

**TO: THE EXECUTIVE**  
**14 JUNE 2016**

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**GENERAL FUND REVENUE BUDGET 2016/17 – FURTHER SAVINGS PROPOSALS**  
**Chief Executive/Borough Treasurer**

**1 PURPOSE OF REPORT**

- 1.1 To approve the further savings proposals outlined in this report.

**2 RECOMMENDATION(S)**

- 2.1 **That the Executive recommend to Council the savings proposals set out in Annexes A to C.**
- 2.2 **That the Council's Commitment Budget be amended to reflect the savings proposals contained in this report.**

**3 REASONS FOR RECOMMENDATION(S)**

- 3.1 To approve further savings that will enable the Council to deliver its Medium Term Financial Strategy.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The alternative is not to approve the savings. Alternative proposals would then need to be developed and consulted upon if the Council is to deliver its Medium Term Financial Strategy.

**SUPPORTING INFORMATION**

**5 BACKGROUND**

- 5.1 On the 24 February 2016 the Council set its budget and council tax for 2016/17. As a consequence of the previously unannounced changes introduced by the Local Government Finance Settlement the Council was faced with the challenge of setting a legal and balanced budget within a very short time scale.
- 5.2 Due to the short time available there were very few options available to the Council. In practice, this meant that the Executive recommended to Council a significant use of balances (£5.161m). In doing so, it was recognised that using such an amount was not sustainable over the medium term and a range of further savings proposals were, therefore, agreed for consultation. This approach would enable the Council to put money back into balances during 2016/17 and deliver its Medium Term Financial Strategy.

## 6 CONSULTATION ARRANGEMENTS

- 6.1 In accordance with the Council's constitution the further savings proposals were published for consultation on 24 February. The consultation period varied, with those proposals having the potential to impact upon groups with protected characteristics under equalities legislation or involving the voluntary sector having an extended consultation period.
- 6.2 On 10 May 2016 the Executive considered and recommended to Council an initial set of savings proposals that contained staffing implications. These needed to be agreed so that the necessary employment processes could be completed and the savings delivered as soon as possible. These proposals totalled £0.418m in 2016/17, with further savings of £0.095m in 2017/18.
- 6.3 This report considers all of the remaining savings proposals that have been subject to consultation, including those relating to the capital programme.

## 7 TRANSFORMATION BOARD – ADDITIONAL SAVINGS PROPOSALS

- 7.1 The Transformation Board began its work in late 2015. Whilst initial activity concentrated on the development of a work programme there was also a focus on the identification of additional savings that could be implemented relatively quickly during 2016/17 to start to address the budget gap. A range of proposals were developed for consultation which are set out in detail in Annex A and summarised in the table below.

|                                 | <b>2016/17</b> | <b>2017/18</b> |
|---------------------------------|----------------|----------------|
|                                 | <b>£000</b>    | <b>£000</b>    |
| Adult social care commissioning | -500           | -500           |
| Welfare and housing             | -202           | 0              |
| Public health                   | -367           | 0              |
| Highways and transport          | -819           | -47            |
| <b>Total</b>                    | <b>-1,888</b>  | <b>-547</b>    |

- 7.2 Public health is funded through a ring fenced grant which has been subject to reductions in both the current and previous financial years. As a consequence, the savings of £0.367m will be needed to manage public health spending to within the overall ring fenced grant. As such, they cannot be used to replenish the balances that were used when setting the Council's budget in February. However, this still leaves proposed savings of £1.521m available to support the Council's overall budget.

**Consultation Responses to the Transformation Board’s Additional Savings Proposals**

a) Responses received via the website

A total of 252 responses were received via the website. These can be summarised as follows:

|                   |         |     |
|-------------------|---------|-----|
| Strongly Agree    | 0.79%   | 2   |
| Agree             | 5.16%   | 13  |
| Neutral           | 24.21%  | 61  |
| Disagree          | 13.89%  | 35  |
| Strongly Disagree | 24.21%  | 61  |
| Not Answered      | 31.74%  | 80  |
| Total             | 100.00% | 252 |

Whilst the majority of those expressing a view disagreed with the additional savings proposals nearly 56% of respondents were either neutral or did not express an opinion.

b) Comments received via the website

Whilst there were a large number of comments made via the website, there was no significant opposition to the proposed savings. There were over 20 comments objecting to the reductions in spending on highways and adult social care commissioning and between 15 to 20 comments opposing the reductions in welfare and housing and public health.

A full list of the comments received will be available at the meeting. Copies have also been sent to all Members of the Executive and placed in the Executive Members Room, Conservative Group Office and Labour Office.

c) Comments received via letter or email

A total of 44 letters and emails have been received on the Council’s additional savings proposals. Only one letter contained a comment that could be related to the Transformation Board’s savings proposals and this concerned the future provision of care homes within the Borough. Copies of all letters received will be available for inspection at the meeting.

d) Equalities Impact Assessments

Only one of the savings proposals put forward by the Transformation Board was identified as needing a full Equalities Impact Assessment, housing related support for older people (£0.100m). This assessment had been completed previously.

## 8 ADDITIONAL SAVINGS PROPOSALS AS A CONSEQUENCE OF THE SETTLEMENT

8.1 As outlined above the changes introduced by the Local Government Finance Settlement placed the Council in the position of having to set its budget for 2016/17 on an unsustainable basis. As a consequence of this a further set of savings proposals were developed, enabling the Council to return money to balances in 2016/17 and contribute towards the savings that will be required to balance the 2017/18 budget.

8.2 The additional savings proposals are set out in Annex B and summarised in the table below:

|   | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> |
|---|----------------|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| Adult social care commissioning             | -500           | 0              | 0              |
| Childrens centre                            | -75            | -15            | 0              |
| Early help offer                            | -119           | -63            | 0              |
| Grants to voluntary sector organisations    | -28            | -10            | 0              |
| Corporate Services/Chief Executive's Office | -67            | 0              | 0              |
| Economic development                        | -100           | 0              | 0              |
| Community safety                            | -50            | 0              | 0              |
| Highway maintenance                         | -200           | +110           | +90            |
| Book fund                                   | -100           | 0              | 0              |
| South Hill Park grant                       | -44            | 0              | 0              |
| Parish council tax reduction support        | -175           | 0              | 0              |
| <b>Total</b>                                | <b>-1,478</b>  | <b>+32</b>     | <b>+90</b>     |

## Consultation Responses to the Additional Savings Proposals as a Consequence of the Settlement

### a) Responses received via the website

A total of 252 responses were received via the website. These can be summarised as follows:

|                   |         |     |
|-------------------|---------|-----|
| Strongly Agree    | 1.19%   | 3   |
| Agree             | 1.19%   | 3   |
| Neutral           | 3.57%   | 9   |
| Disagree          | 14.68%  | 37  |
| Strongly Disagree | 75.40%  | 190 |
| Not Answered      | 3.97%   | 10  |
| Total             | 100.00% | 252 |

Most of those expressing an opinion disagreed with the Council's additional savings proposals arising as a consequence of the settlement (over 90%).

### b) Comments received via the website

This section of the consultation received the most significant number of comments regarding the savings proposals. Over 180 of the respondents left comments opposing the reduction in grant to South Hill Park.

Apart from South Hill Park the only other proposal to receive more than 20 comments was that relating to the proposed savings at children's centres. Other savings proposals receiving between 10 and 20 comments were highways, adult social care commissioning, Home Start, early help and support for the voluntary sector.

A full list of the comments received will be available at the meeting. Copies have also been sent to all Members of the Executive and placed in the Executive Members Room, Conservative Group Office and Labour Office.

### c) Comments received via letter or email

A total of 44 letters and emails have been received about the Council's additional savings proposals. 21 letters opposed the reduction in grant to South Hill Park with 11 further respondents objecting to the reduction in grant to Home Start. Other comments concerned library provision (which was not part of the budget consultation but which will be considered as part of the ongoing finance led strategic review of the library service), the purchase of Waterside Park, business rates and early intervention/childcare. Copies of all letters received will be available for inspection at the meeting.

### d) Equalities Impact Assessments

Five of the savings proposals arising as a consequence of the settlement were identified as needing full Equalities Impact Assessments:

- Children's Centres (£75,000 in 2016/17 with a further £15,000 in 2017/18)

## Unrestricted

- Grant to Home Start (£30,000)
- Reduction in Universal Services for Young People – deletion of 1.9 FTE youth worker posts (£57,000)
- Voluntary Sector Grants (£28,000 in 2016/17 with a further £10,000 in 2017/18), and
- Reduction in Domestic Abuse Budget (£11,000)

The completed full Equalities Impact Assessments are attached at Annex D (to follow) which include a summary of the consultation results on these specific proposals.

The full Equalities Impact Assessments have also been published on the Council's website ([www.bracknell-forest.gov.uk/equalitiesassessmentandconsultation](http://www.bracknell-forest.gov.uk/equalitiesassessmentandconsultation)) together with any supporting information

As a result of the consultation process and the completion of full Equalities Impact Assessments the reduction in grant to Home Start has been recognised as particularly challenging in the short term. As such the proposal has been revised so that the grant is still reduced by £30,000, but phased over two years (£10,000 in 2016/17 and a further £20,000 in 2017/18. This has been reflected in the table in paragraph 8.2 and Annex B. The difference of £20,000 in 2016/17 will be met from within the existing Children, Young People and Learning budget.

## 9 ADDITIONAL CAPITAL SAVINGS PROPOSALS

- 9.1 Four schemes within the current capital programme were identified where, subject to consultation, expenditure could be reduced immediately. These are set out in Annex C and summarised in the table below. This reduction in capital expenditure will result in revenue savings in financing costs of approximately £0.180m in 2017/18 and in each subsequent year.

|                               | <b>2016/17</b> |
|-------------------------------|----------------|
|                               | <b>£000</b>    |
| Harmanswater Community Centre | -800           |
| Buildings Planned Maintenance | -800           |
| IT Schemes                    | -300           |
| Dennis Pilcher House          | -800           |
| <b>Total</b>                  | <b>-2,700</b>  |

## Consultation Responses to Additional Capital Savings Proposals

### a) Responses received via the website

A total of 252 responses were received via the website. These can be summarised as follows:

|                   |         |     |
|-------------------|---------|-----|
| Strongly Agree    | 3.17%   | 8   |
| Agree             | 3.97%   | 10  |
| Neutral           | 40.48%  | 102 |
| Disagree          | 6.35%   | 16  |
| Strongly Disagree | 8.73%   | 22  |
| Not Answered      | 37.30%  | 94  |
| Total             | 100.00% | 252 |

Whilst the majority of those expressing a view disagreed with the additional savings proposals nearly 78% of respondents were either neutral or did not express an opinion.

### b) Comments received via the website

The additional capital savings proposals received very few comments via the website, with Harmanswater Community Centre, planned building maintenance and Dennis Pilcher House only receiving five comments each.

A full list of the comments received will be available at the meeting. Copies have also been sent to all Members of the Executive and placed in the Executive Members Room, Conservative Group Office and Labour Office.

### c) Comments received via letter or email

A total of 44 letters and emails have been received on the Council's additional savings proposals. None of the letters or emails received related to the additional capital savings proposals.

### d) Equalities Impact Assessments

None of the additional capital savings proposals were identified as needing a full Equalities Impact Assessment.

## 10 OTHER RESPONSES TO THE CONSULTATION

10.1 In addition to the specific responses to the consultation summarised above, the Overview & Scrutiny Commission and Schools Forum were invited to submit comments. Their views are attached at Annexes E and F respectively.

10.2 A wide ranging response was also provided by Labour and this is attached at Annex G.

## **11 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 11.1 The report identifies a number of additional proposals to assist the Council in meeting its savings requirements for 2016/17 and beyond. The process of lawfully managing service reductions is a challenge for many local authorities in the current financial landscape. It is important that each of the proposals as well as the procedures underpinning the delivery of each is consistent with Public law principle of fairness.

In this regard the product of the consultation must be conscientiously taken into account in adopting the proposals. The report itself summarises the consultation feedback from a numerical perspective. Executive members should also review the table which sets out each of the website responses before making a decision on the recommendations in order to satisfy themselves that they have appropriately discharged the obligation set out in the paragraph above.

### Borough Treasurer

- 11.2 The savings outlined in this report will enable the Council to return some money to balances and contribute towards the delivery of its Medium Term Financial Strategy.

### Equalities Impact Assessment

- 11.3 Six of the additional savings proposals were identified as requiring full Equalities Impact Assessments. Housing related support services has previously been completed and the remaining five are annexed to this report.

### Strategic Risk Management Issues

- 11.4 The delivery of the savings proposals outlined in this report are crucial to the setting of a sustainable budget in 2016/17 and the achievement of the Council's Medium Term Financial Strategy.

## **12 CONSULTATION**

### Principal Groups Consulted

- 12.1 The Overview & Scrutiny Commission was consulted on the budget proposals. Targeted consultation exercises were also undertaken with business ratepayers, the Schools Forum, town and parish councils and voluntary organisations. In addition, the report setting out all of the budget proposals and the supporting information was made available on the website to any individual or group who wished to comment on any of the proposals.

### Method of Consultation

- 12.2 The specific methods of consultation were:
- Through consideration of this report by the Overview & Scrutiny Commission
  - A web based consultation with residents, and
  - Tailored targeted consultation on those proposals requiring a full Equality Impact Assessment



Representations Received

12.3 Representations received are summarised in this report and its annexes.

Background Papers

Report to the Executive on 23 February 2016

Consultation responses received via the web, email or correspondence

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