

Summary of Interim Proposed Budget Changes for 2014/15 by Function (Department)

Appendix 3

	Funding Changes	<-----Inflation----->			Other Cost Pressure	<-----Savings & New Income----->				Draft Changes for 2014/15
		Inflation - Pay	Inflation - Contracts	Inflation - Income		Back Office / Efficiency Savings	Front Office Transforma- tion	New Income	Service Changes	
		£'000	£'000	£'000		£'000	£'000	£'000	£'000	
PP001 - Chief Executive										
PF100 - Stronger Together	0	2	0	0	0	0	0	0	0	2
PF110 - Internal Audit	0	4	0	(1)	0	0	0	0	0	3
PF400 - Localities	0	6	0	0	0	0	0	0	0	6
PF410 - Communication & Insight	0	3	0	0	0	0	0	0	0	3
Total for Chief Executive	0	15	0	(1)	0	0	0	0	0	14
PP002 - Resources										
PF200 - Finance	0	21	69	(4)	0	0	0	0	0	86
PF210 - Revenues & Benefits	0	5	6	0	0	(56)	0	0	0	(45)
PF220 - Property Assets	0	7	29	(16)	0	0	0	(170)	0	(150)
PF230 - Design & Architecture	0	0	46	0	0	0	0	0	0	46
PF240 - Corporate	3,204	71	39	(3)	2,022	(1,352)	(2,000)	0	0	1,981
PF240 - Corporate Contingency	0	0	0	0	0	0	0	0	0	0
PF240 - Debt Charges	0	0	0	0	0	0	0	0	0	0
PF250 - IT & HR	0	9	0	0	0	0	0	0	0	9
Total for Resources	3,204	113	189	(23)	2,022	(1,408)	(2,000)	(170)	0	1,927
PP005 - Commissioning										
PF310 - Law & Democratic Services	0	30	3	(14)	0	(64)	0	(16)	0	(61)
PF500 - Management	0	7	0	0	0	(45)	0	0	0	(38)
PF510 - Children & Adults	0	28	1,596	(106)	2,113	(352)	0	0	(1,613)	1,666
PF520 - Economy / Attainment	(208)	33	103	0	80	(45)	0	0	0	(37)
PF540 - Public Health	0	0	0	0	0	(481)	0	0	0	(481)
PF600 - Children and Families	0	99	322	(22)	1,120	0	0	(140)	(200)	1,179
Total for Commissioning	(208)	197	2,024	(142)	3,313	(987)	0	(156)	(1,813)	2,228

	Funding Changes	<-----Inflation----->			Other Cost Pressure	<-----Savings & New Income----->				Draft Changes for 2014/15
		Inflation - Pay	Inflation - Contracts	Inflation - Income		Back Office / Efficiency Savings	Front Office Transforma- tion	New Income	Service Changes	
		£'000	£'000	£'000		£'000	£'000	£'000	£'000	
PP006 - Service Delivery										
PF530 - Commercial Services	(31)	9	704	(28)	132	(700)	0	0	(1,206)	(1,120)
PF610 - Public Protection & Streetsmart	0	24	133	(53)	60	0	0	(50)	0	114
PF620 - Leisure, Libraries, Culture & Traded Services	0	87	169	(207)	0	0	0	(30)	(1,640)	(1,621)
PF630 - Housing Services	0	8	6	(1)	0	0	0	0	0	13
PF640 - Highways & Transport	0	28	273	(78)	200	(170)	0	(320)	(130)	(197)
PF650 - Planning	0	18	1	(7)	20	0	0	(65)	0	(33)
PF660 - Business Services & Support	0	24	325	(8)	0	(449)	0	0	0	(108)
Total for Service Delivery	(31)	198	1,611	(382)	412	(1,319)	0	(465)	(2,976)	(2,952)
Total for General Fund	2,965	523	3,824	(548)	5,747	(3,714)	(2,000)	(791)	(4,789)	1,217

Proposals previously approved
by Cabinet

385

2,581

635

3,160

6,761

Proposals for approval by
Cabinet elsewhere on this
agenda

1,155

1,155

Proposals subject to
consultation (December -
January 2014)

3,350

523

3,824

(548)

5,747

(1,133)

(2,000)

(156)

(474)

9,133

2014-15 Budget - Detailed Proposals**Appendix 4****Funding Changes Assumptions**

	Change 2014-15
Proposal	£'000
<u>Cost Pressures (positive numbers)</u>	
Assumed Reduction in Government Grant	4,100
Estimated reduction in Collection Fund Surplus for the Council share of the fund used to support the SBC Budget	145
Change in level of Business rates income used to support the Council's Budget - this will be confirmed once the Council is notified of the 2014-15 base-line figure as part of the Local Government Finance Settlement	
Reduction in Extended Rights of Free Travel grant (part of LSSG)	158
Further loss of Education Services Grant, over and above that in previous years, based on potential Academy conversions - the Council loses £116 for each pupil in a school that transfers from Council control to Academy status	80
The Government is transferring an amount of Health funding to Local Councils to help fund the cost of rising social care costs. At this stage, it is unclear how much is new money and what additional responsibilities transfer to the Council from the Health Authority. This figure will be updated as the position becomes clearer.	
<u>Additional Income (negative numbers)</u>	
Increase in Council Tax income as a result of a rise in the number of households within the Borough increasing the tax base from 65,420.8 in 2013-14 to 66,245.8 in 2014-15.	(945)
Local Reform and Community Voices specific grant income above the current budgeted level	(134)
Total	3,404

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Service Area - Adults and Children's Commissioning Services

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Cost Pressures (positive numbers)					
Demand for services to Older People - based on latest information from population figures and trend analysis of recent activity		700	700		
Demand for services for people with Learning Disabilities - based on latest information from population figures, trend analysis of recent activity and known service users due to transition from Children Services.		1,304	1,304		
Children - Administration for independent assessment process		25	25		
Children - Additional Reviewing posts due to increase in Child protection cases (from 120 to 170) & higher numbers of children in care		77	77		
Additional resource for children's safeguarding (increase existing part-time post to full-time)		7	7		
Change Programme Savings (negative numbers)					
Targeted work to partly mitigate the rising demand for Social Care for people with Learning Disabilities (LD) (£1.3m) which will support potential service users to have access to the full range of services available to them as part of the Adult Demand programme. The current proportion of spend for learning disabilities compared to older people exceeds the national average. Although we have an historic number of adults in residential care, new packages also show a trend of above average costs. Commissioners are meeting weekly with Front-Line service managers and social workers reviewing care packages and providing coaching on personalisation. This in turn should reduce the cost of new packages of care thereby managing an element of the cost pressure based on historic demand.		(750)	(750)		

2014-15 Budget - Detailed Proposals

Service Area - Adults and Children's Commissioning Services

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Targeted work to partly mitigate the rising demand for Social Care for Older People (£700k) which will support potential service users to have access to the full range of services available to them and help them to remain independent for as long as possible as part of the Adult Demand programme. Maximising reablement and prevention services including community based support and voluntary sector commissioning. Review of hospital discharge and appropriate place of assessment i.e. a step down service prior to longer term assessment. Full utilisation of the on-line information and advice directory. Service re-design for initial contact. Further work with providers on personal budgets and outcome based services. Increase in referrals to Extra Care provision.		(200)	(200)		
Improved commissioning of Supporting People contracts		(200)	(200)		
Domiciliary Care and Community Based support - manage budgets within 2012-13 cash limits including review of additional support hours		(273)	(273)		
Voluntary Sector Hub - savings on premises costs through creation of Voluntary Sector advice and information hub at Sanford House.	(25)		(25)		
Respite Care Firethorn Close - ensure maximum utilisation of facilities at Firethorn Close by rescheduling current provision for LD respite care as demand is limited during week days resulting in surplus places. Available capacity will be used for short term residential and crisis services. This may include a period of assessment with input from external organisations. These changes are the full implementation of the original business case and gateway paper regarding Firethorn Close and LD short break services in 2008/09.		(250)	(250)		

2014-15 Budget - Detailed Proposals

Service Area - Adults and Children's Commissioning Services

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Other Tactical Savings (negative numbers)</u>					
Reshape Commissioning staffing structures and deletion of vacant posts	(50)	(27)	(77)		2.0
Integration of Council and Public Health Services. Public Health outcomes became the responsibility of the Borough from 1st April 2013. The Council has been providing services that contribute to Public Health outcomes for some years however since the 1st April further progress has been made to integrate work between Public Health and existing Council services, refocus some relevant services on the role they can take in ensuring better outcomes can be achieved and that we maximise the return on our investment at an overall lower cost to the Council.	(481)		(481)		
Children's Centres - financial impact of changes agreed at Cabinet in September 2013 following detailed consultation to refocus Children Centres on the children with the greatest need. Full-year saving of £380k, with £180k assumed in 2013-14 with the balance in 2014-15	(190)		(190)		
VAT saving following a review of central support costs passed to and recovered from Seqol, the Council's provider of Adult Social Care services	(56)		(56)		
Total	(802)	413	(389)	0	2

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Service Area - Children's Service Delivery

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Cost Pressures (positive numbers)</u>					
Additional legal costs resulting from changes to the judicial process that front loads work on the Legal system before cases get to court		300	300		
Increase in staffing resources in order to stabilise the current service and ensure safe working practices within children's social care services following an increase in the number of children requiring support. Also to increase Early Support Service capacity in order to mitigate demand for statutory social care service provision.		320	320		
Increase in the cost of Children's Care packages as a result in a national spike in the number of young people requiring support		500	500		
<u>Change Programme Savings (negative numbers)</u>					
Savings in the cost of disabled children's care packages linked to current levels of expenditure		(50)	(50)		
Reduction in the cost of Care and Placements support for Children in Care as a direct result of different approaches to support being adopted through the change programme - over £600k cost avoidance which is offset by demand led increases in the need for services		0	0		
Above budgeted levels of traded services income including Adoption Services, Education Welfare, Education Psychology, Speech and Language Therapy, Targeted Mental Health Services and On Trak.		(140)	(140)		
<u>Other Tactical Savings (negative numbers)</u>					

2014-15 Budget - Detailed Proposals**Service Area - Children's Service Delivery**

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Reduction in Children and Families training budgets for the provision of higher education training and support for early years / child-minder settings reflecting recent trends in expenditure levels.	(100)		(100)		
Transport reduction due to a planned reduction in the provision of high cost transport provision i.e. taxi's and use of alternative transport provision at a lower cost. 20% planned reduction on 13-14 budget.		(50)	(50)		
Total	(100)	880	780	0.0	0.0

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Service Area - Economy and Attainment

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Cost Pressures (positive numbers)</u>					
Creation of a new Education policy post to manage new responsibilities around Special Education Needs and to create capacity within the Growing Economy senior leadership which currently manages both Education and economy relates services		80	80		
<u>Other Tactical Savings (negative numbers)</u>					
Funding part of the Forward Swindon (FSL) contribution from rental income instead of base budget resources	(125)		(125)		
Savings arising from prioritisation of skills and employment commissioning activities including maximisation of the Adult Education Grant	(60)		(60)		
Deletion of part-time early years post		(17)	(17)		0.5
Deletion of provision for Special Education Appeals costs		(23)	(23)		
Deletion of provision for temporary staff in the Education Standards and Quality Team		(5)	(5)		
Recovery of premises costs chargeable to the Dedicated Schools Grant (DSG)-funded Tuition Service		(23)	(23)		
Total	(185)	12	(173)	0.0	0.5

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Service Area - Leisure, Culture and Libraries

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Change Programme Savings (negative numbers)</u>					
Wyvern Theatre / Arts Centre - financial impact of changes agreed at Cabinet in September 2013 following detailed consultation to extend the existing Wyvern contract to include both the Wyvern Theatre and the Arts Centre, which ensures that theatre provision within the Council's portfolio remains sustainable, provides best value and a reduced net cost.	(180)	0	(180)		
Transfer the assets and operation of leisure and golf provision within the Borough to an external provider(s) removing the current subsidy of £1.2m. The 2014-15 Budget assumes a part-year saving which is subject to a successful conclusion of the market exercise. This proposal impacts on approximately 154 full-time equivalent posts as well as casual staff		(750)	(750)		
Further reduce the operational costs of leisure and culture within the Borough by targeting reductions in support functions to these services and increasing the commercial viability of culture sites. Part of this saving is subject to a successful conclusion of the leisure and golf market exercise.		(150)	(150)		
Linked to the proposed transfer of assets to an external provider(s), remove the requirement to pay back prudential borrowing for historic leisure invest to save capital schemes from the base budget and fund any outstanding capital sums from either one-off resources or borrowing and is subject to a successful conclusion of the market exercise.		(180)	(180)		

2014-15 Budget - Detailed Proposals

Service Area - Leisure, Culture and Libraries

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Other Tactical Savings (negative numbers)</u>					
Community facilities – financial impact of work that has already taken place to continue with the on-going programme of transferring the running of facilities to the community in line with the Council's over-arching strategy around community capacity building	(80)		(80)		
Libraries - Efficiencies within the library service including a staffing restructure and partnership working with Gloucester County Council. Consultation is to be carried out on an updated library strategy, previously agreed by Cabinet in 2011, which may generate further savings depending on the outcome. The £300k comprises; Streamlining the library management team from 3 to 2 FTE £46k; Procurement saving on library management system £36k; Stream-lining acquisition, events and outreach teams £128k; Reducing the stock fund by £50k from £400k to £350k; Reduction in publicity budget £9k; Other tactical back-office savings £31k.	(300)		(300)	6.3	
Traded services - revisit alternative delivery models following recent options appraisal with potential implementation in 15/16. Continue to maximise income from existing customers throughout 14/15.	(30)		(30)		
Total	(590)	(1,080)	(1,670)	6.3	0.0

2014-15 Budget - Detailed Proposals

Service Area - Other Services (not covered by Change Programmes)

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Cost Pressures (positive numbers)</u>					
Pay Inflation (at 1%)		526	526		
Contract Inflation (at average of 2% but some specific areas are different)		3,822	3,822		
Income inflation (at 3%)		(549)	(549)		
Increase in the level of employer contributions to the Pension Fund of 1% following the triennial actuarial review undertaken during 2013		747	747		
Increase in Debt Charges to cover the cost of schemes in the 2013-14 and 2014-15 capital programmes		1,000	1,000		
Car parking pay & display income - below budgeted income levels due to fewer cars in the town centre		100	100		
Events programme post for the Town Centre and Wharf Green		20	20		
Pressure on land charges income budget. Shortfall occurred in 11/12 and 12/13 and is continuing in 13/14		20	20		
Car parking penalty charge income - lower than budgeted income levels		100	100		
The Council's commercial property estate generates around £4.5m per annum in rental and service charge income each year. At present, two significant commercial lets are vacant creating a pressure of around £0.5m within the Budget but it is assumed that this will be managed in year by one-off property-related income streams or by letting the vacant properties		0	0		
Council Tax Support Grant - provision to allow for the passporting of funding to Parishes		75	75		

2014-15 Budget - Detailed Proposals**Service Area - Other Services (not covered by Change Programmes)**

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Other Tactical Savings (negative numbers)</u>					
Predicted savings from the retendering of transport contracts less the currently undelivered savings already assumed in the 13/14 budget relating to Dial A Ride		(130)	(130)		
Additional income from car park season tickets already achieved	(300)		(300)		
Additional Planning and Building Control Income	(65)		(65)		
Net reduction in running costs of ICT services mainly through PC and Telephony annual running and replacement cost savings partly offset by an increase in annual planned IT server shutdown costs, on-going Enterprise Agreement software licences and incidental ICT costs.		(99)	(99)		
Denominational Transport Saving - phased increase in saving agreed in 2011	(70)		(70)		
Sheppard St car park lease - the 2013-14 Budget assumed this income would be one-off but following the lease being renewed it is now being reflected in the base budget	(20)		(20)		
Redirection of DEFRA Capacity Building funding. There is resource for drainage improvements within the existing Capital Programme. Funding for further drainage schemes will be sought from the capital programme for 2014/15.	(100)		(100)		

2014-15 Budget - Detailed Proposals

Service Area - Other Services (not covered by Change Programmes)

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Local Welfare Fund underspend reallocated to support welfare related expenditure as follows - One off payments to support children in need for day to day living, subsistence, and education support £100k; Purchasing equipment for those with disabilities to support them remaining in their homes £88k; Homelessness Prevention Fund £12k.	(200)		(200)		
Commercial rent income - above budgeted rental income linked to the acquisition of Pearl Assurance House	(170)		(170)		
Procurement saving from Cash Collection Service, Health and Well-being contracts and wider discretionary contracted expenditure	(189)		(189)		
Capita Contract - reduction in annual service charge reflecting the payment profile negotiated in 2006 before entering into the partnership	(150)		(150)		
Consultation budget reduction including Residents (Place) Survey which will be funded from one-off resources as and when there is a requirement to undertake this sort of exercise rather than tying up on-going resources that may not be spent		(12)	(12)		
Capita contract - targeted savings from the review of Business Support and other service savings within the contract		(200)	(200)		
Savings on pension liabilities within partner organisations due to staff turnover and replacement employee within local stakeholder pensions funds rather than the Local Government Pension Fund		(153)	(153)		
Reshaping the Audit and Financial Assessment of Benefits (FAB) teams resulting in the deletion of 2 posts	(56)		(56)		2.0

2014-15 Budget - Detailed Proposals

Service Area - Other Services (not covered by Change Programmes)

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Estimated savings from the reintegration of services currently provided by Swindon Commercial Services Limited (SCS) back into the Council (Insurance premiums, management costs, staffing restructurings, external audit fees, operating costs etc.)		(2,000)	(2,000)	tbc	tbc
Savings in operational budgets across the Council following a review of 2013-14 expenditure budgets against 2012-13 actual expenditure by service area	(254)		(254)		
Saving identified following a review of election costs and cycle of elections. However, if IER are not fully funded by the Government there could be a cost pressure which will be updated in the Final Budget to be considered by Council in February 2014		(50)	(50)		
Reduction in budget for Member's Allowance in line with continued underspend		(10)	(10)		
Increased income due to an increase in the number of Register Office ceremonies		(16)	(16)		
Reduction in the Legal services publications budget as a result of moving to on-line resources		(4)	(4)		
Moving from an annual to a bi-annual One Swindon Conference to be funded by all partner organisations		(33)	(33)		
Reduction in corporate and specific contingency funds from £1.970m to £1.620k		(250)	(250)		
Total	(1,574)	2,904	1,330	0.0	2.0

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Service Area - Streetsmart

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
<u>Cost Pressures (positive numbers)</u>					
End of Section 106 funding for land adoptions (Haydon 3) resulting in grounds maintenance costs needing to be met from core Council resources		40	40		
Street Cleaning in the Town Centre		132	132		
Estimated additional running costs of the Solid Recovered Fuel (SRF) / Refuse Derived Fuel (RDF) facility at Waterside. However the operating costs have high levels of volatility depending on when the dryer element of the facility becomes operational. It is currently anticipated that the dryer will be fully operational by 1st April, 2014. Each month's delay will add around £100k to net operating costs in 2014/15. The figures are based on an assumed level of SRF gate fee, which is currently being procured, for the disposal of the material coming out of the plant. For each £10 variance in the cost per tonne, operating costs will change by around £400k pa in 2014/15. As production at the plant increases in future years this variance would be up to £600k p.a. when the plant is fully operational. This number will be refined as the gate fee price is secured and the opening date of the dryer is confirmed		200	200		
<u>Change Programme Savings (negative numbers)</u>					
Reshaping the Green Waste Collection Service. Moving from a restricted bag-based service to an optional wheeled-bin service at a cost of £40 per annum which will include the provision of the bin (or bags for properties not suitable for a bin).	(720)		(720)		3.0

Service Area - Streetsmart

	Financial Impact of Previous Decisions	Change Proposed in December 2013	Total Change Proposed for 2014/15	Post Deletions 2014-15 (FTEs)	
Proposal	£'000	£'000	£'000	Filled	Vacant
Consolidate all household collections into a single fortnightly service. This would result in fewer collection vehicles on the road, meaning fewer emissions and a rationalised fleet. Most households already have room in their recycling receptacles to cater for a fortnightly collection but those with higher levels of recyclates will continue to have the option of purchasing additional boxes from the Council.	(435)		(435)		13.0
Reduction in the number of refuse rounds through route optimisation and less travelling time to the disposal point. Part of saving already taken in 1314 budget, this is the full year effect.	(70)		(70)		
Contribution from Health towards the Clinical Waste collection and disposal service		(31)	(31)		
Review the requirement to open up and lock parks and crematoria each day to enable savings within the facilities management service as part of reintegrating services provided by Swindon Commercial services (SCS) with Council services		(11)	(11)		
Reduction in the subsidy of grounds maintenance costs for football pitches and leisure grounds by recovering the costs from within service user fees.		(40)	(40)		
Other Tactical Savings (negative numbers)					
Reduction in SRF/RDF gate fee paid to SCS to £79 (+ 2.5%) per tonne (from £92) on the assumption that all Hills penalties are funded from one of money (48,500 tonnes x £13) as agreed by Cabinet in October 2013	(630)		(630)		
Additional budget for landfill penalties put into base for 13-14 now being funded from one-off resources as agreed by Cabinet in October 2013	(450)		(450)		
Increase in crematorium income in line with current 2013-14 projections	(50)		(50)		
Total	(2,355)	290	(2,065)	0.0	16.0