

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.

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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

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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

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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

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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

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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

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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

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

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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

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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, DECs, 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

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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
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

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