

# Scrutiny Board

## 15 December 2015

<b>Report title</b>	Draft Budget 2016/17	
<b>Cabinet member with lead responsibility</b>	Councillor Roger Lawrence Leader of the Council	
	Councillor Andrew Johnson Resources	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor Tel Email	Director of Finance 01902 55(6609) <a href="mailto:mark.taylor@wolverhampton.gov.uk">mark.taylor@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Strategic Executive Board	6 October 2015
	Children, Young People and Families Scrutiny Panel	25 November 2015
	Adults and safer City Scrutiny Panel	24 November 2015
	Health Scrutiny Panel	26 November 2015
	Vibrant and Sustainable City Scrutiny Panel	3 December 2015
	Stronger City Economy Scrutiny Panel	1 December 2015
	Confident and Capable Council Scrutiny Panel	2 December 2015
	Audit Committee	14 December 2015

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### Recommendation(s) for action or decision:

The Scrutiny Board is recommended to:

1. Review the comments of each Scrutiny Panel and provide further feedback to Cabinet on the Draft Budget 2016/17.

## **1.0 Purpose**

- 1.1. The purpose of this report is to seek Scrutiny Board's feedback on the Draft Budget 2016/17 that was approved as the basis of consultation by Cabinet on 21 October 2015.

## **2.0 Background**

- 2.1 At its meeting on 21 October 2015, Cabinet considered a Draft Budget 2016/17 as the basis of budget consultation and scrutiny over forthcoming months.
- 2.2 The Cabinet report identified that due to the uncertain financial future, a full update of the Medium Term Financial Strategy (MTFS) 2016/17 – 2018/19 would only be conducted once the Spending Review and the Provisional Local Government Finance Settlement had been announced on 25 November and mid-December 2015 respectively.
- 2.3 The Cabinet report recommended that Savings Proposals amounting to £14.1 million and £7.1 million of Base Budget Revisions in 2016/17 proceed to the formal consultation and scrutiny stages of the budget process.
- 2.4 The Draft Budget 2016/17 has been considered by all scrutiny panels during November and December. The feedback from those meetings is included in Appendix A. This feedback along with further comments received at Scrutiny Board on 15 December will be sent as a formal response to Cabinet on 13 January 2016.
- 2.5 If there are substantial changes or recommendations of the Scrutiny Board are not accepted, then the Scrutiny Board will consider the budget again in January 2016, following an update to Cabinet on the Local Government finance settlement, which is scheduled for 13 January 2016.
- 2.6 If there are no changes to the savings proposals considered by Scrutiny, the outcome of this Board meeting will be incorporated into the final Cabinet budget report, scheduled for February 2016, ahead of Full Council considering the budget in March 2016.
- 2.7 In order to limit the volume of paper used as part of the budget reporting process, the Cabinet report has not been appended to this covering report. Board members are instead requested to bring their copy of the 2016/17 Draft Budget report, which was circulated with the 21 October 2015 Cabinet agenda. Detail of all the Council's individual savings proposals, including the latest to be considered by Cabinet on 21 October 2015, can be found on the council's website at:  
<http://www.wolverhampton.gov.uk/budgetsavings>

## **3.0 Budget Proposals**

- 3.1 All comments from Scrutiny Panels are included at Appendix A. The Board is requested to review the comments and further scrutinise the proposals for submission to Cabinet.

3.2 In addition to comment on investment in services and savings proposals, the Board may also request additional information or clarification. Any such requests will be noted separately, either for consideration by the Board or a Scrutiny Panel at a future date, or for information to be forwarded to the Panel members concerned.

#### **4.0 Financial implications**

4.1 The financial implications are discussed in the body of the report, and in the report to Cabinet. Should any of these proposals and options not be delivered, the projected budget deficit will increase by an equivalent sum and alternative savings will have to be identified.

[MH/08122015/V].

#### **5.0 Legal implications**

5.1 Legal implications are discussed in the report to Cabinet.

[TS/04122015/S]

#### **6.0 Equalities implications**

6.1 Under the Equality Act 2010, the Council has a statutory duty to pay due regard to the impact of how it carries out its business on different groups of people. This is designed to help the council identify the particular needs of different groups and reduce the likelihood of discrimination. An equality analysis screening has been conducted on each proposal, and fuller equality analysis will be conducted where appropriate. Further equalities implications are discussed in the report to Cabinet.

#### **7.0 Environmental implications**

7.1 Environmental implications will be addressed on a case by case basis as part of individual savings proposals.

#### **8.0 Human resources implications**

8.1 Human resource implications are discussed in the report to Cabinet.

#### **9.0 Schedule of background papers**

9.1 Cabinet, 21 October 2015 Draft Budget 2016/17

- Children, Young People and Families Scrutiny Panel 25 November 2015
- Adults and safer City Scrutiny Panel 24 November 2015
- Health Scrutiny Panel 26 November 2015
- Vibrant and Sustainable City Scrutiny Panel 3 December 2015
- Stronger City Economy Scrutiny Panel 1 December 2015

This report is PUBLIC  
[NOT PROTECTIVELY MARKED]

- Confident and Capable Council Scrutiny Panel 2 December 2015
- Audit Committee 14 December 2015

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Adults and Safer City Scrutiny Panel 24.11.15

Details	Directorate	Comments
<p><b>Reshaping of Older People Services (Further details have been provided in the ‘Better Care Technology and Strengthening Support at Home’ report presented to Cabinet on 22 July and 11 November 2015)</b></p> <p>Progress the prior approval for the transformation of community based services and the creation of a new community offer, with the delivery and development extended and enhanced reablement and other services, including telecare, to support people to live independently in their own homes.</p> <p>Progress the prior approval of the formal consultation process on the proposal to decommission services at Merryhill House and Nelson Mandela House and transfer to external market providers.</p> <p>Progress the prior approval of the formal consultation process on the proposal to decommission services at Woden Resource Centre and re-provide high dependency day care in the external market through a personalised approach.</p> <p>Progress the prior approval of the pursuit of the externalisation of community reablement and the</p>	<p>People</p>	<p>Adult and Safer City Scrutiny Panel has carried out in depth scrutiny of ‘Better Care Technology and Strengthening Support at Home’ on 14 July and 10 November as pre-decision scrutiny items and has informed the Cabinet decision making process.</p> <p>Adult and Safer City Scrutiny Panel will maintain overview and scrutiny of the implementation of plans and progress of the reshaping of older people services.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comments
<p>commissioning of a specialist dementia reablement service.</p>		
<p><b>Restructuring of the Library Service</b></p>	<p>People</p>	<p>The ASC Panel highlighted the importance of the decision. The Panel felt strongly and were in total agreement that the revised proposal should be subject to pre-decision scrutiny. She advised that the next meeting of the panel would be 26 January 2016 and suggested that if this was not timely that a special meeting should be arranged.</p>
<p><b>Move Warstones Office Base (completion of 2013/14 savings proposal)</b></p> <p>Warstones is currently used as an office base for an internal service, the Assessment and Care Management Team, and also used by six community groups. We have explored other options for this building but have been unable to find a sustainable option. The proposal is to relocate the Assessment and Care Management Team and support the groups to relocate to other local community venues.</p>	<p>People</p>	<p>The Panel identified that schools that have transferred into Academies were not all fulfilling the 'Community Offer' and she asked that rather than checking just one school if all schools could be checked to ensure the Community Offer is being delivered. The Service Director confirmed he would follow up the question with the Director of Education. The Panel sought assurance that the time social workers spend on each assessment would not be reduced as a direct result of this proposal. The Service Director advised that very few people were presenting at Warstones</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
		<p>assessment centre and that the time spent actually assessing people should not be impaired. The Service Director agreed to take this issue away and give further consideration to it. Unison attends six weekly meetings during the transformation to discuss restructure and changeover of SW roles to more generic roles. ASC to receive further detail about the user groups following the transformation to ensure they are still meeting and older people are included and active.</p>

**Financial Transactions and Base Budget Revisions  
Adult Services**

Details	Directorate	Comments
<p><b>Early achievement of existing savings proposal – Learning Disabilities Assessment and Care Management Care Packages</b></p> <p>Early achievement of existing savings proposal (0074) -Learning Disabilities Assessment and Care Management-Care Packages.</p> <p>The proposal will achieve savings in care packages across Learning Disability Assessment and Care Management. This will be achieved through:</p> <ul style="list-style-type: none"> <li>- a robust programme of review of high cost residential and nursing placements, both in and out of City</li> <li>- increased use of assistive technology</li> <li>- promoting independence</li> <li>- increased value for money initiatives</li> <li>- increased and targeted commissioning</li> </ul>	<p>People</p>	<p>The Panel had confidence that this was achievable through a robust programme of review, increased use of assistive technology, promoting independence, increased value for money initiatives, and increased and targeted commissioning.</p> <p>The Panel sought assurance that the quality of care would not be affected and it was clarified that the savings would have effect on the assessment work as opposed to actual care of the individual.</p> <p>The Panel sought assurance that friendship groups would not be disrupted in moves and were advised that this was being taken into account in order of priority and that some individuals could not be moved at all but that all would be risk assessed on an individual basis to determine the best course of actions for each person.</p>



**Financial Transactions and Base Budget Revisions**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
<p><b>Efficiency saving from the relocation of the Independent Living Service</b></p> <p>Realisation of £29,000 saving as the result of reduction in rent from the relocation of the Independent Living Service to Racecourse Road Industrial Estate.</p>	<p>People</p>	<p>No comment</p>
<p><b>Drawdown of one off grants for Adult Services</b></p> <p>As a result of grant funding being available it is possible to reduce the net costs of the service for 2016/17 without impacting on service delivery.</p>	<p>People</p>	<p>No comment</p>

## Appendix B

### Financial Transactions and Base Budget Revisions Public Health and Wellbeing

Details	Directorate	Comments
<p><b>Further review of utilisation of Public Health funding - Community Safety, Resilience, Healthier Schools</b></p> <p>It is proposed that the Community Safety team, the Resilience team and the Healthy Schools team are fully integrated into the Public Health &amp; Wellbeing service and resourced (both staffing and running costs) from the public health allocation.</p>	People	No comment

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Budget Growth</b>	
<b>Budget Pressure</b>	<b>Comments</b>
<b>Adults &amp; Safer City</b>	
National Living Wage (July 2015 adjustments)	
Adult Social Services Demography/Demand/Transition	
<b>Total Adults &amp; Safer City</b>	Panel was advised that the figures presented in the budget report may have to be revised following the Chancellors budget statement on 25 November 2015.

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

**Health Scrutiny Panel 2.12.15**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
<p><b>Use of Public Health funding to support service areas with positive impact on public health outcomes</b></p> <p>Whilst ensuring strict adherence to the rules for spending the public health grant, this proposal seeks to utilise ring-fenced public health monies generated through efficiency savings from recommissioning/decommissioning activity relating to public health commissioned services.</p> <p>The objective is to support council services that make a positive impact on public health outcomes in order to reduce health inequalities and/or improve health.</p> <p>This will be achieved by identifying those services that will make the biggest impact on health improvement and/or reducing health inequalities in those areas with</p>	<p>People</p>	<p>That an update relating to the implications of the autumn statement on the savings proposal to the next meeting of this Panel on 14 January 2016.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comments
<p>public health funds.</p>		
<p><b>Further review of utilisation of Public Health funding - Community Safety, Resilience, Healthier Schools</b></p> <p>It is proposed that the Community Safety team, the Resilience team and the Healthy Schools team are fully integrated into the Public Health &amp; Wellbeing service and resourced (both staffing and running costs) from the public health allocation.</p>	<p>People</p>	<p>That an update relating to the implications of the autumn statement on the savings proposal to the next meeting of this Panel on 14 January 2016.</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

**Stronger City Economy Scrutiny Panel 1.12.15**

Details	Directorate	Comments
<p><b>Phased Removal of remaining Grand Theatre Grant</b></p> <p>The proposal is a phased removal of remaining grant funding to Grand Theatre. Continuing the agreed approach to overall savings in the City Economy Service.</p>	<p>Place</p>	<p>Adrian Jackson, Chief Executive of the Grand Theatre had attended a previous meeting and an in depth discussion had taken place relating to this proposal.</p> <p>The Panel welcomed the appointment of the new Chief Exec and, in particular, his intention to have a business and profit centred approach to the theatre's development.</p> <p>The Chair highlighted that the budget cuts to venues in the City could have direct and negative impact on the overall Visitor Economy strategy if care is not taken. The Panel highlighted that it was important for officers to continue to advise and guide management of those venues to assist in their business development. The Panel requested future feedback on how the venues mentioned have produced business plans for future financial sustainability.</p>
<p><b>Review remaining Lighthouse Media Centre Grant</b></p> <p>The proposal is to remove the remaining</p>	<p>Place</p>	<p>The Panel were reminded that the position relating to the Lighthouse Theatre had been discussed at a previous meeting. The Financial Business Partner and the Service Director had met with the Lighthouse</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
<p>grant funding to Light House Media Centre. Continuing the agreed approach to overall savings in the City Economy Service.</p>		<p>Theatre management and given them an opportunity to come back to the Council for one off assistance, to help assist their future business planning. As yet they have not taken up the opportunity.</p>
<p><b>Further Restructure of City Economy Services</b></p> <p>Rationalisation of the City Economy Service to meet savings targets and increase flexibility to meet new economic priorities</p>	<p>Place</p>	<p>The Panel highlighted 'business rates retention' in the autumn statement and highlighted the need for employees in the City Economy Service, who work directly with potential investors, to be genuine account managers and add value to the business community.</p> <p>Whilst there were reductions to the mainline budget, it was explained that the Council had reached the financial stage of some substantial bids from European Union which would increase capacity around business support and additional support at the frontline. It is expected that the Council will also be able to continue the ERDF funded Black Country Gold Grant Scheme for businesses. Together with the ESF funded Skills and Employment bid there could potentially be up to ten people funded by European funding for the next three years.</p> <p>The need to match fund means that it was difficult to reduce mainline staffing any further.</p>
<p><b>Increase new commercial activities within</b></p>	<p>Place</p>	<p>Scrutiny of the cultural venues had taken place in</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comments
<p><b>cultural venues (Archives, Art Gallery, Bantock House)</b></p> <p>Increased net income across sites</p>		<p>depth at a recent scrutiny Panel meeting.</p>
<p><b>Further external funding of Outdoor events.</b></p> <p>Reduction of £20,000 from the remaining Outdoor Events budget. Part of the refinement to the Approach to City Economy Events Programme yet to be approved.</p>	<p>Place</p>	<p>The recent bonfire event at the Race course was praised as a really good family event. There had been an issue with the car park marshalling but this would be addressed at future events at the race course and the boxes would also be available. The Head of Visitor Economy was asked to consider the need to double up on events, such as horse racing and the Madness Concert that had taken place in the summer.</p> <p>The Panel requested further information back to the Panel about business plans at other venues.</p>
<p><b>Bilston Craft Gallery – review current service provision including delivery of exhibitions and craft play</b></p>	<p>Place</p>	<p>Bilston Craft Gallery – review current service provision including delivery of exhibitions and craft play</p>



**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
<p>Continue to deliver craft play and one off events that are externally funded at the Craft Gallery. The main collection and exhibitions to be relocated at the Art Gallery. Make the remaining space available for studio hire.</p>		<p>Continue to deliver craft play and one off events that are externally funded at the Craft Gallery. The main collection and exhibitions to be relocated at the Art Gallery. Make the remaining space available for events and studio hire. Place Since the report was written there had been a review of the situation and it had been agreed that the collections could be retained at Bilston Craft Gallery.</p>
		<p>The Panel highlighted that there may be groups in the Bilston area that would be willing to pay for room and venue hire.</p> <p>The Scrutiny Panel voiced concerns about maintaining and keeping the premises clean and operational, in addition to the delivery of the craft play service and one off events. The panel wanted to know what plans are in place about this.</p> <p>Panel heard that displays by local people in each venue generally required minimal input by curatorial staff, the groups tended to carry out most of the work to set up displays themselves.</p> <p>The Panel advised that a programme should be developed for Bilston Craft Gallery through rigorous</p>

## Appendix A

### Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
		business planning. Management confirmed that detailed five year business plans that have been produced for each venue to enable better control of income and expenditure, as well as planning.

## Appendix

### Financial Transactions and Base Budget Revisions Stronger City Economy Scrutiny Panel 1.12.15

Details	Directorate	Comments
<b>Drawdown of one off grants for City Economy</b> As a result of grant funding being available it is possible to reduce the net costs of the service for 2016/17 without impacting on service delivery.	Place	The Finance Business Partner outlined that the drawdown was as a result of grant funding being available to reduce the net costs of the service for 2016/17 without impacting on service delivery. Panel thanked the Finance Business Partner for identifying the drawdown funding.

**Financial Transactions and Base Budget Revisions  
Children, Young People and Families Scrutiny Panel – 25.11.15**

Details	Directorate	Comments
<p><b>Building Schools for the Future Private Finance Initiative Refinancing</b></p> <p>A one off saving achieved by completing a refinancing of PFI Scheme in relation to Highfields and Penn Fields Schools. This will be achieved through the use of reserves; these reserves will be replenished in full during the remaining life of the PFI contract from the deferred income that will be held on the Council's balance sheet.</p>	<p>Education</p>	<p>The panel queried the implications of Highfields School becoming academy and the extent to which it would affect the achievement of the savings. Cllr Claire Darke explained that a future change in the status would not affect the savings and also there were no plans to look at achieving similar savings at other schools built as part of the Building Schools for Future programme. Cllr Val Gibson commented that each school will be looked at on an individual basis if there is an opportunity to refinance a PFI scheme in the future.</p> <p>The panel queried if the same method could be applied to all other PFI schemes to achieve similar savings. Cllr Darke explained that the option to re-finance would depend on the ownership status of the school and provision in the PFI agreement to make a change that could generate similar savings. The Council will look for opportunities to get a better financial deal from PFI agreements as and when appropriate.</p> <p>The panel queried if future PFI deals will be affected by the drive to encourage nationally that</p>

**Appendix**

**Financial Transactions and Base Budget Revisions**

		<p>all schools become academies. Cllr Darke explained that the Council will continue to look for opportunities to make changes that would be more financially beneficial and or generate savings.</p>
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**Children and Young People**

<b>Details</b>	<b>Directorate</b>	<b>Comments</b>
<p><b>Youth Offending Team - efficiency savings</b></p> <p>The proposal is to reduce the budget for the Youth Offending Team (YOT) by £150,000. These savings are being achieved by the elimination of vacant staffing posts from a number of workstreams within the YOT. One 0.5 post is a management post, and efficiency savings are being created within the administration team and the sessional worker budget.</p>	<p>People</p>	<p>Cllr Val Gibson explained that the savings would be achieved by the deletion of a small number of posts. The deletion of these will have no impact on the service. Cllr Gibson explained that there is flexibility in the grant budget for further reductions.</p> <p>No comments recorded on the proposal.</p>
<p><b>Children's Services Redesign *</b></p>	<p>People</p>	<p>The panel agreed to consider this proposal as part of the discussion on the next agenda item.</p>

## Appendix

### Financial Transactions and Base Budget Revisions

\* Full details have been reported to Cabinet separately on 11 November 2015 (Children's Services transformation phase two report) which is subject to further discussion later in this meeting.

### Children and Young People

Details	Directorate	Comments
<b>Drawdown of one off grants for Children and Young People</b> As a result of grant funding being available it is possible to reduce the net costs of the service for 2016/17 without impacting on service delivery.	People	No comments recorded on the proposal.

## Appendix

### Financial Transactions and Base Budget Revisions

#### Education

Details	Directorate	Comments
<p><b>Primary Capital Programme (expansions) - utilise grant now secured to replace prudential borrowing</b></p> <p>Some of the Primary School Expansion programme has had to be funded by prudential borrowing in advance of the basic need grant being received. It is proposed to utilise the grant now secured to replace prudential borrowing.</p>	Education	<p>Cllr Darke explained the reasons for making the change to replace prudential borrowing with a grant.</p> <p>No comments recorded on the proposal.</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Budget Growth</b>		<b>Comments</b>
<b>Budget Pressure</b>		
<b>Children, Young People &amp; Families</b>		
Fostering Allowances within Looked After Children's Services		<p>Cllr Gibson explained the reason behind the increase in fees.</p> <p>No comments recorded on the proposal.</p>
<b>Total Children, Young People &amp; Families</b>		



**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

**Vibrant and Sustainable City Scrutiny Panel 3.12.15**

Details	Directorate	Comment
<p><b>Highways Management</b></p> <p>Introduction of enforcement measures on more of the bus lanes in the City.</p>	<p>Place</p>	<p>Cabinet Member for City Environment explained that this change is the next phase in a programme of work following the transfer of responsibility from the police to the local authority. The panel were advised that the scheme went live on 30.11.15. Cabinet Member for City Environment explained the circumstances were a fixed penalty notice would apply for people using bus lane which had been recorded by the camera. To date there had no successful appeals against the penalty notice due to the use of video recording evidence.</p> <p>Cabinet Member for City Environment explained that bus lane cameras only apply to small number of roads. Service Director - City Environment explained that the number of vehicles caught using the bus lane had reduced from 3,000 per week to 1,700 since it was introduced. The enforcement policy was aimed at improving traffic flow and not generating income.</p> <p>The panel queried the number of fines paid and unpaid since the scheme was introduced. Service Director - City Environment explained that about 70% of fines had been paid and the Council works hard to recover the debt, this</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p><b>Review residential parking across wider New Cross area</b></p> <p>To introduce a residents parking scheme across the wider New Cross area. The first phase will be the Wolverhampton Road area and the second phase the Graiseley Lane area. It is proposed that the residents parking scheme will be subsidised by the introduction of pay and display parking.</p>	<p>Place</p>	<p>will include the use of bailiffs. Service Director - City Environment agreed to provide details of the payment rates for traffic fines.</p>
		<p>Cabinet Member for City Environment explained that the proposed changes would affect parking at the rear of the hospital site. The Cabinet Member advised that in response to previous residents parking complaints there was a consultation on the introduction of residents parking permit scheme. However, it was not possible to devise a scheme that would meet the concerns of residents on the limits on parking space for visitors and or family members. The proposal is an alternative scheme which will be subsidised by funding from the introduction of a pay and display parking scheme for non-residents. The panel discussed the areas to be covered by the scheme. The panel were advised that it was estimated that 60 properties would be affected by the introduction of a pay and display parking scheme. Cabinet Member for City Environment acknowledged the concerns of local residents about the problems caused by parking.</p> <p>The panel sought reassurance that the scheme would not applied too rigidly in the dedicated parking spaces –for</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p><b>Carry out a phase two restructure within the Highways Service Street Lighting</b></p> <p>The phase two restructure will result in a reduction of operational staff carrying out both planned and reactive street lighting maintenance and a realignment of the service provision.</p>	Place	<p>example, the period that charges will apply.</p> <p>The panel discussed the impact of parking problems on the 59 bus service which often experience frequent delays as a result. The panel commented on the need to consider the travel needs of people using the bus service.</p> <p>No panel comments on the proposal</p>
<p><b>Alternative Environmental Enforcement Trial</b></p> <p>The trial will involve a private sector provider operating within the city issuing fixed penalties for environmental offences such as littering and dog</p>	Place	<p>Cabinet Member for City Environment explained the work of Kingdom Security in tackling problems of dog fouling and litter in the city. Cabinet Member commented on the media interest in the service. At present 70% of people pay their spot fines within the dates specified to avoid payment of a larger fine. A recent case led to a hearing in the courts where the decision was upheld and the original</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>fouling. The trial was approved on a 12 month basis by Cabinet (Resources) Panel on 30 June 2015. It commences on 10 August 2015 and will be reviewed after 3 months of operation with a view to tendering for subsequent years if successful.</p>		<p>fine increased to £770 to cover costs and charges. The panel queried that in the past Neighbourhood Wardens reported incidents of litter and public nuisance across the city, particularly in open green spaces. The incidents were then reported back to the Council to get the matter dealt with. Cabinet Member for City Environment explained that there is flexibility about where the resources are used. The current scheme is a 12 month trial and the work is not restricted to the specific areas and staff from Kingdom Security will be directed in response to public complaints. Cabinet Member for City Environment explained that he is open to suggestions about use of staff from Kingdom Security.</p>
<p><b>Surface water management</b> Budget realigned with future known commitments.</p>	Place	No panel comments
<p><b>Provision of Urban Traffic Control services for Walsall Borough Council</b> The proposal is as a result of efficiencies to be delivered by the merged Urban</p>	Place	Cabinet Member for City Environment explained that he had recently visited the control room. Cabinet Member commented on the benefits of being able to co-ordinate the service and suggested that panel should arrange to visit to control room to it in operation.

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>Traffic Control (UTC) service managed by Wolverhampton City Council.</p> <p><b>Amendments to Regulatory Services Operations</b></p> <p>The saving could potentially be met in a number of different ways:-</p> <ul style="list-style-type: none"> <li>- Deletion of a temporary District Officer post within the Residential team (nuisance, environmental crime, community safety, highways etc.)</li> <li>- Deletion of a Consumer Advice Officer post within the Trading Standards Team</li> <li>- A combination of the above two possibilities (half a post in each area)</li> <li>- Shared service provision savings through a Black Country arrangement</li> <li>- Overachievement of an income generation target</li> <li>- A combination of the above but with a preference for the lowest impact solution on the end user and the staff group.</li> </ul>	<p>Place</p>	<p>The panel commented on the reputation of the consumer advice service offered by Wolverhampton Council and the success of previous campaigns and its reputation in the region. The panel were concerned about loss of expertise. Cabinet Member for City Environment commented that the recent evidence from fraud operations involving different agencies showed a reduction in the amount of seized counterfeit goods from the past. Cabinet Member commented that he not did think that the change would have an impact on the delivery of the service.</p>
<p><b>Reconfiguration of Play Areas</b></p>	<p>Place</p>	<p>The panel expressed supported for the provision of local</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>Play areas will be reconfigured based upon their current condition and play value, and will take into consideration the proximity of alternative play areas within communities, ensuring adequate play provision remains within the city and that there is no impact upon the availability of play areas being within a ten minute walk, as in the Wolverhampton Open Space Strategy.</p> <p>A reduction in play areas will enable a more cost effective approach to maintenance of the remaining quality play locations within neighbourhoods and ensure that these remain of a high standard.</p> <p>Play areas will be assessed in order to identify those in poor condition and offering limited play value taking into consideration the location/proximity of other play areas close by.</p> <p>Information on the condition of play areas is known as a result of required</p>		<p>play provision and the importance of considering the implications. Cabinet Member for City Environment explained that the planned review will look at the possibility of consolidating existing play provision from more than one site to a single location. The aim is to provide quality local play provision with lower maintenance costs and enhance provision.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>weekly safety assessments on the condition of play locations, which is readily available.</p>		
<p><b>Review of the employee structure for the Market Service</b></p> <p>The restructure of the market service is dependent upon the Westside regeneration development and linked to the relocation of the Wolverhampton Market.</p> <p>The relocation of Wolverhampton Market will require fewer employee resources to operate. This will be achieved through the non-filling of vacant posts and employees requesting reduced working hours or VR.</p>	<p>Place</p>	<p>Cabinet Member for City Environment referred to the previous report presented to the panel on proposed changes to the market service. The proposal will involve the deletion of a vacant post.</p> <p>No panel comments.</p>
<p><b>Reduction in Waste Disposal Costs</b></p> <p>A review of the clinical waste collection service, the relevant legislation and</p>	<p>Place</p>	<p>The panel queried the lack of lack of green waste collection in the winter months and whether the period could be extended to those areas who make high use of the service. The panel discussed the policy of Birmingham to introduce</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>recent guidance from Defra has highlighted that some of the householders receiving a clinical waste collection do not need the service because the waste they are producing, whilst unpleasant, is not hazardous or infectious.</p> <p>If the waste produced is not clinical waste and does not require separate collection, treatment and disposal, it is proposed to offer householders an additional or larger sized brown bin to enable their waste to be collected discretely in an enclosed container by the normal household waste collection service on a weekly basis.</p> <p>The service is not being removed from any households, but measures are proposed to ensure the service is only being used for the disposal of clinical waste that actually requires this treatment.</p> <p>In addition, it is proposed to implement</p>		<p>an annual green waste collection charge and alternative options that would meet the needs of residents. Cabinet Member for City Environment explained the financial and practical difficulties of moving away from a city wide service to a service based on demand from areas wanting a green waste collection service during the winter months.</p>



Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>the policy of not paying discretionary recycling credits to third sector and charitable organisations. These organisations will still be able to receive financial benefit through the sale of any recycled waste they collect but would not in future receive the added financial income through recycling credits paid by the Council.</p> <p>There is a very stable market for used textiles, with a high market value for this material which is far in excess of the amount that is claimed as recycling credits.</p>		
<p><b>Grounds Maintenance reductions and efficiencies in service</b></p> <p>The proposal incorporates two different elements as follows: Cease more of the remaining box mowing operations in the City in</p>	Place	No panel comments

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>2016/17. Cease annual bedding outside the City centre in 2016/17.</p> <p>The impact of these changes will be:</p> <ul style="list-style-type: none"> <li>• Conversion of annual bedding display areas into shrub beds or lawn.</li> <li>• Flower beds converted to shrub beds or additional lawn.</li> </ul> <p>There will be an initial cost to convert the annual bedding areas and a higher productivity requirement for the in-house grass cutting workforce.</p>		
<p><b>One-off transport savings</b></p> <p>Additional Income generated by bus lane enforcement during initial peak post implementation.</p>	Place	No panel comments.
<p><b>Maintenance across City Environment Services Public Realm</b></p> <p>Efficiency savings to be generated from</p>	Place	No panel comments.

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>across Public Realm allocated revenue budgets covering all areas. In the event that unexpected demand arises, for example severe weather conditions, a specific reserve will be available to call upon.</p>		
<p><b>Environmental Maintenance</b>  Review environmental maintenance operations based upon current performance and realise savings from sub-contract and maintenance budgets, together with deletion of a vacant post and reduction in hours across a number of posts.</p>	Place	No panel comments.
<p><b>Street Lighting – replacement of existing street lanterns with more efficient LED technology</b>  Wolverhampton has an ageing street lighting stock, in line with other street</p>	Place	The panel discussed the costs and savings as a result of the policy. Cabinet Member for City Environment explained that there is no plan to turn off street lights. Cabinet Member for City Environment explained the programme to replace existing lights does present a risk as future advances in technology may offer bigger future savings in

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>lighting authorities throughout the country, therefore capital investment into new more cost efficient street lights will save money on maintenance and running costs.</p>		<p>energy costs.</p>
<p><b>Fleet review of capital spend profile of Vehicle Replacement Programme</b></p> <p>The replacement of vehicles is being reviewed, and where required, lifetimes are being extended as far as possible, in order to make savings on interest payments and Minimum Revenue Provision (MRP). The savings shown will therefore be made from the Treasury Management budget.</p>	<p>Place</p>	<p>Cabinet Member for City Environment explained that the policy is aimed at getting more use out of the existing fleet and to arrange maintenance programme of vehicles based on their condition.</p> <p>No panel comments.</p>
<p><b>Increase income targets for WV Active</b></p> <p>To increase income generation through the three mainstream leisure facilities operated by WV Active. Market segmentation data provided by Sport England will be used to identify latent</p>	<p>Place</p>	<p>Cabinet Member for City Environment commented on the success of WV Active programme and the focus on offering courses that meet the needs of customers. Cabinet Member commented on the positive marketing campaign to encourage people to use the facilities.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>demand within the city for sport and recreation activities that will assist managers to review the programmes use and include new or additional activities to attract new customers.</p> <p>The review of the programmes of use at the centres will provide the opportunity to deliver targeted interventions to sections of the community that will increase their opportunity to access the facilities. This will be achieved with the assistance of national governing bodies for sport.</p>		
<p><b>West Park Conservatory – alternative service provision</b></p> <p>Alternative service provision for West Park conservatory will be considered including providing members of the public with the opportunity to make an appointment to view the conservatory on a weekly basis.</p>	Place	The panel commented on the historical heritage of the site and possible alternative uses. The panel suggested that it would be help to have a champion that could promote interest in the site and public awareness. Cabinet Member for City Environment commented that ideas for alternative use such as wedding venue would be welcomed.
<p><b>Review of Stray Dog procedures and</b></p>	Place	The panel discussed the number of incidents reported

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p><b>charges</b></p> <p>Increased and new charges relating to stray dogs collected by the Council's Dog Warden which are subsequently returned to their owners. Currently stray dogs returned directly to owners' addresses are not charged for. Currently, the charge for collection of a dog taken to the kennels (£25) does not cover costs. The proposal is to increase charges in both of these scenarios to make a greater contribution to the costs of the service and reduce the council subsidy of the service. Increased charges will have the added impact of deterring future strays which will also reduce costs. It is envisaged that the total benefit arising from increased charges and reduced costs will be £10,000.</p>		<p>about stray dogs.</p> <p>Cabinet Member for City Environment explained that the policy was aimed at supporting responsible dog ownership. The owners of stray dogs should be expected to contribute to the costs of Council providing the service when a dog is looked after before being returned to their owner.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p><b>Review School Crossing Patrols</b></p> <p>Carry out a School Crossing Patrol review that will identify the priority rating of existing sites – those to remain because they are identified as high priority and those that can be de-established.</p> <p>Schools that are currently serviced by School Crossing Patrol personnel will be given the option to finance continued provision of a School Crossing Patrol at a site even if it is deemed low priority and the decision is taken to de-establish the site.</p>	<p>Place</p>	<p>Service Director - City Environment explained that it is not a statutory responsibility to provide the service. The planned review will look to identify priority sites. Schools will be given the option to continue financing the service if following the review it is considered to be low priority.</p>
<p><b>Review Allotment Costs</b></p> <p>Increase charges for plots on council allotment sites (excludes self-managed allotments).</p> <p>Increase in income will be implemented in line with Allotment Act 1922 - 12 months' notice period will apply.</p>	<p>Place</p>	<p>The panel queried the current annual cost of the service. The current charge is £24 a year and is proposed that this figure is increased to £38. Service Director - City Environment explained that the charges had not been increased by five years. The panel discussed the merits of freezing charges for services as opposed to annual inflation increases.</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>Allotment holders will be encouraged to consider the option of self-management which would provide them with control over fee levels whilst achieving savings to the council via reduced maintenance costs.</p>		

**City Assets**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p><b>Transfer non HRA tenanted garages from HRA to General Fund</b></p> <p>A technical accountancy exercise to transfer garages being rented by non-council tenants from the Housing Revenue Account (HRA) to the general fund. This will result in the income being accrued to the general fund along with the associated management and maintenance costs.</p> <p>The management arrangements will</p>	<p>Place</p>	<p>No panel comments.</p>



Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>remain unchanged through Wolverhampton Homes.</p>		
<p><b>Rationalise all catering across the Council</b></p> <p>This is an efficiency proposal by reviewing the creation of a single catering function across the City of Wolverhampton Council.</p> <p>It would entail the following:</p> <ul style="list-style-type: none"> <li>* A review of catering functions in Place Directorate</li> <li>* A review of catering functions in the People Directorate</li> <li>* This includes the review of all financial functions of the catering in the above areas and includes external contracts/leases</li> </ul>	<p>Place</p>	<p>Cabinet Member for City Assets commented that he was confident that the savings could be achieved.</p> <p>No panel comments.</p>
<p><b>Review Public Conveniences Provision</b></p>	<p>Place</p>	<p>Cabinet Member for City Assets outlined the proposals and the change would not affect the toilet facilities at Bob Jones Community Hub.</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>Review of charges to users of the six public toilets and the One Stop Toilet facility</p>		<p>The panel queried the proposed increase in the charge to use toilet facilities. Nick Alderman, Service Director - City Environment, explained that the proposal is to recommend an increase in the charge from 10p to 20p. The plans involve the closure of toilet facilities at Ashmore Park due to low levels of number using the facility compared to other sites. The panel commented that in response to complaints about vandalism that access to the facility was managed by a shop owner on the site, which may explain the low numbers recorded. The panel commented that the facility is an important community asset and is helping the shops to attract people.</p> <p>Cabinet Member for City Assets agreed to reconsider the proposal in response the comments of the panel.</p>

Financial Transactions and Base Budget Revisions

City Environment

Details		Directorate	Comment
<p><b>Capitalise thin surfacing of carriageways</b></p> <p>Change in financing arrangements of thin surfacing of carriageways in the city, from revenue to capital, resulting in a revenue saving.</p>	Place	No panel comments.	
<p><b>Car Parking Income</b></p> <p>Increase in budgeted car parking income based on levels earned in 2014 - 2015</p>	Place	No panel comments.	
<p><b>Landscape Income</b></p> <p>Increased income from Landscape and Ecology fees secured for 2016/17.</p>	Place	No panel comments.	
<p><b>Reduction in the annual service charge for the Leisure PFI scheme</b></p> <p>Wolverhampton Swimming and Fitness Centre is a leisure PFI scheme and the</p>	Place	No panel comments.	

**Financial Transactions and Base Budget Revisions**

<b>Financial Transactions and Base Budget Revisions</b>		
<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
council pays an annual service charge for the operation of the centre. Following a review of the payment profile a savings opportunity has been identified and agreed with the PFI provider. There will be no impact on the current level of service delivery.		

**City Assets**

<b>City Assets</b>		
<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<b>Highways Maintenance – Reduction in Borrowing following successful grant bid</b>  Re-profile prudential borrowing that supports the highway maintenance programme. Successful bid for Highway Maintenance Challenge Fund means that some prudential borrowing can be deferred to future years. The	Place	Cabinet Member for City Assets outlined the proposal.  No panel comments.

**Financial Transactions and Base Budget Revisions**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>overall level of investment in capital highway maintenance will remain the same but by deferring the prudential borrowing we can save on interest charges.</p>		
<p><b>Acceleration of Savings in Facilities Management</b></p> <p>This is a re-profiling following a review of the outturn achieved for 2014/15. It is proposed to bring forward the savings expected for 2017/18 and place in the 2016/17 budget year. This was previously titled "Restructure of FM function"</p>	<p>Place</p>	<p>Cabinet Member for City Assets outlined the proposal.</p> <p>No panel comments.</p>
<p><b>Reprofile of School Meals Income Targets</b></p> <p>Schedule of Rate prices to schools to only be increased by 2.5% for 2016/17 onwards.</p> <p>This is due to efficiency savings due to</p>	<p>Place</p>	<p>Cabinet Member for City Assets outlined the proposal and explained that the charge would be a charge direct to schools and not on pupils. Cabinet Member explained that this change would represent a small increase in the current charge.</p> <p>No panel comments.</p>

**Financial Transactions and Base Budget Revisions**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>the Universal Infant Free School Meal (UIFSM) and is based on achieving similar meal numbers for 2016/17. Please note this can only be done assuming the continuation of UIFSM (subject to review as initially a 2 year plan). Please note this is charge to schools direct; individual school governing bodies determine the charge to pupils.</p>		

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Budget Growth		Comment
<b>Budget Pressure</b>		
<b>Vibrant &amp; Sustainable City</b>		No panel comments.
Waste Management and Disposal Partnership/Contract inflation		
Highways Maintenance Contract inflation. This is offset by a previously approved savings proposal for the same amount		
Grounds Maintenance and Street Scene inflation. This is partly offset by a previously approved savings proposal of £83,000		
Carbon Reduction Commitment		
Transport Director - Black Country		
Leisure & Communities, Leisure PFI utility pass through costs anticipated to rise in line with energy costs nationally. The increased costs are not as a result of greater use or an increase in facilities provided		
<b>Total Vibrant &amp; Sustainable City</b>		

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Confident Capable Council 2.12.15

Resources

Details		Directorate	Comment
<p><b>Customer Services Transformation – accelerate existing savings</b></p> <p>Accelerate the migration of appropriate services into the contact centre using "lift and shift" methodology, in order to undertake end to end business process re-engineering and achieve efficiencies.</p>	<p>Corporate</p>	<p>The panel asked for an explanation of the "lift and shift" methodology. Cabinet Member for Resources explained that the term refers to the process of bringing in backroom function services to a central location and over a period of time making changes to make them efficient and responsive to customer needs. Sue Handy, Head of Customer Services, gave examples of services where changes had been made to make them more efficient by removing unnecessary stages in the process. This process has led to a reduction in the resources needed and lower administrative costs to the Council.</p>	
<p><b>Review of council tax scheme and discounts</b></p> <p>(i) To review council tax accounts with a single person discount and remove where there is no eligibility as set out in national</p>	<p>Corporate</p>	<p>Cabinet Member for Resources explained that the changes are to confirm eligibility and reduce the level of fraud. The process will involve introducing new procedures and the sharing of intelligence. The end of the discretionary council tax discount for the first 21 days will have implications for</p>	



Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>council tax legislation. (ii) To end the discretionary council tax discount given for the first 21 days that a property is empty.</p>		<p>Wolverhampton Homes and other housing providers in terms of the management of voids. There will be exemptions to the policy if the property needs major work done to meet the necessary standard.</p> <p>The panel queried the reason for not introducing the policy change earlier. Cabinet Member for Resources explained that there had been discussions three years ago to consider this issue. However, at the time there was a consensus that 21 days was a reasonable time period to grant a discount given for an empty property.</p> <p>The panel queried if the policy change applies to charities or voluntary sector bodies owing property. Cabinet Member for Resources explained that charities pay business rates and are not affected by the proposed changes and would receive either a discount between of 80% to 100% depending on circumstances on their business rates.</p>
<p><b>Review of ICT requirements</b></p>	<p>Corporate</p>	<p>No comments</p>

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p>Removal of legacy printing equipment and service desk software solution, has presented an opportunity to reduce support and maintenance costs.</p>		
<p><b>Efficiencies within Financial Services</b></p> <p>The proposal aims to reduce costs and deliver savings as part of a review of how services are currently delivered. This will be done through efficiencies delivered as part of the new bank contract, changing the provider of payment cards, reducing the number of printed payslips, a review of requisitioning across the organisation with a view to centralising and reviewing the current invoice scanning process with a view to providing an in-house solution.</p>	Corporate	No comments
<p><b>Revised approach to Procurement</b></p> <p>Restructure of Procurement Team to a Category Management approach.</p>	Corporate	No comments

Savings, Redesign and Income Generation Proposals by Cabinet Portfolio

Details	Directorate	Comment
<p><b>Review residual fraud resource (within Internal Audit)</b></p> <p>Following the transfer of the Benefit Fraud Investigation Team to the DWP as part of their Single Fraud Investigation Service Programme, we have assessed the council's residual fraud resource in order to ensure that we can meet our residual fraud responsibilities alongside central government anti-fraud initiatives. This will remain under review in order to ensure that this remains the case.</p>	<p>Corporate</p>	<p>Cabinet Member for Resources outlined the change. The proposal has been discussed with the Head of Audit and the Chair of Audit Committee. No panel comments</p>
<p><b>Charges for late payment of invoices</b></p> <p>Commercial organisations that do not pay invoices on time can be subject to late payment fees. These fees are set in law and comprise an interest charge (8% plus Bank of England base rate) plus a fixed fee varying from £40</p>	<p>Corporate</p>	<p>Cabinet Member for Resources outlined the change. The panel commented that this should have introduced earlier. Cabinet Member for Resources explained that there is an administrative cost involved in chasing late payment of invoices which would have affected the amount of any potential savings. Further the previous finance systems would not have been able to complete the task. The introduction of Agresso system has made</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>to £100 dependent upon the amount overdue. There is a cost to the Council in chasing late payments and taking enforcement action. Under this proposal the feasibility of levying a late payment charge will be considered as a way of prompting payment on time, avoiding costly recovery action and improving collection performance.</p>		<p>it possible to recommend the introduction of charges for the late payment of invoice.</p> <p>-</p>

**Governance**

<b>Details</b>		
<b>Review of Staff Training</b>	<b>Directorate</b>	<b>Comment</b>
<p>A £90,000 reduction in the council's workforce development budget is proposed which includes:</p>	<p>Corporate</p>	<p>Cllr Paul Sweet, Cabinet Member for Governance, gave an overview of the proposed change. Cabinet Member for Governance explained that the changes have been discussed with employees and no concerns were expressed. The panel were</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

<ul style="list-style-type: none"> <li>- Termination of the Research in Practice contract for Adults and Children's services (£30,000)</li> <li>- Removal of the budget for the three year 'Grow your own Social Worker' programme in Children's Services, which ceases in 2015-16 (£50,000)</li> <li>- Reduction in the corporate employee training budget (£10,000).</li> </ul>		<p>advised that the reduction of £90,000 was equivalent of 10% of the total budget.</p>
<p><b>Governance Restructure</b></p> <p>As a result of previous Senior Management restructures, there is a need to reflect a leaner, flatter management structure across the Directorate by reviewing Middle Management posts.</p>	<p>Corporate</p>	<p>Cabinet Member for Governance explained that the changes would affect posts in middle management. The work is part of a process of wanting to deliver a leaner and more effective service. Cabinet Member for Governance acknowledged how well the workforce had responded to the challenge.</p> <p>The panel queried if the impact of previous restructures had led to increased levels of reported stress related illnesses. Cabinet Member for Governance commented that this issue has been considered in recognition of increased demands. Cabinet Member for Governance explained that a paper proposing changes to the current sickness absence policies will be considered by Cabinet Resources next week.</p> <p>The panel discussed the extent to which the loss of</p>

**Savings, Redesign and Income Generation Proposals by Cabinet Portfolio**

		<p>senior staff with knowledge and experience was impacting on efforts to deliver improved quality of services.</p> <p>The panel commented on the increase in the number of interim posts and the extent to which this had reduced the potential savings from previous restructures. Cabinet Member for Governance outlined the benefits of interims and their role in supporting the work of the Council. Cabinet Member for Governance explained that changes to internal structures were intended to create a leaner and flatter organisation and were not simply a cost cutting measure.</p> <p>The panel repeated concern about retaining knowledge and experience of local government within the organisation and the importance of keeping it. Cabinet Member for Governance expressed confidence in the recruitment process and that it is delivering the necessary employees with the necessary skills and experience.</p>
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**Financial Transactions and Base Budget Revisions**

**Resources**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p><b>Net Employee On-cost Savings due to clearing strain balance owing to West Midlands Pension Fund at the end of 2014/15</b></p> <p>As reported to Cabinet on 22 July 2015, as a result of an underspend in 2014/15, instead of spreading the cost of pension strain over a period of up to three years, all sums due to the West Midlands Pension Fund relating to pension strain were fully accounted for in 2014/15. This enabled the Council to secure savings against the Council's pension liabilities for the period up to 2017/18.</p>	<p>Corporate</p>	<p>No panel comments.</p>
<p><b>Review of Centro Levy</b></p> <p>It is proposed that the corporate budget for the Centro levy is reduced in line with the revised forecast.</p>	<p>Corporate</p>	<p>Cabinet Member for Resources explained that the proposal follows a recommendation of the leaders of the local authorities that the levy should be reduced.</p>
<p><b>Review of Pensions costs</b></p>	<p>Corporate</p>	<p>No panel comments</p>

**Financial Transactions and Base Budget Revisions**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>Review of the current payment on account arrangements and the costs associated with former employees.</p>		
<p><b>Treasury Management savings including Minimum Revenue Provision</b></p>	<p>Corporate</p>	<p>Cabinet Member for Resources explained the background to the change and also the work of the treasury management team who look for opportunities to maximise income by taking advantage of changes in interest rates. The task is complicated by the level of uncertainty about the direction of national interest policies and their impact on savings rates. The low rates of interest rates presents a challenge in maximising returns on Council funds.</p> <p>Cabinet Member for Resources expressed his thanks for the work of treasury management team in looking after the Council's finances</p>
<p><b>Revenues and Benefits – Maximisation of grants and other efficiencies</b></p>	<p>Corporate</p>	<p>Cabinet Member for Resources explained the background to the proposed change. The panel queried if the proposal relates to the planned</p>



**Financial Transactions and Base Budget Revisions**

<b>Details</b>	<b>Directorate</b>	<b>Comment</b>
<p>As a result of grant funding being available it is possible to reduce the net costs of the service for 2016/17 without impacting on service delivery.</p>		<p>introduction of Universal Credit. Cabinet Member for Resources explained that this proposal was unrelated.</p>
<p><b>Accelerate Revenues and Benefits team restructure</b></p> <p>To bring forward from 2017/18 to 2016/17 the final element of savings being delivered by restructuring the Revenues and Benefits team.</p>	<p>Corporate</p>	<p>No comment</p>

2016/17 Draft Budget Assumptions

Budget Growth	
Budget Pressure	2016/17 £000
<b>Corporate</b>	
Pay Award	1,337
Pension	6,411
National Insurance	672
Pay Increments	1,248
Birmingham Airport Dividends	(132)
Treasury Management adjustments including Minimum Revenue Provision	2,398
West Midlands Integrated Transport Authority Levy offset by savings proposal	134
Anticipated rise in non-domestic rates	145
Anticipated rise in energy prices	162
Better Care Fund savings to be identified. Additional sum required in light of prior year overspends	1,300
FutureWorks - annual expenditure as reported to Cabinet on 10 April 2013. This will be offset by previously approved savings proposals for the same amount in 2017/18 and 2018/19	716
Increase in Pension Costs of former employees. This is offset by a previously approved savings proposal for the same amount	176
Insurance Arrangements	200
<b>Total Corporate</b>	<b>14,767</b>

## Appendix C

### 2016/17 Draft Budget Assumptions

The panel queried the assumptions in the table. The panel were advised that the growth figure for pay award is based on an assumption about the outcome of national negotiations of a likely 1% increase. Cabinet Member for Resources commented on the challenge that care homes will face in paying the national living wage.

The impact of the proposals detailed in the Autumn Statement is still to be determined. The impact of changes to the business rates policy and responsibility for Public Health is a cause for concern.