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DATE: 16 January 2015

OUR REF:

YOUR REF:

Dear Councillor

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE - TUESDAY, 20TH JANUARY, 2015

I am now able to enclose, for consideration at next Tuesday, 20th January, 2015 meeting of the Corporate Overview and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

2015/16 Budget (Pages 1 - 36)

Report of the Chief Operating Officer.

Yours sincerely

Democratic Services Officer

Encs

CHESHIRE EAST COUNCIL

REPORT TO:

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting:	20 th January 2015
Report of:	Chief Operating Officer (Section 151 Officer)
Subject/Title:	2015/16 Budget
Portfolio Holders:	Cllr. Peter Raynes

1 Summary

- 1.1 Cheshire East Council is a large Unitary Authority, responsible for the commissioning of around 500 different services to over 370,000 people and almost 18,000 businesses. The Council's ambition is to always put local residents and businesses first and to effectively target its scarce resources to achieve better outcomes for everyone in the Borough. The medium term financial strategy underpins this commitment and ambition for local economic growth and prosperity for all. There is a clear commitment and focus on early intervention to try and provide the best start and opportunities in life and also high quality targeted support for those who need it, such as the elderly and more vulnerable residents.
- 1.2 The Council will consider the 2015/16 budget at its meeting of 26th February 2015 following an open engagement process which began in July 2014. This report is the fourth report to Corporate Overview and Scrutiny Committee, during the engagement process, and includes additional information on the proposed budget estimates.
- 1.3 The strategy, presented to Council in February 2014, estimated a net revenue budget deficit for 2015/16. This forecast was based on the expectation of further reductions in government grant and consideration of significant changes to the calculation of the domestic and non-domestic tax bases. These challenges are replicated across the Local Government sector; with varying levels of budget deficits reported. Cheshire East began the task of dealing with this challenge as early as possible and had already pro-actively identified net savings of £2.1m, against the estimated deficit of £8.7m for 2015/16, but at February 2014 the budget gap stood at £6.6m
- 1.4 In response to this challenge a Pre-Budget Report was prepared and information presented to members in July. Corporate Overview and Scrutiny Committee reviewed the proposals in August, and the report, which included ideas for savings ranging from £5m to £8m was published for wider consultation in September. Indications were included in the Pre-Budget Report as to the areas where savings would be targeted and the initiatives that would lead to achievement of a balanced 2015/16 position.

- 1.5 During the wide and lengthy engagement process, feedback has been received from members and other external and internal stakeholders. The Council has also completed significant monitoring of performance against the 2014/15 budget and reviewed estimates in relation to government grants and other funding streams.
- 1.6 The provisional financial settlement was received from government on 18th December 2014 and confirmed a reduction in total government support of £9.1m (8.7%). This figure is influenced by the inclusion of inflation linked increases in business rates, council tax freeze grant and new homes bonus. It also reflects the relatively low levels of government grant received by Cheshire East Council. The net reduction is very close to the total savings requirement identified to Council in February 2014. This provides added confidence that strong financial planning and control is now embedded within the Organisation.
- 1.7 The Council tax base was approved by Council on 11th December, which identified additional income of £1.5m. This reflects improved economic conditions created in Cheshire East that allow increased estimates of local growth in housing numbers and a reduction in Council Tax Support requirements.
- 1.8 Following confirmation of the tax base (+£1.5m), publication of the provisional government settlement (-£9.1m), reductions in past service pension costs (+£1.1m) and increasing budgets for capital financing (-£1.5m) the Council is able to confirm that overall savings of £8.0m (3.2%) will be required by services to balance the 2015/16 budget when compared to the 2014/15 budget (as at end of third quarter).
- 1.9 The budget setting process has focused primarily on balancing the 2015/16 budget, but estimates have also been revised for 2016/17 and 2017/18. It is clear that potential further reductions in central government funding will influence the level of funding for services in future. The revision to the Council Plan 2013/2016, in summer 2015, will require challenging decisions around local outcomes.

Summary of Medium Term Revenue Budget (Table overleaf)

Summary of Medium Term Revenue Budget

	Budget Report 2015/16 £m	Estimated Net Budget 2016/17 £m	Estimated Net Budget 2017/18 £m
Commissioning			
Children and Families	43.0	43.7	44.4
Adult Social Care and Independent Living	95.4	95.8	99.0
Public Health and Leisure	2.0	2.2	2.2
Environmental	27.4	27.4	26.5
Highways	11.3	11.3	11.5
Communities	9.2	9.2	9.4
Economic Growth and Prosperity	22.1	22.3	23.3
Chief Operating Officer	39.4	39.5	40.0
<i>Additional Reductions to closing Funding Deficit Yr 2/3</i>		<i>0.0</i>	<i>-14.4</i>
Estimated Expenditure:	249.8	251.4	241.9
Estimated Funding	-249.8	-237.0	-231.8
Forecast deficit	0.0	14.4	10.1

1.10 The savings required are within the range of the previously reported Pre-Budget Report. Our engagement process has been carried out within the right financial context and parameters. The following budget principles were provided to Corporate Overview and Scrutiny Committee during the engagement process in 2014, and each point remains valid as part of the final stages of balancing the 2015/16 budget:

- i. Freeze Council Tax for a fifth consecutive year.
- ii. Enter into no additional external borrowing in 2015/16.
- iii. Maintain appropriate reserves levels that protect against risks.
- iv. React to changes in demand and existing budget proposals that can achieve a balanced budget for 2015/16, including:
 - a. Increasing spending in Adult Services.
 - b. Forecasting income from growth in the tax base and increasing returns on investments.
 - c. Reducing overall spending in all other service areas by targeted interventions.

- 1.11 The accuracy of estimates in the MTFs and Pre-Budget Report reflect the level of analysis carried out in preparing the financial forecasts. This is supported by strong in-year performance which is closer to budget estimates than has previously been delivered. Further evidence of the growing maturity and strong financial control and management that is now embedded within Cheshire East.
- 1.12 The Capital Budget, approved by Council in February 2014, included a three year programme of schemes, with indicative spending profiles which would be adjusted based on availability of associated funding. Governance of the schemes is significantly supported by the ownership and involvement of the Finance Portfolio Holder and the endorsement and oversight of the Executive Monitoring Board. Any 'in year revisions' to the programme have been included within the quarterly performance reports, and proposals for additional schemes were presented informally to Cabinet in December 2014.
- 1.13 Outline of the additional schemes to be proposed as part of the 2015/16 budget are now included in this report for consideration by members of the Corporate Overview and Scrutiny Committee. The phasing and timing of these schemes are still to be finalised.

Summary of Capital Programme

	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Children and Families	16,952	7,682	36,823
Adult Social Care	1,808	800	800
Public Health and Wellbeing	13,171	8,250	0
Highways & Environmental	34,893	28,238	17,837
Communities	782	1,014	0
Economic Growth and Prosperity	48,552	64,061	158,709
Chief Operating Officer	31,105	14,468	8,900
Total	147,263	124,513	223,069

- 1.14 The proposals contained in the annexes to this report identify specific initiatives that support the level of revenue savings required to balance the 2015/16 budget and deliver significant investment in the local area via an ambitious programme of capital investment.
- 1.15 Members of the Committee should note that proposals within the detailed schedules may vary slightly as the final Budget is prepared, sometimes due to review of accounting treatment, and management structure changes, late funding announcements or revised outturn forecasts.

2.0 Recommendations

1. Corporate Overview and Scrutiny Committee are asked to note, and provide comments as necessary on, the Summary and Background of this report.
2. Corporate Overview and Scrutiny Committee are asked to note, and provide any final comments as necessary on, the proposals contained within:
 - a. **Annex 1** – Revenue Budget Proposals
 - b. **Annex 2** – Capital programme proposals

Notes from the meeting will be fed back to Cabinet in support of the overall process to provide a balanced 2015/16 budget.

3.0 Reasons for Recommendations

- 3.1 The Council's annual budget forms part of the overall Medium Term Financial Strategy of the Council and is a key decision. This report provides additional information on proposals contained within the Pre-Budget Report. Feedback on these proposals, from all stakeholders, is requested to ensure a robust process is achieved.
- 3.2 Feedback from Members of the Corporate Overview and Scrutiny Committee provides insight and analysis that supports the overall legal requirement for the Council to set a balanced annual budget and medium term financial strategy.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 The report outlines proposals that may affect the medium term policies of the Council.

7.0 Financial Implications (Authorised by the Chief Operating Officer)

- 7.1 The medium term financial forecast highlighted a potential revenue deficit of £6.6m in 2015/16. This report includes proposals that are intended to lead to the balancing of the 2015/16 budget.
- 7.2 The Chief Operating Officer (as Section 151 Officer) has a responsibility to ensure the annual budget is balanced, includes robust estimates and is supported by adequate reserves.

- 7.3 The on-going impact of the proposals in the Pre-Budget Report, including the revised estimates surrounding the tax base, will help to reduce future financial deficits.

8.0 Legal Implications (Authorised by the Head of Legal Services)

- 8.1 The Council has legal responsibilities to provide local services that will be funded from Council resources.

9.0 Risk Management

- 9.1 Performance and risk management are part of the management processes of the Authority. Risks are captured both in terms of the risk of underperforming and risks to the Council in not delivering its objectives for its residents, businesses, partners and other stakeholders. Risks identified in this report will be used to inform the Corporate Risk Register.

10.0 Background

- 10.1 Each year the Council operates a rolling Business Planning Process to match resources with service needs by consideration of the Council's priorities, risks and targeted service changes. The process addresses these requirements through four stages:

- **Set parameters** ~ assess funding levels through reviewing corporate funding assumptions in relation to Council Tax, etc and agree the Council's priorities going forward.
- **Gather Evidence** ~ develop proposals to manage the reduction in resources and additional growth pressures through initiatives such as changes to services, efficiency savings, increasing income.
- **Consult and Refine** ~ share the proposals with Corporate Overview and Scrutiny Committee, Members and interested parties for comment and an invitation for further suggestions for making savings. Further internal challenge will develop the detail behind the proposals.
- **Approve** ~ Finalise the funding position and proposals. Report to Cabinet and Council to set the Budget.

- 10.2 This year has seen a significant improvement to the process by developing ideas for change much earlier in the year. This has provided an opportunity for the "**Consult and Refine**" stage to share those proposals with interested parties at a much earlier stage, and allow more time for engagement (including use of modern techniques) and to consider the feedback.

- 10.3 This improvement builds on the success in 2012/13 and 2013/14 where the Council's financial and service performance has continued to improve.

- 10.4 The proposals and supporting information were brought together into the Pre-Budget Report for 2015/16 (see www.cheshireeast.gov.uk/Budget for details). This set out the Council's intentions to vary existing budgets.
- 10.5 Comments received throughout the process will support Cabinet in developing the recommendations for a balanced budget to be agreed in February 2015. Corporate Overview and Scrutiny Committee Members are therefore being provided with a further opportunity to consider the proposals in the report and provide feedback to Cabinet.
- 10.6 The Council continues to face financial challenges in the medium term and the position for 2016/17 and 2017/18 will be refined as further information on funding levels in the future is released. This will clearly be after the national and local elections in May 2015.

11 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting:

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Draft Budget Report Pages 2015/18

Financial Plan - Proposals to vary base budget - Children and Families - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Education Support					
Support the frontline, Business Systems and Processes		-340			-340
Fall out of Special Educational Needs Reform Grant		-384			-384
Pay & Pension allocation		137	160	160	457
Children's Social Care & Directorate					
Pay & Pensions allocation		460	536	536	1,532
Joint Funding / Continuing Healthcare Assessments		-100			-100
Fall out of Adoption Reform Grant		-275			-275
Continued efficiencies in the value for money of all placements for Children in Care		-685			-685
Continue successful adoption collaboration and introduce fostering collaboration including LEAN recommendation		-350			-350
Further reduce use of out of borough residential provision for both social care and special educational need		-425			-425
Reconfigure current in-borough care residential provision and link with care leaver independent housing commission		-365			-365
Outcome 5 funding for improving the health of the 5-19 population		-200			-200
Youth Justice Good Practice Grant		326			326
Safeguarding					
Safeguarding - additional costs	The Council needs to increase the work of its Safeguarding service. This follows recent high profile instances, for example, those in Rotherham where practice has been found to be less than satisfactory. This increased investment will be a mixture of externally commissioned services and internal staffing, the latter on a matched funding basis with relevant Public Sector partner agencies such as the Police. The impact on costs for Cheshire East Council has resulted in permanent growth in the base for 2015/16 of £300,000	300			300
Total		-1,901	696	696	-509

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFS than in the Total reflected above.

Draft Budget Report Pages 2015/18

Financial Plan - Proposals to vary base budget - Adult Social Care and Independent Living - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Commissioning Reviews					
Review supported living support, invest in Shared Lives, review Supporting People commissioned services and review respite services	These reviews at one end look at the individual care packages and at the other consider wholesale review of services being commissioned internally and externally by the Council on its own and in some cases with partners (such as Health).	-858	-1,518		-2,376
Legislative and external change					
Care Act, Transfer of Independent Living Fund, Deprivation of Liberties and Pay & Pension allocation	This encompasses the financial effect of changes in law which bring new burdens to the Council (such as the Care Act) and changes in case law which bring additional responsibilities (such as the Deprivation of Liberties judgement in March 2013). In addition extra external changes to employers pension contributions are included here.	4,917	928	928	6,773
Efficiencies					
Initiatives to Deliver Care Efficiencies, Business Systems and Process efficiencies, new ways of working, tighter controls and budget management at the front line assessment and care management service.	This covers a number of areas from back office support efficiencies through to front line areas effectively doing things differently in response to additional demand and therefore doing more for less.	-3,760	-1,000		-4,760
Integration					
Review costs and charges of jointly commissioned services with the two Clinical Commissioning Groups, Joint funding / continuing healthcare assessments, Better Care Fund (S256) funding.	This covers savings being delivered as a result of closer working with health partners.	-364			-364
ASC Demand Management					
Increasing Demand including Children in Transition	This represents the financial outcome of the pressures being felt by Adult Social Care for example reflecting the increased demand as a result of the demographics of the borough and the increasing complexity being presented by service users.	3,300	2,000	2,300	7,600
Total		3,235	410	3,228	6,873

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFs than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Public Health and Wellbeing - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Additional responsibilities for 0-5 year olds transferred from Health over two years	New burdens responsibilities transferred from Health with appropriate funding.	2,353	2,323		4,676
Additional Grant Funding expected		-2,353	-2,323		-4,676
Investment in Outcome 5 activities	Investment in improving health outcomes across all age ranges as identified in key reporting documents such as the Joint Strategic Needs Assessment and the Director of Public Health's annual report. This is done in line with the national Public Health Outcome Framework and to achieve Public Health Premium Payments.	1,200			1,200
Outcome 5 funding for services		-1,200			-1,200
Pay & Pensions allocation		210	245		455
Outcome 5 Funding to improve health and wellbeing		-200			-200
3% Efficiency Saving		-61	-49		-110
Total		-51	196	0	145

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFs than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Environmental - Budget 2015/18

Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Environmental Operations					
Environmental Operations - Service Review			-200		-200
Environmental Operations - base budget adjustments re: contracts & inflation		331	335		666
Savings from Environmental Services	Savings expected from route optimisation, Section 106 income, looking at options to capitalise expenditure and other efficiencies	-762			-762
New Delivery Model - Environmental Operations	The impact of the construction timetable for the new Environmental hub project will require some re-profiling of the savings listed. The Environmental hub depot will however give the infrastructure required by Cheshire East Council to deliver the waste strategy to 2030 and provide savings from ending the landfilling of household waste.		-562	-1,239	-1,801
Bereavement Company					
Bereavement Company	Growth in existing income through addressing cross boundary income loss and introducing new memoria.	-108	-9		-117
To be allocated					
Adjustments to income base budgets relating to grounds maintenance		30			30
Pay & Pensions allocation		592	400	351	1,343
Total		83	-36	-888	-841

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFS than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Highways - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Highways Service					
Highways Contract - Inflation and Efficiency savings	Contract inflation partially offset by efficiency savings.	98			98
Reversal of energy consumption savings in Street Lighting		185			185
New Permit Scheme	Recovery of existing staff costs against new permit scheme including inspectors and notice processing.	-200			-200
Pay & Pensions allocation		73	86	75	234
Flood Defence - new responsibilities	Consultation and publication of the Authority's Flood Risk Management Plan.	250			250
Signing and Lining	In support of enforcement colleagues, consolidation of traffic orders and refreshing signing and lining for 3 years	150	-50		100
Year 3 Pressures (estimated) - contracted inflation				98	98
Total		556	36	173	765

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFS than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Communities - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Head of Communities					
Pay & Pension allocation		277	322	555	1,154
Local Community Services					
New operating model for Customer Services, Revenues and Benefits	Further business improvements continue to be made which enhance our collection rate methods and increase numbers of people paying online. The saving relates primarily to a reduction in agency staff and better customer focussed approaches.	-113	-3		-116
Development of a sustainable Library service	This is the last year of a 3 year business improvement model which has seen the Council balance the expectations of traditional library users with the expectations of residents that visit us to get help finding a job, advice on benefits and get involved in community activities. The savings will come predominantly from reviewing our reference collections and selling higher value surplus stock, digitalising local studies collections, procurement of a new mobile library vehicle, re-aligning our book expenditure and introducing e-books. Management structures and specialist librarian roles have been reviewed and will continue to do so, empowering our local libraries to provide a service relevant to the local community.	-100			-100
Fall out of Housing & Council Tax Benefit admin grant	Careful management of the funding has enabled us to focus on those most in need. This will continue to happen and the Council is monitoring the impact of Universal Credit on our residents	-211	-275	-275	-761
Fall out of Social Welfare Fund		-612			-612

Draft Budget Report Pages 2015/18

Financial Plan - Proposals to vary base budget - Communities - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Local Area Working					
Transitional grants to town & parish councils for the implementation of the local Council Tax Benefit support scheme	The Council Tax Support Scheme was introduced in 2013/14 and was applied as a reduction in taxbase. This reduced the income available to town & parish councils from Council Tax. The Council has provided a compensation payment to cover this reduction. The payment is linked to reductions in the Council's general grant funding and is reviewed each year.	-93	-73	-45	-211
New Proposals					
Car parking income - correction of base budget	The income received for all aspects of car parking both pay and display and enforcement is less than the actual target set in the budget. This is due to a combination of factors, firstly, there was an assumption made that outsourcing the parking enforcement service would mean a significant saving. This did not happen as it wasn't assessed as appropriate or feasible. Plus a national decline in people coming to shop in High Streets and also the change in emphasis of our enforcement team to one of being tough on the selfish and parking dangerously or in disabled spaces where they have no right to park. Therefore, the budget has been adjusted to reflect a realistic position and a car parking strategy will follow in 2015.	750			750
Outcome 5 funding to support activities in libraries that help to prevent determinants of poor health and wellbeing including chronic loneliness, isolation and inactivity.	Participation in shared activities improves confidence and self-esteem, builds social networks and personal resilience.	-200			-200
Outcome 5 funding to Libraries to help people live well and for longer		-200			-200

Draft Budget Report Pages 2015/18

Financial Plan - Proposals to vary base budget - Communities - Budget 2015/18					
Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Enforcement Services – exploration of commercial opportunities and focus on key enforcement activities to support residents	As a Council with a strong focus on putting residents and businesses first we have been reviewing the work of our key enforcement services to ensure that they are focussed on the right issues. This has meant that there are elements within the services that can be delivered differently on a more commercial footing and also a pulling back on working on more national projects that don't necessarily benefit our most vulnerable residents who are being targeted by scams and rogue traders.	-110			-110
Total		-612	-29	235	-406

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFS than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Economic Growth and Prosperity - Budget 2015/18

Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Director & Business Management					
Pay & Pensions allocation		193	226	355	774
Assets					
Rationalisation Project & income generation	The Council's agency project to evaluate our asset base and reduce revenue costs is underway. This is expected to deliver disposals, accelerated revenue savings and create efficiencies in running costs and staffing as a result.	-293	6		-287
Farm Estates review to realise efficiency savings		-140			-140
Service review to realise efficiency savings		-175			-175
Rent Review		-50			-50
Energy (estimated) pressure				701	701
Visitor Economy, Culture & Tatton Park					
Visitor Economy: service efficiency	Continuing the reduction in Tatton base budget based on increased income resulting from 'Tatton vision' programme of capital investment. In addition, efficiency savings across Visitor economy, Culture and Tatton Park, realigning delivery of some visitor & cultural economy services while seeking to maintain visitor economy growth and developing a framework for cultural commissioning and co-ordinating delivery of 'Cheshire East Reflects'.		-6		-6
Tatton Park Vision: reduce subsidy to the trading account		-88	-65	-37	-190
Cultural Services: World War 1 Commemoration net change across 2014-2017.		-8	5		-3
Visitor Economy & Cultural Services: review to realise efficiency savings		-35			-35
Investment					
Budget growth to create a strong and commercially focused service, securing investment and funding.		80			80
Home To School Transport					
Home to school transport - safer routes		-100			-100
Delegate Home to School Transport to Schools		-150			-150
Extended Rights to Travel - Additional Grant Funding		-153			-153
Total		-919	166	1,019	266

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFs than in the Total reflected above.

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Financial Plan - Proposals to vary base budget - Chief Operating Officer - Budget 2015/18

Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Resources & Stewardship					
Utilities change in charging mechanism, inflation and base correction	Adjustment to reflect an increase in costs due to a change in charging mechanism to be used by United Utilities; inflationary growth in Business Rates, Electricity, Gas and Water, which has been reduced significantly from original projections.	334	671		1,005
Carbon Reduction Tax	Government legislation introduced a Carbon Reduction Tax from April 2014. Taxation level increases each year.	41	41		82
Savings realised by vacating certain buildings	For example, vacating Dalton House, Middlewich	-394	-181		-575
Contract savings	Savings resulting from the renewal of facilities management contracts for maintenance (cyclical, responsive, planned and minor works) and compliance (asbestos, legionella audits, DEC's, fire risk assessments, and DDA)	-175			-175
Employee cost savings		-50	-100		-150
Resources & Stewardship employee cost savings		-200	-300		-500
Supplies & Services		-100	-100		-200
Further savings from Procurement	These will be allocated to services based on the forward plan of the contract register.	-500			-500
CoSocius - Savings	Planned Management Fee Reductions	-362	-276		-638
ICT - Capitalisation of New Generation Desktop	Reinstatement of budget - One-off Capitalisation of new kit in 2014/15	300			300
HR & Organisational Development					
The reduction will be met via a combination of changes to staffing, supplies and services budgets and revision to income targets.		-135	-133		-268
Governance & Democratic Services					
Elections - Individual Electoral Registrations	Individual Electoral Registrations expenditure in 2014/15 completed and being removed from base budget	-108			-108
Coroner's Act	Increased workload for Coroner's Office mainly due to the legislative requirements placed on the Coroner due to the introduction of the Coroner's and Justice Act 2009	65			65

Draft Budget Report Pages 2015/18

Financial Plan - Proposals to vary base budget - Chief Operating Officer - Budget 2015/18

Description for Budget Report	Additional details for Budget Report Narrative and Corporate Scrutiny	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Removal of LGPS employers contributions for Members	The Government has confirmed that LGPS will close to elected Members. Councillors who are already in the Scheme on 31 March 2014 may continue in membership up until their existing term of office comes to an end. The resulting saving to be removed from the budget.	-142			-142
Other					
Pay & Pensions allocation		323	458	538	1,319
Total		-1,103	80	538	-485

Note: Expenditure in 2014/15 also included temporary budgets to fund innovation and investment to create sustainable services. At 31st March 2015 these budgets will have been used or placed in reserves for continuing work in these areas. The overall reduction in budgets from 2014/15 to 2015/16 may therefore appear higher in the MTFs than in the Total reflected above.

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Children and Families

CAPITAL

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget	Prior Year Expenditure	Forecast Spend 2015/16	Forecast Spend 2016/17	Forecast Spend in future years £000
	£000	£000	£000	£000	£000
Committed Schemes - In Progress					
Primary Schools	3,713	3,509	204	0	0
Springfield Special School	1,252	1,150	102	0	0
Schools Maintenance Projects	3,540	3,266	274	0	0
Suitability/Minor Works & Accessibility Projects	1,471	1,311	160	0	0
Devolved Formula Capital	5,962	3,000	1,143	1,163	656
Capital Maintenance Grant - Committed	342	242	100	0	0
Short Breaks for Disabled Children	232	152	80	0	0
Free Early Years Education Grant for 2 year Olds	1,147	547	600	0	0
Foster Carers Capacity Scheme	635	222	206	206	0
Total Committed Schemes In progress	18,294	13,399	2,869	1,369	656
Committed Schemes at Gate 1 Stage					
Primary Schools	4,638	839	3,371	428	0
Total Committed Schemes at Gate 1 Stage	4,638	839	3,371	428	0
Total Committed Schemes	22,932	14,238	6,240	1,797	656

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Basic Need Programme	10,990	154	5,699	2,337	2,800
Capital Maintenance Programme	11,223	155	4,333	3,368	3,367
Total Medium Term & Rolling Programmes	22,213	309	10,032	5,705	6,167
Longer Term Proposals					
Care Leavers - Supported Accommodation	500	0	500	0	0
Purchase of Multi Purpose Vehicles - Working on Wheels	360	0	180	180	0
Knutsford Achievement	10,000	0	0	0	10,000
Crewe Achievement	20,000	0	0	0	20,000
Total Longer Term Proposals	30,860	0	680	180	30,000
Total	76,005	14,547	16,952	7,682	36,823

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Community Capacity Grant	3,408	0	1,808	800	800
Total Medium Term & Rolling Programmes	3,408	0	1,808	800	800
Total	3,408	0	1,808	800	800

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Committed Schemes - In Progress					
Crewe Lifestyle Centre	15,470	5,999	9,471	0	0
Total Committed Schemes In progress	15,470	5,999	9,471	0	0
Total Committed Schemes	15,470	5,999	9,471	0	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Congleton Lifestyle Centre	7,000	300	3,700	3,000	0
Total Medium Term & Rolling Programmes	7,000	300	3,700	3,000	0
Longer Term Proposals					
All Weather Pitch - Cumberland Arena	250	0	0	250	0
Macclesfield Leisure Centre	5,000	0	0	5,000	0
Total Longer Term Proposals	5,250	0	0	5,250	0
Total	27,720	6,299	13,171	8,250	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Committed Schemes - In Progress					
Replacement Cremators at Crewe Crematorium	569	460	109	0	0
Crewe Crematorium Refurbishment	1,500	420	1,080	0	0
Environmental Section 106 Schemes	425	226	199	0	0
Total Committed Schemes In Progress	2,494	1,106	1,388	0	0
Total Committed Schemes	2,494	1,106	1,388	0	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Replacement Litter Bins	150	50	50	50	0
Park Development Fund	247	77	80	90	0
Waste Strategy Implementation	18,910	4,700	8,970	5,240	
Total Medium Term & Rolling Programmes	19,307	4,827	9,100	5,380	0
Longer Term Proposals					
Household Bin Replacement	600	0	200	200	200
Restoration of Coronation Valley, Queens Park	80	0	80	0	0
Restoration of South Park Lake	190	0	190	0	0
Total Longer Term Proposals	870	0	470	200	200
Total	22,671	5,933	10,958	5,580	200

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Committed Schemes - In Progress					
Alderley Edge Bypass Scheme	63,111	58,170	2,232	2,709	0
Alderley Edge Village Enhancements	94	28	66	0	0
Highways Section 106 & 278 Schemes	937	765	150	22	0
Total Committed Schemes In Progress	64,142	58,963	2,448	2,731	0
Total Committed Schemes	64,142	58,963	2,448	2,731	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Highway Investment Programme	18,500	0	6,500	7,000	5,000
Maintenance Block	29,320	0	10,450	9,580	9,290
Integrated Transport Block	5,961	0	1,987	1,987	1,987
Total Medium Term & Rolling Programmes	53,781	0	18,937	18,567	16,277
Longer Term Proposals					
Replacement of Structurally Defective Lighting Columns	5,270	0	2,550	1,360	1,360
Total Longer Term Proposals	5,270	0	2,550	1,360	1,360
Total	123,193	58,963	23,935	22,658	17,637

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget	Prior Year Expenditure	Forecast Spend 2015/16	Forecast Spend 2016/17	Forecast Spend in future years £000
	£000	£000	£000	£000	£000
Committed Schemes - In Progress					
Sustainable Libraries	626	362	264	0	0
Residents Parking	206	196	5	5	0
Car Parking Improvements	258	190	34	34	0
CCTV Infrastructure Rationalisation	169	69	100	0	0
Customer Access	800	521	279	0	0
Community Facilities Grants	100	0	100	0	0
Total Committed Schemes In Progress	2,159	1,338	782	39	0
Total Committed Schemes	2,159	1,338	782	39	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Longer Term Proposals					
Hurdsfield Family Centre	975	0	0	975	0
Total Longer Term Proposals	975	0	0	975	0
Total	3,134	1,338	782	1,014	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Committed Schemes - In Progress					
A500 Widening at Junction 16	3,000	2,953	6	10	31
Crewe Green Link Road - Phase 2	25,747	17,820	6,614	1,140	173
Crewe Rail Exchange	6,964	6,939	25	0	0
Farms Strategy	3,380	625	919	911	925
Private Sector Assistance	1,336	1,104	231	0	0
Tatton Vision	2,159	1,070	796	293	0
Total Committed Schemes In Progress	42,586	30,511	8,591	2,354	1,129
Total Committed Schemes	42,586	30,511	8,591	2,354	1,129

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget	Prior Year Expenditure	Forecast Spend 2015/16	Forecast Spend 2016/17	Forecast Spend in future years £000
	£000	£000	£000	£000	£000
Medium Term & Rolling Programmes					
Gypsy & Traveller Sites	3,358	318	2,778	262	0
Development Programme for Housing and Jobs	34,351	2,767	2,929	5,807	22,848
Regeneration & Development Programme	1,507	611	596	300	0
Corporate Landlord Model - Non-operational	930	0	250	530	150
Disabled Facilities Grant	6,653	3,053	1,200	1,200	1,200
Housing Innovation Fund	1,073	0	573	500	0
Total Medium Term & Rolling Programmes	47,872	6,749	8,326	0	24,198
Longer Term Proposals					
Energy projects	17,100	380	4,600	12,120	0
Crewe Town Centre Regeneration	22,000	0	13,250	4,750	4,000
Empty Homes Initiative	450	0	150	150	150
Congleton Relief Road (Includes Prior Years Option Development Costs)	79,544	3,697	1,700	4,421	69,726
Poynton Relief Road (Includes Prior Years Option Development Costs)	32,601	1,318	1,300	1,000	28,983
Jodrell Bank Square Kilometre Array Support Project	2,000	0	2,000	0	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget	Prior Year Expenditure	Forecast Spend 2015/16	Forecast Spend 2016/17	Forecast Spend in future years
	£000	£000	£000	£000	£000
Longer Term Proposals (continued)					
Handforth Mitigation Package	1,000	0	100	900	0
Congleton Public Realm	1,000	0	1,000	0	0
A34 Corridor Improvements	16,000	0	500	15,500	0
Macclesfield Movement Strategy	6,300	0	500	2,500	3,300
A51/500 Corridor - Nantwich	4,000	0	1,000	1,000	2,000
King Street Enhancement Scheme	2,000	0	1,100	900	0
Sydney Road Bridge	9,015	50	1,335	1,667	5,963
A6 Corridor Improvements	2,000	0	600	1,400	0
Crewe Transformation Phase 3	16,500	0	500	2,000	14,000
Crewe Replacement Bus Interchange Facility	4,050	50	200	3,800	0
Tatton Park Investment	8,060	0	1,800	1,000	5,260
Total Longer Term Proposals	223,620	5,495	31,635	0	53,108
Total	314,078	42,755	48,552	64,061	158,709

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Committed Schemes - In Progress					
Connecting Cheshire - Phase 1	31,692	19,863	11,829	0	0
Total Committed Schemes In Progress	31,692	19,863	11,829	0	0
Total Committed Schemes	31,692	19,863	11,829	0	0

CAPITAL PROGRAMME 2015/16 - 2016/17 and Future Years

	Total Approved Budget £000	Prior Year Expenditure £000	Forecast Spend 2015/16 £000	Forecast Spend 2016/17 £000	Forecast Spend in future years £000
Medium Term & Rolling Programmes					
Corporate Landlord Model - Operational	1,140	0	760	380	0
Asset Management Maintenance Programme	19,029	10,029	3,000	3,000	3,000
Minor Works Programme	1,690	1,040	650	0	0
Digital by Design	5,111	176	2,435	1,500	1,000
ICT Infrastructure Investment Programme (Essential Replacement & Enhancement)	20,658	9,308	4,550	3,900	2,900
Information Assurance and Data Management	10,278	3,207	4,071	2,000	1,000
Core Financials, HR Services	8,339	4,839	1,300	1,200	1,000
Total Medium Term & Rolling Programmes	66,245	28,599	16,766	11,980	8,900
Longer Term Proposals					
Connecting Cheshire - Phase 2	5,099	100	2,510	2,488	0
Total Longer Term Proposals	5,099	100	2,510	2,488	0
Total	103,036	48,562	31,105	14,468	8,900