predicted overspend of approximately £65k in Occupational Health through heavy demand on Counselling services. An EAP will also help to drive down sickness, improve morale, reduce stress levels and improve employee wellbeing.	
Finance and Business Services								
ICT	7.4 - Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery	Core System Stability	Gareth Pawlett	ICT Capital Programme - £20m investment over 3 years	650		An additional £650k to support the financial implications of running the old network and new PSN networks simultaneously, along with ongoing direct revenue cost to ICT Strategy in future years. Infrastructure costs are currently billed on a 50:50 basis to CEC and CWAC. Any temporary increase in costs incurred by the ICT Shared Service will be funded from this growth bid.	
ICT	7.4 - Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery	Next Generation Desktop	Gareth Pawlett	ICT Capital Programme - £20m investment over 3 years	-125		Further reduction in Microsoft Enterprise Agreement.	
ICT	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	ICT Harmonisation	Gareth Pawlett	ICT Capital Programme - £20m investment over 3 years	-50		Cancellation of application contracts.	
ICT	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Other - Strategy Structure Reductions	Gareth Pawlett		-65	30	Reduction in one service management post.	-1

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Service	Change Project	Description	Responsible Officer	Capital Link				
ICT	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Additional ICT Staff Capitalisation	Gareth Pawlett	ICT Capital Programme - £20m investment over 3 years	-125		Further capitalisation of ICT Strategy staff.	
ICT	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Deepstore/Duplicate Savings target	Gareth Pawlett		210		To correct for underlying base budget shortfalls, and remove duplicated savings target.	
FBS Directorate	7.2 - Develop a more affordable model of corporate and support services with key subject expertise, to enable better strategic commissioning and delivery of frontline services	Develop SLE	Gareth Pawlett / Chris Mann		163		Original plans related to the implementation in 2012/2013 of a Separate Legal Entity for the major Shared Services, are being re-examined through a new Business Case, which is included in Major Project 7.1. On this basis the original planned savings have been removed and the revised plans will be updated in Major Project 7.1 subject to Member decision in February 2013.	
Accountancy	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Insurance re-tendering	Chris Mann		-150		Majority of savings target achieved through re-tendering of corporate insurances. Further efficiency improvements will be targeted following upgrading of insurance claims database.	
Accountancy	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Other - Accountancy - SBSA Income	Chris Mann		-13		Increase income from schools through review of charges and rigorous application of full cost recovery principle.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Accountancy	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Accountancy staffing reductions through introduction of manager self serve	Chris Mann		-75	50	Reductions as a result of enabling Managers to self-service, utilising functions e.g. Financial Reporting Centre.	-2
Finance Shared Service	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Shared Services (HR&Finance) - on-going budget pressure	Chris Mann		120	40	The HR&Finance Shared Service budget pressure will be mitigated through early retirements and compliance improvement that will enable staffing reductions and will be tackled by the end of 2013/2014. However, the pressure will be mitigated in the mean time by the one-off Benefit Subsidy surplus described below.	-2
Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Housing & Council Tax subsidy - exceed recovery target.	Chris Mann		-120		Surplus on subsidy income in 2011/2012 is anticipated to continue, but at a significantly reduced level, due to changes to council tax support.	
Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Transfer of Social Fund from central government (matched by grant funding)	Chris Mann		741		From April 2013 the funding and responsibility for a replacement to the Social Fund Scheme transfers from the Department of Work and Pensions (DWP) to the Council. A draft scheme has been developed, but is still subject to procurement for goods and services once demand is identified. It is anticipated that demand will be managed to ensure the awards are under the level of the grant and the administration costs will be reduced as part of the more flexible use of resources and move from traditional functional roles. This will be treated as a ring-fenced provision.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Absorb additional administration costs related to transfer of Social Fund within existing resources	Chris Mann		-129		The aim is to absorb the administration costs of the Social Fund over the medium term once the scheme is embedded. No additional staff will be taken on to undertake this work, existing resources will redeployed and backfill capacity provided through purchasing off-site processing.	
Revenues & Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Improved efficiency through adoption of 'Digital by Default'	Chris Mann		-75	50	Continued focus on uptake of on-line billing for Council Tax & Business Rates and self-service facility for Revenues customers. This will require some investment in new software, but will result in savings in printing and postage and staff time, which will be redirected into targeted recovery action to maintain collection rates.	
Revenues & Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Improve productivity in Revenues & Benefits	Chris Mann		-100	50	Further efficiency savings to be delivered through exploitation of on-line working, channel shift and flexible working. Opportunities for collaboration will also be explored.	-1
Revenues & Benefits	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Efficiency improvement through consolidation of resources for fraud & investigation	Chris Mann		0		Create a combined fraud/investigation team through pooling of resources across Benefits and Internal Audit under joint management arrangement.	
Borough Solicitor Legal Services	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Legal Services staffing capacity	Michael Rowan		0		Increase capacity and reduce reliance upon expensive ad hoc locum support.	

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Legal Services	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Registration of land titles	Michael Rowan		0		The project to voluntarily register all outstanding title to land owned by the Council has been proceeding since September 2011 and is nearing completion. Registration of all the Council's titles will, once complete, considerably streamline land transactions and therefore enable spending reduction.	
Coroners	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Adjustment in base budget for Coroners Service	Brian Reed		50		Adjustment to correct for underlying base budget shortfall in the Council's contribution to the Coroners Service.	
Registrations	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Additional Registrations Service staff	Brian Reed		40		Additional resource requirement to support the increased level of marriages. In order to meet challenging income targets and increased demand, further resources are required in terms of Marriage Officers.	
Elections	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Delay recruitment to vacant Elections Office post	Brian Reed		-10		One-off saving from delaying for 6 months recruitment to a vacant Grade 3 post within the Elections Team. Elections Office is functioning on below minimum staffing levels. On this basis, the Team should have 7-8 FTE, but has only 6 FTE.	
Registrations/Business Support Unit	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Reduce number of Administrative Officers	Brian Reed		-19		Deletion of the vacant Business Support Unit post reduces administrative support to lawyers. The service will manage out the risk of this work falling back on professional staff.	-1

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Committee Team	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Reduce number of Scrutiny Officers	Brian Reed		-35		Delete the currently vacant Scrutiny Officer post and manage out the possible detrimental impact upon servicing Scrutiny committees and Policy Development Groups.	-1
Democratic Services	7.3 - Continue targeted business improvement reviews to find efficiency savings from all services	Rationalise Democratic Services management structure	Brian Reed		-64	38	Service management restructuring.	-1
All Corporate	7.2 Develop a more affordable model of corporate and support services with key subject expertise, to enable better strategic commissioning and delivery of frontline services	Developed model for Corporate Services	Vivienne Quayle		-200	20	Develop smaller, cross-service functions for performance, research, consultation, workforce development, and publicity and marketing. These functions will in total have less staff and resource, but by pooling current resource which is spread across services, they will have a greater capacity, focus and resilience. The functions will provide a corporate role but with key subject expertise. In order to achieve this new approach it is vital that the current Children, Families and Adults resource is pooled with corporate resource, and discussions have taken place between services to this effect.	-5
	7.1 - Restructure the organisation	One year funding allocation to assist delivery of major change programme			160			
TOTAL: CORPORATE SERVICES		Sub-Totals			872	661		-15

Summary of Major Change Programmes - Budget Report 2013/2016 - Council 28/02/2013					Total 2013/2014 £000s	Cost of Investment 2013/2014 £000s	Activity and consequence	FTE Change 2013/2014
Service	Change Project	Description	Responsible Officer	Capital Link				
Cross Cutting								
	8.3 - Manage workforce turnover so that vacant posts are used to provide efficiency savings, whilst retaining staff with essential skills	Provision for contractual increments currently under review			210		Budget for increments for the part-year effect from November 2013 to March 2014 and for increments in 2014/2015 pending development of a Performance Related Pay scheme.	
	7.1 - Restructure the organisation	Reducing management overheads			-2,173			-71
	8.3 - Manage workforce turnover so that vacant posts are used to provide efficiency savings, whilst retaining staff with essential skills	Managing workforce turnover so that vacant posts are used to provide efficiency savings whilst retaining staff with essential skills			-2,500		There is no investment required for this project and achievement of projected savings will be subject to at least 50% of vacancies arising from natural wastage being deleted. The saving related to 2013/2014 requires a number of vacancy reductions to be implemented between November 2012 and March 2013.	-129
	7.1 - Restructure the organisation	Cost of additional staff reductions				1,346	Costs associated with the additional savings required from management restructuring.	
TOTAL: CROSS CUTTING		Sub-Totals			-4,463	1,346		-200
TOTAL ALL DIRECTORATES					8,698	6,300		-338

CAPITAL PROGRAMME - SUMMARY**CAPITAL****Capital Programme 2013/2014 - 2015/2016**

	Total Approved Budget £000	Prior Year Spend £000	Forecast Spend 2013/2014 £000	Forecast Spend 2014/2015 £000	Forecast Spend 2015/2016 £000
Ongoing Schemes					
Children & Families	25,906	16,513	8,769	625	0
Adults	1,796	847	949	0	0
Places and Organisational Capacity	144,063	75,371	45,550	21,629	1,512
Corporate Services	68,513	5,928	30,418	27,167	5,000
Total Ongoing Schemes	240,278	98,659	85,686	49,421	6,512
New Schemes					
Children & Families	7,962	0	7,962	0	0
Adults	9,000	0	500	2,500	6,000
Places and Organisational Capacity	65,366	0	17,821	31,145	16,400
Corporate Services	0	0	0	0	0
Total New Schemes	82,328	0	26,283	33,645	22,400
Total	322,606	98,659	111,969	83,066	28,912
Funded By					
Prudential Borrowing		18,860	37,894	35,227	17,912
Grants		65,194	41,305	22,076	2,630
Capital Receipts		11,648	10,000	5,000	0
Developer / Other Contributions		2,927	22,670	20,763	8,370
Revenue Contributions		30	100	0	0
Total		98,659	111,969	83,066	28,912

CHILDREN AND FAMILIES - SUMMARY

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget £000	Prior Year Spend £000	Forecast Spend 2013/2014 £000	Forecast Spend 2014/2015 £000	Forecast Spend 2015/2016 £000
Ongoing Schemes					
Safeguarding & Specialist Support	2,081	1,196	885	0	0
Early Intervention & Prevention	865	2	863	0	0
Strategy, Planning & Performance	22,960	15,315	7,021	625	0
Subtotal - Ongoing Schemes	25,906	16,513	8,769	625	0
New Schemes					
Strategy, Planning & Performance	7,962	0	7,962	0	0
Subtotal - New Schemes	7,962	0	7,962	0	0
Total	33,868	16,513	16,731	625	0
Funded By					
Prudential Borrowing		5,543	1,510		0
Grants		10,430	14,368	625	0
Capital Receipts		137			0
Developer / Other Contributions		403	853		0
Revenue Contributions					0
Total		16,513	16,731	625	0

**CHILDREN AND FAMILIES
SAFEGUARDING & SPECIALIST SUPPORT**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing %
	£000	£000	£000	£000	£000	
Ongoing Schemes						
Residential Development Programme	1,500	997	503	0	0	100
Short Break Re Provision 2011-2012	175	51	124	0	0	100
Short Breaks for Disabled Children - Development of placements	406	148	258	0	0	0
Total	2,081	1,196	885	0	0	

**CHILDREN AND FAMILIES
EARLY INTERVENTION AND PROTECTION**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing
Scheme	£000	£000	£000	£000	£000	%
Ongoing Schemes						
Hurdsfield - Replacement of the Family Centre	865	2	863	0	0	100
Total	865	2	863	0	0	

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing %
Scheme £000	£000	£000	£000	£000	£000	
Ongoing Schemes						
Primary Schools	13,480	9,902	3,579	0	0	63
Secondary Schools	4,735	3,216	1,439	80	0	24
Specialist Schools	906	0	906			0
Minor Works / Accessibility (<£100k) - Improvements	943	922	21	0	0	15
Devolved Formula Capital Grant	2,748	1,137	1,066	545	0	0
Basic Need (<£100k) - Extensions	148	138	10	0	0	0
Subtotal - Ongoing Schemes	22,960	15,315	7,021	625	0	
New Schemes						
1. Basic Need - Block Provision	1,273	0	1,273	0	0	0
2. Wilmslow Grange Primary School - 2 Classroom Extension	887	0	887	0	0	0
3. Vine Tree - Primary School - 4 Classroom Extension	1,267	0	1,267	0	0	0
4. Suitability/Minor Works/Accessibility Block Provision	900	0	900	0	0	0
5. Condition Work - Block Provision	1,509	0	1,509	0	0	0
6. Re-organisation/Co-location of Services	100	0	100	0	0	0
7. Capital Maintenance Grant Block Provision	727	0	727	0	0	0
8. Devolved Formula Capital	902	0	902	0	0	0
9. Free Early Years Education Grant for 2 year Olds	397	0	397	0	0	0
New Schemes	7,962	0	7,962	0	0	0
Total	30,922	15,315	14,983	625	0	

Capital Programme 2013/2014 - 2015/2016

Please note that all of the 2013/2014 grant figures are based on the 2012/2013 grant allocations and will be revised once notification is received from the Department for Education

Details of New Schemes

1. Basic Need Block Provision

Basic need funding is allocated from the Department for Education according to relative need for new places, based on forecast data.

2. Wilmslow Grange Primary School

A two classroom extension over two storeys including a lift to allow DDA access to the first floor, a new staircase and group room space. Increases capacity to 315 places

3. Vine Tree Primary School

A four classroom extension, demolition of a mobile, creation of two group rooms, toilets and circulation. Increases capacity to 315 places.

4. Suitability/Minor Works/Accessibility Block Provision

Prioritised on a needs led basis the provision ensures that the establishment can function effectively and there are no Health & Safety or Safeguarding issues.

5. Condition Work - Block Provision

Prioritised on a needs led basis the provision relies on a condition survey to be completed.

6. Re-organisation/Co-location of Services

Provision to be used for the Children and Families Accommodation Strategy.

7. Capital Maintenance Grant Block Provision

To cover the project management costs of the individual projects within the Children and Families Capital Programme

8. Devolved Formula Capital

The grant is passported through the Authority and directly allocated to the schools for capital works.

9. Free Early Years Education Grant for 2 year Olds

New Government funding for disadvantaged 2 years olds to entitle them to 15 hours support each week.

ADULTS

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget £000	Prior Year Spend £000	Forecast Spend 2013/2014 £000	Forecast Spend 2014/2015 £000	Forecast Spend 2015/2016 £000	Forecast Spend funded by Borrowing %
Ongoing Schemes						
Business Management & Change - Building Base Review - Adaptations and refurbishments	773	190	583	0	0	0
Business Management & Change - Combined ICT Project - Standardising processes	567	317	250	0	0	0
Care4CE - CareWorks System - Information Management System	456	340	116	0	0	0
Subtotal - Ongoing Schemes	1,796	847	949	0	0	
New Schemes						
<u>7.4 Implement a modern business architecture, including ICT Systems</u>						
1. Supporting the Front Line - Standardising of the Adults, Children & Families ICT Systems	3,000	0	500	1,500	1,000	77
<u>2. Developing affordable and sustainable local models of care</u>						
2. Hollins View	6,000	0	0	1,000	5,000	50
Subtotal - New Schemes	9,000	0	500	2,500	6,000	
Total	10,796	847	1,449	2,500	6,000	
Funded By						
Prudential Borrowing				1,800	3,500	
Grants		847	1,449	200		
Capital Receipts				500	2,500	
Developer / Other Contributions						
Revenue Contributions						
Total		847	1,449	2,500	6,000	

Details of New Schemes

1. Supporting the Front line

This projects aims to rationalise and standardise the number of systems and processes within the Adults, Children & Families service departments.

2. Hollins View

To create an Adult Care Facility in partnership with the Health Authority.

PLACES AND ORGANISATIONAL CAPACITY - SUMMARY

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget £000	Prior Year Spend £000	Forecast Spend 2013/2014 £000	Forecast Spend 2014/2015 £000	Forecast Spend 2015/2016 £000
Ongoing Schemes					
Waste, Recycling and Streetscape	272	89	183	0	0
Highways and Transport	87,318	51,784	23,470	12,063	0
Community Services	2,486	1,139	1,297	50	0
Development	52,518	21,100	20,390	9,516	1,512
Performance, Customer Services and Capacity	1,469	1,259	210	0	0
Subtotal - Ongoing Schemes	144,063	75,371	45,550	21,629	1,512
New Schemes					
Highways and Transport	46,380	0	14,835	21,645	9,900
Community Services	12,700	0	400	9,000	3,300
Development	5,586	0	2,586	0	3,000
Performance, Customer Services and Capacity	700	0	0	500	200
Subtotal - New Schemes	65,366	0	17,821	31,145	16,400
Total	209,429	75,371	63,371	52,774	17,912
Funded By					
Prudential Borrowing		9,749	36,281	31,484	9,412
Grants		53,874	25,457	21,251	2,630
Capital Receipts		9,452			
Developer / Other Contributions		2,266	1,533	39	5,870
Revenue Contributions		30	100		
Total		75,371	63,371	52,774	17,912

**PLACES AND ORGANISATIONAL CAPACITY
WASTE, RECYCLING & STREETScape**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing %
	£000	£000	£000	£000	£000	
Ongoing Schemes						
Improvements to Congleton Park, Including Town Wood	104	64	40	0	0	
Waste, Recycling & Streetscape - Section106 Agreements	127	24	103	0	0	
Malkins Bank Play Area - Restoration / Improvements	41	1	40	0	0	
Total	272	89	183	0	0	

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing %
	£000	£000	£000	£000	£000	
Ongoing Schemes						
Highways & Transport Section 278 Agreements	776	556	210	9	0	0
Crewe Green Link Road (Council Funded Element)	1,300	800	500	0	0	100
Alderley Edge By-Pass Scheme Implementation	54,687	47,135	6,924	628	0	5
Badger Relocation	115	64	51	0	0	0
Alderley Edge Village enhancements	94	34	60	0	0	36
Bridge Maintenance Minor Works - Public Right of Way	114	94	20	0	0	100
Taylor Drive, Nantwich - Footway / Cycleway link	120	90	20	10	0	0
Crewe Rail Exchange - Redevelopments	5,274	1,256	4,018	0	0	0
Carbon Initiatives	2,000	1,381	619	0	0	100
Highways & Transport Section 106 Agreements	101	71	30	0	0	0
Local Sustainable Transport Fund	1,273	303	510	460	0	0
Integrated Transport Block - Local Transport Plan	5,489	0	2,281	3,208	0	0
Roads Maintenance Block - Local Transport Plan	15,975	0	8,227	7,748	0	0
Subtotal - Ongoing Schemes	87,318	51,784	23,470	12,063	0	
New Schemes						
<u>1.1 Investment in existing and new road infrastructure</u>						
1. Construction of Crewe Green Link Road South	19,000		1,200	8,800	9,000	2
2. Investment In Existing Road Infrastructure	22,280	0	11,485	10,795	0	90
3. Congleton Relief Road - Option Development	2,700	0	900	900	900	67
4. Poynton Relief Road - Option Development	1,100	0	600	500	0	50
5. Crewe Transformational Projects	1,300	0	650	650	0	100
Subtotal - New Schemes	46,380	0	14,835	21,645	9,900	
Total	133,698	51,784	38,305	33,708	9,900	

Capital Programme 2013/2014 - 2015/2016

Details of New Schemes

1. Construction of Crewe Green Link Road South

Development and construction of the Crewe Green Link Road South, opening up the Basford East Strategic employment site. The proposal was approved at Cabinet on the 4th July 2011 and 20th August 2012.

2. Investment In Existing Road Infrastructure

The project will deliver a Borough wide programme of carriageway surface treatments including resurfacing, overlays and surface dressing and, where necessary, associated drainage and footway works that will restore the targeted roads to a high standard.

3. Congleton Relief Road - Option Development

To investigate a number of transport options on the A34 and A534 West and North of Congleton Town Centre. The proposal was approved at Cabinet on 17th September 2012.

4. Poynton Relief Road - Option Development

To develop a new protected route alignment for the scheme. The proposal was approved at Cabinet on 17th September 2012.

5. Crewe Transformational Projects

A key transport infrastructure project linked to enabling the delivery of the All Change for Crewe Regeneration Scheme.

**PLACES AND ORGANISATIONAL CAPACITY
COMMUNITY SERVICES**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing %
	£000	£000	£000	£000	£000	%
Ongoing Schemes						
Nantwich Pool Enhancements	1,521	512	1,009	0	0	100
Residents Parking Schemes	245	170	75	0	0	43
Leisure Centre ICT Member Systems	200	100	100	0	0	100
Lifestyle Centre Refurb at Macclesfield Leisure Centre	115	105	10	0	0	100
Lifestyle Centre Refurb at Wilmslow Leisure Centre	75	65	10	0	0	100
Other Car Parking Improvements	180	152	28	0	0	100
CCTV - Infrastructure Rationalisation	150	35	65	50	0	100
Subtotal - Ongoing Schemes	2,486	1,139	1,297	50	0	
New Schemes						
<u>6.1 Develop new delivery model for leisure provision</u>						
1. Development of a Lifestyle Centre at Crewe Cumberland Arena	12,700	0	400	9,000	3,300	100
Subtotal - New Schemes	12,700	0	400	9,000	3,300	
Total	15,186	1,139	1,697	9,050	3,300	

Details of New Schemes

1. Development of a Lifestyle Centre at Crewe Cumberland Arena

The construction of a new all-inclusive leisure facility, modern family and adult social care provision and community facilities all in one location. This proposal was approved at Cabinet on 10th December 2012 and permission was given to progress the delivery of the Crewe Lifestyle Centre Scheme as set out in the business case by procuring a design and build contractor.

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing
	£000	£000	£000	£000	£000	%
Ongoing Schemes						
Town Centre Regeneration & Development Programme	2,848	2,704	144	0	0	30
Earl Road Handforth Feasibility	130	30	100	0	0	0
Parkgate - Regeneration	359	294	65	0	0	0
Choice Based Lettings	222	202	20	0	0	18
Affordable Housing Initiatives - Section 106 Holly Lodge	870	559	311	0	0	4
Housing Grants - Ex Macclesfield Borough Council - Section106	1,045	880	165	0	0	0
Social Housing Grants	601	557	44	0	0	2
Assisted Purchase Scheme - First Time Buyers	591	522	69	0	0	1
Tatton Park Programme	2,064	279	1,785	0	0	59
Rolling Programme						
Private Sector Assistance - Home repairs	1,336	776	300	260	0	0
Disabled Facilities Grants - Adaptations	1,814	1,200	614	0	0	54
Asset Management Programme	14,138	4,820	4,818	4,500	0	87
Farms Strategy - Restructure	3,380	356	756	756	1,512	
Office Accommodation Strategy	8,376	7,876	500	0	0	23
Regeneration & Development Programme	1,944	0	944	1,000	0	100
Tatton Park Investment	6,260	0	6,260	0	0	100
Housing Development	6,540	45	3,495	3,000	0	100
Subtotal - Ongoing Schemes	52,518	21,100	20,390	9,516	1,512	

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing
	£000	£000	£000	£000	£000	%
New Schemes						
<u>7.5 Maximise the benefits from the Corporate Landlord model</u>						
1. Assets Accelerated Disposals & Demolitions	500	0	500	0	0	100
<u>1.3 Investment to support business growth and regeneration</u>						
2. Economic Development & Regeneration - Physical Asset Development	300	0	300	0	0	100
3. Alderley Park Bio-Incubation Centre	1,000	0	1,000	0	0	100
Rolling Programme						
4. Asset Management Programme	3,000	0	0	0	3,000	100
5. Disabled Facilities Grant	786	0	786	0	0	12
Subtotal - New Schemes	5,586	0	2,586	0	3,000	
Total	58,104	21,100	22,976	9,516	4,512	

Capital Programme 2013/2014 - 2015/2016

Details of New Schemes

1. Assets Accelerated Disposals & Demolitions

Required for a disposal and demolition programme to improve potential sites for re-sale.

2. Economic Development & Regeneration - Physical Asset Development

Increase in resources to deliver the economic growth agenda.

3. Alderley Park Bio-Incubation Centre

A Joint Venture to establish and operate a BioScience Incubator centre for new and existing small businesses in the bioscience sector.
The proposal to support a £1m repayable loan was approved at Cabinet on 7th January 2013.

4. Asset Management Programme

Part of the rolling capital programme for capital works on the Authority's asset portfolio.

5. Disabled Facilities Grant

Grants that are awarded to individual applicants to allow them to adapt their homes for independent living and/or to reduce their need for social care.

**PLACES AND ORGANISATIONAL CAPACITY
PERFORMANCE, CUSTOMER SERVICES & CAPACITY**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget	Prior Year Spend	Forecast Spend 2013/2014	Forecast Spend 2014/2015	Forecast Spend 2015/2016	Forecast Spend Funded by Borrowing
	£000	£000	£000	£000	£000	%
Ongoing Schemes						
Customer Access - Improvements	403	273	130	0	0	94
Radio Frequency ID (RFID) - Library self service machines	1,066	986	80	0	0	100
Subtotal - Ongoing Schemes	1,469	1,259	210	0	0	
New Schemes						
<u>6.3 Develop a new model for sustainable library services and community hubs</u>						
1. Development of a new Library Model	700	0	0	500	200	100
Subtotal - New Schemes	700	0	0	500	200	
Total	2,169	1,259	210	500	200	

Details of New Schemes

1. Development of a new Library Model

The project will design a range of target operating models for libraries that better enables the Council to deliver a library service, reflecting the scale of demand within different communities

**CORPORATE SERVICES
FINANCE & BUSINESS SERVICES**

CAPITAL

Capital Programme 2013/2014 - 2015/2016

	Total Approved Budget £000	Prior Year Spend £000	Forecast Spend 2013/2014 £000	Forecast Spend 2014/2015 £000	Forecast Spend 2015/2016 £000	Forecast Spend Funded by Borrowing %
Ongoing Schemes						
Integrated Legal ICT System	60	55	5	0	0	100
Oracle Optimisation - Development of financial systems	3,960	2,809	824	327	0	48
Location Independent Workforce - Developing ICT facilities	8,571	700	3,400	3,131	1,340	100
Enable Citizens and Businesses - Technology improvements	1,197	100	287	450	360	100
Core System Stability - Maintenance of ICT	13,079	1,900	5,403	2,876	2,900	100
Superfast Broadband	41,646	364	20,499	20,383	400	1
Subtotal - Ongoing Schemes	68,513	5,928	30,418	27,167	5,000	
Total	68,513	5,928	30,418	27,167	5,000	
Funded By						
Prudential Borrowing		3,568	103	1,943	5,000	
Grants		43	31		0	
Capital Receipts		2,059	10,000	5,000	0	
Developer / Other Contributions		258	20,284	20,224	0	
Revenue Contributions		0	0	0	0	
Total		5,928	30,418	27,167	5,000	

Appendix 4

BUSINESS PLANNING PROCESS - ENGAGEMENT

Introduction

1. Cheshire East Council is conducting an engagement process on the Medium Term Financial Plans through a number of stages from October 2012 to Council in February 2013 and beyond that as proposals are implemented.
2. The major changes and uncertainties experienced by the Council have made the development of a suitable set of proposals challenging and therefore engagement on these proposals is being undertaken at a later stage than normal. Some of the major proposals remain “subject to consultation”, that is further targeted consultation activity will be undertaken in advance of those specific proposals being implemented.
3. The Council acknowledges that such consultation activity may alter the outcome of the final proposal and mean the expected financial impact included within the budget is not deliverable. The Council deals with this by factoring into its minimum level of reserves an allowance for changes to proposals arising from consultation or delayed implementation.

Background

4. Local authorities have a statutory duty to consult on their Budget with certain stakeholder groups including the Schools Forum and businesses. In addition, the Council chooses to consult with wider stakeholder groups.

Business Planning Process

5. On 23rd July 2012, the Cheshire East Cabinet agreed a comprehensive Business Planning Process. This was followed by reports on the revised financial position and the Three Year Council Plan being taken to Cabinet on 15th October. These included details of a series of major change programmes to deliver the Council's priorities through investment and to deliver savings.
6. A communications plan has been developed in relation to the Council's priorities and Budget. This sets out a phased approach to engagement:

Round 1 – from October to 25th January
Round 2 – from 25th January to 28th February
Round 3 – from 28th February

Round 1 – October 2012 to January 2013

7. Round 1 of the engagement exercise used existing meetings and events to provide a briefing on the Council 3 Year plan, including the outcomes we are

seeking to achieve and the priorities for action. The briefing also included the change to local government funding, the revised financial position and the implications for the Council. The key dates are set out below:

- 3rd October Business Planning Briefing to all Members
- 15th October Cabinet Report on the Medium Term Financial Strategy (MTFS) and the Three Year Council Plan
- 7th November Town and Parish Council Conference (to discuss a new deal between Cheshire East Council and local councils)
- 12th November Cabinet Report on the Mid-Year Review of Performance
- 10th December Cabinet Report on the updated MTFS following the Mid-Year Review of Performance
- 12th December Corporate Trades Unions Meeting
- 9th January Corporate Trades Unions Meeting

8. The Council's Senior Management Team was also briefed regularly throughout this period. A series of staff roadshows took place from November to January to enable the Chief Executive to brief staff on the funding position and a new deal for staff.

Round 2 – February 2013

9. Round 2 is on-going and based on the Budget Report issued for consideration at Cabinet on 4th February and recommendation to Council on 28th February. It includes the following events:

- 29th January Business Planning Briefing to all Members
- 4th February Cabinet consider the Three-Quarter Year Review of Performance, the MTFS and Budget Report
- 6th February Corporate Trades Unions Meeting
- 12th February Schools Forum Meeting
- 20th February Business Event with Macclesfield Chamber of Commerce
- 25th February Business Event with South Cheshire Chamber of Commerce
- 26th February Business Event with East Cheshire Chamber of Commerce

Engagement Material

10. The key purpose of the second round is to engage on the Council's Budget Report that has been submitted to Cabinet. The document aims to present the Medium Term Financial Strategy, key service developments and impact of the

budget in a user friendly and readable format. A link to the Budget Report was circulated electronically to those who attended the meetings, and hard copy made available on request. Staff were also notified that it was available.

11. The Budget Report was placed on the Cheshire East Council website at <http://www.cheshireeast.gov.uk/budget> on 8th February 2013. The document and website included details of how to comment on the issues.

Format of the January 2013 Meetings

12. The events took a similar format with presentations followed by a question and answer session. The presentation related to:
 - The 2012/2013 expenditure position.
 - The funding position for 2013/2014 to 2015/2016.
 - The Three Year Council Plan.
 - The Business Planning Process.
 - The impact of revenue and capital policy proposals.
13. The Cheshire East Council Cabinet and Corporate Management Team were represented, with the Finance Portfolio Holder, Chief Executive and Head of Finance or representative attending the events as required.

Feedback

14. A summary of issues raised at the events is attached at **Annex 1**.
15. At the time of issuing this report the engagement process is on-going. Therefore, any further issues or comments raised, in particular those relating to Directorate proposals and budgets, will be reported to the Council meeting on 28th February.
16. As noted earlier, the consultation on certain proposals will be undertaken prior to their implementation.

Conclusion

17. Cabinet Members will review the feedback from the events and, where possible, factor these into their final budget deliberations prior to the Council meeting.
18. Feedback on the process or proposals can be sent to:
shapingourservices@cheshireeast.gov.uk

Business Planning Proposals – Engagement

Summary of Key Engagement Issues

Financial Stability

Provisional Settlement

This had been announced at a relatively late stage in the process and formed the basis for the Budget Report. The Final Settlement was released on 4th February and the report has been updated. Any further changes would be reported to the Council Meeting.

Council Tax Freeze

Confirmation that in return for freezing Council Tax for 2013/2014 the Council will receive a grant for two years of up to £1.8m per annum. Cabinet has already agreed to take the freeze in December 2012 and is recommending this to Council. The grant is being used to assist the Council's transformation process.

Inflation

The Council is not providing for a general inflationary increase in 2013/2014. Any inflationary pressures have been accurately identified and offset by savings within each respective service.

Changes to Local Government Finance

There were a number of key changes for local authority funding from 1st April 2013. These included:

- The introduction of the Business Rate Retention Scheme (BRRS) to replace Formula Grant.
- The rolling up of several previously distinct specific grants into the new BRRS.
- The introduction of the local Council Tax Support Scheme to replace Council Tax Benefit with savings targets of over 10%.
- The introduction of Council Tax Technical Reforms to give Council's additional flexibility over discounts in relation to second homes and empty properties.

These meant that councils had a greater incentive to encourage economic growth to increase business rates and improve employment levels and to reduce Council Tax Support costs. In addition, control over discounts would help to bring more property into use.

Business Rates Retention Scheme

It was confirmed the Council would be able to retain any Business Rate growth over and above certain target and threshold levels.

This scheme would need to 'bed in' to allow its operation to be fully understood. At this point in time the rewards from substantial growth appeared to be relatively minor.

Information on deferment schemes will be published with the 2013/2014 business rate bills.

Grants

Grant funding has reduced by c. £13m (-10%) from 2012/2013 to 2013/2014.

Reserves

It was essential for the Council to keep a minimum level of reserves based on a detailed risk assessment. Any planned use had to be repaid over time to maintain levels. The minimum level was being reviewed in light of:

- The Council setting its fifth Budget
- Levels of change and uncertainty
- The forecast outturn position

Feedback from Town and Parish Councils

- There needs to be a joint approach between Cheshire East Council and local councils to energise local residents to be increasingly involved in creating strong communities. Cheshire East Council's role is to co-ordinate, not dominate.
- The potential devolution and transfer of services and assets is still a key consideration for town and parish councils, and further dialogue is required on this. In particular to address capacity concerns in local councils, and to consider devolved services at the right scale eg potential for town and parish councils to cluster and share best practice.
- There was general agreement about the need for strong communication between Cheshire East Council and town and parish councils, recognising that this is a time of significant change in local service delivery, which presents challenges but also opportunities.

Any comments received in relation to Directorate Proposals will be reported to Members in advance of the Council decision on the MTFS and Budget Report.