



TRAFFORD
COUNCIL

**AGENDA PAPERS FOR
BUDGET EXECUTIVE MEETING**

Date: Wednesday, 19 February 2014

Time: 6.15 pm

**Place: Committee Rooms 2 and 3, Trafford Town Hall, Talbot Road, Stretford
M32 0TH**

A G E N D A	PART I	Pages
1. ATTENDANCES		
To note attendances, including officers, and any apologies for absence.		
2. DECLARATIONS OF INTEREST		
Members to give notice of any interest and the nature of that interest relating to any item on the agenda in accordance with the adopted Code of Conduct.		
3. EXECUTIVE'S REVENUE BUDGET PROPOSALS 2014/15 AND PROPOSED CAPITAL PROGRAMME 2014/7		
To consider a report, and relevant supporting papers, from the Executive Member for Finance and Director of Finance, for recommendation to Council.		
<u>NOTE: The reports on Revenue Budget, Fees and Charges, Capital Programme and Treasury Management, once approved by Executive, will be referred to the subsequent Budget Council Meeting for agreement; Members are asked to ensure they bring them to both meetings.</u>		
(a) Executive's Revenue Budget Proposals 2014/15	(Pages 1 - 206)	1 - 206
The following documents are attached:		
i) Revenue Budget 2014/15 Proposals Report; supported by:		
ii) Public Consultation Response		
iii) Staff Consultation Response		
iv) Executive's Response to Budget Scrutiny Report (TO FOLLOW)		
v) Fees, Charges & Allowances 2014/15 *		

* The Fees and Charges Book 2014/15 which supports the report is extensive, and is therefore not being circulated in hard copy.* It is being made available on the Executive Meetings page of the Council's website:

<https://democratic.trafford.gov.uk/ieListDocuments.aspx?CId=141&MId=851&Ver=4>

* *Note: Hard copies will be made available to Members on request.*

- (b) **Capital Investment Programme & Prudential Indicators 2014/7** 207 - 248
(Pages 207 - 248)

Supported by:

Treasury Management Strategy 2014/15 - 2016/17

4. URGENT BUSINESS (IF ANY)

Any other item or items which by reason of:-

- (a) Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chairman of the meeting, with the agreement of the relevant Overview and Scrutiny Committee Chairman, is of the opinion should be considered at this meeting as a matter of urgency as it relates to a key decision; or
- (b) special circumstances (to be specified) the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.

5. EXCLUSION RESOLUTION

Motion (Which may be amended as Members think fit):

That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

THERESA GRANT
Chief Executive

COUNCILLOR MATTHEW COLLEDGE
Leader of the Council

Membership of the Committee

Councillors M. Colledge (Chairman), S. Anstee (Vice-Chairman), Dr. K. Barclay, Miss L. Blackburn, M. Cornes, J. Coupe, M. Hyman, A. Mitchell, A. Williams and M. Young

Further Information

For help, advice and information about this meeting please contact:

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This agenda was issued on **Tuesday 11th February 2014** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

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TRAFFORD BOROUGH COUNCIL

Report to: Executive
Date: 19 February 2014
Report for: Decision
Report of: Deputy Leader & Executive Member for Finance and the Director of Finance

Report Title

Executive's Revenue Budget Proposals 2014/15

Summary

The report sets out the Executive's updated revenue budget proposals for 2014/15, taking account of; movements in Government funding, consultation feedback from stakeholders, staff and Scrutiny, changes to budget assumptions and estimates, and includes for some additional savings and investments.

It is proposed that Council Tax should be frozen for the fourth year running to reduce the burden on residents at this time of limited economic growth. Instead the Council will take the opportunity of additional resources in the form of additional Government grant, £(0.9)m equivalent to a 1.1% rise, rather than raise tax to the allowed threshold level of 2.0%.

The key summary points for the revenue budget proposals, are:

- Budget will decrease by £(4.451)m or 2.8%, from £159.003m to £154.552m.
- Government based support has reduced by £6.1m or 5.9%, and
- planned base budget investment in services and other cost pressures amount to £10.0m, with a further £0.9m required to replace the non-sustainable reserves used to support the base budget brought forward.
- The sum of reduced funding and expenditure pressures presents a gross budget deficit for 2014/15 of £17.0m.
- Efficiency, additional income streams, the application of reserves and growth in the tax base will amount to £(13.7)m being 81% of the gross deficit, leaving,
- 19% of the budget deficit that will be met by other savings in the sum of £(3.3)m.

The Director of Finance has set out his view on the reasonableness and robustness of the budget, and the availability and adequacy of reserves, at Annex N.

Recommendation(s)

It is recommended that Council approve:

- The net Revenue Budget for 2014/15 at £154.552m, a decrease of £(4.451)m, or (2.8)%, when compared to the 2013/14 base budget of £159.003m;
- The calculation of the Council Tax Requirement as summarised in Section 8 and set out in the Formal Council Tax Resolution (Green Sheets to be circulated at Council);
- That there is no increase in the proposed Council Tax level for Trafford related services in 2014/15 (valuation bands are detailed at Annex F);
- The Fees and Charges for 2014/15, as set out in the booklet available on the Council's web site, be approved, including specifically :

Notice is given of the intent to increase allotment fees by 50p per week for a standard and additional concessionary plot, and a concessionary charge for a first plot to be increased by 25p per week, in 2015/16.

Approval is given to Corporate Directors and the Chief Finance Officer with the joint delegation to amend fees and charges during 2014/15 in the event of any change in the rate of VAT, as appropriate

- That the minimum level of General Reserve for 2014/15 be set at £6.0m, the same as in 2013/14 (Annex N);
- That the overall Capital Investment Programme level of £83.2m be approved (as detailed in the Capital Investment Programme 2015/18 report attached) of which £40.9m relates to 14/15.
- The Prudential Borrowing Indicators as set out in Appendix 1, page 10, of the attached Treasury Management Strategy.
- The additional borrowing as detailed in paragraphs 17 of the Capital Investment Programme and Prudential Indicators 2014/17 report.

and in approving the above, has taken into consideration :

- The objective assessment by the Director of Finance of the robustness of budget estimates and adequacy of the General Reserve (Annex N).
- The Executive's response to the Scrutiny Committee's recommendations to the budget proposals, which can be found elsewhere on the agenda.
- The detailed report on the outcomes of the Staff and Trade Union Consultation which can be found on the agenda for the Employment Committee on 19 February 2014.

In addition, the Council notes the following :

- The approval on 23 January 2014 under delegated powers by the Director of Finance of the Council Tax Base for 2014/2015 at 71,940 Band D equivalents. Along with the calculation of the estimated Council Tax surplus, sufficient to release £(300)k to support the Council's 2014/2015 revenue budget and a distribution of £(40.5)k and £(15.6)k representing the respective shares of the GM Police & Crime Commissioner and GM Fire and Rescue Authority.
- That the Capital Investment Programme for 2015/2016 and 2016/2017 to be set at a notional £24.5m and £17.8m respectively.
- The Council Tax figures included in the report for the Office of the GM Police and Crime Commissioner and the GM Fire & Rescue Authority are the recommended provisional amounts pending their formal approval.
- The Treasury Management Strategy 2014/2017 detailed elsewhere on the agenda.
- The base budget assumptions as set out in the Medium Term Financial Outlook as detailed in Annex B.

Contact person for access to background papers and further information:

Name:	Cllr Sean Anstee	Ian Duncan
Extension:	4884	4884

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed budget for 2014/15 supports all key priorities and policies.
Financial	The report sets out the proposed budget for 2014/15, distributing available resource across service objective heads as detailed in the report.
Legal Implications:	It is a statutory requirement for the Council to set and approve a balanced, robust budget and Council Tax level. Budget proposals take account of various legislative changes as they affect Council services. The Council has begun the statutory processes associated with the effect of the proposed budget on staffing levels.
Equality/Diversity Implications	The recommendations proposed by this report are not considered to have any significant effects on groups with protected characteristics, and any impact will be mitigated where reasonable and appropriate.
Sustainability Implications	None arising out of this report.
Staffing/E-Government/Asset Management Implications	Human Resources – statutory processes have begun and the impact on staffing is still subject to

	consultation.
Risk Management Implications	An impact assessment of each budget proposal is in the process of being finalised.
Health and Safety Implications	An impact assessment of each budget proposal is in the process of being finalised.

Consultation

A budget consultation has been carried out, the details and results of which are outlined in Section 2 of this Report, and the review of the proposals and process by the Council’s Scrutiny Committee is included at section 3.

Reasons for Recommendation

To enable the Council to set a Budget Requirement and Council Tax level for 2014/15.

Key Decision

This is a key decision currently on the Forward Plan: Yes

Finance Officer ClearanceID.....

Legal Officer ClearanceJLF.....

CORPORATE DIRECTOR’S SIGNATURE

(electronic).....**WM**.....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.



TRAFFORD
COUNCIL

**Executive's
Revenue Budget
Proposals 2014/15**

19 February 2014

**FOREWORD by the DEPUTY LEADER and
EXECUTIVE MEMBER for FINANCE**

COUNCILLOR SEAN ANSTEE

Background

Since 2005 it has been the clear policy of the Council to deliver value for money and a low Council Tax. This can only be achieved by a strong culture of financial management across all services.

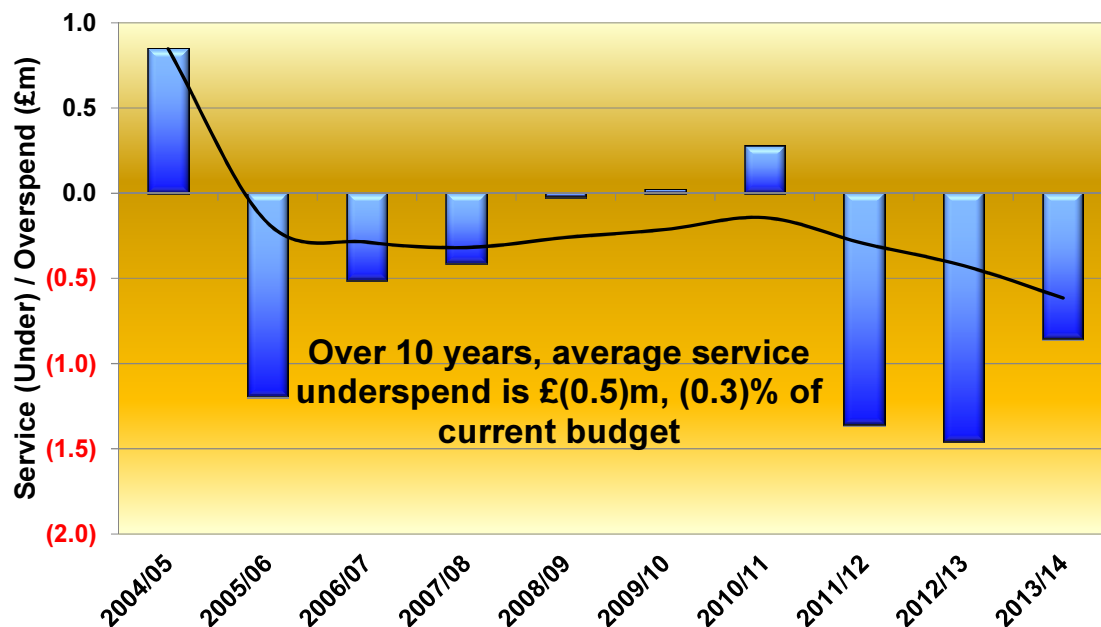
Trafford Council has a proven track record and the recognition of its external auditors of delivering significant efficiencies, for setting robust and stable budgets, with minimal and reducing reliance on reserves, and for delivering improving high quality services within budget year after year.

“The Council has proper arrangements in place for securing financial resilience. The Council has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future. The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness. The Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.”

Grant Thornton, Audit Findings for Trafford, September 2013

Over the last ten years the average service variance from the agreed budget has been 0.3%, clearly evidencing that the savings and service improvements outlined in ever challenging budgets are managed in year to deliver within 99.7% of expectations.

**Total Service (Under) / Over Spending
against Budget 2004/14**



The Council also has a proven track record for delivering service improvement, and implementing new services that meet the needs of residents, even at a time of significant change, increasing demand and reducing resources:

- On 1 April 2013, the Public Health function successfully transferred from the National Health Service to the Council, along with combining children and adult social care services into one directorate, and
- the Council and key partners took on board the responsibility of the Social Fund from the Department of Work and Pensions, developing Trafford Assist which was specifically tailored to meet the needs of some of the most vulnerable in the Borough, and
- the Council successfully implemented a comprehensive change to the Council Tax Benefit system, implementing a new scheme that protected the most vulnerable and supported those in transition from benefits to employment.
- This was at the same time as delivering £(18.5)m of budget savings, which is nearly 12% of the net budget.
- Additionally, 88% of Trafford schools are rated as good or better by Ofsted compared to 66% nationally and 49% of Trafford schools are rated outstanding compared to 26% nationally.
- GCSE performance of pupils eligible for a free school meal is the highest in the North West and improved further from 41% to 50% in 2013.
- Trafford has the lowest proportion of 16-18 year olds who are not in employment, education or training in Greater Manchester and the rate has continued to improve despite the challenging economic conditions.
- Trafford is a national pathfinder for the Single Education, Health and Care Assessment Model for children with complex needs.
- Trafford is one of the best performing and low cost waste collection services in Greater Manchester, and the introduction of a weekly food waste recycling service in 2013 has increased overall recycling rates from 48% to around 60%, saving an estimated £1.2m from reduced waste disposal costs.
- The Borough has the lowest killed and seriously injured road casualties in Greater Manchester.
- Residents and businesses benefit and will continue to benefit, from being able to park anywhere in the Borough for only 10p for the first hour. This is the lowest rate in Greater Manchester.
- The percentage of people unemployed for longer than six months is 1.3% compared to the Greater Manchester average of 2.1%.
- Over 250 affordable homes will be built in Trafford between 2013 and 2015.
- Trafford remains the safest place in Greater Manchester, with the highest level of Public Confidence and Satisfaction, and the lowest perception of anti-social behaviour which has reduced by 57.6% or 8,120 incidents per year, and
- between 2006/7 and 2012/13, Total Crime in Trafford fell by 53.5% - which is 12,663 fewer offences per year, and

- in 2012/13 the Council yet again had the highest Council Tax (98.1%) and Business Rate (97.9%) collection rates in Greater Manchester.
- All of this has been achieved without increasing the Council Tax, which remained the lowest in the North West and 21st lowest in the Country.
- Healthwatch Trafford was successfully launched in April, with Trafford having been a Department of Health pathfinder,
- Trafford, as part of the Four4adoption partnership, achieved best local authority adoption agency at the National Adoption Week awards
- A successful bid to the Homes and Communities Agency (HCA) secured £3m capital money to support the development of a fourth extra care facility in the north of the Borough.
- National recognition from the Audit Commission was achieved for Trafford Council's adult social care transformation programme over the last five years, including the development of a dementia kite mark informed by customer experience and expectations. There was also recognition for the approach taken in managing the adult social care market.
- In the summer of 2014 the third extra care facility will open in the heart of Sale.

The Council is highly dependent on Government support, and the 2014/15 revenue budget will be the fifth budget set during the period of austerity. From July 2010 with the Coalition Government's first emergency budget to date, support for non-Schools Council services in Trafford has reduced by £24.5m, and for 2014/15 this will reduce by an additional £6.1m.

At the same time public demand and expectation for essential and high quality public services has increased, creating greater demand for expenditure. In addition, the prevailing economic conditions have suppressed the Council's ability to raise income or generate resources through investment.

The Council has responded to this challenge by a broad spectrum of initiatives designed to provide multiple opportunities for cost reduction and service improvement:

- Investing in internal capacity for improved procurement, transformation and organisational change.
- Taking a lead with neighbouring authorities hosting the Association of Greater Manchester Procurement Hub, and vice-chairing the Improvement and Efficiency Commission.
- Sharing services and collaborating; the Human Resources computer system specified, procured and established in partnership with Stockport and Wigan Councils, a project referred to as SWiTch, avoided £2.5m of initial costs. Proposals for 2014/15 include for launching the Council's successful procurement function as a shared service with Stockport and Rochdale Council's, known as the STaR, reducing overheads and boosting purchasing power.

- Working in partnership; at the heart of delivering children and young people's services is the unique partnership between the Council's education and social services functions, and the Primary and Acute Care Trusts. This service centres on the needs of the child rather than the traditional delivery methods of the organisations which reduces unnecessary contact time and improves outcomes. Additionally, a successful partnership bid to the Home & Communities Agency has secured over £3m for a fourth extra care facility in the north of the Borough.
- Redesigning services; Groundforce is to be redesigned into five separate business units across parks, grounds maintenance and street cleaning – with separate operating models for each based on the different service demands. This will enable the use of resources and assets to be maximised and also allow levels of service to be clearly aligned to the funding available.
- Exploiting technology; Trafford is one of the first Councils to introduce the lending of e-readers as well as e-books as part of its innovative library services, and 95% of new claimants now use the e-housing benefit claim form, making it easier for them and reducing the input and administration time for the Council.
- Demand management; within Adult social care the number of people in receipt of Telecare services enabling them to live at home has increased by 737 to 2067, the number of people in receipt of self-directed support has increased from 2,615 to 4,305 from April 2011 – April 2013 and now represents 57% of all users and carers receiving services., and the number of delayed transfers of care that are attributable to adult social care has reduced by 32% from April – December 2013 despite a 3% increase in contacts and referrals made to hospital teams.
- Along with all the Councils of Greater Manchester, actively engaging in the Community Budgets Pilot for Public Service Reform. Across a wide range of projects Councils and partners, particularly in health, are working to implement relatively inexpensive innovative intervention services which will avoid more expensive acute services, which involves redistributing money between organisations to deliver better outcomes for residents at a total lower cost.

These initiatives have assisted in delivering £(39.8)m of efficiency and new income, equivalent to 51% of the Council Tax over the last four years, helping to maintain service levels at a time of significantly reducing resources.

Successfully managing the treasury and tax functions over the same period and the resultant receipts from dividends, tax claims and improved debt collection, has helped generate a net underspend of £(25.0)m. This has assisted in funding one-off projects and improvements in Community Safety, our road network, and Town Centre investment, as well as maintaining a reasonable reserve balance to cope with organisational change and the financial consequences of issues such as equal pay.

Summary of the 2014/15 proposed Budget

The current economic climate poses many issues for the Council as it does for households and businesses across the Borough, in the form of suppressed income, low investment rates, and relatively high inflation.

2014/15 is the fifth national austerity budget whilst the Coalition Government addresses the national deficit. Following the announcements proceeding from the Local Government Finance Settlement and taking into account consultation and robustness of savings proposals the gross deficit for 2014/15 is £17.0m, as a result of:

£6.1m reduction in sustainable Government funding, and inflation, increasing public expectation and demographic pressures in key services, increasing charges from levying bodies for waste disposal and some reduction in income, and an adjustment for the use of reserves in 2013/14 totalling another £10.9m.

Identifying new efficiencies and income streams that can be cost effectively achieved is becoming more difficult each year. In anticipation of the probable difficulties facing the Council in 2014/15, many of the savings proposals were put forward for consultation and initial planning last year as part of the 2013/14 budget.

This detailed longer term view has helped the Council identify £(10.4)m of further efficiencies, changes to staff terms and conditions and additional income such that 81% of the gross budget deficit for 2014/15 can be met with minimal impact on front line services for residents:

£(4.3)m by reducing contract costs through improved procurement or commissioning of goods and services, through market management, and/or by sharing overheads with partners. This will be assisted by the creation of the STaR, a shared service procurement service with Stockport and Rochdale Councils.

£(2.7)m through service redesign or introducing new technology.

£(1.8)m from changes to terms and conditions and tighter cost management related costs such as overtime, allowances and improved sickness management.

£(1.2)m to be saved by managing demand, particularly in adult social care by extending the successful Telecare and Reablement Services.

£(0.4)m of increased or new income, mostly being generated by the ETO Directorate.

£(1.0)m from an increase in the Council Tax base

£(2.3)m through the continued prudent use of reserves generated from previous underspending and the application of Council Tax surpluses generated from the growth in the tax base that has occurred in 2013/14.

The current net budget of £159.003m is proposed to reduce by £(4.451)m, or (2.8)%, to £154.552m, however, it will allow for sustained budgets and some investment in priority service areas:

in particular, an investment of £3.533m for both Children and Adult Social Care to meet the expectations of increasing service demands.

£0.070m to fund a dedicated post to manage the Borough's Town Centres and their development.

£0.055m replacement funding for continued traffic management at the numerous sporting and cultural events in the Borough.

All of the Social Work Teams within both Children's and Adult's services will be maintained.

All existing Youth Centres will remain open, as will Children Centres, and all of the Borough's 14 Libraries. In addition, there are no proposals to close Public Conveniences or reduce School's Crossing Patrols in 2014/15.

Residents and businesses will continue to benefit from being able to park anywhere in the Borough for only 10p for the first hour.

An increase in Council Tax Support commensurate with increases in other relevant benefits.

A living wage of £7.20 per hour will be introduced for employees from 1 April 2014, which will be a contribution to improving the livelihood of around 100 employees.

The Council Tax will remain frozen at the 2010/11 rate, keeping it the lowest in the North West.

In addition to the revenue budget, investment in services through the £83.2m Capital Investment Programme 2014/17, with £40.9m planned for 2014/15 includes for:

Additional primary school placements, £21.2m in 2014/15, £32.6m over three years, and

other investment in schools' infrastructure of £3.9m in 2014/15, £8.8m over three years.

Highways investment of £7.3m in 2014/15, and £22.9m over the three years allowing for the replacement of 65km of carriageway, 66km of footway and 750 new street lighting columns.

Investment in the local economy through the Borough's Town Centres of £0.8m in 2014/15, and £2.8m over the three years.

A variety of investments in social care of £2.3m in 2014/15 and £5.9m over three years, including grants and home assistance to allow elderly and/or disabled people live in their own homes for longer.

Homeowner grants to encourage more homes to be brought up to habitable standards of £0.150m in 2014/15 and £0.450m over three years.

Improvements to facilities at the Council's allotment sites of £0.050m in 2014/15 and £0.150m over three years, and

a contribution to the Greater Manchester scheme to bring broadband to rural areas in the County of £0.313m.

However, inevitably some choices to reallocate resources from some services to higher priority ones need to be made in order to balance the budget by the remaining £(3.3)m. This report provides details on all of the proposals currently being put forward by the Executive by each services area and can be reviewed at Annexes I through M. In summary the main service impacts of reduced spending are:

- Environmental Services, £(1.1)m
- Education Support Services, £(0.5)m
- Waste Management, £(0.5)m
- Sports and Culture, £(0.4)m
- Youth Offending Service, £(0.2)m
- Community Support, £(0.2)m
- Public Protection, £(0.2)m
- Highways, £(0.1)m
- Council Tax & Benefit Administration, £(0.1)m

Where decisions to reallocate services have been taken, the emphasis has been on management and back-office functions. Of the estimated 84.25 fte equivalent positions that are at risk to be removed from the establishment 53% are in management and back-office roles. At the time of the draft budget 64 staff were at risk. This number has now reduced to 56, and of these 37 have volunteered to leave the Council, leaving 19 at risk. The Council will continue to work with these staff to minimise impact.

The draft budget proposals also contain for a review of a number of staff terms and conditions, as well as reducing overtime, sickness and agency costs. Totalling £(1.8)m

Draft proposals have been subject to consultation, equality impact assessments, and the views of the Scrutiny Committee. After taking into account the feedback from consultations, the robustness work of the Director of Finance on business cases, and the governments' update on funding in the local government finance settlement, some changes to the original proposals have been made.

The main changes have been to provide some exemptions to the proposed changes to staff terms and conditions, £0.160m, and to increase the budgetary provision for demography in children's' services by £0.933m. These additions, and some other minor changes, have primarily been funded through:

- the Government's improved settlement, £(0.230)m
- a reduction in the waste levy and a reprofiling of the medium term budget, £(0.335)m

- bringing adoption fee income into the budget, £(0.100)m, and applying the continuing element of Adoption Reform grant £(0.133)m,
- taking advantage of the savings from the recently tendered car park enforcement contract, £(0.150)m, and
- as a consequence of improved debt collection, reducing the budgetary provision for the contingency budget by £(0.125)m.

More detail on the changes can be found in the main body of the report at section 4.

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1. EXECUTIVE SUMMARY

- 1.1 The Executive's draft Budget 2014/15 proposals were published and submitted to the Council's Scrutiny Committee on 18 November 2013, and contained for policy choice decisions of £(3.3)m which was 20% of the estimated gross budget deficit at that time. The proposals were the second year of a detailed two-year budget process which was first published in October 2012, which was consulted on during the autumn and winter of 2012 and early 2013.
- 1.2 As a consequence of some changes to savings proposals for 2014/15 further, targeted consultation took place with stakeholder groups over the autumn and early winter. Stakeholder groups did not propose or raise any issue that made any significant changes to initial proposals.
- 1.3 Scrutiny praised the Executive for the prompt and thorough responses to questions raised during their review, and raised one general and nineteen specific requests for additional information which are responded to elsewhere on the agenda.
- 1.4 The 30 day statutory staff consultation commenced on 7 November 2013, and this consultation has made some amendments to proposals. Not all staff consultations have commenced and four proposals remain subject to reviews, but at this stage it is estimated that 84.25 fte posts will be deleted, putting 56 staff at risk, of which 37 have requested some form of early release. In addition, staff have also been consulted on changes to Terms and Conditions, and the amended proposals, which included for some exemptions, were approved by the Employment Committee on 2 December 2013.
- 1.5 The total net changes from the announcements leading from the Local Government Finance Settlement were a favourable £(0.230)m, however, additional demographic need in Children In Care and Home to School Transport budgets of £0.933m, and exemptions granted to the proposed changes to Terms & Conditions as a consequence of consultation of £0.160m has necessitated further savings.
- 1.6 These cost pressures have been mitigated by reduced Waste Disposal Levy costs, £(0.335)m, bringing adoption income into account, £(0.100)m, applying the continuing element of Adoption Reform grant £(0.133)m, and the new Car Park Administration contract, £(0.150)m. Due to improved debt collection rates a prudent reduction in the contingency provision has been made at £(0.125)m, and other changes net to £(0.040)m.
- 1.7 The proposed budget for 2014/15 after robustness, risk mitigation, equality impact assessment and consultation is proposed at £154.552m:
 - which is a reduction of £4.451m or 2.8% on the £159.003m 2013/14 budget,
 - and includes for a Council Tax freeze for the fourth year running, taking advantage of the additional Government grant of an estimated £(0.894)m.

- The gross budget deficit of £17.015m, was made up of reduced Government support £6.076m, and cost pressures £10.033m, which were,
 - 81% mitigated by an increase in the Council Tax base of £(1.049)m, partly due to the successful local Council Tax Support Scheme, the application of reserves of £(2.307)m, increased efficiency and income of £(8.568)m, and changes to staff Terms and Conditions of £(1.816)m.
 - The 19% remaining budget deficit requiring £(3.275)m of policy choice decisions to balance the budget.
- 1.8 Nearly 30% of fees and charges established and set by regulation have increased by an average of 2%. Where the Council has more discretion in establishing or setting a fee or charge, towards 80% have had increases of an average 6-8%.
- 1.9 Taking all relevant and reliable matters into account, the Director of Finance has determined that the proposed budget, taken as a whole, is reasonably robust on the basis that the Council approves a minimum reserve level of £(6.0)m.
- 1.10 Future budgets remain challenging with further austerity reductions and increasing demand and costs. The Council estimates that in the three years 2015/18 it will need to address a gross budget deficit of £49.8m, and this is after taking into account a Council Tax rise of 2% and an increase in the tax base of 0.5% per year worth a total of £6.1m over the period. Just as the budgets for 2013/14 and 2014/15 formed a detailed two year plan based on identifying any remaining significant efficiencies, the future three years will form a detailed plan using new delivery models and attention to core values as its basis.
- 1.11 The Capital Investment Programme for 2014/18 of £83.2m will see a planned £40.9m of expenditure to support services in 2014/15 alone. Most notably will be expenditure on primary school places, £21.2m, highways, £7.3m, social services clients, £2.3m, and economic regeneration support to the Borough's town centres of £0.8m.
- 1.12 As interest rates are expected to remain low for investments and relatively high for borrowing, any borrowing for 2014/15 will be from internal cash balances of around £50m, however no borrowing is currently planned. It is planned to repay £2m of long term loans reducing the debt portfolio to £95m, and as a consequence to the relatively stable treasury management strategy no significant changes to the Council's prudential indicators is proposed.

2. BUDGET CONSULTATION AND STAFF IMPACT

Draft proposals

- 2.1 Reference is made to a dedicated document on budget consultation elsewhere on the agenda and Members are requested to treat that document as part of the overall budget bundle for the purposes of decision making. The following is an outline of that document.
- 2.2 The draft 2014/15 Budget proposals of 18 November 2013, was the second year of the two-year budget launched in October 2012, supplemented by the Vision 2015 document. However, there were a number of changes to savings proposals based on consultation, business case development and the need for additional savings.
- 2.3 In recognition of the potential impact of the proposals on the workforce and the public, consultation included for a statutory 30 day staff process, starting on 7 November, and a set of specific stakeholder engagements which began on 19 November 2013 and concluded on 8 January.
- 2.4 The proposals contained for £(3.3)m of policy choice decisions, thematically grouped:
 - Environmental Services, £(1.1)m
 - Education Support Services, £(0.5)m
 - Waste Management, £(0.5)m
 - Culture and Sport, £(0.4)m
 - Youth Offending, £(0.2)m
 - Community Support, £(0.2)m
 - Public Protection, £(0.2)m
 - Highways, £(0.1)m
 - Council Tax & Benefit Administration, £(0.1)m

Stakeholder consultation

- 2.5 The main stakeholder groups were; residents through press media and the Council's web site, local businesses through a targeted and promoted event, adult social care stakeholder groups, Head teacher groups, partners such as Greater Manchester Police, the Trafford Clinical Commissioning Group, the Cultural Partnership Network, Friends of Parks, Registered Social Landlords and Trafford Housing Trust.
- 2.6 Generally speaking, stakeholders took the opportunity to raise concerns and register service priorities, but in the knowledge of the budget issues facing the Council did not raise any matter which would lead to a significant rethink on any of the proposals.

Staff and Trade Union consultation

- 2.7 A more detailed report on the outcomes of the Staff and Trade Union Consultation can be found on the agenda for the Employment Committee on 19 February 2014.
- 2.8 Consultation was facilitated by a briefing to all staff and Trade Unions, fortnightly meetings with Trade Unions, service or team level meetings for those recognised as being directly affected and individual meetings with affected staff.
- 2.9 Those staff “at risk” were offered redeployment, early release on the grounds of redundancy or early retirement in order to mitigate the risk of compulsory redundancy. Running alongside the consultation process, an Equality Impact Assessment was maintained as a live document. Of the fifteen proposals that affect staff, eleven consultations have been completed, and four consultations will commence once the benefit realisation of the business case has been finalised.
- 2.10 The summary outcome on eleven proposals that have been consulted on is:
- Five proposals are unchanged
 - Four proposals have been amended in the light of consultation
 - Two proposals are being reviewed in the light of alternative solutions which will achieve the same level of savings but with a lower staff impact
- 2.11 It is not envisaged that the six proposals that are subject to detailed benefit realisation will significantly alter the level of saving proposed. An allowance has been made within the overall assessment of the budget’s robustness.

Impact on Staff

- 2.12 It is now estimated that following a period of statutory consultation, 84.25 full time equivalent (fte) posts will be deleted from the budgeted establishment as a consequence of the proposals contained in this report. After taking account of vacancies, 56 individual staff are at risk of redundancy; however, of these, 32 have requested some form of early release and 5 have secured alternative employment. This means that as a result of the consultation process, the number of potential compulsory redundancies has been mitigated to around 19. Over 50% of the estimated staffing reductions are in management and back-office posts:

Staffing type	Post reduction in fte	Proportion or percentage	Headcount reduction	Percentage of total workforce
Management	12.0	14%	12	0.39%
Back office/Other	32.0	38%	16	0.52%
Front line	40.3	48%	28	0.90%
Total	84.3	100%	56	1.81%

- 2.13 In addition to changes in the budgeted establishment, the 2014/15 draft budget proposals contained for changes to Terms and Conditions, and savings relating to tighter cost management of agency and overtime. In the light of consultation some amendments were made to the initial proposals, and some exemptions allowed for. The final proposals were approved by the Employment Committee on 2 December 2013. By early February, over 84% of staff had voluntarily signed up to the new Terms and Conditions.
- 2.14 The 2013/14 budget included for the staged cessation over four years of the Subsidised Staff Car Lease, income from the new Car Salary Sacrifice Scheme, and for some of the Terms and Condition changes to be brought in part year in the final quarter. The 2014/15 budget includes for the second year savings from the car lease schemes, and a reduced benefit realisation of the Terms and Conditions.
- 2.15 Most of the cost reductions which should accrue generally across the Council due to the change in sickness policy and the tighter control of agency and overtime cannot be assigned to any specific budget. Directorates have managed the benefit realisation of these cost reductions according to their business or management practices. The risks associated with this style of benefit realisation are highlighted in the report of the Director of Finance on robustness attached at Annex N, and mitigated in the calculation of the minimum reserve level.

3. SCRUTINY REVIEW

- 3.1 The Executive's draft 2014/15 Budget proposals were submitted to the Council's Scrutiny Committee on 18 November. Scrutiny Committee Members divided the proposals into four areas, and undertook a review of each during December.
- 3.2 The report on the findings of Scrutiny was submitted and considered by the Executive on 27 January 2014. The Executive's response to the Scrutiny recommendations can be found elsewhere on the agenda and Members are requested to treat that report as part of the overall budget bundle for the purposes of decision making.
- 3.3 The Chairman and Vice-Chairman commented in the foreword to the Scrutiny report on the challenges of austerity budgets, recognised the Executive's two year plan to address this challenge, and praised the work of officers and Members in supporting their work:

"Members have acknowledged that the Council continues to work within an increasingly challenging financial climate; and it is recognised that significant elements of proposals for 2014/15 were prefigured in the Executive's decisions taken in respect of the 2013/14 budget round.

We and our Scrutiny colleagues have welcomed the serious commitment of the Executive to responding to our enquiries this year; and have been appreciative of the positive engagement with the process, and of the thoroughness of the responses we have received."

- 3.4 The report raised an overall general concern over the ability to achieve sustainable budget savings in areas where savings had already been made, and nineteen specific concerns on individual proposals within the four thematic groups. Scrutiny undertook to *"devote some resource to reviewing the impact of the budget proposals during the year to which they relate."*

4. CHANGES TO THE DRAFT BUDGET PROPOSALS

Summary movement table

	Net Budget (£m)	Funding (£m)	Balance (£m)
Draft budget proposal (November)	153.718	(153.718)	0.000
Finance Settlement changes			
- Initial announcement	0.643	(0.894)	
- Localism grants	0.002		
- Housing Benefit Administration	0.029		
- Council Tax Annexes compensation	(0.010)		(0.230)
Changes in cost pressures:		0.010	
- Council Tax Annexes, loss of taxbase	(0.133)		
- Application of Adoption Reform grant	(0.025)		
- Application of Flood Grant	(0.335)		
- Waste Disposal Levy	0.933		
- Demography	0.160		
- Terms & Conditions	0.015		
- Insurance Tender	0.007		0.632
- AGMA budgets			
Additional savings:			
- Adoption Fees	(0.100)		
- Car Parking Enforcement Contract	(0.150)		
- Coroners & External Audit	(0.057)		
- Contingency for Bad Debt	(0.125)		
- Members' budgets	(0.020)		(0.452)
Use of Reserves		0.050	0.050
2014/15 Budget Proposal	154.552	(154.552)	0.000

Government's Local Government Finance Settlement

- 4.1 The Government provides support to Council's through general grant, notably Revenue Support Grant, specific grants and through the relatively new Business Rates Retention Scheme.
- 4.2 The analysis of the year-on-year changes contained within the Local Government Finance Settlement is complex as it includes for:
- Changes to control totals
 - Changes to apportionment methodology and data
 - Movements between the three funding types
 - Recompense for new burdens or regulatory changes affecting income, such that increases must be considered net of new expenditures or income losses
 - Reclassifications, grouping and splitting of elements within each funding type.

- 4.3 The total net change in Government support from the £6.306 reduction estimated in the draft proposals is an increase of £(0.230)m, bringing the actual net reduction to £6.076m.

Changes to cost pressures and base assumptions

- 4.4 Updated activity figures and decisions on costs made by the GM Waste Disposal Authority, will allow for a reduction of £(0.335)m from initial estimates.
- 4.5 The LSSC Flood Grant of £(0.025)m has now been brought into base budget to meet the relevant expenditure, as has the continuing element of the Adoption Reform grant £(0.133)m (the additional element of this grant for 2014/15 is another £(0.064)m included as part of the settlement figure in the above table).
- 4.6 Updated analysis of the current 2013/14 forecast and the subsequent consequence on estimates for 2014/15 have highlighted a need to provide further support to Children in Care and Home to School Transport budgets in the sum of £0.933m.
- 4.7 Following staff consultation and a review of the detailed impact on services, there have been some final adjustments to the benefit realisation of the changes to Terms & Conditions proposals. In addition, the initial proposal for Terms & Conditions savings included for some £0.180m being delivered in the last quarter of 2013/14, which is no longer proposed and this budget element will roll over into 2014/15. There is also a second year of savings for the cessation of the subsidised car lease scheme and the introduction of the salary sacrifice scheme to be taken into account. The net effect is a budget adjustment of £0.160m.
- 4.8 The apportionment of AGMA budgets across member Authorities and the recent retender for insurances require a further £0.022m

Additional savings proposals

- 4.9 The Council has invested in its adoption team in 2013/14 which has increased the number of placements. Some of these placements are for children in the care of other Authorities, and upon placement a one-off payment is made to the Council for that service. An income target of £(0.100)m has been brought into the base budget.
- 4.10 The recent framework tender by Salford City Council for Car Parking Enforcement has secured a reduction on current contract costs of £(0.150)m.
- 4.11 A review of some centrally held budgets has concluded that at some risk base budget could be released to meet more likely demands in Children's Services demography. The Coroners and External Audit budgets have been reduced by a total of £(0.057)m, and the risk of higher inquest hearings is mitigated by a small reserve of £(0.030)m.

- 4.12 Improved debt collection allows for a reduction in the Bad Debt Contingency budget of £(0.125)m.
- 4.13 The Member's Training budget of £0.021m is proposed to be reduced by £(0.010)m as there is an unspent balance carried forward of £(0.051)m, and a reduced commitment against the Member's telephony budget of £(0.010)m can be realised leaving an ongoing budget of £0.056m.

Local funding changes

- 4.14 As a consequence of the new national policy to give annexes that have their own banding a 50% discount, the Council Tax estimate has been reduced by £0.010m. The use of reserves to support base budget expenditure can be reduced by £0.050m which will help with future budgets as they will have reduced non-sustainable funding to replace.

5. PROPOSED REVENUE BUDGET 2014/15

Government Support

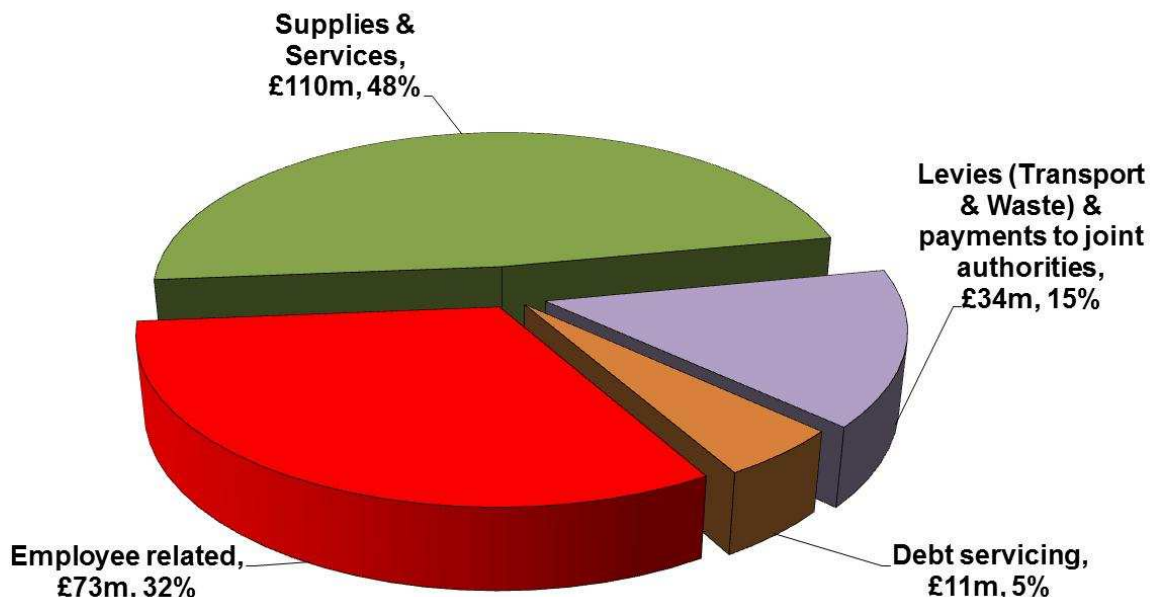
- 5.1 The Council's budget is sensitive to changes in the total support provided by the Government (see Annex A for further background). The total net change in general and/or specific grants at this time of continued austerity is for a reduction of £6.1m or 5.9% (see Annex C for summary of movements).
- 5.2 This net movement includes for the Executive's proposal to take up the 2014/15 Council Tax Freeze grant of £(0.894)m, equivalent to 1.1% increase on Council Tax, as opposed to raising Council Tax by the 2.0% threshold or further by holding a referendum. This decision allows for additional resources to the Borough and avoids increasing resident's tax burden at this time of limited economic growth. (Further details can be found at Section 9 and Annex E).
- 5.3 The Government's new Business Rates Retention scheme is intended to encourage Councils to increase business activity in their area such that they can share to a limited extent in the economic growth. There are many uncertainties with regard to this scheme for Trafford, and how it works and the associated risks are outlined at Annex D.
- 5.4 Whilst the Council may receive some additional income should actual business rates income be above the Government's target, another consequence of the scheme is that the Council became partly responsible for all outstanding and future rating appeals. At the time of drafting the budget the Government has not announced the regulations and accounting practices as to how Councils are to deal with current and future rating appeals. Discussions between DCLG, LGA and CIPFA would suggest:
- Full provision will need to be made for existing appeals in 2013/14, which for Trafford would trigger the safety net requiring some £2.4m of additional support from reserves.
 - Further provision will be required in future years for future appeals, which with the Government initiative to settle 95% of appeals by July 2015 encouraging businesses to make appeals before then, may trigger the safety net again and/or limit income.
- 5.5 The Executive is therefore minded not to make any reliance on the Business Rates Retention Scheme providing additional resources to support the budget at this stage.

Budget Pressures

- 5.6 Disregarding Schools related expenditure and benefits, the Council currently has a discernable gross budget of £228m (please see annex A for further background). For the purposes of identifying underlying cost pressure, this expenditure can be broadly categorised as:

- Supplies and services; subject to inflation specific to the form of supply and other market conditions.
- Employee related; subject to pay awards, changes in employer taxation and pension requirements, and changes in employment regulations and nationally agreed terms and conditions.
- Levies or transfer payments to joint bodies; primarily Greater Manchester Waste Disposal Authority and Greater Manchester Combined Authority, with increases subject to those bodies own cost and savings changes
- Debt servicing; both the interest payable on loans and the money set aside for repayment of loans. This area can be complex, and reference is made to the Treasury Management Strategy report elsewhere on the agenda.

Gross Expenditure by Category 2013/14 - £228m



5.7 The above pie chart also shows the extent of exposure to cost pressures, for example, nearly 50% of expenditure is subject to market forces such as inflation underscoring the importance of a professional pro-active procurement team.

5.8 The following two lists are a summary of the estimated increase in costs, and more detail is provided at Annex B and a subjective summary of the movements between the 2013/14 and 2014/15 budgets is at Annex G:

- Inflation continues to be relatively high, with even higher increases expected for energy and fuel. A total provision of £3.0m has been made in the budget, which to a large extent has been mitigated by procurement and market management savings proposals.

- A provision of £1.5m has been made for pay and pension increases. The main relevant unions have recently requested an 8% pay award, whereas the Chancellor has announced that public pay awards should be no more than an average of 1% until 2017/18. For planning purposes the Council has assumed a national pay award of 1% for 2014/15. Additional costs will accrue in 2014/15 as overtime becomes pensionable under new rules, however, the budget proposals contain for management action to reduce the award of overtime reducing both base budget costs and the impact of these new pension rules.
- The GM Waste Disposal agency has reduced its initial estimates, such that the budget increase will now be £0.343m after the application of the smoothing reserve, which is some £(0.335)m lower than was included in the draft proposals. The other major levy is for Public Transport services, and in recognition of the issues facing all authorities the Greater Manchester Combined Authority has set a £nil increase for 2014/15.
- The Council's policy to borrow from internal cash balances during this time of low investment rates and relatively high borrowing rates continues to keep debt servicing costs low. This is also assisted by the Government's move to provide capital grants rather than borrowing approvals, which assists cash flow whilst at the same time avoiding new debt. Combined with investment interest the net change in 2014/15 for the Treasury Management budget is proposed as £0.020m.

5.9 In addition to the above, there are other cost pressures relating to the need or ability to deliver public services:

- Increased demand across all client groups for social care is expected to require additional service investment of £3.5m in order for the Council to meet its legal obligations. This includes for an additional £0.9m to the draft proposals, brought into budget following robustness and consultation.
- As part of ongoing long term reviews, the Environment, Transport and Operations Directorate has changed 2013/14 savings plans which will be carried forward into the 2014/15 budget in the sum of £0.5m. In addition, the original proposals for the 2013/14 budget assumed that some £0.2m of benefit would accrue from the early implementation of some of the Terms and Conditions proposals. Following consultation it has been decided that all of these proposals will now start from 1 April 2014, and as a consequence this saving amount is also brought forward into 2014/15.
- Loss of mostly rental income due to continuing economic conditions has increased pressures by a further £0.2m.
- Service investment, some of which is directly funded by the Government in respect of services transferring between other public bodies and the Council account for the remaining £0.4m of the total expenditure pressure of £10.0m.

- In addition, the base budget brought forward was supported by £0.9m of non-sustainable reserves which will either require a sustainable solution or further reserves to be applied.

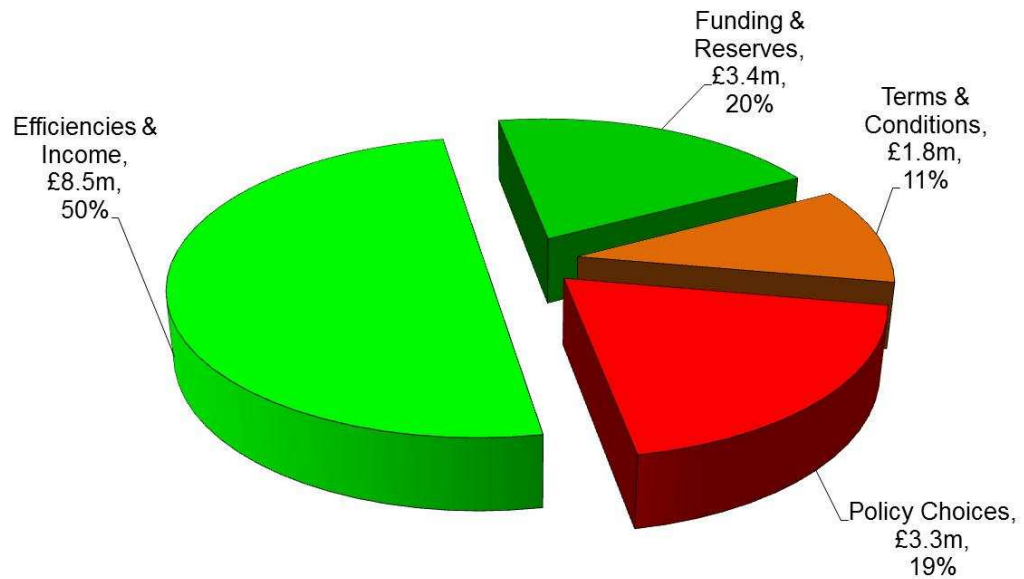
Budget Deficit

5.10 The table summarises the updated gross budget deficit, or gap, of around £17m, the movement since the draft budget proposals of November 2013, and how the Executive proposes to meet this challenge with additional funding and a variety of savings:

2014/15 Budget Deficit	Nov 2013 Draft Budget (£m)	Final Proposed Budget (£m)	
Expenditure Pressures	9.1	9.3	
Funding Reduction	6.3	6.1	
Savings carried forward	0.5	0.7	
Reserves adjustment	0.9	0.9	
Total deficit	16.8	17.0	
Efficiencies	(7.8)	(8.1)	
Terms & Conditions	(2.0)	(1.8)	
Income	(0.3)	(0.4)	
Funding	(2.5)	(3.4)	
Total	(12.6)	(13.7)	81%
Policy Choices	(3.3)	(3.3)	19%
Imbalance	0.0	0.0	

- 5.11 An analysis of the movements between the draft budget and final proposals can be found at Section 4.
- 5.12 Efficiencies, changes to staff terms and conditions, additional income and funding in the sum of £(13.7)m which will meet 81% of the budget deficit:

Balancing the £17.0m Gross deficit



- 5.13 Proposals include for some £(10.3)m of efficiencies, new income, changes to staff terms and conditions and increased austerity management of employee related expenditure, and £(3.4)m of funding:

£(4.3)m by reducing contract costs through improved procurement or commissioning of goods and services, through market management, and/or by sharing overheads with partners. This will be assisted by the creation of the STaR, a shared service procurement service with Rochdale and Stockport Councils.

£(2.7)m through service redesign or introducing new technology.

£(1.8)m from changes to terms and conditions and tighter cost management related costs such as overtime, allowances and improved sickness management.

£(1.2)m to be saved by managing demand, particularly in adult social care by extending the successful Telecare and Reablement Services.

£(0.4)m of increased or new income, mostly being generated by the ETO Directorate.

£(1.0)m from an increase in the Council Tax base

£(2.3)m through the continued prudent use of reserves generated from previous underspending and the application of Council Tax surpluses generated from the growth in the tax base that has occurred in 2013/14.

- 5.14 The Fees and Charges Report can be found elsewhere on the agenda, and Members are requested to treat this report as part of the overall budget bundle in their decision making process. The majority of fees and charges are set by regulation, and where the Council has more influence there are issues of customer impact, competition and economic conditions to take into account. Additional income to the Council by way of fees and charges in 2014/15 is estimated at an additional £(0.4)m.
- 5.15 The successful implementation of the Council Tax Support Scheme, which replaced Council Tax Benefits on 1 April 2013, a decrease in single person discounts and growth in the number of houses, has provided for a forecasted surplus on the Collection Fund in 2013/14. It has also allowed for a forecasted increase in the Council Tax base worth £(1.0)m or around 1.3%.
- 5.16 In addition to £(0.3)m of Council Tax Surplus, it is proposed that just over £(2.0)m of General Reserve is applied to support budgeted expenditure next year. It has been one of the Council's policies of the Medium Term Financial Strategy to reduce and/or keep low the use of reserves supporting long term budgetary expenditure, using reserves instead to finance one-off or short term service investments. This will be the first budget since 2004/05 where there has been a significant increase in the use of reserves year-on-year, with the level of reserves being used in 2013/14 being £(0.9)m.
- 5.17 The remaining deficit has been balanced by policy decisions, which have been thematically grouped as.
- Environmental Services , £(1.1)m
 - Education Support Services, £(0.5)m
 - Waste Management, £(0.5)m
 - Sports and Culture, £(0.4)m
 - Youth Offending Service, £(0.2)m
 - Community Support, £(0.2)m
 - Public Protection, £(0.2)m
 - Highways, £(0.1)m
 - Council Tax & Benefit Administration, £(0.1)m

Proposed Revenue Budget 2014/15

- 5.18 The following table summarises at Directorate level, and then by Executive Portfolio, the year-on-year movement between the 2013/14 budget and the 2014/15 proposed budget, greater detail can be found at Annexe H:

2014/15 draft summary budget, compared to 2013/14	2013/14 Budget (£000's)	Move-ment (£000's)	2014/15 Budget (£000's)	Change (%)
Children, Families & Wellbeing:				
Education	6,934	(240)	6,694	(3.5)%
Children & Families	24,363	(56)	24,307	(0.2)%
Adult Social Services	51,896	(1,173)	50,723	(2.3)%
Community Health & Wellbeing	0	0	0	
Total	83,193	(1,469)	81,724	(1.8)%
Environment, Transport & Operations:				
Highways & Environment	15,669	(707)	14,962	(4.5)%
Waste Levy	13,523	343	13,866	2.5%
Total	29,192	(364)	28,828	(1.2)%
Economic Growth & Prosperity	3,253	171	3,424	5.3%
Transformation & Resources	14,189	(1,261)	12,928	(8.9)%
Safe, Strong Communities	2,172	(453)	1,719	(20.9)%
Finance Portfolio				
Finance	3,944	(327)	3,617	(8.3)%
Council Wide Budgets	23,060	(748)	22,312	(3.2)%
Total	27,004	(1,075)	25,929	(4.0)%
Total Net Budget	159,003	(4,451)	154,552	(2.8)%

- 5.19 Identifying funding for new or enhanced services during a time of austerity is particularly difficult. However, the Executive has required a full provision for additional social services clients in order to ensure the Council meets its statutory obligations as well as sustained budgets and some small investments in key areas:

an investment of £3.533m for both Children and Adult Social Care to meet the expectations of increasing service demands, which is a £0.933m increase on the draft budget proposals.

£0.070m to fund a dedicated post to manage the Borough's Town Centres and their development.

£0.055m replacement funding for continued traffic management at the numerous sporting and cultural events in the Borough.

Residents and businesses will continue to benefit from being able to park anywhere in the Borough for only 10p for the first hour.

All of the Social Work Teams within both Children's and Adult's services will be maintained.

All existing Youth Centres will remain open, as will Children Centres, and all of the Borough's 14 Libraries. In addition, there are no proposals to

close Public Conveniences or reduce School's Crossing Patrols in 2014/15.

An increase in Council Tax Support commensurate with increases in other relevant benefits.

A living wage of £7.20 per hour will be introduced for employees from 1 April 2014, which will be a contribution to improving the livelihood of around 100 employees.

The Council Tax will remain frozen at the 2010/11 rate, keeping it the lowest in the North West.

SCHOOLS FUNDING & BUDGETS 2014/15

Background

- 5.20 Schools are funded from ring fenced grants, the most notable of which is the Dedicated Schools Grant or DSG. This funding cannot be used for any other Council function, and essentially schools operate within their own fund with any under or over expenditures being taken forward into future years. The DSG of £174.5m for the Borough can be divided into three main areas:
- Mainstream bloc; £139.8m for the Borough of Trafford, split £53.5m to Academies and £86.3m to LEA Schools, which essentially funds schools' budgets.
 - High needs bloc; approximately £23.8m which primarily supports Special Educational Needs expenditure which is pupil rather than school led.
 - Early Years bloc; approximately £10.9m, which funds educational provision for 2 to 5 year olds in both LEA Schools and Private, Voluntary and Independent (PVI) settings, and is administered by the Council.
- 5.21 The DSG is apportioned between authorities largely based on pupil numbers, and as such the final allocation is not finalised until January when the schools census data has been collated.
- 5.22 Locally schools funding is split between centrally held Education budgets, and devolved schools' budgets, and apportioned to individual schools by a funding formula. Both the central-devolved split and the factors that are within the funding formula are recommended to the Executive by the Schools Funding Forum, which is a representative body mostly made up of school Governors and Head Teachers, but also including PVI and College representatives.

Government Funding

- 5.23 Whilst distribution to Trafford is dependent upon the census count of pupil numbers, the national control total for schools funding is expected to be a £nil increase in 2014/15. This will require schools to meet all pressures within existing funding. Within this control total is the Pupil Premium Grant, which is distributed on the basis of pupils eligible for free school meals and will be increasing significantly for 2014/15:

- Primary £900 per pupil in 2013/14 will rise to £1,300 in 2014/15, a 44% rise per pupil
- Secondary £900 per pupil in 2013/14 will rise to £945 in 2014/15, a 5% rise per pupil

5.24 This increase in deprivation led funding is not likely to benefit Trafford schools as much as it will other urban authorities. Trafford schools, whilst nationally high achieving, are also some of the lowest funded.

5.25 The Government is expected to launch consultation on a new national funding formula shortly, and the Council and Funding Forum will be active in highlighting any inequalities in the proposed system.

Local Funding Distribution

5.26 Distributing funding across schools, recognising deprivation and special educational needs factors, has become increasingly difficult at a time of reduced resource availability. To combat this situation, the Funding Forum has recommended that basic entitlement in the funding formula should be increased from 75% of available funding to 78%, and this has been approved by the Executive.

5.27 Early Years funding is distributed by the Early Years Single Funding Formula (EYSFF), which is also currently under review.

Pressures on schools

5.28 Schools are required to meet all inflationary increases in their expenditure as well as potentially reducing funding out of their delegated budgets:

- pay awards of 1% or higher, and increased pension contributions,
- inflation at a prevailing average forecasted to be 3.0%, but with heating and lighting costs expected to be in excess of this.

5.29 As a consequence of funding pressures on the non-schools areas of the budget, some Educational Support Services are either being reduced or moving into a buy-back or trading service, with the intent that schools will pay for those services in future. With limited funding schools will be forced to make choices between continuing these services, other buy-back services and their own core budgets.

5.30 Some schools have reserves they can call on, and the Council will work closely with any maintained school that is experiencing financial difficulty to draw up a recovery plan. Short term loans are available based upon a balanced recovery plan, and there is a centrally held organisational change provision to assist with reorganisation.

6. RISK, ROBUSTNESS AND RESERVES

- 6.1 It is a requirement of the Local Government Act 2003 for the Council's Chief Finance Officer to give an opinion as to the robustness of the budget proposals (s25) and the adequacy of reserves (s26). These opinions are provided to Members to assist in their determination as to whether the proposed budget is sufficient to meet the needs of the Council.
- 6.2 Members' attention is drawn to the statement by the Director of Finance attached at Annex O, which should be taken into account before approving the budget. There are a number of matters to be drawn to the attention of Members:
- The negative effects of the current economic climate in terms of uncertainty and; suppressed income, potentially higher numbers of Social Services client and/or increased needs, reduced investment rates and volatility in borrowing rates.
 - Through developing dedicated internal capacity, the Council has a strong track record of delivering on savings programmes. However, there remains a risk that individual savings proposals may not be fully implemented in-year and/or that the cash benefits can be realised in time.
 - Uncertainty over a possible pay award.
 - That not all Government funding has been announced, and some reductions in grant levels is anticipated.
 - Changes in the local government finance regime, which now places greater risk on the Council.
- 6.3 An overall assessment of the current budget, future budget proposals, costings, activity forecasts, savings plans and base budget assumptions identifies that whilst there are risks, the overall budget provisions should be sufficient to meet the Council's legal responsibilities and other obligations. A review of risks, mitigations, and contingencies has been undertaken alongside a review of reserves and provisions.

Reserves

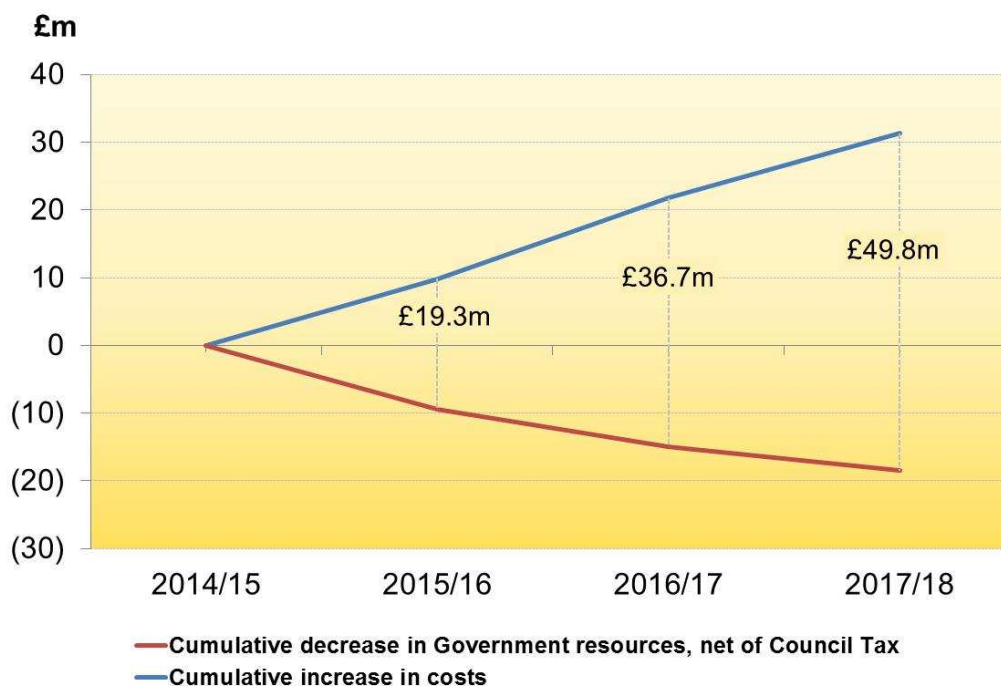
- 6.4 The Director of Finance is also required to report to the Council on the adequacy of reserves, and a detailed statement can be found and summary analysis of earmarked reserves at Annex N. It is proposed that the Council approves a minimum General reserve level of £6m for 2014/15.
- 6.5 The Council's approach to reserves has been to reduce the dependency on them to support recurring expenditure and to hold earmarked reserves for specific named purposes. Lately the Government has urged local authorities to spend reserves in order to protect front line services. In considering this request Members are asked to exercise some caution. The commentary in section 8 refers to the difficult medium term financial position and that decisions on reserves should not be for the immediate year only.

- 6.6 Further, the proposed sustainable budget is supported by £2.007m of reserves and £0.894m of Council Tax Freeze grant. Both of these funding sources are one-off in nature, and will need to be made good with sustainable resources into the medium term.
- 6.7 There is still a significant risk surrounding the level of as yet undeclared outstanding business rates appeals, and the assessment for a minimum reserve level has taken into account the potential for another safety net payment of £2.4m.
- 6.8 At a time of future austerity budgets and uncertain economic times, prudent use of reserves is advised in order to avoid sudden and significant impact on available funding.
- 6.9 A review of General, Capital and Earmarked reserves has identified that they should be sufficient to meet the Council's plans for 2014/15:
- That establishing a minimum General Reserve level of £(6.0)m should be sufficient to meet the Council's plans and responsibilities, taking into account potential emergencies and unexpected events, during 2014/15.
 - That the balance on the General Reserve at 1 April 2014 is expected to be £(8.7)m. After the budgeted use of £2.0m in 2014/15 the available balance for planning purposes at the end of March 2015 will be an estimated £(6.7)m.

7. MEDIUM TERM OUTLOOK

Medium Term Forecast

7.1 Based on the budget assumptions listed at Annex B, the Council will need to reduce expenditure and/or increase income by £49.8m over the next three years, 2015/18.



7.2 The estimates include for:

- A 2% increase in the Council Tax rate and 0.5% average increase in the number of Band D equivalent properties available each year. Without this increase in Council Tax, the three year deficit would be an additional £6.1m to a total of £55.9m.
- Further Government funding reductions as currently advised totalling £24.6m, which is equivalent to a 31% Council Tax increase or around £107 per head of population.
- A small pay award of only 1% average per year. However, there are changes to pension and national insurance that will have a larger impact. The largest single impact will be the cancellation of the lower NI rate for those who have a company pension which will increase the employer's NI bill by 3.4% for the majority of employees, or £1.6m in 2016/17. To a lesser extent, the requirement to auto-enrol employees on the Local Government Pension Scheme unless they opt-out in writing, will increase the pension liability and without the benefit of the lower NI rate.
- Inflationary increases of £12.2m based on the rates currently advised by the Office for Budget Responsibility.

- Demography, or the number of social services clients and/or their increased need for services, has been provided for at £6.6m over the three year period. In addition, a further net £2m is estimated to be needed when regulations change in 2016/17 to cap the level of charge elderly clients need to contribute to their care.
- The costs of levies for waste disposal and transport services is not expected to rise as much as it has in the past, at a combined £3.0m.

7.3 In addition to the above funding and cost estimates, there are a number of other changes that will also affect the Council in the medium term:

- Income from discretionary services provided to schools has three areas of concern. Firstly Schools' budgets are increasingly becoming tighter as Government funding, whilst not a reduction, has little to no allowance for inflationary pressures. This will further encourage Schools to carry out wider market testing for their service provision. Lastly, more Schools are likely to move to Academy status over the next few years, and such Schools have a propensity to seek total independence from the Council. An additional effect of more Schools becoming Academies is the reduction in Education Support grant, which will reduce funding further and not necessarily in line with costs due to the stepped nature of overheads.
- Better Care Fund and Health Integration. In 2015/16 Councils will be funded to assist in reducing hospital costs by taking into the community those service clients who no longer need clinical care, but have other specialist needs that currently mean they take up hospital beds. Exactly how Councils and Health will work together to achieve overall cost reductions is a matter of considerable planning activity taking place nationally, but there is no guarantee that the scheme will be cost neutral or better for any or all parties.
- Economic recovery is likely to be sluggish when compared to the extent and speed of savings required, such that old or new income sources and revenue streams will lag behind the need for revenue. The 2014/15 proposals continue to contain for suppressed income, particularly in terms of rentals and investment interest. At best it is likely that there will be no further budget adjustments in 2015/16 of a similar nature required, but unlikely that a reversal of fortunes will play a major role in delivering savings unless the sustainable strength of the economy improves dramatically.
- Local Government may be taking the brunt of austerity measures, but it is not the only agency with reduced funding. The medium to long term effects of various public sector and voluntary sector agencies operating under austerity on the needs of residents is difficult to forecast, but may uncover further growing demand that falls upon the legal responsibilities of Councils to fulfil.

New Organisational Model

- 7.4 Trafford has always been a low funded Council, both in terms of Government support and also because it has one of the lowest Council Taxes in the Country. Efficiency, economy and ensuring effectiveness for all monies spent has been a driving force behind all strategies and plans for over the last decade. This drive for Value for Money became even more of a priority when austerity budgets were introduced from July 2010, and the Council responded with two thirds of the significant budget deficits being deflected from impacting directly on service provision (see Annex A paragraphs 13 to 16).
- 7.5 For 2013/15 the Council engaged on a detailed two-year budget plan with remaining efficiency as the overarching target. It is not possible however to continue to deliver efficiencies of a high enough level to meet the very challenging reductions in Government support. Instead the Council has now initiated a three year detailed review of all expenditure and activity with a view to identifying and capitalising on any opportunities through delivering services via different operating models. Such opportunities include, but are not limited to, a number of New Organisational Model (NOM):
- Trading; on a small or large scale bringing in additional revenue to the Council or spreading the cost of overheads through trading with public, private and/or third sector organisations.
 - Joint Ventures; similar to trading, but bringing on board a capital injection from a partner organisation to deliver immediate efficiency or economy savings that could not be readily achieved alone.
 - Exposing some services to the open market to identify whether the Council or others are best placed to provide services at the best price, balancing service effectiveness with economy.
 - Trusts; or similar organisations which are better placed to bring new revenue streams and support to services, whether this is by something as simple as sponsorship or more cutting edge such as the use of social impact bonds.
 - Collaborate or share; overheads, capacity and talent with other public and/or private and/or voluntary sector organisations to maximise value.
- 7.6 High level business cases from the above activity will be reviewed by the Executive towards the end of March 2014, with a view to implementation work beginning from April so that as much saving as possible can be delivered or secured for the 2015/16 budget and 2015/18 Medium Term Financial Plan.
- 7.7 In addition to the above, and working alongside, are two other major initiatives which will draw upon the strategic capacity of the Council in the immediate to medium term; Public Service Reform and Health & Social care Integration.

Public Service Reform

- 7.8 Greater Manchester has been a Government selected pilot area for Place Based Settlement work for the last two years. Place Based Settlement is a concept that by working in close harmony almost as a single entity, all public funded bodies in an area can work to deliver improved outcomes for residents and businesses at a lower cost, and therefore those bodies can determine where money is distributed to rather than Government Departments or Parliament.
- 7.9 At the heart of achieving this goal is Public Service Reform (PSR), which is a collection of initiatives or projects being undertaken to provide evidence that earlier, tailored intervention by one public body can reduce, deflect and even eliminate, the need for higher cost support services by other public bodies. In addition, by working together, public bodies can avoid duplication of intervention delivery, and ensure greater effectiveness by delivering interventions at the right time in the right order.
- 7.10 Such initiatives are not only restricted to the pilot areas, for example the national Troubled Families scheme, which is funded on a performance reward basis by the Government. The pilot areas do however take the national scheme to a higher level.

Better Care Fund, and Health & Social Care Integration

- 7.11 To some extent building on the work of pilot areas on PSR on Health & Social Care Integration, a new national policy initiative through the Department of Health has been launched and is to be funded through the Better Care Fund (BCF). The BCF is made up of both Local Government and Health existing funds, and is targeted to the achievement of reducing costs by working together in a new way.
- 7.12 As mentioned above, BCF represents a risk as well as an opportunity for the Council, as it cannot be assured that the relative expenditure responsibilities and expectations of savings delivery will be balanced as hoped across partners. However, Trafford's history of multidisciplinary approach to complex needs, particularly with health agencies, probably makes it best placed to drive out and maximise on the opportunities available.
- 7.13 Social care expenditure is the single largest mandatory direct responsibility the Council has. The extent, nature of the scale of savings needed in the medium term will therefore be heavily reliant on the progress and change made in this area of service provision. There is relatively little difference between PSR and NOM in basic concept, however, it is that the driving force for change comes from, and has targeted funding from the Department of Health through the Clinical Commissioning Group, which adds a further dimension for achieving a successful partnership.

8. COUNCIL TAX REQUIREMENT and STATUTORY CALCULATIONS

Budget Requirement

8.1 The Local Government Finance Act 1992, as amended by the Localism Act, requires the Council to make the following calculations:

- an estimate of the Council's gross revenue expenditure - Section 31A(2),
- an estimate of anticipated income - Section 31A(3),
- a calculation of the difference between (i) and (ii) above, (i.e. net revenue expenditure) - Section 31A(4) – this is known as the **Council Tax Requirement**,
- a calculation of the Council's **Basic Amount of Council Tax**, calculated by dividing the **Council Tax Requirement** by the Taxbase (expressed in Band D's).

8.2 If the proposals in this budget report are agreed, the calculation for the 2014/15 Council Tax Requirement will be as follows:

LGFA 1992	Calculation of Council Tax Requirement & Basic Amount of Council Tax 2014/15	£
S 31A(2)	Gross Expenditure	
(a) – (f)	Service expenditure	407,037,228
S 31A(3)	Gross Income	
(a, c, d)	Fees, charges and specific grants	(252,485,306)
	Application of General Reserve	(2,007,000)
	Budget Requirement (previous regulations)	152,544,922
(b)	Revenue Support Grant	(40,300,615)
(b)	Retained Business Rates	(32,434,061)
(b)	Collection Fund surplus	(300,000)
S 31A(4)	Council Tax Requirement	79,510,246
	Council Tax Base in Band D's	71,940
	Basic Amount of Council Tax	£1,105.23

8.3 The Director of Finance approved the Council Tax Base (number of equivalent Band D properties in the borough) on 23 January 2014 at 71,940, which is a growth of 949 Band D equivalents on 2013/14.

Council Tax Increases

8.4 The Secretary of State has set a threshold for the maximum increase in Council Tax before it is required to hold a referendum at 2.0%. Equally, the Government is offering a 2014/15 Council Tax compensation grant worth an estimated £(0.894)m or more to Trafford, which is equivalent to an above 1.1% increase.

- 8.5 For the fourth year running the Executive is proposing to Council not to increase the rate of Council Tax. Of the two major precepting bodies, GM Fire and Rescue Authority is proposing to freeze their element of the Council Tax, with GM Police & Crime Commissioner proposing to increase the relevant element by 1.99%.
- 8.6 Partington Town Council, at its meeting on 12 November 2013, elected to keep the level of Band D Council Tax at £42.50, the same as 2013/14. As a consequence of the introduction of the Council Tax Support Scheme, which replaced benefits, the Council provided an additional grant to Partington Town Council last year of £31,790, so that its overall funding would remain the same as in 2012/13. This was to give time for the Town Council to review their expenditure and funding requirements under the new regime. The Executive is minded, as part of these budget proposals, to continue to provide some level of grant to the Town Council and has set a level of £10,000 which is the grant adjustment received from the DCLG in respect of the Town Council for 2012/13 for the introduction of the CTSS scheme. The Council is not required to pass on this adjustment, and further, as the money has now been rolled into base RSG it is subject to austerity reduction.

Council Tax Levels and Bandings

- 8.7 The overall Precepts and Council Tax levels for 2014/15 for Trafford properties are as follows:

Council Tax per precepting body	Precept Amount £	Council Tax Per Band D Property £	Council tax level Increase %
Trafford Services	79,510,246	1,105.23	0%
GM Police Authority (see note)	10,956,462	152.30	1.99%
GM Fire Authority (see note)	4,146,622	57.64	0%
Total (excluding Partington)	94,613,330	1,315.17	0.23%
Partington Precept	57,545	42.50	0%
Total for Partington		1,357.67	0.22%

Note: The Council Tax figures for the Office of the GM Police and Crime Commissioner and the GM Fire & Rescue Authority included above are the recommended amounts. At the time of writing neither body has yet made the formal decision to accept the proposals.

8.8 The council tax for 2014/15 for each of the eight valuation bands would be as follows:

2014/15 Council Tax levels by valuation band (including major Precepts):

Band	Valuation range (in 1991 prices)	Partington Council Tax £	All other areas Council Tax £
A	Up to £40,000	905.10	876.77
B	Over £40,000 and up to £52,000	1,055.97	1,022.91
C	Over £52,000 and up to £68,000	1,206.82	1,169.04
D	Over £68,000 and up to £88,000	1,357.67	1,315.17
E	Over £88,000 and up to £120,000	1,659.36	1,607.42
F	Over £120,000 and up to £160,000	1,961.07	1,899.68
G	Over £160,000 and up to £320,000	2,262.77	2,191.94
H	Over £320,000	2,715.34	2,630.34

Note: The Council tax figures for the Office of the GM Police and Crime Commissioner and the GM Fire & Rescue Authority included above are the recommended amounts. At the time of writing neither body has yet made the formal decision to accept the proposals.

Referendum Trigger Calculation

8.9 The Localism Act 2011 abolished Council Tax capping and replaced it with a requirement to hold a Council Tax Referendum if an authority wishes to increase its "Relevant Basic Amount of Council Tax" by an amount equal to or exceeding a level set out by the Government, which for 2014/15 is 2.0%.

8.10 The definition of "Relevant Basic Amount of Council Tax" was recently revised by the Local Audit and Accountability Act 2014 and is essentially the Basic Amount of Council Tax excluding Precepts but now including Levies. In 2013/2014, the calculation was modified by omitting from the calculation the Levies issued to or anticipated by the Council.

The calculation of the percentage change in "Relevant Basic Amount of Council Tax", under the new definition, for Trafford Services is shown below :

	2013/14	2014/15
Council Tax Base	70,991	71,940
Council Tax Requirement with Levies (£)	78,461,383	79,510,246
Basic Amount of Council Tax (£)	1,105.23	1,105.23
% increase in Basic Amount of Council Tax	0.0%	0.0%

- 8.11 As the “Relevant Amount of Council Tax” has remained static between 2013/14 and 2014/15 and is subsequently below the threshold level of 2.0%, therefore there is no requirement to hold a Referendum.
- 8.12 For information, raising the Basic Amount of Council Tax by 1.99% would raise an additional sum of £(1.582)m.

9. CAPITAL PROGRAMME 2014/17 & TREASURY MANAGEMENT

- 9.1 There are two, more detailed, papers elsewhere on the agenda regarding the Capital Investment Programme 2014/17, Prudential Indicators, and the Treasury Management Strategy. Members are requested to treat these papers as part of the overall budget bundle for the purposes of decision making. The following is an outline of the salient features of those reports.

Capital Investment Programme 2014/17

- 9.2 The proposed Capital Programme for 2014/17 is expenditure of £83.2m, with £40.9m of this being undertaken during 2014/15. The programme is mostly funded by Government grant (72%), emphasising how sensitive expenditure is to movements in Government funding. The programme will allow for the following investments:

Additional primary school placements, £21.2m in 2014/15, £32.6m over three years, and

other investment in schools' infrastructure of £3.9m in 2014/15, £8.8m over three years.

Highways investment of £7.3m in 2014/15, and £22.9m over the three years allowing for the replacement of 65km of carriageway, 66km of footway and 750 new street lighting columns.

Investment in the local economy through the Borough's Town Centres of £0.8m in 2014/15 and £2.8m over the three years.

A variety of investments in social care of £2.3m in 2014/15 and £5.9m over three years, including grants and home assistance to allow elderly and/or disabled people live in their own homes for longer.

Homeowner grants to encourage more homes to be brought up to habitable standards of £0.150m in 2014/15 and £0.450m over three years.

Improvements to facilities at the Council's allotment sites of £0.050m in 2014/15 and £0.150m over three years, and

a contribution to the Greater Manchester scheme to bring broadband to rural areas in the County of £0.313m.

Treasury Management & Prudential Indicators

- 9.3 The salient points of the papers elsewhere on the agenda are:
- Both investment and long term borrowing rates are expected to remain reasonably static
 - It is not envisaged that there will be new borrowing in 2014/15, but should it be required it is likely that the policy of borrowing from internal cash balances will continue
 - Some £2m of debt will be repaid, lowering the debt portfolio to £95m

- Cash balances are expected to remain broadly similar to the current year at around £50m
- There will be no significant changes to the Council's prudential indicators.

10. RECOMMENDATIONS

The following recommendations are repeated on the Formal Council Tax Resolution to be distributed at Council (aka Green Sheets)

It is recommended that Council approve:

- 10.1 The net Revenue Budget for 2014/15 at £154.552m, a decrease of £(4.451)m, or (2.8)%, when compared to the 2013/14 base budget of £159.003m;
- 10.2 The calculation of the Council Tax Requirement as summarised in Section 8 and set out in the Formal Council Tax Resolution (Green Sheets to be circulated at Council);
- 10.3 That there is no increase in the proposed Council Tax level for Trafford related services in 2014/15 (valuation bands are detailed at Annex F);
- 10.4 The Fees and Charges for 2014/15, as set out in the booklet available on the Council's web site, be approved, including specifically :
 - Notice is given of the intent to increase allotment fees by 50p per week for a standard and additional concessionary plot, and a concessionary charge for a first plot to be increased by 25p per week, in 2015/16.
 - Approval is given to Corporate Directors and the Chief Finance Officer with the joint delegation to amend fees and charges during 2014/15 in the event of any change in the rate of VAT, as appropriate)
- 10.5 That the minimum level of General Reserve for 2014/15 be set at £(6)m, the same as in 2013/14 (Annex N);
- 10.6 That the overall Capital Investment Programme level of £84.2m be approved (as detailed in the Capital Investment Programme 2015/18 report attached) of which £41.9m relates to 14/15.
- 10.7 The Prudential Borrowing Indicators as set out in Appendix 1, page 10, of the attached Treasury Management Strategy.
- 10.8 The additional borrowing as detailed in paragraphs 17 and 18 of the Capital Investment Programme and Prudential Indicators 2014/17 report.
- 10.9 Delegated responsibility to the Director of Finance in consultation with the Executive Member for Finance to agree any further additions in respect of the AGMA Loans Fund in excess of the £1m provision.

In approving the above, that the Council, has taken into consideration:

- 10.10 The objective assessment by the Director of Finance of the robustness of budget estimates and adequacy of the General Reserve (Annex N).
- 10.11 The Executive's response to the Scrutiny Committee recommendations to the budget proposals, which can be found elsewhere on the agenda.

10.12 The detailed report on the outcomes of the Staff and Trade Union Consultation which can be found on the agenda for the Employment Committee on 19 February 2014.

Council also notes the following:

10.13 The approval on 23 January 2014 under delegated powers by the Director of Finance of the Council Tax Base for 2014/2015 at 71,940 Band D equivalents. Along with the calculation of the estimated Council Tax surplus, sufficient to release £(300)k to support the Council's 2014/2015 revenue budget and a distribution of £(40.5)k and £(15.6)k representing the respective shares of the GM Police & Crime Commissioner and GM Fire and Rescue Authority.

10.14 That the Capital Investment Programme for 2015/2016 and 2016/2017 to be set at a notional £24.5m and £17.8m respectively.

10.15 The Council Tax figures included in the report for the Office of the GM Police and Crime Commissioner and the GM Fire & Rescue Authority are the recommended provisional amounts pending their formal approval.

10.16 The Treasury Management Strategy 2014/2017 detailed elsewhere on the agenda.

10.17 The base budget assumptions as set out in the Medium Term Financial Outlook as detailed in Annex B.

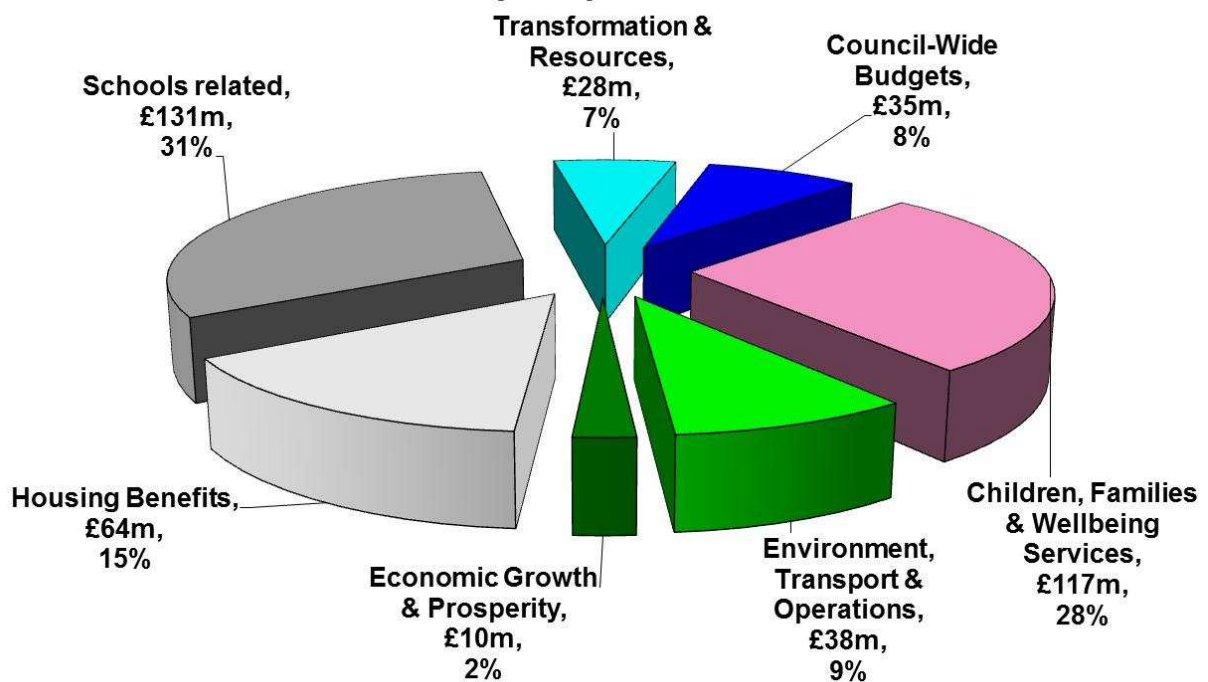
BACKGROUND MATERIAL

1. The following section outlines additional information to assist in understanding the Council's budget and finances, and can be summarised as:
 - 2013/14 total gross spend is £423m, however,
 - £131m relates to schools which is supported by ring-fenced Dedicated Schools Grant, and,
 - £64m is reimbursed benefit payments administered on an agency basis for the Government, therefore,
 - the discernable gross budget for the Council to consider is £228m.
 - Of this expenditure, £110m or 48% is funded by the Government, making the budget sensitive to changes in Government support.
 - Council Tax funds another £78m or 34%, but this source of income is controlled by a Government set threshold unless the Council receives a mandate from a referendum for additional increases.
 - The remaining £40m or 18% is from a variety of income sources, including investment income which is dependent upon investment rates, fees, charges and rental income which is dependent upon the economy.
 - The Council's current net budget is £159m, and is made up of the gross budget less specific Government grants and income sources.
 - The net budget is funded by Government general grant, £80m or 50%, Council Tax, £78m or 49% and to a small, and non-sustainable, extent from reserves £1m or 1%.
 - Of the total budget, some expenditures are more discernable than others. The Council is obliged to pay for past debt decisions, legally required to pay the levies from joint bodies within which the Council has limited influence, and is legally required to maintain a host of services at a mandatory minimum level.
 - Trafford is one of the lowest funded Council's in the country, receiving £45m less than it would if funded at the average level, and until recently it has also suffered disproportionately large reductions in funding.
 - However, the Council has been determined to prevent funding reductions from impacting on service delivery and has engaged on a number of efficiency initiatives which has delivered £70.5m of sustainable savings over an 11 year period. Over the five austerity budgets, two thirds of budget deficits have been diverted from impacting on direct service delivery.

The following paragraphs, diagrams and tables expand on the above summary.

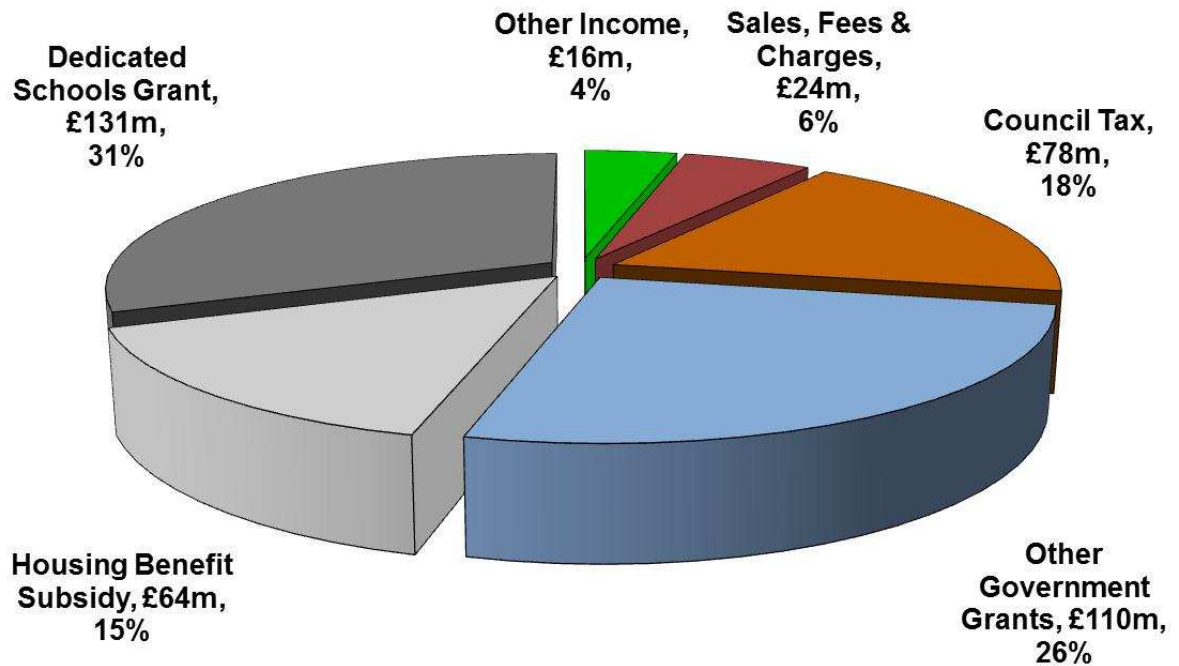
The Council's Gross Revenue Budget

Where the money is spent 2013/2014 - £423m



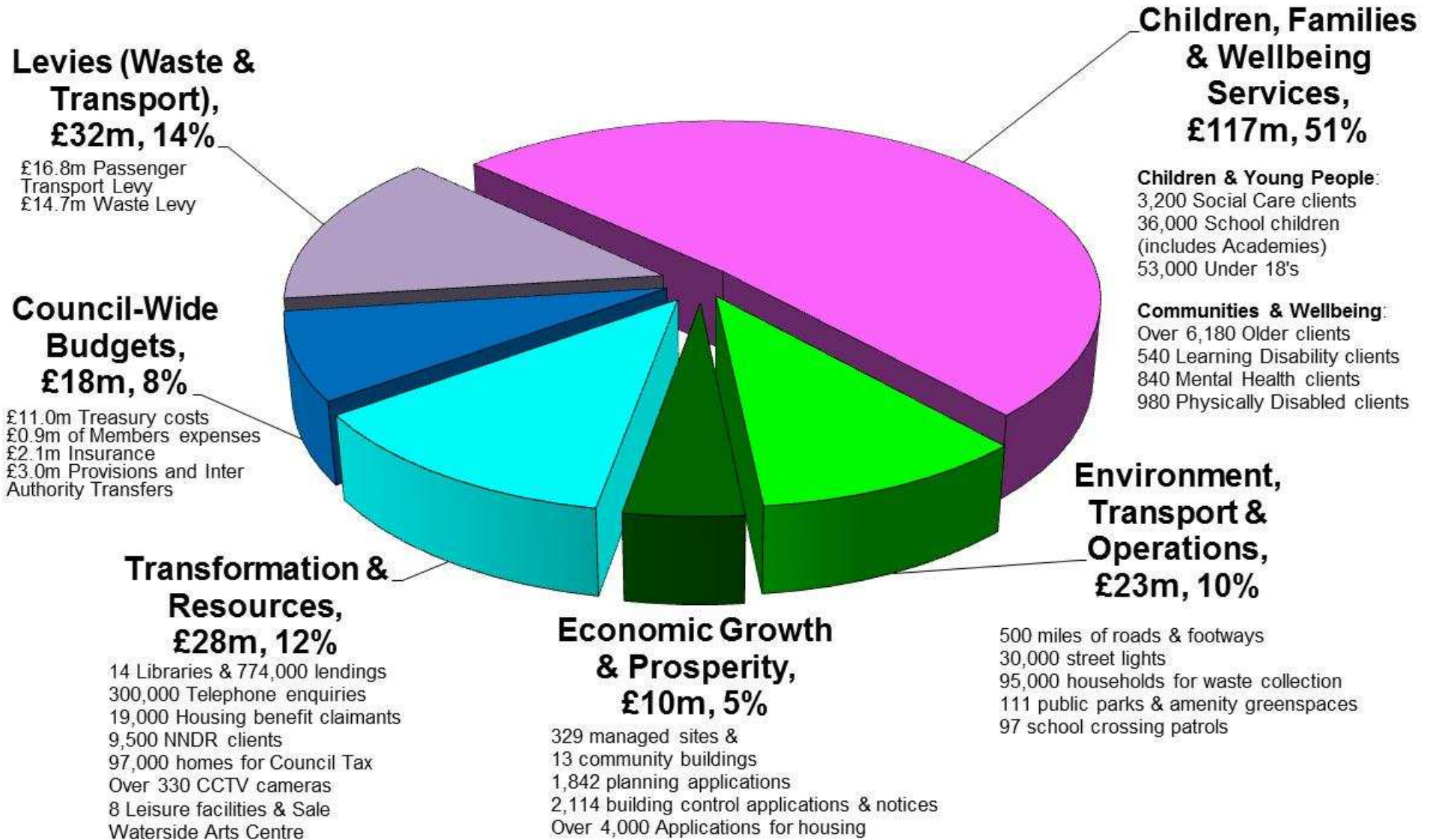
2. The Council's gross budget, or total revenue planned expenditure, for 2013/14 is £423m. The extent of total Council expenditure is dictated by the amount of income or funding it receives, either by way of redistributed central taxation from the Government in the form of general or specific grants, local taxation in terms of Council Tax and retained Business Rates, or smaller sources such as fees, charges, rents and investments.

Council Income Sources 2013/14 - £423m



3. Not all services are funded in the same proportions from the various funding sources. In particular, school related expenditure is funded entirely from Government specific grants which cannot be used for any other purpose. The Government therefore dictates entirely the overall expenditure in this area. Similarly, the Council is reimbursed by the Government for housing benefit expenditure through a subsidy mechanism. Out of the total planned spend, these two areas totalling £195m, are outside of the Council's deliberations for apportioning 'budget resources'.

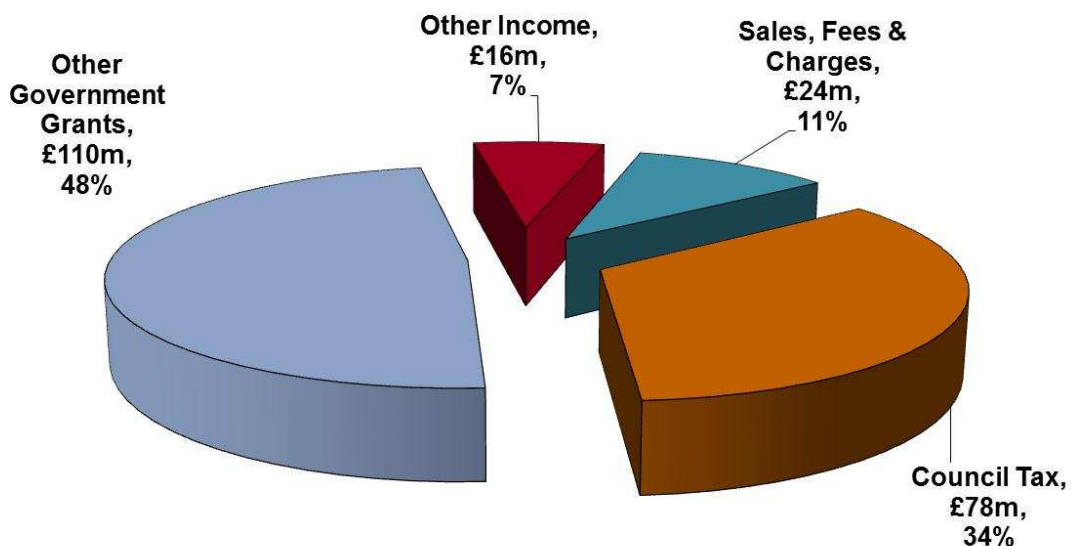
Gross Expenditure by Service 2013/14 - £228m



4. Excluding Schools and Housing Benefits, the gross expenditure for which the Council determines the distribution of resources is £228m. However, the extent by which the Council can determine resource distribution is not uniform across services and functions:

- Many services must be delivered to a mandatory statutory minimum level and/or to those who meet the criteria. The Council is required to ensure that there are sufficient resources allocated to meet these forecasted demands. Services which the Council can choose to provide are known as discretionary services.
- Some expenditure is legally or contractually required based on prior decisions, such as the revenue consequences of borrowing to fund capital expenditure. There are also services, such as Waste Disposal and Passenger Transport, which are operated at a Greater Manchester level, and whilst the Council has a shared influence on these services it does not have overall control.

Council Income Sources 2013/14 - £228m



5. The proportion of this £228m of service expenditure funded by the Government is significant at £110m or 48%, and as a consequence budget decisions are sensitive to changes in Government funding. This is equally true whether you measure the budget on a gross or net basis. The net budget of £159m is 50% supported by £(80)m of Government base funding, and the remainder from local resources, primarily Council Tax.

Revenue Budget Gross to Net

Gross Expenditure	£423m		
Government Grants	£(225)m	Schools DSG	£(131)m
Fees/Charges	£(24)m	Housing Benefit	£(64)m
Rents & Investments	£(6)m	Other	£(30)m
Contributions & Reserves	£(9)m		
Net Budget	£159m		
Government based funding	£(80)m	CF&W	£83m
Council Tax	£(78)m	ETO	£29m
Reserves	£(1)m	EGP	£3m
Funding	£(159)m	T&R	£20m
		C-W	£24m

Controllable Services £135m

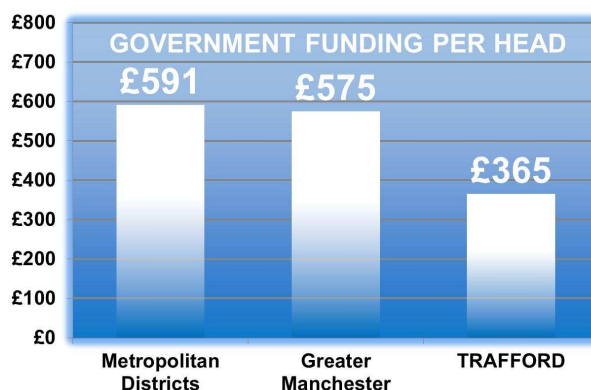
6. For 2014/15 it is estimated that the Government will be withdrawing some £6.3m of funding either in terms of base funding or specific grants used to support the base budget. Ordinarily this may be viewed as £6.3m from a gross spend of £423m, however:
 - of the £423m, £195m is ringfenced for Schools and Housing Benefits,
 - of the remaining £228m, £32m relates to Waste and Transport Levies, £11m for debt repayments, £3m other inter-Authority transfers, and £2m for insurances,
 - and of this £180m of remaining gross expenditure the majority relates to the provision of mandatory service provision.

7. A reduction of £6.3m of Government funding which has a major impact on the Council's ability to continue to provide services, particularly discretionary services.

8. Historically the Council has always been relatively low-funded by the Government, primarily due to two factors:
 - A considerable amount of Government base funding and a number of specific grants have been distributed on relative deprivation, in particular on levels of benefit payments. Even though the Borough has two of the most deprived wards in the Country, as a whole it is not seen as deprived, and has received a much smaller share of deprivation led funding than many other authorities.

- In determining the level of resources for a Council, the Government's previous funding mechanisms have assumed that Councils raise local funding based on a notional Council Tax charge. If the taxbase, or number of properties at Band D equivalency, is comparatively high, such as it is in Trafford, the Government would give less grant because the mechanism assumed the difference was raised locally. In 2002 and 2006 the Government notionally increased total resources for all Councils by simply increasing this notional rate of Council Tax, which caused even more funding to be distributed away from Trafford to other Councils.

9. Compared to the national average for similar types of authority, or to the average for Greater Manchester, Trafford is supported significantly less by the Government. This difference in support being in the region of £45m in 2013/14.

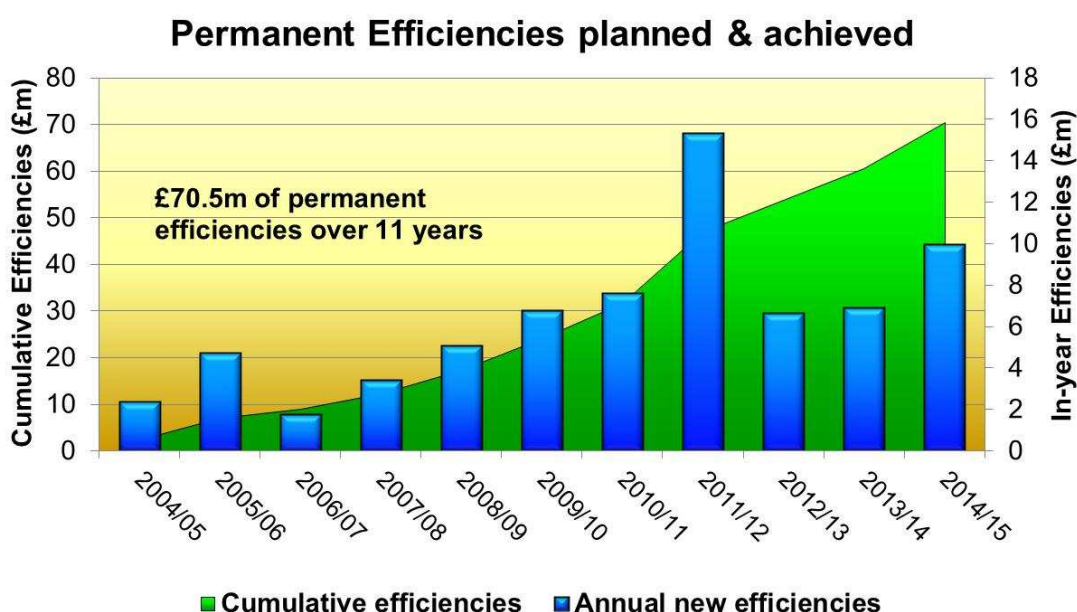


10. This historically low funding position has now been locked into base funding under the new business rates retention scheme. In addition, as Government funding is reduced as a consequence of austerity, the proportion of reduction has not been uniform across authorities with Trafford losing funding at a much faster rate than others:

2013/14 reduction in Start-up funding	
Manchester	3.07%
Salford	3.08%
Average London Borough	3.24%
Oldham	3.36%
Average Metropolitan Districts	3.57%
Bolton	3.65%
Tameside	3.75%
Average England	4.27%
Average Unitary	4.31%
Wigan	4.36%
Rochdale	4.49%
Stockport	5.44%
Bury	5.53%
Average County Councils	5.63%
Average District	6.21%
Trafford	6.34%

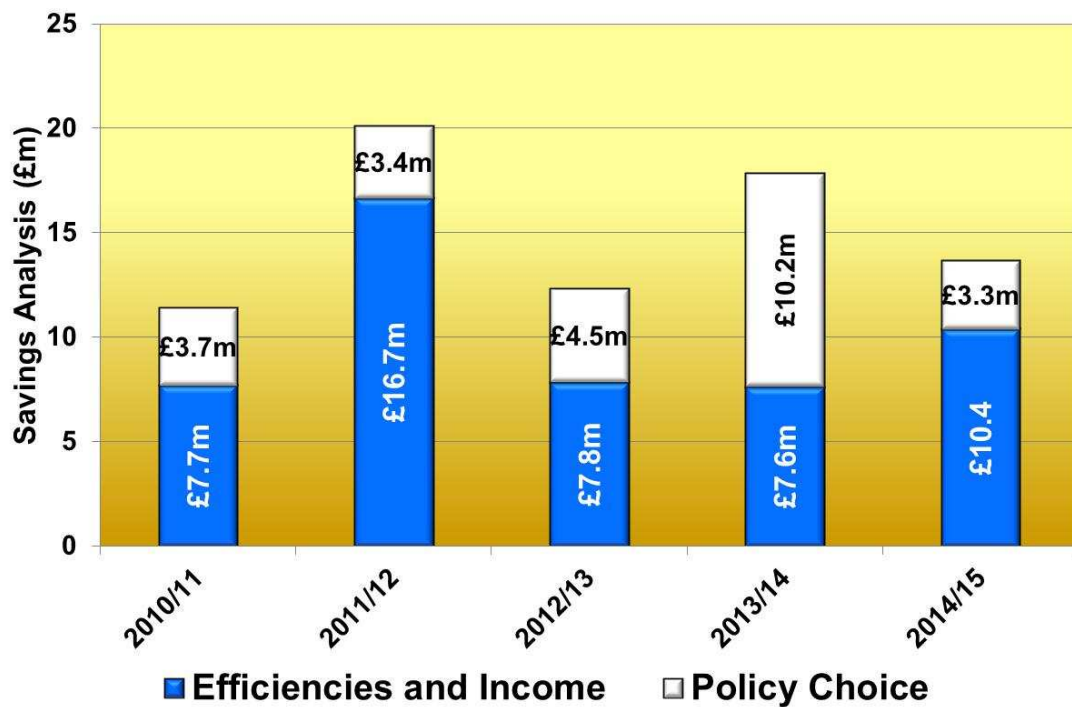
As calculated by DCLG, movement from adjusted 2012/13 notional base.

11. In 2013/14, Trafford's funding reduced at a greater rate than any of the other nine Metropolitan Districts in Greater Manchester, and also greater than the average for any type of authority in the Country. This compounded an already relatively low funding base even further.
12. Councils began to measure the successful long term implementation of efficiency savings in a prescribed way from 2004/05, in order to complete the Annual Efficiency Statement return to Government. The AES is no longer a requirement for authorities, however, Trafford has continued to record efficiencies in this way. Since 2004/05, the Council has delivered £(60.5)m of efficiencies, and a further £(8.2)m of efficiencies and £(1.8)m of staff terms and conditions savings is proposed for 2014/15. Together, this £(70.5)m is equivalent to 92% of the current Council Tax.



13. The level of efficiencies and the introduction of such tools as 3 year financial planning and the policies outlined in the medium term financial strategy has assisted the Council in meeting successive budget challenges.
14. In 2010/11 the newly elected Coalition Government introduced the first austerity budget with an emergency budget in July of that year. The traditional budget challenges of low funding and higher demands from inflation and growth in social services, have been made more difficult since then as Government funding has been withdrawn.

15. To meet this new challenge the Council has invested in dedicated internal capacity in terms of procurement, change and project management, and introduced a number of austerity measures.
16. Over the five years of austerity the Government will have withdrawn some £28.5m of funding, equivalent to around 36% of current Council Tax. This pressure is in addition to inflation, increases in client numbers and need, and the increasing cost of waste and transport levies. However, longer term planning and investment in dedicated capacity has enabled the Council to identify efficiencies and new income to avoid 67% of this total pressure from affecting front line services.



MEDIUM TERM FINANCIAL OUTLOOK - BASE BUDGET ASSUMPTIONS:

Base Budget Assumptions	2014/15	2015/16	2016/17	2017/18
Service Expenditure				
Pay	1.0% £0.8m	1.0% £0.8m	1.0% £0.8m	1.0% £0.8m
Pension inflation	+1.0% £0.6m	+0.8% £0.5m	+0.7% £0.4m	+1.0% £0.6m
Overtime becoming pensionable in 2014/15 Pension Auto-Enrolment effective from 1 Oct 2017	£0.1m			£0.3m
Cease 'contracted out' NIC rate in 2016/17			£1.6m	
Prices – General inflation (RPI)	3.0% £2.2m	3.4% £3.0m	3.6% £3.2m	3.8% £3.5m
Contract & Other inflation (e.g. energy)	£0.8m	£0.8m	£0.8m	£0.9m
Demography :				
Young People	£1.4m	£0.5m	£0.5m	£0.5m
Adults	£2.1m	£2.1m	£1.5m	£1.5m
Waste (GMWDA) Levy Escalator after 'smoothing'	£0.3m	£0.3m	£0.3m	£0.3m
Transport (GMCA) Levy increase	£0.0m	£0.0m	£0.9m	£1.0m
Treasury Management & Funding				
Investment Rates	0.84%	0.89%	1.32%	1.70%
Debt Rates	4.5%	4.5%	4.5%	4.5%
Council Tax rate increase	0.0%	2.0%	2.0%	2.0%
Council Tax base increase	1.35%	0.5%	0.5%	0.5%
Freeze Grant 2014/15 @ 1.0%	£(0.9)m			
Reduction in Start-up Funding	8.7% £6.9m	13.6% £9.9m	9.5% £6.0m	9.2% £5.2m
Reduction in overall Government support	5.7% £5.9m	11.8% £11.5m	8.8% £7.5m	8.1% £6.3m

GOVERNMENT FUNDING

Changes in government funding during 2014/15 has resulted in a £6.1m, or 5.9%, reduction to Trafford, equivalent to £26.39 per head of population of the borough. The changes in funding are detailed in the table below:

	Specific Grants (£000's)	Main Funding (£000's)	Total change (£000's)
Funding ceasing			
Local Welfare Fund	8		8
Localism Grants	5		5
Adoption Grant	109		109
Adjustment for the reclassification of Adoption Reform Grant to non-ringfenced	133		133
Funding reducing			
Government base funding:			
- Austerity reduction		7,352	7,352
- Adjustment for BRR safety net		142	142
- 2% cap on Business Rates – unfunded		74	74
- Returned capitalisation		(96)	(96)
KEEP Grant	20		20
Youth offending team	54		54
NHS Complaints Advocacy	57		57
Housing Benefit Administration	166		166
Early Intervention Grant		469	469
Council Tax Freeze 2011/12		12	12
Funding increasing			
Local Reform and Community Voices	(5)		(5)
Council Tax freeze 2013/14	(8)		(8)
Social Care / NHS Integration Grant	(164)		(164)
Public Health Reform	(285)		(285)
Education Support Grant	(68)		(68)
Adoption Reform Grant	(64)		(64)
Council Tax Annexes Policy Grant	(10)		(10)
Application of Staying in Care Grant	(50)		(50)
Learning Disability and Health Reform		(102)	(102)
New funding			
Council Tax Reform Grant	(114)		(114)
New Homes Bonus 2014/15 allocation	(425)		(425)
Council Tax freeze 2014/15	(894)		(894)
Contra entries			
New Homes Bonus Adjustments	160	(400)	(240)
2% cap on Business Rates – funded	(344)	344	0
Council Tax Freeze 2013/14	894	(894)	0
Total Funding Change	(825)	6,901	6,076

BUSINESS RATES RETENTION SCHEME

Background

In the period 2010/11 to 2012/13, the main government funding was via formula grant which was distributed to local authorities using a 'four block model'. The four block model included:

- An assessment of an authorities 'relative need' i.e. how deprived an authority is
- An assessment of an authorities 'relative resources' i.e. how much an authority can raise locally through Council Tax
- Central allocation – amount distributed per head of population
- A Floor Damping Block – this is a self-financing block which is used to provide a limit to the level of decrease/increase in grant for all authorities

Despite Trafford having a number of wards above the average deprivation level across the country and having frozen its Council Tax in line with government policy, Trafford has historically received a lower than average funding per head when compared to all Single Tier Local Authorities.

Under the new system authorities will receive Start-up Funding in place of Formula Grant. Start-up funding is made up of two elements:

1 Baseline funding

The Government calculates an authority's baseline funding level by applying the 2012/13 Formula Grant process to the local share of the estimated business rates aggregate for 2013/14. The baseline funding element is fixed until the system is reset in 2020/21 and will be updated by RPI annually. There will be no adjustments made to an authority's funding during this period, regardless of changes in socioeconomic pressures.

Whilst the four block model no longer exists under the new scheme, the previous assessments of deprivation and need have been frozen into baseline funding. This means that going forward Trafford will remain at a disadvantage due to the inequalities evident in the previous system.

2 Revenue Support Grant

This element is made up of a number of smaller grants including:

- Upper tier and lower tier funding
- Council tax compensation grant
- Council Tax Freeze grant 2013/14
- Learning Disability & Health Reform Grant

- Early Intervention Grant
- Local Flood
- Homelessness
- New local welfare provision - social fund

Unlike baseline funding, this element is not fixed and therefore any reductions in the national control total will be reflected in this element.

Mechanics of the Scheme

The business rates yield collected by a local authority will be divided into a local share, a central share and the fire and rescue authority share. The central share is 50% of the business rates collected which will be paid over to government, the amount paid to the fire and rescue authority is 1%. The remaining 49% is the local share and represents the amount retained by the local authority.

On top of the 50% central share, authorities may also be required to make further payments to government out of their local share, including:

- **Tariff** – a local authority must pay a tariff if its individual authority business rate baseline is greater than its baseline funding level. Conversely, a local authority will receive a top-up if its baseline funding level is greater than its individual authority business rate baseline. Tariffs and top-ups will be fixed until the business rates retention system is reset but will be uprated by RPI each year. Trafford is a tariff authority with a tariff of £42.5m and is the 6th highest contributor in the country and the highest outside of London.
- **Levy** – only tariff authorities pay a levy. A levy applies to all growth in retained business rates and the maximum rate will be 50% meaning that after the central share and levy payments the amount of growth retained will be 24.5%. The levy will be used to fund the safety net.

Authority	Tariff £m
Westminster	444.3
GLA	342.3
City of London	200.3
Camden	66.6
Hillingdon	58.0
Trafford	42.5

A level of protection has been built into the system to limit risk in the event of a decline in business rates; this is known as the safety net. The safety net threshold has been set at 7.5%, meaning an authority is guaranteed 92.5% of baseline funding. Trafford would need to fund the first £2.4m of any reduction in business rates before receiving any safety net payments.

The Government will redistribute the central share via the Revenue Support Grant.

The diagram below shows how the Government Baseline figure for Trafford is divided between the Government (tariff £42.5m plus central share £75.8m totalling £118.3m), Fire Authority (at 1% £1.5m) and the Council (remaining £31.8m). The diagram also demonstrates two scenarios, scenario 1 showing how a reduction in business rates of £1m would be divided between Government, Fire and Rescue Authority and the Council, scenario 2 shows how a growth of £1m will be divided.

**Scenario 1:
Reduction in business rates
£(1)m below baseline**

Central Share 50%	
Local share * 49%	Fire 1%

Government's share – £(0.500)m

Trafford's share – £(0.490)m

Fire share - £(0.010)m

Maximum loss £(2.4)m due to a 'Safety Net' in the mechanism of 7.5% of baseline

**Government Baseline
£151.6m**

Central Share 50%		
Tariff £(42.5)m	Local share 49%	Fire 1%

Government's share – £75.8m + £42.5m = £118.3m

Trafford's share – £74.3m - £42.5m = £31.8m

Fire share - £1.5m

**Scenario 2:
Growth in business rates
£1m above baseline**

Central Share 50%		
Fire 1%	Local share 24.5%	Levy 24.5%

Government's share – £0.5m + £0.245m = £0.745m

Trafford's share – £0.245m

Fire share - £0.01m

Forecasting

Before the introduction of the business rates retention scheme there was no requirement to forecast income at a local level. Forecasting the level of income is difficult due to:

- The recent economic climate and the unsettled economy. This has resulted in business rate income being volatile
- The unpredictable level of business rates that are subject to appeal

Pooling

Under the business rates retention scheme local authorities are able to come together, on a voluntary basis to pool their business rates. This is meant to benefit authorities by giving them scope to generate additional growth through collaborative effort, and to smooth the impact of volatility in rates income across a wider economic area. This approach was considered by a number of authorities in Greater Manchester and Cheshire, however due to the level of uncertainty and risk caused by appeals it was not considered viable.

Appeals

A major risk of forecasting is caused by the level of outstanding business rate appeals and estimating the impact these appeals will have on the overall yield.

All appeals are assessed by the Valuation Office Agency (VOA) making it difficult for the Council to estimate something they cannot control. The rateable value of property that is subject to appeal in Trafford is currently £137m or 36% of total rateable value. The table below shows how this has changed since January 2013.

	January 2013	March 2013	June 2013	September 2013
Rateable value of appeals	£178m	£150m	£156m	£151m
New appeals	£10m	£9m	£10m	£7m
Closed appeals	£38m	£29m	£15m	£20m
Carried forward	£150m	£156m	£151m	£137m

The cost of the appeal can be back dated to the year of valuation, either 2010 or even 2005, and attracts interest. The cost of an appeal is therefore a function of rateable value, the level of success at appeal, multiplied by the number of years to the relevant valuation plus interest.

Trafford is heavily reliant on the provision of up to date data from the VOA, with information on closed appeals provided every 3 months. This is allowing the council to build up information on settled appeals but whilst this assists in backwards looking, it does not give a reliable indication of the level of future appeals.

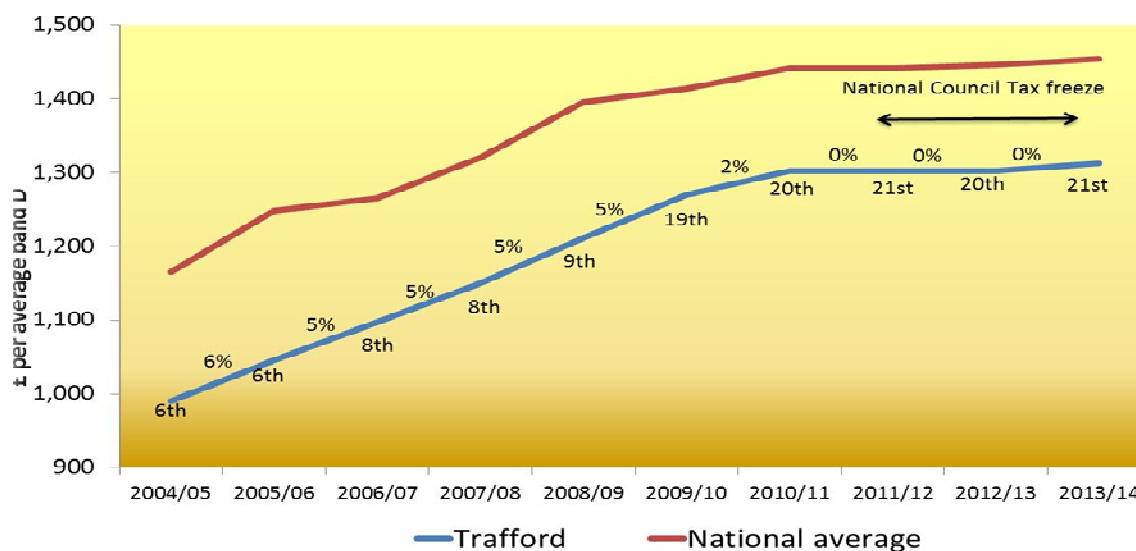
To account for these appeals authorities are given the option to either spread the cost over 5 years or make a full provision in year. Whilst guidance has been given to local authorities, accounting regulations are still outstanding resulting in further uncertainty. In addition to this there is also potential for a further provision in future years for new appeals, this is enhanced by the Chancellor's announcement in the Autumn Statement that they will aim to resolve 95% of outstanding appeals by July 2015.

Current position

Since the introduction of the new system 10 months ago significant progress has been made to develop monitoring and forecasting techniques, this has led to Trafford estimating that a safety net payment will be required from government in 2013/14.

COUNCIL TAX

Since 2005/06 and the introduction of the Council's first Medium Term Financial Strategy, it has been the policy of the Council to keep Council Tax low.



* 2004/05 to 2008/09 out of 354 authorities. 2009/10 onwards out of 326 authorities

As can be seen in the above chart, since austerity budgets were introduced in 2010, the Government has encouraged Councils to freeze Council Tax levels. In 2013/14 the Trafford froze Council Tax for the third consecutive year at £1,105.23 per Band D property. The Police and Fire authorities for Greater Manchester increased their relevant Council Tax rates during 2013/14 by 3.46% and 9.48% respectively, which increased the overall 'doorstep' Council Tax bill for the Borough by £9.99 from £1,302.21 to £1,312.20.

Since 2011/12 the Government has incentivised freezing Council Tax by offering compensatory grants, and limited Council Tax increases by the use of thresholds over which an Authority would be legally obliged to hold a referendum. The table below summarises the compensation or freeze grants that have been offered and their degree of sustainability:

Year	Percentage basis of grant	Trafford Value (£m)	Sustainability
2011/12	2.5%	(2.201)	In base funding
2012/13	2.5%	(2.210)	One year only
2013/14	1.0%	(0.894)	In base funding
2014/15	1.0%	(0.894)	TBA

As a consequence of the slight increase in overall Council Tax charge, the Borough increased its ranking position from 20th to the 21st lowest Council Tax in the country but retained the ranking as the lowest Council Tax in the North West.

Authority	On the doorstep Council Tax * £	Rank
Westminster	681.01	1
Wandsworth	691.54	2
City of London	889.56	3
Hammersmith & Fulham	1,060.90	4
Kensington & Chelsea	1,085.58	5
Trafford	1,312.20	21
Manchester	1,379.24	46
Wigan	1,402.08	67
Tameside	1,416.64	86
Bolton	1,459.24	158
Bury	1,510.81	242
Salford	1,533.28	260
Rochdale	1,537.33	265
Oldham	1,599.92	312
Stockport	1,604.02	315

(*) *On the doorstep Council Tax is the average Council Tax excluding Parish Precepts, including Fire and Police Precepts.*

Council Tax Support Scheme

On 1 April 2013 the Council brought in a local Council tax Support Scheme which replaced the previous Council Tax Benefits system. In addition to replacing the benefits system with a support scheme there were two other challenges:

- The national control total was not just frozen but reduced by 10% at a time of increasing case loads. This 10% reduction in funding would either fall upon the budget, residents or a mix of both.
- Pensioners had to be protected from changes.

At a local level the Council also set goals to:

- Protect disabled people
- Protect parents of children under 5
- Introduce work incentives, such that those returning to work would not be penalised by losing Council Tax support for up to 8 weeks

In order to fund the shortfall and provide for work incentives the Council chose to change some of the property exemptions, however, there remained around £0.4m of additional Council Tax burden that fell upon previous non-pensioner benefit claimants.

The implementation of the scheme, alongside the many other welfare reform changes that have taken place, has been monitored closely during the year. The scheme has been quite a success with no reported additional hardships, no significant impact on tax collection, and no one falling into arrears as a consequence of the scheme. This has enabled a reduction in the support scheme for 2014/15 which appears as a saving in the main body proposals.

COUNCIL TAX LEVELS by VALUATION BAND
(including precepts)

Band	Valuation range (in 1991 prices)	Partington Council Tax £	All other areas Council Tax £
A	Up to £40,000	905.10	876.77
B	Over £40,000 and up to £52,000	1,055.97	1,022.91
C	Over £52,000 and up to £68,000	1,206.82	1,169.04
D	Over £68,000 and up to £88,000	1,357.67	1,315.17
E	Over £88,000 and up to £120,000	1,659.36	1,607.42
F	Over £120,000 and up to £160,000	1,961.07	1,899.68
G	Over £160,000 and up to £320,000	2,262.77	2,191.94
H	Over £320,000	2,715.34	2,630.34

Note: The Council tax figures for the Office of the GM Police and Crime Commissioner and the GM Fire & Rescue Authority included above are the recommended amounts. At the time of writing neither body has yet made the formal decision to accept the proposals.

Draft (base) Budget 2014/15
Subjective Analysis

	CFW (£000's)	ETO (£000's)	EGP (£000's)	T&R (£000's)	Council- wide (£000's)	Total (£000's)
Budget Brought Forward	83,193	29,192	3,253	20,305	23,060	159,003
Net Inflation	2,518	1,035	318	637	16	4,524
Levies		743			(22)	721
Legislative; Grant / Service Transfers	(240)			65	(650)	(825)
Investment Interest (inc airport dividend) & Tax					119	119
Debt Management					(99)	(99)
Demographic (Quantitative)	3,533				49	3,582
Governance / Compliance	77	55		103	(118)	117
Other Unavoidable Business Consequences	100	566	243	90	0	999
Total Pressures (excl new investment)	5,988	2,399	561	895	(705)	9,138
Service Improvement/New Services				70		70
Total New Cost Pressures	5,988	2,399	561	965	(705)	9,208
Cashable Efficiencies	(6,640)	(645)	(258)	(2,385)	(23)	(9,951)
New Income	(103)	(250)	(80)	0	0	(433)
Policy Choice	(714)	(1,868)	(52)	(621)	(20)	(3,275)
Total New Cost Reductions	(7,457)	(2,763)	(390)	(3,006)	(43)	(13,659)
Net Budgetary Effect of Proposals	(1,469)	(364)	171	(2,041)	(748)	(4,451)
Proposed Draft Base Budget for Year	81,724	28,828	3,424	18,264	22,312	154,552
	(1.8)%	(1.2)%	5.3%	(10.1)%	(3.2)%	(2.8)%

Draft Revenue Budget Proposals Summary 2014/15: Net Controllable Expenditure by Service

Service	Revised Budget 2013/14 (£000's)	Growth / Pressures 2014/15 (£000's)	Efficiency & Income 2014/15 (£000's)	T&C's 2014/15 (£000's)	Policy Choice 2014/15 (£000's)	Proposed Budget 2014/15 (£000's)	Change (£000's)	Change %
Children, Families & Wellbeing								
<u>Education Portfolio</u>								
Dedicated Schools Grant:	0	0	0	0	0	0	0	0.0%
Education & Early Years Support Services	6,934	657	(276)	(131)	(490)	6,694	(240)	(3.5%)
sub total	6,934	657	(276)	(131)	(490)	6,694	(240)	(3.5%)
<u>Supporting Children & Families Portfolio</u>								
Children's Social Services	14,974	1,423	(800)	(280)	(20)	15,297	323	2.2%
Children with Complex & Additional Needs	2,030	174	(202)	(66)	0	1,936	(94)	(4.6%)
Commissioning	1,726	41	(59)	(21)	0	1,687	(39)	(2.3%)
Multi Agency Referral & Assessment Service (MARAS)	1,489	169	(111)	(64)	0	1,483	(6)	(0.4%)
Youth Service	1,404	6	(2)	(14)	0	1,394	(10)	(0.7%)
Youth Offending Service	527	54	0	(21)	(204)	356	(171)	(32.4%)
Children's Centres	2,213	0	0	(59)	0	2,154	(59)	(2.7%)
sub total	24,363	1,867	(1,174)	(525)	(224)	24,307	(56)	(0.2%)

Service	Revised Budget 2013/14 (£000's)	Growth / Pressures 2014/15 (£000's)	Efficiency & Income 2014/15 (£000's)	T&C's 2014/15 (£000's)	Policy Choice 2014/15 (£000's)	Proposed Budget 2014/15 (£000's)	Change (£000's)	Change %
Adult Social Services Portfolio								
Older Peoples Services *	20,190	1,594	(2,336)	(292)	0	19,156	(1,034)	(5.1%)
Physical Disabilities	4,194	221	(203)	(38)	0	4,174	(20)	(0.5%)
Equipment & Adaptations	801	0	0	0	0	801	0	0.0%
Learning Disabilities	20,023	1,589	(518)	(264)	0	20,830	807	4.0%
Mental Health	3,416	13	(386)	(25)	0	3,018	(398)	(11.7%)
Other Adult Services	746	14	(100)	(29)	0	631	(115)	(15.4%)
Support Services	896	20	0	(27)	0	889	(7)	(0.8%)
Adaptations	(52)	3	0	(6)	0	(55)	(3)	(5.8%)
Housing Services	1,247	0	(399)	0	0	848	(399)	(32.0%)
Community Services	251	7	0	(11)	0	247	(4)	(1.6%)
Equality & Diversity	184	3	0	(3)	0	184	0	0.0%
sub total	51,896	3,464	(3,942)	(695)	0	50,723	(1,173)	(2.3%)
Community Health & Wellbeing Portfolio								
Public Health	0	0	0	0	0	0	0	0
sub total	0	0	0	0	0	0	0	0
Total Children, Families & Wellbeing	83,193	5,988	(5,392)	(1,351)	(714)	81,724	(1,469)	(1.8%)

Service	Revised Budget 2013/14 (£000's)	Growth / Pressures 2014/15 (£000's)	Efficiency & Income 2014/15 (£000's)	T&C's 2014/15 (£000's)	Policy Choice 2014/15 (£000's)	Proposed Budget 2014/15 (£000's)	Change (£000's)	Change %
Environment, Transport & Operations								
<u>Highways & Environment Portfolio</u>								
Highways & Network Management, incl. Traffic & Transportation	5,015	599	(193)	(28)	(451)	4,942	(73)	(1.5%)
School Crossing Patrols	506	7		(4)	0	509	3	0.6%
Parking Services & Enforcement	(133)	73	(182)	(6)		(248)	(115)	(86.5%)
Groundforce	4,618	453	(29)	(27)	(678)	4,337	(281)	(6.1%)
Bereavement Services	(997)	12	(102)	(3)		(1,090)	(93)	(9.3%)
Sustainability & Greenspace	460	10	(1)	(3)	(107)	359	(101)	(22.0%)
Waste Management (excl. WDA Levy)	5,138	271	(167)	(5)	(100)	5,137	(1)	(0.0%)
Waste Levy	13,523	743	(50)		(350)	13,866	343	2.5%
Public Protection	833	100	(1)	(41)	(182)	709	(124)	(14.9%)
Directorate Strategy & Business Support	484	8	(102)	(11)		379	(105)	(21.7%)
sub total	29,447	2,276	(827)	(128)	(1,868)	28,900	(547)	(1.9%)
<u>Operational Services for Education (Catering, Cleaning, Transport)</u>	(255)	123	(8)	68	0	(72)	183	71.8%
Total Environment, Transport & Operations	29,192	2,399	(835)	(60)	(1,868)	28,828	(364)	(1.2%)

Service	Revised Budget 2013/14 (£000's)	Growth / Pressures 2014/15 (£000's)	Efficiency & Income 2014/15 (£000's)	T&C's 2014/15 (£000's)	Policy Choice 2014/15 (£000's)	Proposed Budget 2014/15 (£000's)	Change (£000's)	Change %
<u>Economic Growth & Prosperity Portfolio</u>								
Asset Management	1,080	422	(136)	(25)	(52)	1,289	209	19.4%
Planning & Building Control	119	37	(55)	(13)	0	88	(31)	(26.1%)
Strategic Planning & Development	555	19	(34)	(7)	0	533	(22)	(4.0%)
Economic Growth	696	17	(27)	(11)	0	675	(21)	(3.0%)
Housing Strategy	560	60	(19)	(5)	0	596	36	6.4%
Directorate Strategy & Business Support	243	6	0	(6)	0	243	0	0.0%
Total Economic Growth & prosperity	3,253	561	(271)	(67)	(52)	3,424	171	5.3%
<u>Transformation and Resources Portfolio</u>								
Legal & Democratic	1,885	145	(61)	(39)	0	1,930	45	2.4%
Communication & Customer Services	6,865	262	(443)	(110)	(116)	6,458	(407)	(5.9%)
Partnerships & Performance	2,741	80	(557)	(28)	(132)	2,104	(637)	(23.2%)
Strategic Human Resources	2,331	73	(232)	(104)	0	2,068	(263)	(11.3%)
Corporate Leadership & Support	367	8	(2)	(5)	0	368	1	0.3%
Total Transformation and Resources	14,189	568	(1,295)	(286)	(248)	12,928	(1,261)	(8.9%)

Service	Revised Budget 2013/14 (£000's)	Growth / Pressures 2014/15 (£000's)	Efficiency & Income 2014/15 (£000's)	T&C's 2014/15 (£000's)	Policy Choice 2014/15 (£000's)	Proposed Budget 2014/15 (£000's)	Change (£000's)	Change %
<u>Safe, Strong Communities Portfolio</u>								
Culture & Sport	2,172	79	(280)	(20)	(232)	1,719	(453)	(20.9%)
Total Safe , Strong Communities	2,172	79	(280)	(20)	(232)	1,719	(453)	(20.9%)
<u>Finance Portfolio</u>								
Finance Services	3,944	318	(355)	(149)	(141)	3,617	(327)	(8.3%)
Precepts, Levies & Subscriptions	17,852	(18)	0		0	17,834	(18)	(0.1%)
Provisions	1,742	47	(125)		0	1,664	(78)	(4.5%)
Treasury Management	8,366	20	0		0	8,386	20	0.2%
Insurance	659	115	0		0	774	115	17.5%
Members Expenses	944	16	0	0	(20)	940	(4)	(0.4%)
Other Centrally held budgets	322	(77)	(15)	117	0	347	25	7.8%
Specific Grants	(6,825)	(808)	0		0	(7,633)	(808)	(11.8%)
Total Finance	27,004	(387)	(495)	(32)	(161)	25,929	(1,075)	(4.0%)
Total All Services								
	159,003	9,208	(8,568)	(1,816)	(3,275)	154,552	(4,451)	(2.8%)

Children, Families and Wellbeing

April 2013 saw the development of a new Directorate which was formed by bringing together three service areas:-

- Communities and Wellbeing (Adult Services)
- Children and Young People's Services
- Public Health Service

The Directorate has developed a strong universal identity which aims to deliver high quality services which offer excellent value for money to its customers, based on an integrated partnership approach. Performance management and co-production with stakeholders is at the core of our business which is underpinned by a strong commitment to equalities and diversity. The creation of the new Directorate delivered significant savings in 13/14 and has enabled further savings proposals that are detailed below, to be delivered in 14/15. In particular, the creation of the new directorate will enable savings to be made from the move to an all age service to support those with complex and additional needs/learning difficulties and disabilities and all age approach to commissioning support services. A robust Equality Impact Assessment has been completed as part of the collaborative and comprehensive budget consultation process.

The Directorate core business functions are:-

Children and Young People's Service (CYPS)

Service Description

This area of CFW's core business was formed in 2007 based on a unique partnership between the Local Authority, Primary Care and Acute Hospital Trusts, and now strongly reflects the whole Directorate's approach to integration and partnership working. A range of integrated services are commissioned and delivered by working together with health, social care, education and public health to ensure children and families receive co-ordinated support to meet their needs.

Service Performance

CYPS is a high performing service area that has been rated as 'Performing Excellently' by Ofsted in their annual assessment for the last two years. This has been achieved as a result of a broad range of evidenced outcomes for children and families including:-

- 88% of Trafford Schools are rated as good or better by Ofsted compared to 66% nationally and 49% of Trafford Schools are rated outstanding compared to 26% nationally.
- Trafford's Primary Schools have demonstrated excellent results with the percentage of 11 year olds achieving level 4+ in English and Maths which is the second highest in the country. Educational attainment at secondary level is also exceptionally high.
- Trafford has the lowest proportion of 16-18 year olds who are not in employment, education or training in Greater Manchester.

- Multi-systemic therapy for children at risk of custody or entering care has had a 93% success rate in helping young people stay with their family.
- Trafford is a national pathfinder for the Single Education, Health and Care Assessment Model for children with complex needs.

Approach to the Budget

The budget setting process has been underpinned by the overarching principles of the CFW Directorate:-

- Integration with health
 - Market efficiencies and value for money
 - Management of Demand
 - Personalisation
 - Promoting independence
- These key overarching principles have been further strengthened by the more detailed principles set out in the specific Children and Young Peoples Service Vision 2015; these service specific principles are:-
 - To work to meet the needs of all children and young people in Trafford, but with a key focus on the needs of those who are most vulnerable.
 - To endorse the value of family and to work in partnership to enable strong and resilient families to promote the best outcomes for children whilst always maintaining and focusing on the needs of the child or young person.
 - To work in an outcome focused way and seek to maximise agreed outcomes for children, young people and families through effective assessment, planning and quality service delivery.

The proposals for Children's Services are as follows:

Children in Care: The highly effective three year placement strategy for children in care has reduced the unit costs of placements by approximately £120 per week per placement whilst delivering high quality care and this work will continue. There is significant demographic pressure on this service which remains needs led and there is therefore pressure on the savings targets of £480K for 2014-15 but every effort will be made to deliver those savings whilst ensuring that we always respond to the needs of children and young people. The additional savings for children needing homeless accommodation have been made achievable by the Activity Agreement project to enable young people to access education, training and employment in order to prevent homelessness.

Personalisation: Following a pilot phase and major consultation exercise the implementation of a personalisation model was agreed by Council Executive in March 2013. A two year saving target was agreed as part of the implementation with £125k to be achieved in 2014-15 through the more effective use of resources via personalisation. The project is a major service transformation that will provide a more equitable provision of resources for families of children with complex needs and empower them to play a central role in planning services to meet their needs.

Market Management: £350k will be saved in 2014-15 through ensuring we provide value for money by reviewing our external spend and funding for external contracts to all groups including those in the voluntary and community sector and private providers. This will include management of inflationary increases and strategic integrated

commissioning of services to ensure resources are used effectively to deliver positive outcomes.

YOS (Youth Offending Service): There has been substantial change in national policy in relation to this area of service over the last two years and the Council recognises the need to be responsive to these changes whilst saving money. To support this a major review started as part of the 2013-14 budget proposals integrating prevention services into area teams and working collaboratively to ensure specialist services continue to be delivered. A further saving of £150k will be achieved in 2014-15 through the full implementation of the outcome of the review.

Home to School Transport: A major review of our school transport provision and policy has produced substantial savings of over £1 million in the last 3 years. Building on this work we are aiming to save a further £100k in 2014-15 by further developing alternative travel options and independence for children with Special Educational Needs (SEN), revised tendering arrangements for provision, and a business review of the transport function.

Connexions: The Connexions service is operating as a targeted, specialist service to support young people who are not in education, training or employment or at high risk of becoming so, plus a traded service with schools offering independent advice and guidance to young people around careers, education and training opportunities. The successful trading model has generated £240K income to supplement the targeted service. An additional £100K saving will be achieved in 2014-15 by a further reduction in the targeted element of the service. An additional £160K saving will be achieved in 2014-15 by a further reduction in the targeted element of the service making the overall saving for the service £260K for 2014-15. Continuation of the service will in future depend on whether schools are willing to continue to purchase the traded element from September 2014 onwards.

Education Welfare Service: A review of the Education Welfare Service is currently being undertaken and £100K will be saved from this budget with the remainder of the budget used to continue to minimise low school attendance.

Education and Early Years: The proposals in this area cover three main strands of activity:

- Removal of the subsidy to the Music Service (£90k) which will be mitigated through a business development plan to increase alternative funding streams including external grants, sponsorship, fundraising, service level agreement income and subscriptions. Educational Psychology (£15k) to be achieved through income generation from the new service level agreement for provision of non-statutory services to schools.
- Early Years (£25k) to be achieved through full implementation of the review completed to release savings to meet the 2013-14 savings target.

Education Strategic Support: £100k to be achieved through a review of the support functions and income generation to ensure all costs are appropriately charged through a full cost recovery model.

Budget Movement Summary 2014/15

The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Directorate	2014/15 (£000's)	Savings Schedule Reference(s)
Budget Brought Forward	31,297	
Additional Resources to meet Pressures:		
- Pay Related Inflation	403	
- Contract Related Inflation	564	
- Specific Grant Reductions	157	
- New or Increased Specific Grants	(133)	
- Demographic	1,433	
- Other	100	
Total new resources allocated	2,524	
Resource Reallocations through:		
- Efficiencies	(1,350)	CFW 1 – 6, 7(50%) & 8(50%), 20, 21
- New or Increased Income	(100)	CFW 26
- Policy Choices	(714)	CFW 27 – 33
- Terms & conditions	(656)	Annex M
Total new resources allocated	(2,820)	
Net Year-On-Year Change	(296) (0.9)%	
Net Budget Proposal	31,001	

Adult Services

Service Description

Adult Social Care

The key function of Adult Social Care within the overall CFW Directorate is to commission and deliver a range of social care services to people over the age of 18 in Trafford.

The services range from individual care packages that meet the needs of people with very complex and challenging needs, to preventative services that support people living independently in their community. Personal Budgets are an embedded option people can use to arrange their own support package around their individual needs. The focus of services is on people with substantial or critical levels of need grouped into the following areas:

- Older People
- Learning Disabilities
- Physical Disabilities
- Mental Health

Service Performance

The Care Quality Commission (CQC) has identified that our services are excellent. This has been achieved as a result of a broad range of evidenced outcomes for adults and their carers, including:-

- 57% of eligible service users and carers with Personal Budgets.
- Everyone who needs a social care service is now offered re-ablement. This has been extremely successful with an average reduction of 79% less services needed at the end of the re-ablement period compared to the level of need at the beginning. In addition, 78% of people successfully completing a period of community reablement require no on-going service on completion.
- The number of delayed transfers of care from hospital that are attributable to adult social care has reduced by 32% from April – December 2013. The number of permanent admissions to residential and nursing care decreased by 10% from April 2012 to April 2013.
- The number of new people aged 65+ receiving telecare in year to December 2013 has increased by 44% when compared with the same period last year. This is in the context of the Telecare Pledge – a commitment to provide free telecare for one year to people living in Trafford aged 80+ with support needs.
- 47% of people accessing Ascot House for reablement intervention return to their home environment on discharge, evidencing success in diversion from long term residential and nursing care.
- In the annual Adult Social Care User Survey 68% of people said that they were “extremely or very happy” with the services they had received, placing Trafford within the top quartile both regionally and nationally.

Approach to the Budget

The budget setting process has been underpinned by the overarching principles of the CFW Directorate (as with CYPS and Public Health):-

- Integration with health
- Market efficiencies and value for money
- Management of Demand
- Personalisation
- Promoting Independence

The proposals for Adult Services are as follows:-

In 2012 we consulted on a range of proposals. Due to the nature of these proposals a full and robust consultation exercise was undertaken to ensure that the views of all key stakeholders informed the final budget decision-making process. The consultation also provided valuable information and data to further strengthen our Equality Impact Assessments. The outcome of this exercise was that proposals were agreed and implemented in 2013/14 and will continue to take effect in 2014/15. These proposals are:

- Mental Health
- Day support
- Advocacy
- Support for carers
- Charging for community care services
- Katherine Lowe residential care home
- Support for people with learning disabilities
- Community meals service
- Pre-paid cards
- Public health
- Supported living
- Supporting People

In addition to these proposals and the further implementation of general market efficiencies, we need to make further changes to balance our budget for next year to achieve savings of £4.3 million during 2014-15. The additional proposals for 2014 are as follows

1 Ascot House:- The Proposal

The Operational Directorate within Children, Families and Wellbeing is integrating with Trafford Provider Services, part of Pennine Care NHS Foundation Trust, the local community health service for adults. The new service will ensure better experience and outcomes for customers whilst also reducing duplication and diverting people from inappropriate admission to hospital and residential care. The aim is to enhance this service for future users. There will be no impact from this proposal on people presently using Ascot House.

Savings Target: £100,000

2 Transport:- The Proposal

Develop a transport policy which clearly establishes Trafford's key principles to:

- providing transport;
- rolling out personalisation with the transport market;
- developing a person led reablement model which regularly reviews individuals who use transport.

The policy will also explore how the Council will ensure that individuals in receipt of mobility allowance use it appropriately. There may be a change in how people are supported as a result of this proposal. We will engage with groups and individuals using these services, and their carers, to develop the policy.

Savings Target: £200,000

3 Telecare:- The Proposal

Savings will be made through reviewing all care packages and implementing Telecare to reduce other costs. This will be through the use of new equipment not available at previous reviews and through targeting areas where Telecare referrals have been low. Linking to Telehealth with the CCG will enhance the Trafford Telecare offer and will produce efficiencies in the programme. Review of other equipment services will produce increased efficiencies and savings. The aim is to increase the use and benefits of Telecare and equipment.

Savings Target: £400,000

4 Reablement:- The Proposal

The Adult Social Care Operational Directorate within Children, Families and Wellbeing is integrating with Trafford Provider Services, part of Pennine Care NHS Foundation Trust, the local community health service for adults. The new service will ensure better experience and outcomes for customers while also reducing duplication and diverting people from inappropriate admission to hospital and residential care.

The aim is to improve reablement for more people. There will be no impact from this proposal on people presently using the service.

Savings Target: £200,000

Budget Movement Summary 2014/15

The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Directorate	2014/15 (£000's)	Savings Schedule Reference(s)
Budget Brought Forward	51,896	
Additional Resources to meet Pressures:		
- Pay Related Inflation	335	
- Contract Related Inflation	1,216	
- Specific Grant Reductions	57	
- New or Increased Specific Grants	(454)	
- Demographics	2,100	
- New Statutory Responsibilities	210	
Total new resources allocated	3,464	
Resource Reallocations through:		
- Efficiencies	(3,939)	CFW 7(50%) & 8(50%), 9 - 19, 22 - 24
- New or Increased Income	(3)	CFW 25
- Policy Choices	-	
- Terms & conditions	(695)	Annex M
Total resources allocated	(4,637)	
Net Year-On-Year Change	(1,173) (2.3)%	
Net Budget Proposal	50,723	

Public Health Service Summary

Service Description

This area of the CFW's core business represents approximately £10.5m of the Council's total net revenue expenditure. Public Health provides a wide range of services which focus on the promotion of Wellbeing, the management of Health inequalities and the facilitation of resilient communities across the Borough of Trafford. The service area commissions and delivers a range of public health services to people aged 5 and over in Trafford. The services are designed to:-

- Improve significantly the health and wellbeing of the people of Trafford.
- Carry out health protection functions.
- Reduce health inequalities across the life course, including within hard to reach groups.

The mandated public health services for the local authority are:

- National Child Measurement Programme.
- NHS health checks.
- Public health advice to the Clinical Commissioning Group,
- Sexual health commissioning.
- Protecting the health of the local population.

The public health services currently focus on the following areas:-

- Sexual health including STI testing and treatment and contraception
- NHS health check programme
- Local authority role in health protection
- Public health advice
- National Child Measurement Programme
- Obesity – adults and children
- Physical activity – adults and children
- Drug misuse and alcohol services for young people and adults
- Stop smoking services and interventions
- Children 5-19 public health programmes.

Service Performance

Public Health in its first year with Trafford Council has focused on smooth transition and continuity of services. In addition the production of the Joint Strategic Needs assessment (JSNA) has informed the Health and Wellbeing Strategy (HWBS) and the Public Health Business Plan. We will work with the new Clinical Commissioning Group and other partners such as the police and community safety partnerships to assess the current and future health needs and assets of the local community. We will work with all our partners and the community in order to deliver services based on local needs whilst addressing the requirements of the national Public health Outcomes Framework.

Approach to the Budget

Public Health has a budget of £10.5m to support the provision of health improvement services to the people of Trafford. We will align our resources to deliver our Public Health Strategy taking into account increasing demand for services, due to factors such as the impact of increasing health problems from alcohol abuse and obesity.

The budget setting process has been underpinned by the overarching principles of the CFW Directorate:-

- Integration
- Safeguarding
- Market Management and Quality Assurance
- Management of Demand
- Personalisation
- Promotion of Independence

The key overarching principles have been further strengthened by our partnership approach to the delivery of an ambitious review programme with the key driver of creating an integrated public health, social care and health service in Trafford.

The proposals for Public Health are as follows:-

- To develop a streamlined Public Health offer for Trafford based on a whole family approach which will reduce duplication and strip out inefficiencies.
- To performance manage the Local Enhanced Services to ensure better value for money.
- To align spend to social care activity (where deemed as appropriate), linked to the Public Health Grant ring-fence criteria.

Children, Families and Wellbeing – Schedule of Savings

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	E	1	Education Support	Service review and amended funding sources	Efficiency	(100)	Review of the business support functions and realignment of funding sources in line with their responsible areas of school admissions, capital development, governor services and educational psychology.
CFW	SCF	2	Children's Social Care	Children in Care Placements	Efficiency	(480)	Savings for 2014-15 are deliverable based on flexible management of all the placement budgets for children in care. There is still significant risk if demand for new placements increases beyond the current predictions. Savings are predicated on continued increase of in house carers and reduction in agency placements. The recruitment strategy for foster carers is comprehensive and numbers have increased as a result.
CFW	SCF	3	Children's Social Care	Reducing cost of Homelessness provision for Young People	Efficiency	(50)	There has been a reduction in the costs of homeless provision through the implementation of the accommodation strategy and redesign of the offer for young people through supporting people. This is a demand led budget and an appropriate response to meet the need of young people who are homeless will be required so there could be a deliverability risk.
CFW	SCF	4	Multi Agency Referral & assessment Service	Reduction in cost of MARAS	Efficiency	(50)	A revised approach to assessments for children who have special educational needs is being tested out as part of our work as a national pathfinder and will allow us to provide a more efficient delivery model through integration. Savings are deliverable with limited risk.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	SCF	5	Commissioning	Market Management	Efficiency	(350)	Management of inflation will provide the majority of the saving and should not have a service impact but could be challenging for providers. Revised early help and complex needs frameworks will also release savings and should not have a significant impact on service delivery.
CFW	SCF	6	Complex and Additional Needs (CAN) services	CAN/LD services	Efficiency	(50)	Efficiencies arising from integration with health and further staffing reviews following the implementation of personalisation.
CFW	ASS, SCF	7	All services	Personalisation agenda	Efficiency	(50)	Greater use of personal budgets for adults and children's services building on the current programmes in both areas.
CFW	ASS, SCF	8	Commissioning	CYPS/CWB commissioning integration	Efficiency	(40)	Efficiencies arising from integration of Children's and Adults commissioning functions.
CFW	ASS	9	Older Peoples Services	Extension of use of pre-paid cards for distribution of Personal Budgets	Efficiency	(40)	Extend use of pre-paid cards for delivery of personal budgets and introduce eligibility criteria to establish if people require additional accountancy services or can use a pre-payment card. This will lead to a reduction in Council spend on accountancy fees and achieve £40k savings
CFW	ASS	10	Learning Disabilities	Retendering of schemes and reducing cost of high value placements	Efficiency	(150)	Will require substantial commissioning and operational input to deliver changes, including significant service redesign over new service models.
CFW	ASS	11	Learning Disabilities	Implement Personal Budgets for transport provision	Efficiency	(200)	Establish a clear transport policy against which service users can be assessed. Use of personal budgets and transport training to replace existing service model. Will require substantial operational and commissioning input to deliver change, including targeted consultation.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	ASS	12	Mental Health	Implement Personal Budgets	Efficiency	(50)	Extend use of personal budgets into service. This will reduce spend on more expensive, traditional services such as residential care
CFW	ASS	13	Older Peoples Services	Efficiencies in the running costs of Ascot House	Efficiency	(100)	Integration with Trafford Provider Services (TPS) will deliver efficiencies through more effective use of resources. TPS will contribute towards running cost of Ascot House.
CFW	ASS	14	Older Peoples Services	Enhanced Reablement offer delivering reduced on-going demand for services	Efficiency	(500)	Offering an enhanced reablement service to reduce the costs of home care packages.
CFW	ASS	15	Older Peoples Services	Enhanced Telecare offer delivering reduced demand for services	Efficiency	(400)	Reducing the cost of current care packages through the use of Telecare. Links to Telehealth will enhance the offer. (telecare delivers very successful cost diversion, rather than reduction in existing homecare or residential budgets)
CFW	ASS	16	Council Wide	Efficiencies in Council wide delivered Advice and Information services	Efficiency	(150)	Second year of the review of services delivered by the Council with a collaborative approach with partner organisations

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	ASS	17	All adult social services	Efficiencies in functions shared between the Council and Public Health	Efficiency	(850)	Align existing resources with the Public Health function to avoid duplication and maximise impact. The Public Health ring-fence criteria supports the alignment of children's and adults activity where the main focus is on the promotion of independence, resilience and general well-being. In addition, the identified activity and its appropriate alignment to the ring-fence criteria is further strengthened where it reflects the priorities outlined in the Health and Wellbeing Strategy, as agreed by the Health and wellbeing Board. Such activities include services which focus on early intervention, such as Information and Advice, Assessment and Reablement, support for Carers, Drugs and Alcohol activities, day support opportunities. The activities excluded are services which support people with complex enduring needs and are about maintenance rather than prevention, such as residential care for Children and Adults and Nursing Care.
CFW	ASS	18	All adult social services	Market Management	Efficiency	(533)	Managing the Market to ensure maximum value for money in relation to externally commissioned services for vulnerable adults.
CFW	ASS	19	All adult social services	Reduction in running costs equal to general inflation provision	Efficiency	(422)	Requires input from all budget holders and staff and procurement to deliver reduction either by reduced cost or volume. This is for services excluding residential and homecare rates.
CFW	E	20	Support to Children and Young People	Home To School Transport	Efficiency	(100)	Efficiency savings from retendering of contracts for SEN transport provision, review of application of eligibility criteria and allocation of resources, and further development of alternative travel options.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	SCF	21	Complex and Additional Needs	Reduction in Placement Budgets	Efficiency	(125)	Extension of personalisation delivering efficiencies in placement costs. Savings will mainly arise from a reduction in residential costs and a move to family based respite care or support plans
CFW	ASS	22	Older Peoples Services	End external provision of Day Centres and replace with Personal Budget provision	Efficiency	(50)	Extend use of personal budget for day care provision to increase individual's choice and control.
CFW Page 86	ASS	23	Older Peoples Services	End current contract arrangements for Carers Services and replace with Personal Budget provision	Efficiency	(50)	Decommission the current externally commissioned service. Support extension of carers' personal budgets and deliver savings in provision.
CFW	ASS	24	Housing Services	New service plan for Older Peoples, Social Inclusion and Young Peoples services funded through Supporting People	Efficiency	(399)	Second phase of Supporting People transformation programme ends the contribution towards community alarms in sheltered and category 1 housing which represents year 2 of the budget proposals for which we have completed consultation process.
Efficiency sub-total						(5,289)	
CFW	ASS	25	All adult social services	Inflationary increase for rents	Income	(3)	Inflationary increase in rents charged for supported living houses.
CFW	SCF	26	Children's Social Care	Income from provision of adopters	Income	(100)	The provision to other Local Authorities of an additional 4 adopters

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
Income sub-total						(103)	
CFW	E	27	Education Early Years	Early Years Education Childcare	Policy Choice	(25)	Phase two of restructure to focus on providers most in need of improvement
CFW	E	28	Education Early Years	Music & Education Psychology Service	Policy Choice	(105)	£90k relates to the removal of subsidy to the music service to be replaced by alternative funding being which is now in place to ensure Music service is sustainable. This includes increased subscriptions/charge, to comparable rates to other LA's, national and local grants, and income from SLA's. The remaining 15k relates to increased income from the EPS through expansion of SLA deliver to schools in line with current projections.
CFW	SCF	29	Connexions	Reduction in costs Connexions	Policy Choice	(100)	The saving will be delivered by reducing staffing in the service for vulnerable young people. This will lead to a service reduction and risk of higher numbers of young people not progressing to education training and
CFW	SCF	30	Connexions	Reduced targeted service offer	Policy Choice	(160)	The saving will be delivered by reducing staffing in the service for vulnerable young people. This will lead to a service reduction and risk of higher numbers of young people not progressing to education training and employment
CFW	SCF	31	Youth Offending Services	Reduction in costs of YOS	Policy Choice	(150)	Move to an integrated service within the 4 th Area Family Team in line with 2013 consultation reducing management costs.
CFW	SCF	32	Youth Offending Services	Reduction in grant assisted YOS projects	Policy Choice	(74)	Reduction in projects funded through the YOS grant to match the reduction in grant received from the Youth Justice Board

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 (£000's)	Impact of Saving (e.g. service, equality, other)
CFW	SCF	33	Education Welfare Officers	Reduced service offer	Policy Choice	(100)	A review of the Education Welfare Service is currently being undertaken and £100K will be saved from this budget with the remainder of the budget used to continue to minimise low school attendance. The team also deliver statutory activity in relation to children missing from education, parental responsibility interventions and early help which may be impacted. Further opportunities for school buy back will be explored to mitigate the impact.
Policy Choice sub-total						(714)	
Terms and Conditions						(1,351)	
Total All Proposals						(7,457)	

Portfolio Key

CH&W: Community Health and Wellbeing Portfolio

ASS: Adult Social Services Portfolio

SCF: Supporting Children and Families Portfolio

E: Education Portfolio

Environment, Transport and Operations

Trafford's Environment, Transport and Operations Directorate delivers services relating to the maintenance and improvements of highways, parks & green spaces, street cleaning, public protection, waste management, and transport, catering and cleaning. Budgeted gross expenditure for 2013/14, including traded services, is £45.3m, with a net budget of £29.2m.

Services will be organised around the needs of residents, focussed on working with communities and local service delivery to improve neighbourhoods and community cohesion, improve the quality of life of Trafford's people, and provide a safe environment.

Service Description

Highways

Each year the Council maintains and repairs 500 miles of roads and footways in Trafford. We look after 30,000 street lights and clear over 20,000 gullies that let water drain away from the roads.

In winter, we will keep traffic and people moving by gritting 170 miles of designated routes, as well as the pavements in town centres.

Green Space

The Borough's 60,000 trees on the highway network are regularly maintained. We clean the Borough's streets and pavements, removing more than 3,000 tonnes of leaves that fall onto the surfaces in the year.

The Council manages 40 public parks, 50 amenity green spaces, 21 recreation/sports grounds, five cemeteries/crematoria, 41 woodlands, 86 children's playgrounds and 36 allotment sites.

Waste and Recycling

The Council will continue to remove household waste from its 95,000 households and with the introduction of weekly food waste collections will continue to improve Trafford's overall recycling rate from 48% to 60%, which will directly reduce the amount of money that the Council will have to spend to dispose of the waste.

Public Protection

We will continue to support and regulate over 5,000 premises for food, health and safety, trading standards, pollution and licensing and maintain other health and safety initiatives. We will continue to offer the free Consumer Alert Network to all businesses and residents in Trafford.

Transport, Catering and Cleaning (Traded Services)

The Catering Service serves on average 11,500 meals per day, over two million meals per year, making us the largest and first choice supplier in the Borough. Both Catering and

Cleaning need to combine high standards with efficiency in order to compete with the private sector.

We manage over 97 designated school crossing points and schedule approximately 8,000 school transport journeys per month for 565 children with special educational needs.

Service Performance

- Residents and businesses will continue to benefit from being able to park anywhere in the Borough for only 10p for the first hour. This is the lowest rate in Greater Manchester.
- Trafford is one of the best performing and low cost waste collection services in Greater Manchester.
- The full year impact of introducing weekly food waste collection is anticipated to increase recycling rates from 48% in 2012/13 to around 60%. This is saving £1.2m from reduced waste disposal costs.
- The Borough has the lowest killed and seriously injured road casualties in Greater Manchester.
- Residents live no more than 600 metres away from a park or open space.
- Joint working between Environmental Health and GM Police in tackling retail violence and commercial robberies down 40% from 2012/13.

Approach to Budget

- To transform the way that we do many things to achieve savings using new ways of working or alternative funding models (e.g. maintenance of roadside verges, parks, pets corners). This includes reviewing staff deployed on the frontline, in back office and managerial roles.
- There are ways that we can generate additional income to help supplement the cost of providing services. Allotment fees are increasing as approved by Council in February 2013, plus Bereavement Services fees will also increase to recover additional costs. Opportunities are also being explored to increase income from outdoor media advertising. Fees and charges will be reviewed generally and, where appropriate, increased in line with inflation or in comparison with neighbouring Councils.
- We are re-tendering for a new waste and recycling contract from October 2014, plus other efficiencies are being proposed with respect to the storage and cost of bins.
- We have reduced the cost of parking enforcement as a result of a joint procurement exercise with other Greater Manchester councils.
- We currently give money to partner organisations, such as the Mersey and Bollin Valley Partnerships. These funding arrangements will cease as approved by Council in February 2013 and alternative arrangements put in place to deliver better value for money.
- A new weekly food waste recycling service was introduced in 2013 which will continue to deliver additional savings from reduced waste sent to landfill and improvement in Trafford's recycling rate.

Budget Movement Summary 2014/15

The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Environment, Transport & Operations	2014/15 (£000's)	Savings Schedule Reference(s).
Budget Brought Forward	29,192	
Additional Resources to meet Pressures:		
- Pay Related Inflation	258	
- Contract Related Inflation	561	
- Energy costs	216	
- Waste Disposal Authority Levy	743	
- Effects of Economic Climate on Income	50	
- Non sustainable savings from 13/14	493	
- Other	78	
Total New Resources Allocated	2,399	
Resource Reallocations Through:		
- Efficiencies	(585)	ETO 1-11
- New or Increased Income	(250)	ETO 12-16
- Policy Choices	(1,868)	ETO 17-31
- Terms & conditions	(60)	Annex M
Total Resources Reallocated	(2,763)	
Net Year-On-Year Change	(364) (1.2)%	
Net Budget Proposal	28,828	

2014/15 – Saving Schedule – Environment, Transport & Operations

Dir.	Port- folio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO1	Highways	Reduce depot security costs	Efficiency	(60)	Cease manned Depot Security contract. New alarm and CCTV system installed.
ETO	HES	ETO2	Highways	Traffic Regulation Orders reduced advertising costs	Efficiency	(15)	Reduction in newspaper advertising costs for Traffic Regulation Orders.
ETO	HES	ETO3	Parking Services and Enforcement	New parking enforcement contract	Efficiency	(150)	Reduced cost of parking enforcement as a result of a joint procurement exercise with other Greater Manchester councils.
ETO	HES	ETO4	Waste Management	Reduce cost of disposing commercial waste	Efficiency	(40)	Reduced waste disposal costs for commercial waste agreed with WDA.
ETO	HES	ETO5	Waste Management	New waste collection contract	Efficiency	(50)	New waste collection contract being let from October 2014.
ETO	HES	ETO6	Waste Disposal	Waste Disposal Authority - sell off spare capacity	Efficiency	(50)	Collaboration with WDA to sell off their spare capacity in order to reduce disposal costs through the levy.
ETO	HES	ETO7	Waste Management	Waste contract reduce inflationary increase	Efficiency	(29)	Reductions in budgeted inflation costs on waste contract based on predicted RPI levels.
ETO	HES	ETO8	Waste Management	Reduced cost of purchasing replacement bins	Efficiency	(22)	Reflects an increase in refurbishment of recycling bins for re-issue, plus a reduction in demand for new bins.

Dir.	Port- folio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO9	Waste Management	Reduce storage cost of replacement bins	Efficiency	(24)	Review arrangements for storage of bin stock, including location and levels held.
ETO	HES	ET10	Directorate- wide Business Support	Business Support Review	Efficiency	(102)	Consolidation and reduction of business support staff.
ETO	HES	ETO11	Cross-cutting ETO	Mitigation of inflation cost pressures	Efficiency	(43)	Procurement and austerity measures to reduce budgeted contractual and general inflation costs across the Directorate.
Efficiency sub-total						(585)	

Dir.	Portfolio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO12	Highways Operations	Greater Manchester Road Access Permits	Income	(22)	Implementation of the Greater Manchester Road Access Permits scheme to improve the management of road works, including utilities' works.
ETO	HES	ETO13	Highways	Moving travel offences	Income	(30)	Enforcement of traffic offences relating to bus lanes and yellow boxes. This forms part of a GM initiative to improve safety and traffic flows on our major roads in line with DfT guidelines
ETO	HES	ETO14	Highways	Outdoor media	Income	(80)	Increase in number of advertising sites, this is subject to planning permission.
ETO	HES	ETO15	Groundforce	Allotment fees	Income	(18)	Increase allotment fees from £1 to £1.50 per week (agreed by Council February 2013).
ETO	HES	ETO16	Bereavement Services	Bereavement Services	Income	(100)	Fees and charges - 5% increase plus increased demand based on current levels of service provision.
New Income sub-total						(250)	

Dir.	Portfolio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO17	Highway Operations	Verges	Policy Choice	(150)	Alternative methods of verge maintenance will reduce the requirement for traditional labour intensive service delivery.
ETO	HES	ETO18	Highways	Festive lights	Policy Choice	(39)	To be part funded by external contributions from local businesses etc.
ETO	HES	ETO19	Highways	Management and staffing restructure	Policy Choice	(100)	Restructure of staffing and reduction in managerial and operational posts.
ETO	HES	ETO20	Highways Operations	Highways and Groundforce Operations Senior Management	Policy Choice	(40)	Restructure of staffing and reduction in managerial post.
ETO	HES	ETO21	Bridges	Reduce minor reactive maintenance	Policy Choice	(20)	Re-prioritisation of reactive maintenance and capital resources.
ETO	HES	ETO22	Highways	Road Safety/Travel Coordinator	Policy Choice	(26)	Restructure of staffing and reduction of one post.
ETO	HES	ETO23	Groundforce	Parks maintenance	Policy Choice	(250)	Reduction of dedicated parks staff, and realignment of maintenance.

Dir.	Port- folio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO24	Groundforce	Redesign and re-prioritisation of service provision	Policy Choice	(450)	Implement new working practices through staff terms and conditions. The implementation of shift patterns will reduce the current level of vehicles and plant. Seek alternative provider for the upkeep of the 2 pets corners at no cost to the Council, or full closure should this not be achieved. Reduced frequency of scheduled maintenance of parks, street cleaning and litter picking.
ETO	HES	ETO25	Greenspace - Tree Unit	Review operational delivery model.	Policy Choice	(54)	Staff restructure and alternative service provision.
ETO	HES	ETO26	Greenspace & Sustainability	Mersey Valley Partnership	Policy Choice	(57)	Cease contribution to the Mersey Valley Partnership, which is no longer sustainable - agreed by Council February 2013. To be delivered through the Trafford Countryside Partnership.
ETO	HES	ETO27	Greenspace & Sustainability	Bollin Valley Partnership	Policy Choice	(50)	Cease contribution to the Bollin Valley Partnership, which is no longer sustainable – agreed by Council February 2013. To be delivered through the Trafford Countryside Partnership.
ETO	HES	ETO28	Waste Disposal	Weekly food waste collection service	Policy Choice – Full year effect	(350)	Full year effect of introducing the weekly food waste recycling service in 2013. Total saving is £1.2m per annum.

Dir.	Port- folio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2014/15 £000's	Impact of Saving (e.g. service, equality, other)
ETO	HES	ETO29	Waste Management	Waste - rationalisation of recycling sites	Policy Choice	(100)	Reduction of existing recycling sites now we have a comprehensive kerbside recycling service.
ETO	HES	ETO30	Public Protection	Food and Health & Safety inspections	Policy Choice	(15)	Cease planned inspections of lower risk food and health & safety premises.
ETO	HES	ETO31	Public Protection	Management and staffing restructure	Policy Choice	(167)	Restructure of staffing and reduction in managerial and operational posts.
Policy Choice sub-total						(1,868)	
Terms and Conditions						(60)	
Net Total All Proposals						(2,763)	

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Portfolio Key

HES: Highways & Environmental Service Portfolio

Economic Growth & Prosperity 2014/15

Service Description

The Economic Growth and Prosperity Directorate (EGP) is made up of the Growth, Planning and Property and Development teams. The functions carried out by these teams are fundamental to securing increased levels of investment and jobs into Trafford. The Directorate is also responsible for the management of, and maximising the use of, our community, investment and administrative properties. In addition, although social housing provision is undertaken by housing associations, the Council maintains statutory responsibilities to ensure that the housing needs of the residents of Trafford are met.

Growth (Economic Growth and Housing)

The Council supports economic growth by working at a Greater Manchester level to ensure that we maximise inward investment, support to businesses, employment and skills, and funding opportunities to deliver growth and benefit businesses, residents and the Borough as a whole. We will continue to work closely with a range of key private and public sector partners to co-ordinate and implement the strategic economic growth of the Borough, including a focus on major industrial and commercial sites such as Trafford Park and Carrington; bringing jobs and investment to Trafford.

The regeneration of our town centres will also be a key priority with an emphasis on Stretford, Sale, Partington, Altrincham and Urmston. We will work with private and public sector partners to deliver improvements in each town centre with a particular focus in the next twelve months on delivering the Stretford Masterplan, improving the public realm in Altrincham and delivering investment in Partington.

We will bring forward key residential development sites in partnership with the private sector and other partner organisations and will continue to ensure that the housing needs of the residents of Trafford are met, good quality housing is built and New Homes Bonus is delivered. We will work with partners to deliver housing growth, including the provision of new affordable housing. We will also work to ensure that all Trafford residents have access to safe, secure affordable housing, and aim to reduce incidences of homeless, protecting the most vulnerable.

Planning (Strategic Planning, Development Control and Building Control)

The service will produce and maintain the statutory planning framework, deliver the Council's growth aspirations, ensure the quality of Trafford's environment and provide certainty for investors to develop in the Borough.

This includes bringing forward the plans to develop Carrington and bringing Metrolink into the heart of Trafford Park.

We will continue to carry out these statutory functions for planning and building control, with the objective of facilitating housing and economic growth.

Property and Development (Estates, Facilities Management and Major Projects)

The Council will continue to explore ways to maximise the use of all our properties, including those we use to deliver Council and partner services, and those such as shops, offices, industrial estates and farm land which generate over £2m per annum in income.

We will also maximise funds from the sale of land and property to support the Council's priorities and will support private sector partners to bring forward development proposals, working closely with the housing and planning teams; delivering jobs, homes and employment opportunities.

We will seek new and improved ways of maximising our fee income from the services offered by the Property and Development teams.

EGP Service Performance

The work of the EGP teams is critical to support jobs, growth and homes. The following is the summary of the successful initiatives being delivered by the teams and the role that Trafford plays within the GM economy.

Economy

Trafford plays a central role within the GM economy. It is a key driver of growth in GM which is predicted to rise to over 3% over the coming years and has the highest GVA (outside of Manchester). There are 11,690 businesses in Trafford providing 12.5% of the total businesses in GM and the highest total outside of Manchester. Trafford has had a higher percentage rise of VAT/PAYE registered businesses during 2012-13 than the GM average (3.8% higher than GM). The UK Competitiveness Index 2010 ranked Trafford at 67 out of 379 UK Local Authorities – the rank measures a number of elements based upon the quality of the local business base and skills and productivity of residents. This rank places Trafford well above the other GM LA's - the closest being Stockport ranked at 126 and Manchester ranked at 127.

The unemployment rate in Trafford has remained constantly low and currently 72% of the residents are in employment (compared to 68% in GM). Of those in employment 9.4% are self-employed compared to 7.6% in GM.

Trafford has the highest percentage of highly trained workforce in GM (43% of residents of working age have gained NVQ level 4 and above when compared to the GM average of 31%).

Business Engagement

The 'Trafford – First For Business' brand has been developed by the Economic Growth Team to illustrate the Council's commitment to supporting and attracting businesses and is being promoted through the production of a suite of business related marketing and information material, including an Inward Investment Brochure and Business Bulletin. As part of this focus, a dedicated business section has been developed on the Council's website to provide relevant and useful information. A Business Engagement database has been developed to improve the co-ordination of engagement activity between the Council and businesses, while close working relationships have been developed with key business support partners (GM Chamber, MIDAS, Business Growth Hub etc.) to ensure local businesses benefit from available advice, support and funding opportunities. The Economic Growth Team has implemented a business relationship programme to develop better working relationships with business and provide advice and support as required. Blue Orchid has been commissioned to deliver a support service for new start businesses in the Borough providing practical advice and guidance.

Employment

The innovative Partington Pledge was launched on 30th April as a joint initiative with DWP to match the 85 young unemployed people in Partington with local employers who commit to offering employment support to the young people through offering; jobs, apprenticeships, work experience, mentoring support or practical help. Major employers have signed the Pledge, including SAICA, Manchester United, Alstom, Duro Fuelguera, Premier Inn, and Carrington Business Park. Due to its successful collaborative approach, and the commitment shown by the private and public sector, it is intended to roll-out the

Pledge borough-wide in early 2014. The percentage of people unemployed for longer than six months is 1.3% compared to the Greater Manchester average of 2.1%.

Trafford Park remains one of the largest and most successful business parks in Western Europe employing over 35,000 people.

Supporting Development and Investment in Trafford

EGP has worked with a range of developers over the last 12 months to facilitate development and regeneration projects across the Borough. These include, The Altair scheme in Altrincham, securing funding for the Shrewsbury Street developments in Old Trafford, the redevelopment of the existing hospital site in Altrincham with phase 1 accommodating a new Library, working with Shell and Langtree to maximise the major opportunity for the redevelopment of Carrington to provide a new residential neighbourhood (over 1,500 homes) and a major employment opportunity, working with private sector developers and registered providers to deliver over 250 affordable homes in Trafford between 2013 – 2015.

The Council's Land Sales Programme delivers capital receipts to support the Council's capital investment programme in areas such as highways, transport and town centres. In addition the programme also delivers homes and commercial development.

Six sites have been disposed by the Council with a value of £3m in the financial year 2012/13, with a further £10m of receipts anticipated from disposals in next two years.

Supporting Town Centres

Altrincham Forward has been set up to spearhead the revitalisation of the town. In 2013 development commenced of the new £17 million Altrincham hospital and on the new £19 million Altrincham interchange. In the 12 months from July 2012 there was a net gain of 21 new businesses opening in Altrincham. This initiative to tidy up shop frontages has been successful with several long standing shops in disrepair being improved.

The 'Road Map' for Sale has been developed and is subject to a period of consultation. This approach will help to prioritise investment in the town, and is one part of our developing strategic framework for town centres, alongside the Stretford Masterplan, draft Altrincham Strategy and draft Urmston Road Map.

The vacancy rate for shops in Sale is 8.1%, compared to a North West average of 20.1% and a national average of 14.1%.

The team is working closely with the owners of the successful Eden square development in Urmston to secure lettings for the remaining units and to maximise the returns for the Council.

A new operator has been selected for Altrincham Market and the team is supporting phase 1 of the investment in public realm works and concluding the agreements with the new market operator.

Stretford Town Centre Masterplan

Delivering the successful regeneration of Stretford Town Centre is considered to be a key priority for the Council. The Economic Growth team has led on the preparation of a Stretford Town Centre Masterplan which seeks to establish a comprehensive vision for the town centre, identify areas for future development and set out key actions required to deliver growth. The Masterplan will provide a coherent framework for the Council, property owners, prospective developers, existing occupiers and community stakeholders which will

assist in realising the opportunities which exist within the Masterplan area over the next 10-15 years. A public consultation on the Masterplan was held in summer 2013, which included a special Neighbourhood Forum event attended by almost 200 residents, and a final version has now been approved by the Council Executive.

Partington Town Centre

The Economic Growth team is leading on plans to deliver a new town centre development in Partington. Peel Holdings, supported by the Council has secured a loan of £4.5m under the GM Growing Places Fund to deliver the revitalisation of Partington Town Centre. The loan agreement between Peel and GM was formally signed off in April 2013. Peel has commenced detailed design work and the development is expected to complete by late 2014.

Approach to budget savings and income generation

In addition to continuing to deliver efficiency savings through best use of Council assets and appropriate disposal of surplus properties, the Directorate will seek to maximise income into the Council. This will include exploring ways of generating new income where the activity is complementary to our work regenerating town centres, and supporting business and housing growth.

- To secure efficiencies through better housekeeping (control of general running costs to negate inflation pressures, plus waste and minerals plan contract management).
- Income generation across all teams to better recover costs (e.g. building control), plus create opportunities for new income – such as advertising revenue (e.g. in town centres) and income from advice services (e.g. pre-planning applications).
- Continue to transform our approach by working with partners on the management of buildings. This includes sharing buildings, reviewing leases, reduction of assets and efficiencies in maintenance and management.
- Continue with the property rationalisation programme to reduce revenue costs and realise capital receipts from the disposal of surplus properties.
- Initial proposals to complete the transfer of assets, or the utility/maintenance costs of assets, to community/voluntary groups in 2014. This is part of a long term approach.

Budget Movement Summary 2014/15

The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Economic Growth & Prosperity	2014/15 (£000's)	Savings Schedule Reference(s).
Adjusted Budget Brought Forward	3,253	
Additional Resources to meet Pressures:		
- Pay Related Inflation	124	
- Contract Related Inflation	122	
- Energy costs	50	
- Business rates	22	
- Effect of economic climate on income (e.g. property rents)	79	
- Reduced income due to development of Urmston Town Centre	164	
Total New Resources Allocated	561	
Resource Reallocations Through:		
- Efficiencies	(201)	EGP 1 - 3
- New or Increased Income	(70)	EGP 4 - 8
- Policy Choices	(52)	EGP 9
- Terms & conditions	(67)	Annex M
Total Resources Reallocated	(390)	
Net Year-On-Year Change	170 5.2%	
Net Budget Proposal	3,424	

Budget 2014/15 – Saving Schedule – Economic Growth & Prosperity

Dir.	Port-Folio	Ref	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
EGP	EGP	EGP1	Property and Development	Disposal of surplus property - reduction in revenue budgets	Efficiency	(57)	Efficiencies to be achieved from procurement, building transfers, efficient use of office space, and income generation/self sufficiency
EGP	EGP	EGP2	Planning - Strategic Planning	Savings from Waste & Minerals Plan over three years (year 3)	Efficiency - Full year effect from 13/14	(22)	GM authorities have retained capacity to ensure that statutory requirements relating to monitoring and enforcement are still met.
EGP	EGP	EGP3	EGP Directorate	Procurement & austerity measures	Efficiency	(122)	Management of general running costs to exclude inflationary increases.
Efficiency sub-total						(201)	

Dir.	Port-Folio	Ref	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
EGP	EGP	EGP4	Planning - Building Control	Increase fee income target	New Income	(30)	Fee income target can be increased based on current achievement levels and this will also improve cost recovery.
EGP	EGP	EGP5	Planning - Building Control	New fee setting regulations	New income	(10)	New regulations allow a risk based approach for fee setting for building control fees where the risk of non-compliance is high.
EGP	EGP	EGP6	Planning – Development Control	Introduce pre-application fees for Registered Social Landlords	New Income	(10)	Will be a demand led advice service based on a cost recovery model. Could assist in speeding up applications and subsequent development proposals.
EGP	EGP	EGP7	Growth – town team	Town centre space advertising	New Income	(16)	Rent display space for high profile brands. Working in partnership with a national company.

Dir.	Port-Folio	Ref	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
EGP	EGP	EGP8	Growth – economic growth	Property referral fees & web site advertising	New Income	(4)	Cost recovery for property referral assistance to landlords/agents. Use of Growth Team website by companies/landlords/agents for related advertising.
New income sub-total						(70)	
EGP	EGP	EGP9	Property and Development	Transfer of assets or running costs of assets	Policy Choice	(52)	Transfer of utility & maintenance charges for buildings occupied by voluntary & community groups.
Policy Choice sub-total						(52)	
Terms and Conditions						(67)	
Net Total All Proposals						(390)	

Transformation & Resources (T&R)

Service Description

The Transformation and Resources directorate has a diverse range of services and extensive customer base. It provides a large number of customer facing services too, such as Access Trafford (our customer service centre) housing benefits, library services and safer communities. We also organise elections and manage the electoral register, conduct marriages, civil partnerships and register over 10,000 births, deaths and marriages every year. We work very closely with our partners and the community and some of our services are co-located at Stretford Police Station. This really helps to strengthen collaborative working so we can develop resilient and safe communities and maintain Trafford as the safest place in Greater Manchester.

Within the directorate are a range of support services which provide all the 'back office' functions to other directorates; a number of these services also sell their services to others e.g. schools. These services include financial management, audit, procurement, human resources, ICT, emergency planning, transformation, performance and communications and marketing. These services have been centralised to reduce costs, reduce risks, and provide consistently high professional standards.

The remainder of the directorate is devoted to providing direct support to Councillors, the Council leadership and the Trafford Partnership, which is a single body of more than 100 organisations, including local and regional partners from across the public, private, voluntary and community sectors.

Service Performance

The Transformation and Resources Directorate has a track record of delivering high quality and low cost services. We have striven to improve or maintain performance in the current year. Some notable service performances and improvements are shown below:

- There are 13 staffed libraries and one self-service library with 774,000 lends per year and over 1 million visitors.
- The Council's customer contact service deal with over nearly 300,000 telephone enquiries per year. In 2013/14, the Contact Centre target was to answer 80% of telephone calls within 20 seconds (compared to 30 seconds last year). This is currently being exceeded with 82% of phone calls answered within 20 seconds in the year to date.
- The Council has the highest collection rate for Council Tax in Greater Manchester at 98.1%, in 2012/13 (reduced to a target of 97.4% in 13/14 to take account of the impact of the significant Welfare Reform changes).
- The collection rate for business rates was the highest in AGMA at 97.9% in 2012/13 and over 2,000 small businesses were awarded additional small business rate relief.

- The time to process new benefit claims was 15 working days in 2012/13. The service review changes means the new service standard being achieved is 18 days, this remains the best rate of all GM authorities;
- Over the last 12 months, 96% of 30 day accounts and 83% of 10 day accounts have been paid on time.
- Delivery ahead of schedule of the Transformation Programme savings for 2012/13. These totalled £7.230m which was £0.014m over budget.
- In October 2011, Trafford Council introduced an internal apprenticeship scheme, which has given young people in the borough the opportunity to develop a career combined with a qualification that will help them gain valuable work experience and contribute to the Trafford community. Since its launch, 73 apprenticeships have been created. There are currently 28 apprentices on the programme and the Council is at present recruiting to a further 13 vacancies, bringing the total to 41. In addition, 13 apprentices have gone on to secure permanent employment with the Council and a further 6 have secured permanent employment elsewhere across the borough.
- Trafford remains the safest place in Greater Manchester, with the highest level of Public Confidence and Satisfaction, and the lowest perception of Anti-Social Behaviour;
- Between 2006/7 and 2012/13, Total Crime in Trafford fell by 53.5% - That's 12,663 fewer offences per year.
- Crime Reduction in Trafford has saved just under £100 million pounds of public money over the past 6 years.
- Over the past 5 years, Anti-Social Behaviour has reduced by 57.6% or 8120 fewer incidents per year,
- The CCTV control room directly contributed to 154 arrests.
- To support the drive towards local decision making, 4 Locality Partnerships have been created bringing together Elected Members, Community Ambassadors and Statutory Partners to match assets and needs within the Local areas and find innovative solutions to improve the area and reduce demand on Public Services.
- Trafford Partnership won the LGC National award for Public Partnerships in recognition of the difference that working together has made for our residents, businesses and communities.
- The cost of the Legal Service per 1,000 population is one of the lowest in the country at 24% below the average cost;
- The Audit Commission has recently commended the Council on its financial management performance and ability to deliver value for money; "The Council has proper arrangements in place for securing financial resilience. The Council has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future. The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness. The Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity."

Approach to Budget

The beginning of this document outlines the key areas which will continue to be delivered within the funds available. The directorate has a track record of delivery low cost, high value services. Every service within T&R has undergone a transformation review within the last three years resulting in £5.4m of back office savings (67% of the £8.1m overall savings in that period) Therefore a number of the staffing review proposals carry a risk to service delivery e.g. resilience, ability to respond to emerging needs, data quality. Whilst some of the risks can be mitigated there are others which carry a higher risk and are therefore considered to be policy choices.

Against the 2013/14 budget of £20.3m, the overall proposed budget is £2.0m less (10.1%). Unavoidable pressures/investments have been identified as £1.0m which have been offset by savings proposals of £3.0m. From 2013-14 to 2014-15 over £2 million ICT capital investment is planned in Customer Relationship Management (CRM) and Web/Customer Strategy (WCMS).

Whilst every effort has been made to exploit technology, implement cost efficiencies and identify innovative delivery models, the scale of the financial challenge means that it has not been possible to avoid policy choices in the budget proposals.

Exploiting Technology

We will promote channel shift from more traditional methods of communication by customers with the Council to an increase in using ICT. Implications for the visually impaired, people whose first language is not English, the disabled and people who are not able to use computers or mobile phones have been assessed and will be addressed during implementation.

We have already implemented a new library management system which will save us money and create efficiencies in communicating with customers and Council ICT systems and greater collaboration opportunities with other Authorities.

We have also supported the introduction of a new Social Care ICT solution which will reduce annual maintenance costs.

Efficiency, Shared Services & Collaboration

Procurement savings are an area we are strengthening each year. We will continue to optimise the efficiency opportunities for managing inflationary pressures and increasing savings which the AGMA Procurement Framework Agreements facilitate. In addition, we are establishing a shared procurement service with Stockport, and Rochdale Councils which will consolidate procurement activities into a single unit (to be known as STaR) and yield further opportunities for collaborative savings.

As a result of Public Health joining the Council this year, we have been able to save money on their overhead costs by providing them with back office support such as HR and Finance (which are already being achieved in 2013/14 from within our existing resources).

Policy Choices

As a result of the abolition of the national Council Tax Benefit scheme in March 2013 and following extensive consultation with residents and other stakeholders, the directorate successfully implemented a Local Council Tax support scheme which will produce cost savings. In addition, our innovative approach to the Welfare Reforms means that these changes will now be managed within existing budgets and the non-ringing fenced funding will not be required.

We want to build on the success of attracting volunteers into the Libraries and propose that more volunteers be introduced across all libraries, thereby avoiding library closures. The proposals are dependent on volunteers coming forward to support the libraries and work is underway with Thrive and Trafford College to encourage more young people to volunteer. Over 200 applications have been received and currently over 120 volunteers are assisting in Libraries.

There will be a number of staffing reviews in most services which will be structured around future service delivery requirements, ICT improvements and customer need.

Budget Movement Summary 2014/15

The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Transformation & Resources	2014/15 (£000's)	Savings Schedule Reference(s)
Budget Brought Forward	20,305	
Additional Resources to meet Pressures:		
- Pay Related Inflation	380	
- Contract Related Inflation	257	
- Specific Grant Reductions	168	
- New or Increased Specific Grants		
- New Statutory Responsibilities		
- Other	160	
Total new resources allocated	965	
Resource Reallocations through:		
- Efficiencies	(1,930)	T&R 1-14
- New or Increased Income	0	
- Policy Choices	(621)	T&R 15-20
- Terms & conditions	(455)	Annex L
Total new resources allocated	(3,006)	
Net Year-On-Year Change	(2,041) (10.1)%	
Net Budget Proposal	18,264	

Transformation & Resources – Schedule of Savings

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Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	1	Directorate-wide	Negation of inflationary pressure	Efficiency	(234)	Most running cost budgets will be maintained at their current level. Savings will be achieved by reducing usage and existing procurement procedures.
T&R	T&R	2	Directorate-wide	Public Health overhead harmonisation	Efficiency	(209)	The Grant for Public Health included an allowance for overheads. The Council will look to absorb these additional demands from existing resources. Savings are from support services that the council can provide within its existing resources for Public Health functions such as HR and Finance and are already being achieved in 2013/14.
T&R	T&R	3	Cross-Directorate	Design & Print savings	Efficiency	(220)	Channel shift to more digital methods of communication, will reduce the need for printed materials. Implications on the visually impaired, people whose first language is not English, the disabled and people who are not able to use computers or mobile phones has been assessed and will be addressed during implementation. Provisional allocation of savings is CYPS £(40)k, C&WB £(23)k, ETO £(28)k, EGP £(20)k, T&R £(107)k, C/W £(2)k
T&R	T&R	4	Cross-Directorate	Mobile phone procurement saving	Efficiency	(35)	Utilisation of recently agreed AGMA Framework Agreement will provide unlimited voice and text messaging at reduced cost. Improved management of asset list/ service users will also increase efficiency.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	5	ICT	Reduction in maintenance and infrastructure costs. Improved approach to succession planning.	Efficiency	(143)	SAP Adult Social care is due to be replaced with Liquid Logic. This will provide improved efficiency at a lower cost (£59k saving). Reduced maintenance costs due to vacation of Friars Court, savings on mobile application delivery platform, decommissioning of Checkpoint Firewall (£22k). Infrastructure savings from closure of buildings (£19k) and creation of development opportunities for staff (£36k). Income from schools for backing up School Information Management system (SIMS) database £7k. There is no effect on staffing levels.
T&R	F	6	Internal Audit	Review of resources.	Efficiency	(10)	Review of internal and external resources, planning and reporting processes, to reduce budget pressures.
T&R	T&R	7	Access Trafford	Implement New Library Management System	Efficiency	(28)	The new Library Management system (Spydus) was introduced in April 2013. There is a saving on the licence fees compared to the previous system. There are also efficiencies in communicating with customers and Council ICT systems and greater collaboration opportunities with other Authorities

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	8	Legal & Democratic	Staff review and re-banding	Efficiency	(36)	The review involves a restructure of the legal team. The purpose of the restructure is to provide additional senior capacity and flexibility to enable the service to meet the changing demands on it in the future. It will provide a soft split between strategy and delivery so that the delivery of routine legal work can be market tested if required. The introduction of a new case management system, will enable workflows to be implemented for dealing with routine cases and transactions within the department so that they can be done by less qualified individuals under supervision. The resultant efficiencies will enable one existing post to be disestablished.
T&R	F	9	Revenues & Benefits	Welfare & Council Tax Reform	Efficiency (Full Year Effect)	(114)	Non-ring-fenced funding has been provided by DWP to finance changes brought about by Welfare Reform. These changes will be managed within current budget levels. This is a one-off saving.
T&R	F	10	Procurement	Establishing Strategic Procurement Unit with partners	Efficiency (Full Year Effect)	(139)	The Executive agreed on the 23rd September 2013 to combine with Stockport, and Rochdale council and consolidate procurement activities into a single unit (STaR). This initiative has already delivered savings of £125K in 2013-14. In delivering the longer term benefits of joint procurement this may mean development of more consistent service specifications across authorities.

Dir'	Port-folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	11	Access Trafford	Contact Centre review	Efficiency	(44)	Reduction of 2FTE dependent on implementation of the new Customer Relationship Management system (CRM). Anticipated reduced volume of calls into the Contact Centre offset by improved self-service. There will be no compulsory redundancies as the savings are arising from vacant posts.
T&R	T&R	12	HR	HR Staffing review	Efficiency	(200)	The service will move to a different operating model to make the £200k savings in 2014/15, through shared services and income generating arrangements. The new operating model has yet to be determined which will impact on the timing of savings commencing. Any slippage in savings will be met by T&R Reserves.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R/ SSC	13	Partnerships & Performance	Redesign of Partnerships & Performance/ Safe and Strong Communities	Efficiency (Full Year Effect)	(318)	The total saving across both areas will be £438k as there is a saving of £120k linked to the 2013/14 year. The newly formed teams for Partnerships and Communities and Strategic Performance and Policy will focus on strengthening partnership working at a strategic and local level and business intelligence and research respectively. With regards to performance, practitioners / service users will need to ensure there is a robust quality of data at the input stage. In addition there will be a level of self-service introduced which carries a degree of risk for data quality and the associated implications. This will be mitigated through training. For Partnerships and Communities there will be a removal of duplication, with clarity of roles and responsibilities. This will mitigate against the disestablishment of one vacant post in the current Strong Communities team. Front line activity will not be compromised.
T&R	SSC	14	Culture & Sport	Review of funding for Sport & Leisure - TCLT	Efficiency	(200)	Trafford Community Leisure Trust has made a commitment to the Council that in achieving the reductions required to absorb this loss, there will be no impact on frontline services or users.
Efficiency sub-total						(1,930)	
T&R	F	15	Revenues & Benefits	Staffing review	Policy Choice	(141)	A detailed review of the Revenue and Benefits staff structure has identified opportunities to save 8.7 FTE. There will be no compulsory redundancies as the savings are arising from vacant posts. Performance will be closely monitored to ensure any impact from the savings is minimised.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	16	Access Trafford	Review of Libraries Strategy	Policy Choice (Full Year Effect)	(116)	Additional volunteers to be introduced across all libraries. This initiative, which was subject to full public and staff consultation, saved £136K in 2013-14 and resulted in no library closures. The proposals are dependent on volunteers coming forward to support the libraries and work is underway with Thrive and Trafford College to encourage more young people to volunteer. Over 200 applications have been received and currently over 120 volunteers are assisting in Libraries. A natural reduction in vacant posts (5.5FTE) as planned for during consultation for the 2013/14 budget will take place.
T&R	T&R	17	Partnerships & Performance	Communities Support	Policy Choice	(32)	A review of resources in the service to manage budget pressures.
T&R	SSC	18	Culture & Sport	Resource Review.	Policy Choice	(32)	Review of resource requirements in the service.

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2014/15 £000's	Impact of Saving (e.g. service, equality, other)
T&R	SSC	19	Partnerships & Performance	Cross-council review of Voluntary Sector Grants	Policy Choice	(100)	The Third Sector Strategy seeks to build capacity within the Third Sector to enable the sector to become less reliant on grant funding. A user review seeks to map all the funding which the sector has access to and not to focus solely on the voluntary sector grants. The mapping will also provide the opportunity to identify areas of possible duplication. The reduction proposed is 3% of the total council-wide support (including mandatory and discretionary rate relief) and the impact will be mitigated by the support which the Council / Partnership have invested in capacity.
T&R	SSC	20	Culture & Sport	Reducing operations at Sale Water Sports Centre	Policy Choice	(200)	Reductions in facilities available for use following termination of the Deckers Contract. Cessation of activities and corporate events will necessitate transfer of these activities to alternative venues.
Policy Choice sub-total						(621)	.
Terms & Conditions						(455)	
Total All Proposals						(3,006)	

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Portfolio Key

T&R: Transformation and Resources Portfolio

F: Finance Portfolio, **SSC:** Safe and Strong Communities Portfolio

Council-wide Budgets

1. Service Description

- 1.1. There are a number of budgets that relate to the Council as a whole and/or affect all services. These budgets include precepts and levies, treasury management, insurance and 'non-ring-fenced' Government grants which are not attributable to a particular service. Finance Services, within the Transformation & Resources Directorate, actively manage the expenditure and income for these areas.
- 1.2. The current 2013/14 net budget is £23.0m, of which the majority relates to the transport levy payable to the Greater Manchester Combined Authority, debt charges for loans taken out to support past investment in infrastructure through the capital programme, and 'non-ring-fenced' Government grants including Education Services Support, Council Tax Freeze Compensation and New Homes Bonus.

A summary of the Council Wide budget for 2013/14 by gross expenditure and gross income is shown below

Council-wide Budgets	2013/14		
	Gross Exp	Gross Income	Net
	(£000's)	(£000's)	(£000's)
Housing Benefit Subsidy	64,586	(64,522)	64
GM Combined Authority Transport Levy	16,758	0	16,758
Treasury Management	11,217	(2,851)	8,366
Council Wide Grants	0	(6,825)	(6,825)
Insurances	2,049	(1,390)	659
Other Levies and Inter-authority Transfers	2,451	(27)	2,424
Members Expenses	944	0	944
Other	1,143	(473)	670
Total Budget 2013/14	99,148	(76,088)	23,060

- 1.3. The 2014/15 budget is proposed to reduce by £(0.748)m to £22.3m. A summary of the financial movements can be found at the end of this section. However, the main reason for the budgetary change relates to changes to non-ring-fenced government grants of £(0.8)m.

2. Main Components of Budget

2.1. Non-Ring-Fenced Grants

The proposed Council-wide budget holds £(7.633)m of non-ring-fenced grants. This includes a net increase in grants of £(0.808)m in 2014/15 consisting of an increase in Council Tax Freeze Compensation of £(0.894)m, increases in New

Homes Bonus Grant of £(0.265)m, and a reduction in a number of other grants totalling £0.351m.

2.2. Precept & Levies

The Council has the legal responsibility to contribute to a number of agencies that provide services on behalf of all or a number of Greater Manchester Authorities; Transport Levy (Greater Manchester Combined Authority), Coroner's and Mortuary fees (South Manchester Coronal District), Flood Defence levy (Environment Agency) and other on-going or one-off projects supported through the Association of Greater Manchester Authorities (AGMA).

The provision within the Coroner's and Mortuaries budget for unusual expenditure or increased activity has been reviewed in the light of discussions with the Coroner, Stockport and Tameside. After allowing for higher premises costs due to the recent refurbishment and capital works at the Coroner's offices and courts at Mount Tabr in Stockport, a small reduction in the budget provision of £(0.042)m can be risked. A reserve built of previous underspends of £(0.030)m will be carried forward to mitigate this risk.

An estimated provision of 5% increase has been made for the costs of the Flood Defence levy.

2.3. Treasury Management

The Council's treasury management operations ensures that day to day cash flows are adequately planned for, surplus monies are invested in low risk counterparties and the longer term cash flow implications of the Council's current and historical capital spending operations are met.

As a result of the continuing worldwide economic climate, a cautious approach will continue to be adopted and as a consequence of borrowing rates of c.4.5% continuing to be higher when compared to investment rates. No new borrowing will be undertaken during 2014/16.

The Council owns a share of the Manchester Airport Group (MAG). In 2013 the Group acquired Stansted Airport and this resulted in the Council's share allocation in the expanded group being restated from 5% to 3.22%. The level of dividend forecasted to be received annually has since been revised to a level of £(1.352)m from that previously received of £(1.000)m.

2.4. Housing Benefit Subsidy and Discretionary Housing Payments

The budget for Housing Benefit payments and subsidy, and Discretionary Housing Payments, both of which are administered on behalf of the Government, are held within Council-wide. There is no expected change to the budget for 2014/15.

2.5. Provisions

Monies set aside for bad and doubtful debts on the £17.0m of invoiced income the Council raises each year, and liabilities for future pension costs relating to previous organisational changes. A saving of £(0.125)m has been assumed in 2014/15 to reflect updated assumptions on the required Bad Debt Provision.

2.6. Audit Fees

Realignment of budget associated with audit of grants has released a budget saving of £(0.015)m.

2.7. Insurance

The cost of premiums and claims, mainly for fire, public and employers liabilities. This budget is net of the recharge for similar insurance cover provided to Schools.

2.8. Members Expenses

The costs for Councillors' allowances, and their communications and computing equipment, etc. The proposed budget for 2014/15 includes a saving in training and telephony budgets of £(0.020)m

2.9. Partington Parish Grant

The new Council Tax Support scheme, which started on 1 April 2013, had the effect of reducing the Council Tax Base. As a consequence the Council made a one-off grant in 2013/14 of £0.032m in order for the Parish to be given time to consider options available such as reducing expenditure or raising their Council Tax precept rate. For 2014/15, the Executive is minded to continue the grant but at a reduced level of £0.010m, equal to the Parish Council Tax Support Grant in the Government's 2013/14 Financial Settlement. As the grant amount reduces in line with overall reduction in Government support, the level of grant support to the Parish Council cannot be guaranteed into the future.

2.10. Carbon Reduction Commitment (CRC);

Changes announced in the Chancellor's Autumn 2013 Statement has resulted in the council now being under the minimum threshold to participate in the CRC allowances scheme in 2014/15, the current budget of £0.060m has therefore been submitted as a saving.

3. Budget Movement Summary 2014/15

3.1. The following summary table categorises the movement in the Directorate's budget for 2014/15. The Savings are also cross referenced to the Savings Schedules below.

Council-wide Budgets	2014/15 (£000's)	Savings Reference(s)
Budget Brought Forward	23,060	
Additional Resources to meet Pressures:		
- New or Increased Specific Grants	(808)	Para 2.1
- Reducing reserve support to Insurance budgets	115	Para 2.5
- Other Levies	25	Para 2.2
- Net changes in Treasury Management	22	Para 2.3
- Inflation	16	
- Partington Precept top-up	(22)	Para 2.9
- Carbon Allowances	(60)	Para 2.10
- AGMA Budgets	7	
Total new resources allocated	(705)	
Resource Reallocations through:		
- Efficiencies	(140)	2.5, 2.6
- New or Increased Income	-	
- Policy Choices	(20)	2.8
- Terms & conditions 13/14 adjustment	117	
Total new resources allocated	(43)	
Net Year-On-Year Change	(748) (3.2)%	
Net Budget Proposal	22,312	

**REPORT of the DIRECTOR OF FINANCE
to the COUNCIL 19 FEBRUARY 2014**

**ROBUSTNESS of the 2013/14 PROPOSED BUDGET ESTIMATES
and the ADEQUACY of RESERVES (S25-26 LGA 2003)**

1. INTRODUCTION

- 1.1 The Local Government Act 2003 requires the Chief Finance Officer (Director of Finance) to report independently to the Council his own opinion as to the robustness of the budget requirement estimate (S25 of the Act) and on the adequacy of reserves (S26).
- 1.2 The Law requires that such a report is put before Council as part of the overall budget deliberations, and that such a report be considered prior to the approval of the Budget Requirement and the setting of a Council Tax.
- 1.3 A summary of this report providing the general opinion is included within the main report at section 7.

2. BACKGROUND

- 2.1 With the support of the Head of Financial Management and Finance Managers for each relevant area of the budget, I have reviewed the Executive's budget proposals at varying levels of detail, and as far as possible have taken into account those known factors that will have a significant bearing on the conduct of the Council's business in 2014/15 and the medium term. This has included information and assurances supplied by Corporate Directors. I have also assessed the level of reserves which can be considered adequate to meet reasonable unforeseen circumstances not included in the detailed budget proposals.
- 2.2 The Council's proposed budget is based on the Government's notified grant settlement for 2014/15. The budget takes account of the challenges presented by this settlement, and by the Comprehensive Spending Review announced in October 2010, plus the continuing effects of the current economic climate on the Council.
- 2.3 The consequences of the common business risks facing the Council can be summarised into three categories:

Spending exceeds budget; this can include where demand for services is higher than expected, either in terms of number or need, such as in the statutory services in social care. This can also be where external factors affect Council operations, such as the weather on winter gritting spending. There may also be new expenditure pressures or commitments which were not anticipated during the budget process, for example due to changes in regulations/legislation;

Income falling short of expected levels; the risks include customers no longer buying services or buying them from elsewhere, or reduced support from sponsors whether this is partners, Government departments or other public bodies. External factors, such as the economy, can have a significant impact on certain expected income levels;

Challenge of organisational change; the general challenge for local government to make a significant contribution to reducing the national budget deficit. The Council's proposed budget for 2014/15 contains for savings proposals of £(13.7)m, which is on top of the unprecedented levels of savings achieved over the last three financial years, and there is a specific risk that savings will not be sufficiently realised, or are not realised quickly enough.

- 2.4 My team and I have ensured at a detailed level that budgets are based on forecasted activity, and that these forecasts have been subject to appropriate challenge, sensitivity analysis and that they reasonably allow for a degree of error. In addition, risks can be mitigated during the year through a variety of management actions, and my team and I have worked with management to identify appropriate activity monitoring systems to identify early deviation from forecasts, and ensure that there is the capacity and ability to undertake corrective action as necessary. In addition, the Council has a policy of monthly financial monitoring of all Council activity on an outturn basis from June each year.
- 2.5 All aspects of the budget have been reviewed to ensure that reasonableness (robustness) tests have been carried out, that detailed calculations are sound, and that the risks have been quantified and provided for as far as possible. When taken with an assessment of minimum reserve levels, a reasonable professional opinion on robustness can therefore be determined.
- 2.6 The following sections outline the assessment of expenditure and income, and the determination of an appropriate reserve level for the 2014/15 Executive Budget proposals in order for them to be considered as robust.

3. EXPENDITURE ANALYSIS

Schools related expenditure

- 3.1 Locally schools funding is split between centrally held Education Support Services budgets, and devolved schools' budgets, and apportioned to individual schools by a funding formula. Distributing funding across schools, recognising deprivation and special educational needs factors, has become increasingly difficult at a time of reduced resource availability. To combat this situation, the Funding Forum has recommended that basic entitlement in the funding formula should be increased from 75% of available funding to 78%, and this has been approved by the Executive.
- 3.2 The challenges facing the Schools delegated budgets are:
- Schools are required to meet all inflationary increases in their expenditure as well as potentially reducing funding out of their delegated budgets. Pressures include pay awards of 1% or higher and increased pension contributions. The prevailing rate of inflation is forecast to be 3.0%, but with heating and lighting costs expected to be in excess of this.
 - As a consequence of funding pressures on the non-schools areas of the budget, some Educational Support Services are either being reduced or moving into a buy-back or trading service, with the intent that schools will pay for those services in future. With limited funding schools will be forced to make choices between continuing these services, other buy-back services and their own core budgets.
 - Some Schools will have falling numbers of pupil numbers which will reduce funding, and there is a stepped nature to the costs for Schools experiencing either increasing or decreasing rolls
 - There is pressure on Schools from Government to address the attainment gap between affluent and not so affluent pupils. However, to assist with this ambition the Pupil Premium Grant has increased from £900 per Primary pupil in 2013/14 to £1,300 in 2014/15 and £900 per Secondary pupil in 2013/14 to £945 in 2014/15.
- 3.3 Schools set their own budgets and are aware of their responsibilities and the Scheme for Financing Schools. There is a framework whereby schools facing financial difficulties must inform the Council as soon as possible so that financial risks can be mitigated. Any reductions in pupil numbers are monitored closely and schools that may have problems are contacted. To assist schools in discharging their financial responsibilities the Council provides a dedicated professional finance team on a buy-back basis.

- 3.4 The level of schools balances overall is healthy, however, if an individual schools faces financial difficulty, for example as a result of falling rolls, the Council will work closely with the school to construct a recovery plan with the use of the licensed deficit scheme.
- 3.5 There are similar pressures on the centrally held funding, with the addition of:
- There is a draw on these budgets to fund the Minimum Funding Guarantee to Schools
 - Historical volatile pressures on SEN out-of-Borough placements
 - The need to reduce costs should schools decide not to buy back the service
- 3.6 These risks are mitigated by:
- Increased funding from increasing pupil rolls
 - The number of available spaces for in-Borough placements has increased
 - There is currently an SEN review taking place which is expected to reduce pressures on SEN expenditure
 - The mainstream and high needs elements of the Dedicated Schools Grant have been announced for 2014/15 by the Government, thus reducing the level of uncertainty which has been an issue in the past.

(Non-schools) Employee costs

- 3.7 Potential risks in this area include for national pay award, national insurance and pension changes, and the continuing effects of job evaluation. In the Autumn Statement, the Government reiterated that public sector pay would be frozen at 1% until 2015/16 and a suitable provision has been built in to the draft budget. An allowance has been made within the calculation of the minimum level of reserves should a higher national pay award be required.
- 3.8 Pension costs are subject to a triennial assessment by the pension fund actuaries and 2014/15 is the first year of the current period, therefore the budget provision of 1% is considered sound. Any changes to employers' national insurance contributions are usually heralded in the autumn, and no change is expected.
- 3.9 In addition, further controls to ensure pay enhancements, such as honoraria, regrading and other such allowances are appropriate and affordable have been introduced as a consequence of Job Evaluation in 2010, these continue to be reinforced by the Human Resource service.

Agency Staff

- 3.10 Agency and contract costs have been strictly controlled since the Executive introduced austerity measures in July 2010, enhanced by an AGMA procured Agency contract which has fixed the rates for many job roles.

Organisational Change Costs

- 3.11 The Council has established an earmarked reserve to cover the costs from organisational change. The reserve level has been based on average experienced costs and has been reviewed upwards in 2014/15 to reflect the future likely activity for the next 2-3 years of continued austerity.

Contract Costs

- 3.12 The budget makes a general allowance based on known inflation rates for increases in contract costs, and specific additional allowance for particular contracts that have inflationary rates more specific to them.
- 3.13 Through the Council's Contract Procedure Rules, the Council's own Procurement Team and the AGMA Procurement Team the Council hosts, there is considerable contract activity to ensure that costs for goods and services are kept as low as possible. In many cases services have put forward savings in terms of contract cost reduction as a consequence of professional procurement activity, and each of these savings proposals has been subject to robust assessment by the appropriate professional staff.
- 3.14 The Council spends approximately £51m providing support for over 9,000 adults in residential and community care. A consultation process and market review of charges, with older peoples' residential and home care providers has been provisionally agreed. Although final figures have yet to be confirmed, early indications suggest that the rates built into the MTFP are adequate, therefore mitigating the risk of unknown inflationary increases.

Demand led budgets

- 3.15 Social care budgets, in particular, are dependent on the numbers of clients, and client need, which can be difficult to predict. The costs of service provision can also be volatile, as any one single client may cost hundreds or perhaps thousands of pounds per week. A significant risk arises therefore that the social services budgets, and similar volatile demand led budgets, are not sufficient to cover the Council's legal obligations, which would lead to an impact on reserves or other service budgets.
- 3.16 The proposed budget includes specific provision, £3.5m 2014/2015, for additional placement costs and demographic pressure in both adults and children's service using forecasts of future demands. There is an additional £0.4m investment from the capital programme to purchase additional telecare

equipment to enhance our service allowing residents to remain independent for longer and reducing long term costs of care. Nevertheless a risk will still exist, particularly at a time of economic difficulties.

Benefit Payments

- 3.17 In 2014/15 there is a significant gross budget at £67m for Housing Benefit Payments. Both the cost of benefits and the cost of administration are largely covered by Government support as the Council undertakes this role essentially on an agency basis. The remaining funding of the costs of benefits comes from the recovery of overpaid benefit.
- 3.18 Caseload appears to have plateaued recently; however, there are risks associated with caseload demand increasing beyond expected levels in 2014/15, and the associated potential for reduced performance in the accurate awarding of benefit. Management action to improve processes to recover overpaid benefits sooner, have been implemented successfully over recent year sufficient to mitigate the risk of under recovery.
- 3.19 In 2013/14 the Government abolished the national council tax benefit scheme and introduced a local council tax support scheme (also known as the council tax reduction scheme). At the same time there was a reduction in funding at a national level of 10% with each authority deciding how to deal with the funding reduction by determining its own Benefits Policy.
- 3.20 The Council's local scheme met the reduction in funding from a mixture of reduced benefit entitlement, changes to council tax exemptions and finally base budget. The financial risks to the Council were two-fold. The first is the number of claimants entitled to council tax support as any increase in this number has to be met from the Council's own budget whereas it was previously the Government's responsibility. Every 1% change could result in a cost of £100k. The second risk is that some households will have to pay more in council tax and some will be paying for the first time. Although the first year of the new Council Tax Support Scheme has shown that take up has been lower than anticipated and collection rates have not been adversely affected to any significant extent, there remains an underlying risk that income levels will be affected given the current economic climate.

Reduced Income from Traded Services

- 3.21 Traded Services with schools represents a significant part of the Council's budget, with approximately £5m of income being generated across various service areas. Academy status can have an impact on whether a given school buys back a services the Council provides, most notably would be insurance which cannot be provided by the Council to an academy. In addition, the contract renewal for schools trading services has moved to an academic year,

and the level of budget assumed buy back could change in September. Due to the stepped nature of costs it may not be possible to reduce costs commensurate with any reduction in income.

Debt Servicing

- 3.22 There are a number of risks associated with treasury management and the Capital Investment Programme, many of which are outlined in more detail in the relevant reports also on the agenda. In 2014/15, given the historically low level of interest rates, the Council has built into its budget plans that no new external borrowing will take place and that cash balances will be run down instead. This is common in many authorities but the difference for Trafford will be that any changes in the approach would likely lead to adverse budget consequences.
- 3.23 These risks are influenced by external factors relating to the overall economy, which at the present time continues to be difficult to predict and may have uncertain effects.
- 3.24 The primary Treasury Management risks are:

Movements in the cash flow cycle, caused by changes in the rate of payments or receipts. A decline in the economy could reduce the rate at which income is received. The Council's cash flow is monitored on a daily basis, and a new end of year position and average cash flow level forecasted. This provides an early warning system so that appropriate action can be taken.

Interest rate changes for either debt or investments. Investment rates are expected to continue at their current low levels which will remain to suppress the Council's income. However, in the short term, as borrowing rates are significantly higher the Council will continue to borrow from cash flow to part finance its capital programme and avoid these higher costs. The loss in investment rate is therefore mitigated by avoiding higher borrowing costs. However, rates could change rapidly, and the Council not only undertakes pro-active Treasury Management, it also employs on a retainer basis external consultants who ensure as best as possible that the Council is informed early of any adverse changes and/or potential opportunities.

This pro-active Treasury Management is governed by a number of rules, indicators and regular review by Members as outlined in the Treasury Management Strategy elsewhere on the agenda.

- 3.25 In addition to debt charges the proposed Capital Investment Programme (elsewhere on the agenda) has other business implications. Capital receipts

may not be realised before expenditure has taken place. Past experience has shown this is a small risk.

- 3.26 A Treasury Management smoothing fund has also been established to avoid changes in the external markets impacting on the budget. None the less, the sums and risks involved in these areas can be considerable, and special attention has been given in the assessment of the minimum reserve calculation.

Levy payments

- 3.27 The risks associated with levy payments for GM Combined Authority (passenger transport) and Flood Defence are borne by the respective levying body. The Waste Disposal levy can vary according to the tonnage of waste collected. A reasonable assumption on the tonnage figures has been included in the budget and monthly figures are provided by the Waste Disposal Authority to assist in monitoring of the budget. In addition there is a small smoothing reserve available to equalise the costs of the Waste Disposal PFI over the medium term.

Efficiencies

- 3.28 The 2014/15 budget is based on achieving savings totalling £13.2m. The Council has now built up considerable expertise in efficiency programming, monitoring, delivery and benefit realisation, and a tradition of successfully delivering significant savings.
- 3.29 Each of the savings proposals is subject to milestone and contingency planning, backed up by a robust delivery plan. However, the generation of efficiencies is getting harder, taking more effort and time to deliver. Whilst confidence in the processes is high, there remains the possibility that for other business reasons, projects may slip or may not be fully deliverable, and as such these considerations have been taken into account when forming a view on the minimum reserve level.

Efficiencies – Staff Terms and Conditions

- 3.30 The 2014/15 budget has included £1.82m of savings associated with changes to staff terms and conditions. Whilst the majority of the savings have been loaded against budget heads, a proportion cannot be specifically assigned as they relate to suppressing generic costs such as reducing agency spend and limiting overtime rates. Due to the uncertainty and potential for slippage in savings in the first year of operation, a provision has been made within the calculation of the minimum reserve level.

4. INCOME ANALYSIS

Government Grants

- 4.1 The main source of funding remains Government grants. The proposed 2014/15 budget is based on the level of general and specific grants as notified by the Government. There are a few grants which are subject to change, in particular the Education Support Grant, budgeted at £(3.5)m which is subject to change dependent upon pupil count. Should there be a relative change in pupil numbers with other authorities and/or Academies the value of this grant could change, and any shortfall will impact adversely. Based on prior year pupil number forecasts being accurate to within 1%, the likelihood of significant variation is deemed not to exceed a level which can be eliminated by management action within the base budget.

Fees and Charges

- 4.2 Variations in income are expected to be managed by services within their budgets. The budget includes income from Fees and Charges of £20m. The calculation of the minimum general reserve level allows for potential reductions in fees and charges generally, and for any further effects of the economic climate on existing and, in particular, new income streams included in the proposed budget.
- 4.3 Any downturn in the economic climate can also reduce the ability to collect debt, and improved arrangements for bad debt collection were introduced during 2010/11 giving managers more responsibility for the recovery.
- 4.4 Trading activities will be closely monitored during the year and costs reduced to compensate for changes in trading levels.

Investment Income and Dividends

- 4.5 The main source of dividend income is from Manchester Airports Group (MAG). The budget includes for £1.4m in dividend as notified, and is based on the company's ten year business plan.
- 4.6 During 2013 signs of an global economic recovery emerged however this position remains in a fragile condition with interest rates not forecasted to move upwards until 2016. This issue is discussed in greater detail in the Treasury Management Strategy elsewhere on the agenda. A small provision for either a rate reduction and lower than expected balances has been built into the calculation of the minimum general reserve level.

Council Tax

- 4.7 On the whole council tax is a reliable and sustainable source of income, however, it does have some risks:

Revaluation claims, thought to be on the decline, have shown signs of increasing again during 2013/14.

A number of households having to pay more in council tax as a result of changes to exemptions and also the new council tax support scheme. The service has a track record of increasing collection performance year on year, and the Council has the highest performance in Greater Manchester. These new changes have not had a significant adverse impact on collection rates in 2013/14 however will continue to be kept under close review during the year

- 4.8 With a council tax freeze proposed by the Council, and improving collection performance, the risks to income levels will only arise should future discounts and exemptions exceed expected levels. This is monitored closely throughout the year and reported to the Executive in the monthly revenue budget monitoring reports.

Business Rate Retention Scheme

- 4.9 The Business Rate Retention Scheme introduced in 2013/14 represented a significant change in the financial regime governing local authorities by introducing the potential for Local Government to retain an element of the growth in their business rates. The scheme is complex, however, the key elements for Trafford are:

- The Government baseline (target) for collection in 2014/15 is £154.6m.
- Should actual collection exceed baseline our, the Council will retain 24.5% of any excess.
- Should the actual collection fall below our baseline, the Council will be required to meet its share of this shortfall (49%) up to a safety net of £2.4m.
- Considerable uncertainty exists over the likely financial impact of outstanding appeals against rateable values (RV) lodged with the Valuation Office. Nearly 43% of the total RV in Trafford is subject to appeal and for the first time the Council has a financial interest in the outcome of all appeals.
- Government advice on the treatment of potential future appeals is yet to be formalised and this is subsequently creating further uncertainty.

In 2013/14, the Council did not budget for any loss, nor surplus, on business rates as a result of the new Rate Retention Scheme, however the financial

impact of underwriting a potential safety net payment at £2.4m was included in the minimum reserve calculation. During 2013/14, the level of appeals actually being settled resulted in the safety net being triggered.

In 2014/15, the Council is again not budgeting for any loss, nor surplus, on business rates as a result of the new Rate Retention Scheme. However due to the uncertainty surrounding potential future appeals, the financial impact of underwriting the safety net payment has been included in the minimum reserve calculation.

5. GENERAL APPROACH TO THE BUDGET

- 5.1 The budget process has involved the identification or forecasting of spending needs, likely resource availability, and opportunities for efficiencies, income generation and resource realignment. Issues identified during the 2013/14 budget monitoring process and planning process review have all been addressed in the 2014/15 budget wherever appropriate.
- 5.2 The process has involved the Executive Portfolio Holders, members of the Corporate Management Team and other service management supported by Finance Managers.
- 5.3 All budget managers have been requested to sign their budget working papers and are therefore aware of their proposed budget for 2014/15, and the assumptions the budget is based on, which includes income targets.

6. EMERGENCIES and CONTINGENCIES

- 6.1 Across the Council relevant services have been reviewing their contingency and emergency plans to deal with business interruptions, such as a power cut or high levels of localised sickness, and emergencies, such as extreme weather conditions. Business continuity plans are developed to reduce reliance on increased expenditure.
- 6.2 The Council carries some insurance to mitigate some potential risks and circumstances, and in the cases of emergencies, the Government has an emergency funding (the “Bellwin”) scheme.
- 6.3 However, there are limits to insurance and the extent of the Council’s insurance reserves, and the Government emergency funding scheme has both an activation threshold and a maximum percentage contribution to costs. The minimum level of general reserve also includes for the need to set aside monies for emergencies and disasters.

7. CONCLUSION ON ROBUSTNESS

7.1 There can be no guarantee that expenditure will be contained within each and every budget; this is due to the varying demands that are part and parcel of the Council's business. In recognition of this there is a comprehensive approach to the budget preparation and the assumptions underpinning its calculation, together with monitoring arrangements, provide reasonable assurance that overall the Council will meet the majority of its financial responsibilities with the planned resources available.

7.2 The year ahead presents a number of financial challenges, and in particular I would draw Members' attention to areas of uncertainty for which mitigating action is included in the budget and/or reserves, if required;

- There is still a significant risk surrounding the level of outstanding appeals for Business Rates. Guidance on the treatment of future appeals has yet to be released by the Government. The Council will need to maintain a suitable reserve to cover the potential shortfall in retained business rates before the Government safety net applies.
- Potentially higher than anticipated numbers of clients in demand led budgets;
- Slippage in achieving efficiencies and income generation proposals;
- The ability to manage inflation target through better procurement;
- The effect of any pay award above the provision assumed;

It is also worth noting the positive effects of the current economic climate through :

- potentially greater competition in the market place assisting securing efficiency by way of procurement;
- low annual pay awards.

8. **GENERAL and other RESERVES 2014/15 – MINIMUM LEVEL and MOVEMENTS**

8.1 Based on the above robustness assessment I advise Council to set a minimum level of £6.0m for the general reserve, as assessed in the following table which links to the relevant risk area in the above report. The overall risk has been reduced by 30% to reflect that not all risks will occur at the same time:

Para Ref	Table 1: Advised minimum level of General Reserve	2014/15 £m
3.21 – 3.25	Tax & Treasury Management	0.16
3.7 – 3.14	Pay & inflation	1.40
4.3 – 4.6	Fees and Charges	0.10
6.0	Emergency & Disaster Recovery	1.95
3.27 – 3.28	Efficiencies	1.54
3.15 – 3.20	Demand led budgets	1.27
4.1 – 4.11	General Fund Financing	2.39
	TOTAL	8.81
	Nominal reduction of 30%	(2.65)
	Advisory level of minimum reserve	6.16

8.2 Based on the latest available 2013/14 revenue budget monitoring information, the expected balance on the General Reserve as at 1 April 2014 and the uncommitted balances for future years is as follows:

Forecast General Reserve level	Forecast (£000's)
Balance brought forward 31 March 2013	(10,644)
Commitments 2013/14:	
Planned base budget support 2013/14	906
One off Projects carried over from 12/13	98
Agreed 13/14 Projects	1,019
Business Rates Safety Net	2,386
Waste Levy Refund	(538)
Underspend on Council-Wide budgets	(1,925)
Forecast balance 31 March 2014	(8,698)
Commitments 2014/15:	
Planned base budget support 2014/15	2,007
Forecast balance 31 March 2015	(6,691)

8.3 The above table shows a modest balance of 10% over the recommended minimum level of £6m.

8.4 In addition to the general reserve there are a number of other earmarked reserves and provisions held for specific purposes, in summary these are:

Reserve Statement (estimated as at February 2014)	Estimated Balance at 1 April 2014 (£000's)	Estimated net spend 2014/15 (£000's)	Estimated Balance at 31 March 2015 (£000's)	Estimated net spend 2015/16 (£000's)	Estimated Balance at 31 March 2016 (£000's)
Schools General	(11,285)		(11,285)		(11,285)
Schools Synthetic Pitches	(120)	(15)	(135)	(15)	(150)
Schools Total	(11,405)	(15)	(11,420)	(15)	(11,435)
Non-Schools Earmarked Reserves:					
Insurance	(3,677)	145	(3,532)	172	(3,360)
Revenue Projects	(626)	396	(230)	221	(9)
Employee Rationalisation	(2,853)	0	(2,853)	0	(2,853)
Transformation Reserve	(1,390)	736	(654)	647	(7)
Services' Reserves	(1,242)	(563)	(1,805)	0	(1,805)
Smoothing Reserves	(3,744)	641	(3,103)	19	(3,084)
Total	(13,532)	1,355	(12,177)	1,059	(11,118)
General Reserve	(8,698)	2,007	(6,691)	0	(6,691)
Total of non-School Revenue Reserves	(22,230)	3,362	(18,868)	1,059	(17,809)
Capital reserves:					
Capital Projects	(20,852)	11,346	(9,506)	5,422	(4,084)
Total Capital Reserves	(20,852)	11,346	(9,506)	5,422	(4,084)

8.5 A review of these reserves and provisions has been undertaken, and the following transfers, which have been included in the above table, have taken place :

- £0.7m from the Interest Rate Smoothing Reserve following a review of the latest assumptions on medium term market rates on investments and borrowing, redirected to the Employee Rationalisation Reserve to accommodate the likely impact of future costs associated with restructuring/New Organisational Model.

8.6 In addition to reserves the Council also has a number of provisions. In addition to bad debt provisions, the Council has three provisions dealing with specific liabilities:

- **Equal Pay**; currently the Council is in litigation with a number of past and present members of staff. The Council took the prudent step of maintaining a sum of money in the event that it was found that some liability exists. The legal process has largely been complete and the Council is actively trying to settle all remaining claims during 2013/14 and 2014/15.

- **Public and Employee Liability**; relating to insurance claims, these provisions are reviewed by an independent Actuary every May, and the levels reflect the advice of the Actuary.
- **Section 117 Mental Health Act**; following a legal challenge at another authority and subsequent change in the law, previous common practices on the charging of income have been deemed unlawful. The Council has set money aside to compensate claimants.

9. **CONCLUSION**

- 9.1 If the general reserve is set at £6.0m, the reserves available to the Council in 2014/15 are considered to be adequate to cover the calculated financial risks contained within the 2014/15 budget proposals.

IAN DUNCAN
DIRECTOR OF FINANCE
11 FEBRUARY 2014

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TRAFFORD COUNCIL

Report to: Executive
Date: 19 February 2014
Report for: Information
Report author: Corporate Director, Transformation & Resources

Report Title

Outcome of the Budget Consultation with the Public and Stakeholders 2014/15

Purpose of Report

To provide an over view of the Budget Consultation 2014/15 process and the outcomes of the consultations with the public and wider stakeholders, including how proposals have changed as a result of consultation.

Recommendations

That the report be noted

Contact person for access to background papers and further information:

Name: Wendy Marston
Extension: x4009

Finance Officer Clearance (type in initials).....ID.....
Legal Officer Clearance (type in initials).....JLF.....

[CORPORATE] DIRECTOR'S SIGNATURE

(electronic).....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Implications:

Relationship to Policy Framework/Corporate Priorities	This report refers to the budget proposals for 2013/14 put forward by directorates in the Council and therefore implications for these areas are
Financial	
Legal Implications:	

Equality/Diversity Implications	presented in the report.
Sustainability Implications	
Staffing/E-Government/Asset Management Implications	
Risk Management Implications	
Public Health Implications	
Health and Safety Implications	

1. Background

- 1.1 In October 2012, the Council released detailed budget proposals for the period 2013-2015 and these were supplemented by the launch of the Vision 2015 document. The aim of this approach was to support residents and other stakeholders to understand how the proposals may affect them in the short and medium term.
- 1.2 Due to a shortfall in savings for 2014/15, additional proposals were developed. These additional proposals have been the subject of a recent consultation process, which has now concluded.
- 1.3 Given the potential impact of the proposals on the workforce and the public, the consultation process included a statutory 30 day consultation with the recognised trade unions and also, where appropriate, public and stakeholder consultation. The consultation with wider stakeholders commenced on 19th November.
- 1.4 The consultation process was progressed by the same cross Council steering group which managed the consultation process for 2013/14.
- 1.5 The additional budget proposals comprised £ (3.3) m of policy choice decisions; these proposals were thematically summarised as:
- A greener borough
 - Education Support Services
 - Waste Management
 - Culture and Sport
 - Community Support
 - Public Protection
 - Highways
 - Council Tax & Benefit Administration

1.6 The budget consultation ended on 8th January 2014 and this report outlines the approach taken to the consultation, the outcome and how the consultation has shaped the budget proposals, including the impact on staffing numbers.

2. **Approach to Public & Stakeholder Consultation**

2.1 The budget consultation was delivered through staff briefings, media briefings and a dedicated Budget Consultation 2013-2015 section on the Council's website. Consultation with wider stakeholders commenced on 19th November 2013.

2.2 As this year's consultation was an extension of last year's process, the approach focused on the new/additional proposals only. Directorates used a variety of methods to ensure that they were able to reach their service users, carers, providers and partner agencies. These included:

- 'Easy read' versions of the proposals;
- Questionnaires and FAQ documents;
- Face to face meetings and briefings with providers;
- Providers were supported to engage and consult with their customers;
- Briefings with Strategic Partners;
- Email briefings with partners.

2.3 Website & Media Communications

2.3.1 Website Communications

A page was set up on the Council's website to support the consultation phase. This was located on the 'Have Your Say' section of the website. It consisted of different sections including a summary of the budget situation, where the Council gets its money from, a summary of the directorates and their proposals as well as a link to the full budget report. It enabled residents to feed back through the 'Have Your Say' mechanisms on the page – phone, email and letter. Between November 2013 and 8th January 2014, there were 82 unique visits to the budget consultation pages, 33 to 'Transforming Trafford' and 27 to 'Service Proposals and Consultations'. A full breakdown of the unique visits to all the different web pages can be found in Appendix 1.

2.3.2 Media Communications

A media briefing took place to ensure the local press were fully aware of the proposed decisions. There was representation from radio and print media. The attendees were taken through a presentation which outlined the budget situation, the proposed consultations and changes. The media were then given the opportunity to speak to relevant Executive Members and officers for

wider context where required. This briefing resulted in coverage in the local newspapers including Messenger and Advertiser as well as local radio stations Key 103 and Radio Manchester. A press release was also issued by the Council which was published on the Council's website and via Twitter (which has over 5955 followers).

2.4 Business Breakfast

The Council carried out a consultation event with local businesses on the 2014/2015 budget on the 6th December 2013. The event was extensively promoted via the Council's website and its business database, whereby just over 2,000 businesses were directly contacted. Fourteen businesses attended the event including representatives from Duro Felguera UK Ltd, Pozzoni LLP and Kier Construction. Cllr Anstee led the budget presentation and discussion which was then followed by a presentation from John Ashcroft, Chief Economist to the Greater Manchester Chamber of Commerce, on the Autumn Statement and the state of the UK economy.

3. **Outcome of Public and Stakeholder Consultation**

5.1 As this years' consultation was an extension of last year's process, the approach focused on the new/additional proposals only and Directorates undertook public and stakeholder consultations in this context; the details and impact is detailed below:

5.2 Children, Families & Well Being

5.2.1 Adult Social Care

Many of the Adult Social Care proposals, including those relating to support for people with learning disabilities, pre-payment cards and Supporting People, were a continuation of work consulted on last year covering a 2 year period. It is for this reason that Adult Social Care did not have any proposals which required statutory consultation. However, all Adult Social Care proposals were taken to established forums for stakeholder consultation which covered proposals about Ascot House, Transport, Telecare and Reablement.

No changes have been deemed necessary to the original savings proposals as a result of this consultation.

5.2.2 Children's Services

None of the Children's Services proposals required statutory consultation. However, briefings were provided on all the proposals but with a focus on those pertaining to the Connexions and Education Welfare services, to the following partners:

- Secondary Heads Conference
- Special Heads Conference
- Primary Heads Cluster Leads
- Greater Manchester Police
- Clinical Commissioning Group

No changes have been deemed necessary to the original savings proposals as a result of these briefings.

5.3 Transformation and Resources

The only proposal in this directorate which was consulted on more widely with stakeholders was regarding the Culture and Sport proposal to disestablish the Arts and Cultural Development post. The consultation took place with members of the Cultural Partnership Network.

No changes have been deemed necessary to the original savings proposals as a result of this consultation.

5.4 Environment, Transport and Operations

Consultation with the Friends of Parks Groups (manned parks) took place regarding the proposal to change to parks maintenance programme and removal of Pets' Corner.

No changes have been deemed necessary to the original savings proposals as a result of this consultation.

5.5 Economic Growth & Regeneration

Most of the EGP proposals relate to income generation, rather than budget savings. A consultation has taken place regarding the Introduction of pre-application fees for registered social landlords (which is on-going). In relation to this proposal, an initial informal discussion has taken place with Trafford Housing Trust, and further consultation is to take place through the Strategic Housing Partnership. So far, feedback suggests that there will be no need to change the original proposal.

Appendix 2 provides more detail regarding the consultation activity completed

Appendix 1

Breakdown of unique web page visits:

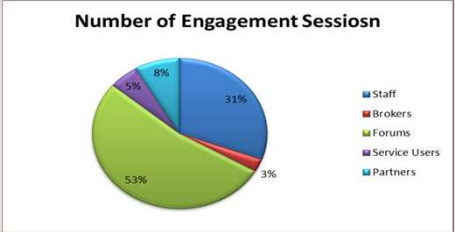
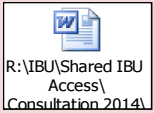
Budget Consultation	82
Transforming Trafford	33
Service Proposals & Consultations	27
Budget background	19
Your Children, Families & Wellbeing	14
Income & Expenditure	8
Your Council & Community	7
Equality Impact Assessments	6
Your Environment	5
Your Economy	4

Appendix 2

Breakdown of Public & Stakeholder Consultation

Record of consultation responses from stakeholders and the public

Directorate & Proposal	Who with	Method	Questions asked	Themes identified	Other feedback/response submitted/recorded
Transformation & Resources Culture & Sport	Cultural Partnership Network Members	Email requesting views on future arrangements for Cultural Partnership Network	1 - Would you like the Cultural Partnership Network to continue? 2 – How would you be able to support the continuation of the Network going forward?		IWMN - Cultural Partnership Network has been helpful in coordinating cultural activity and connecting programmes As we have done in the past, we would be able to host some of the meetings Shewa Dance - I do really enjoy the cultural partnership meetings and I find them very useful for keeping up-to-date on what's happening etc. and would ideally like them to remain. I am not in a position to offer any real useful solutions as to how it can keep going as I do not have premises etc. But wanted to express how useful and informative I have found them. It's sad to loose the Cultural Development Post but know that good cultural things will happen irrespective of this
	Let's Go Global (LGG)	Meeting to discuss LGG role in arts development in relation to 'See it Say it Do it' (SiSiDi) project and future opportunities			Option for SiSiDi to be expanded to include other areas of Trafford not just areas of low engagement. In addition LGG are continuing to deliver a number of projects through AGMA and Arts Council funding that will engage with and benefit the communities of Trafford.
	Waterside Arts Centre (WAC)	Meeting to discuss Visible Arts Programme			WAC are committed to enabling the groups that participate in the Visible Arts Programme to continue to use the facilities. These activities are seen as an important strand if the arts centres participation programme.
Economic Growth & Prosperity Pre-application fees	Trafford Housing Trust	There has been an informal discussion with Trafford Housing Trust as the major developing housing association and the proposal was raised at the Strategic Housing Partnership Executive at their meeting in January 2014.	Questions were asked with regard to the service offered through the pre-application service but no significant concerns were raised.		
Environment, Transport & Operations, GroundForce	Friends of Parks	In December 2013, a meeting was held with representatives from each of the friends of parks groups (manned parks) with further meetings planned for those who could not attend in early 2014. A questionnaire was issued to the wider friends of parks groups, this sought to gain feedback and identify priorities within parks for future resources.	Will we be able to maintain Green Flag status for parks? Will park staff work the same hours? Will park staff only be present for part of the week? Will 'pitch and putt' be maintained? Will residents be upset by 6am starts for street cleaning? Will events be supported? If the 'Friends' re-instate the pitch and putt will that be maintained? Will the 4x4 Kubotas be retained? Have seasonal work, broken-down vehicles, park size all been taken into account? Will Street Scene staff work in parks? Have the changes been agreed with the unions?	Maintaining high standards Not curtailing Friends' Groups development plans Visible presence of staff in parks	Friends of Walkden Gardens: It is a priority that the gardens are locked and unlocked each day. In addition, we have concerns about the security of the gardens when there is no staff presence. Friends of Woodheys Park: The 18 hole Pitch and Putt course is a priority along with Leaf clearance. Friends of Halecroft Park: Pupils from St Ambrose misuse the park during their lunch break when the gardener is not in the park. There are fears that the wildflower scheme planned will be ruined if there is not staff presence in the park.
		A follow up frequently asked questions document was issued to the friends of manned parks groups who attended the meeting. These questions were mainly based around operational issues on how parks would continue to receive Council Support. Further communication has been provided to the friends of park group members where further details and information about the proposals has been requested			
Well-	Secondary Heads Conference	Formal briefings. with question and answers.	Option to move the EWO service to a income generation model to offset saving?	New delivery models	Further discussions undertaken with schools on the future delivery model for EWO service. This has resulted in a revised model

Children, Families & Being Children's Proposals	Special Heads Conference	Briefing covered totality of savings but with a focus on those that had not been subject to consultation last year. The main area not previously subject to consultation was the Education Welfare proposals. Increased savings target for Connexions also generated discussion.	Would there be an impact from Connexions reduction on the service that schools purchase?	Income generation	following the service review with potential income generation offsetting need to reduce service.
	Primary Heads Cluster Leads			Locality working	Consultation has already been undertaken on the development of the 4th Area Family Support Team. This locality delivery model will help to mitigate the impact of both Connexions and YOS proposals
	Greater Manchester Police			Bulding wider capacity	
	Clinical Commissioning Group			How will the YOS proposal be able to mitigate impact?	
CFW, Adult Services proposals (Ascot House, Transport, Telecare and Reablement)	<p>During the consultation 34 briefings were undertaken; the split is as follows:</p>  <p>The process of engagement included:</p> <ol style="list-style-type: none"> Development of a general document outlining the overall approach, the need to achieve savings and the details of the individual proposals. (Appendix 3). Development of an easy read version of the general document. (Appendix 4). Independent support brokerage from the following organisations to ensure citizens fully understand the potential impact of the proposals and could have their voices heard:- <ul style="list-style-type: none"> Trafford Centre for Independent Living Trafford Carers Centre LMCP Care Link Genie Networks Age UK Trafford Healthwatch Trafford Use of existing networks and partnership forums to share budget proposals and gather people's feedback. This included community groups and user and carer forums, for example: the Learning Disability Partnership Board, the Citizen Reference Board, BME Service Improvement Partnership and Carers' Services Board. Extensive programme of group and individual meetings with all providers including homecare, residential and nursing, community and voluntary sector and Supporting People funded services. Range of briefings to Strategic Partners such as Trafford Clinical Commissioning Group, Trafford Provider Services and Greater Manchester West Mental Health NHS Foundation Trust. Support to providers to engage and consult with their customers. On-going completion of equality impact assessments. 		<p>Integration</p> <p>Terms and Conditions</p> <p>Council Tax</p> <p>Client funding arrangements</p> <p>Transport</p> <p>Environment/neighbourhood</p> <p>Refuse/recycling</p>	<p>Our customer relations teams have received no correspondence or telephone enquires in relation to the Adult Social Care proposals</p> <p>There have been no recorded telephone or email enquiries to date on the proposals from the public.</p>	

Council Wide	Trafford's businesses	<p>Business Breakfast: The Council carried out a consultation event with local businesses on the 2014/2015 budget on the 6th December 2013. To promote the event and attract interest, the Council's website was utilised along with the business database whereby just over 2,000 businesses were directly contacted. Fourteen businesses attended the event including representatives from Duro Felguera UK Ltd, Pozzoni LLP and Kier Construction. Cllr Anstee led the budget presentation and discussion which was then followed by a presentation from John Ashcroft on the Autumn Statement and the state of the UK economy.</p>	<p>No questions asked on the budget - general understanding as to the state of the Council's finances. Other questions related to the presentation by John Ashcroft in terms of likely timing of interest rate rises, the state of the macro and micro economy and the position with regards the trade deficit.</p>		None
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TRAFFORD COUNCIL

Report to: Employment Committee
Date: 19th February 2014
Report for: Information
Report author: Joanne Hyde, Director of HR

Report Title

Outcome of the Budget Consultation 2014/15 – Staffing Impact

Purpose of Report

To provide an over view of the Budget Consultation 2014/15 process and the outcomes of the staff consultation, including how proposals have changed as a result of consultation.

Recommendations

1. That Employment Committee note the full consultation process that has been undertaken with staff in relation to the 14/15 budget proposals.
2. That Employment Committee note that staff debriefings relating to the proposals will be undertaken on 20th February 2014 to confirm the outcome of Council's decisions relating to the budget.

Contact person for access to background papers and further information:

Name: Joanne Hyde
Extension: x1586

Finance Officer Clearance (type in initials).....ID.....
Legal Officer Clearance (type in initials).....JLF.....

CORPORATE DIRECTOR'S SIGNATURE



(electronic).....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money. The budget proposals for 2014/15 support all key priorities and policies.
Financial	The proposals are part of the overall proposed budget for 2014/15, distributing available resource across service objective heads as detailed in the main budget report.
Legal Implications:	It is a statutory requirement for the Council to set and approve a balanced, robust budget and council tax level. Budget proposals take account of various legislative changes as they affect Council services. The Council has undertaken the relevant statutory processes associated with the effect of the proposed budget on the workforce.
Equality/Diversity Implications	Equality impact assessments supporting the budget proposals are being carried out as appropriate.
Sustainability Implications	None arising out of this report.
Staffing/E-Government/Asset Management Implications	Human Resources – statutory processes have been undertaken and the impact on staffing is being managed through managing change processes.

1. Background

- 1.1 In October 2012, the Council released detailed budget proposals for the period 2013-2015 and these were supplemented by the launch of the Vision 2015 document. The aim of this approach was to support residents and other stakeholders to understand how the proposals may affect them in the short and medium term.
- 1.2 Due to a shortfall in savings for 2014/15, additional proposals were developed. These additional proposals have been the subject of a formal consultation process, which has now concluded.

- 1.3 Given the potential impact of the proposals on the workforce, the consultation process included a statutory 30 day collective consultation with the recognised trade unions. This statutory consultation with trade unions commenced on 7th November 2013 and was marked by the issue of a formal S.188 notice.
- 1.4 The consultation process was managed by the same cross Council steering group which managed the consultation process for 2013/14.
- 1.5 The collective consultation ended on 8th January 2014 and this report outlines the approach taken to the consultation, the outcome of the consultation and how the consultation has shaped the budget proposals, specifically the impact on the workforce.

2. **Approach to Staff Consultation**

- 2.1 The budget proposals anticipated an original impact of 89.05 FTE posts, representing a collective headcount reduction in the region of 64 staff; this required the Council to issue the recognised trade unions with a S.188 notice to enter into a minimum statutory consultation period of 30 days. This period of collective consultation commenced on 7th November 2013 and ended on 8th January 2014.
- 2.2 The purpose of the consultation process was to:
 - consult with staff and trade unions about the detailed proposals and the proposed implementation strategy;
 - listen to and consider comments and suggestions from staff and trade unions about the proposals;
 - consider any alternatives put forward to meet the identified objectives;
 - minimise the need for redundancies.
- 2.3 During the consultation process, consultation with staff and trade unions was undertaken by a variety of means. This included:
 - an initial briefing with staff and trade unions on the general budget proposals;
 - fortnightly corporate meetings with senior management and trade union officials;
 - service/team level meetings with staff and trade union officials, with the facility for staff and trade unions to provide verbal, written and electronic feedback on service specific proposals;

- individual meetings with affected staff and a relevant trade union/ representative (where appropriate), with the facility for staff to provide verbal, written and electronic feedback on the proposals.

2.4 During the consultation process, in order to mitigate the need for compulsory redundancies, staff in “at risk” areas were offered the option of applying for early release on the grounds of redundancy or early retirement. In addition, staff in “at risk” areas were also given support to be redeployed into suitable alternative vacancies.

3. **Equality Impact Assessments**

3.1 An Equality Impact Assessment (EIA) was undertaken for each budget proposal where initial screening identified a potential impact on staff. The EIAs are live documents, running alongside the consultation. This has meant that staff and trade union views were able to be taken into account and mitigating factors put in place where required.

3.2 In order to satisfy the Public Sector Equality Duty, members are required to consider the extent to which the proposals will impact on any persons with protected characteristics and in the event that any such impacts are identified, the extent to which these can be mitigated against. The EIA does not identify any significant impact on persons with protected characteristics. Mitigation measures are suggested where appropriate and reasonable. The EIA has been published on the Council website and members are required to consider this in reaching their decision on the recommendations proposed.

4. **Impact of Staff Consultation**

4.1 In summary, a total of twenty one service proposals were developed in order to achieve additional budget savings. Of these, fifteen proposals indicated a direct impact on existing staffing numbers; the remainder relied upon savings attributable to the deletion of vacant posts.

4.2 Of those fifteen proposals having an impact on existing staffing numbers, a total of eleven were fully developed and the subject of consultation during the statutory period; the remainder have yet to commence consultation and will be subject to separate consultation, beyond the statutory process.

4.3 Of the eleven consultations which took place,

- Five proposals have remained unchanged;
- Four proposals have been amended as a result of the consultation process;

- Two proposals are being reviewed in light of alternative solutions being submitted, which will potentially achieve the same savings but with a reduced impact on staffing

4.4 The original headcount reduction was anticipated as being in the region of 64. Following the period of collective consultation, this figure has reduced to an estimated 56. Of these, it is anticipated that 37 will be achieved as a result of either voluntary release or natural wastage, following the submission of 32 voluntary release applications and 5 voluntary resignations. The number of compulsory redundancies has therefore been mitigated and is now likely to be in the region of 19.

4.5 A summary of the staffing impact following consultation is set out in the table below:

Staffing type	Post reduction in fte	Proportion or percentage	Headcount reduction	Percentage of total workforce
Management	12.0	14%	12	0.39%
Back office/Other	32	38%	16	0.52%
Front line	40.25	48%	28	0.9%
Total	84.25	100%	56	1.81%

4.6 The detailed outcome of the staff consultation exercise can be found at Appendix 1.

4.7 The following paragraphs provide a summary of the outcome of consultation by Directorate.

4.7.1 Children, Families & Well Being

Five proposals were submitted from this directorate. These proposals anticipated a reduction of 10.4 posts, representing a collective staffing reduction of 12. Of these proposals, two were the subject of a full consultation exercise, one did not require consultation as it related to the deletion of a vacant post and two proposals will be the subject of future consultation exercises, beyond the statutory consultation period.

As a consequence of the consultation process, both of the two full consultations which took place have resulted in revisions to the original proposals being made, mitigating the impact on staffing. It is now estimated that the FTE reductions will be 9.2 posts, representing a revised staffing reduction in the region of 9. To date, 6 applications for voluntary release have

been received; this means that the number of potential compulsory redundancies has been mitigated and now stands at an estimated 3.

4.7.2 Environment, Transport & Operations

Seven proposals were submitted from this directorate. These proposals anticipated a reduction of 39.05 posts, representing a staffing reduction in the region of 37. Of these proposals, five were the subject of full consultation during the statutory period, one did not require consultation as it represented the deletion of a vacant post and one is the subject of an ongoing tendering process.

Of the five proposals which were the subject of a consultation process, one proposal, which had a significant impact on staffing levels, was the subject of extensive local consultation with the workforce and the trade unions. This consultation involved a number of workshops, group and individual meetings with staff as well as meetings with both local and branch trade union representatives. Whilst at the end of the consultation process, the overall reduction in posts and staff numbers has not changed, the approach to achieving the reductions in terms of redundancy selection and pooling arrangements has been amended, reflecting the feedback received.

In relation to the other proposals, two have essentially remained the same in terms of the impact on posts and staffing numbers and two are in the process of being reviewed as a result of alternative solutions being submitted; these alternatives indicate that the original savings may be achievable with a slightly reduced impact on staffing.

Whilst as a result of consultation, the FTE and headcount impact are estimated as essentially remaining the same in this directorate, the method of achieving the reductions has been revised and it is anticipated that a significant proportion of the reductions will be achieved through voluntary measures. To date, there has been one voluntary resignation and 22 formal requests for voluntary release; therefore, it is now estimated that as a result of consultation, the number of potential compulsory redundancies has been mitigated and is now in the region of 12.

4.7.3 Transformation & Resources

Nine proposals were submitted from this directorate. These proposals anticipated a reduction of 39.6 FTE posts, a significant proportion of which were vacant, meaning that the anticipated headcount reduction was in the region of 16. Of these proposals, three were the subject of full consultation during the statutory period, four did not require consultation as they

represented the deletion of vacant posts and two will be the subject of future consultation exercises, beyond the statutory consultation period.

As a consequence of the consultation process, two proposals have been reviewed and amended, taking into account the feedback received and one proposal has remained the same. These changes mean that the reduction in posts is now estimated at 36. Given that the majority of these reductions relate to vacant posts and that during the consultation period, 3 requests for voluntary release were received and 4 staff were successful in obtaining alternative employment, it is now estimated that the number of compulsory redundancies has been mitigated and will be in the region of 4.

5. Update on the Terms and Conditions Review

- 5.1 Since October 2012, the Council has been consulting with staff and trade unions about a number of changes to terms and conditions of employment.
- 5.2 The final proposal in relation to the changes was approved by the Employment Committee on 2nd December 2013 and subsequent to this, staff were invited to voluntarily sign up to the new terms and conditions. The deadline for sign-up was 3rd January 2014 and any staff who had not signed up by this date commenced the termination and re-engagement process.
- 5.3 To date, 2492 staff have voluntarily signed up to the new terms and conditions of employment, representing 84.8% of the affected workforce. Staff have until 31st March 2014 to undertake the voluntary sign-up; any staff who do not sign up will stand dismissed as per the notices which were issued to them on 6th January 2014.
- 5.4 During the 12 week notice period, the HR Service will work with managers to support the voluntary sign up process and will provide guidance to managers on what action they should take, should staff not wish to sign up, yet present themselves for work on 1st April 2014.
- 5.5 The HR Service will also continue to work with trade union colleagues during the termination and re-engagement process in order to try and mitigate the number of potential dismissals and the impact on service delivery.
- 5.6 The trade unions have recently held an indicative ballot for strike action/action short of strike and this indicative ballot has not received the mandate to move to a formal ballot of the workforce.

6. Next Steps

- 6.1 It is proposed that subject to the approval of the Council's Budget Report, staff will be debriefed on 20th February 2014.
- 6.2 In addition, these proposals will not be implemented until the outcome of the Budget Council meeting on 19th February is confirmed and, as such, no notices of redundancy will be issued until thereafter.

Budget Proposals - Staff Consultation Outcome 2014-15

Following the consultation process, the impact of feedback on the original staffing proposals is set out below in the “Summary of Consultation Outcome” column.

Detailed staff feedback documents have been prepared for each service area and these are available upon request.

DIRECTORATE	SERVICE AREA	ORIGINAL FTE IMPACT			TOTAL ORIGINAL FTE IMPACT	ORIGINAL ESTIMATED HEADCOUNT IMPACT	EARLY RELEASE REQUESTS	SUMMARY OF CONSULTATION OUTCOME
		Mgt	Front line	Back office/ other				
CFW	Efficiencies arising from integration of Children's and Adults' commissioning functions. (£40k)	0	0	1	1	0 (deletion of vacant post)	N/A	N/A
CFW	Education Support. Review of the business support function including staffing restructure of executive and school business support. Also proposed income generation (£100k)	TBC	TBC	TBC	TBC	TBC	N/A	Review ongoing and to be subject to a separate consultation exercise
CFW	Connexions. Reduced service offer. (£260k)	1	2.8	1.6	5.4	6	6	Savings to be achieved via acceptance of early release requests and some minor internal changes. Therefore the requirement for compulsory redundancies has been mitigated.
CFW	Education Welfare - Reduced service offer. (£100k)	0	3	0	3	5	0	Additional funding of £48k identified, which has reduced the FTE impact to 1.8. The requirement for compulsory redundancies has been mitigated from 5 to 2.
CFW	Youth Offending Service (£150k) (Y2 - c/f)	0	1	0	1	1	0	Review ongoing and to be subject to a separate consultation exercise
ETO	Directorate Business Support Review (£102k)	1	0	4.85	5.85	7	7	Savings achieved via voluntary release requests. Therefore the requirement for compulsory redundancies has been mitigated.

ETO	Highways management. Restructure of staffing and reduction in managerial capacity. (£100k)	3	0	0	3	3	2	An alternative solution has been submitted and is currently under consideration. This solution potentially achieves the savings target with a reduced impact on staffing
ETO	Highways and Groundforce Operations Senior Management. Restructure of staffing and reduction in managerial capacity. (£40k)	1	0	0	1	0 (deletion of vacant post)	N/A	N/A
ETO	Highways. Disestablish Road Safety/Travel Coordinator. (£26k)	0	0	1	1	1	0	No change to proposal. Voluntary resignation received. No requirement for a redundancy
ETO	Groundforce review (£550k)	0	21.2	0	21.2	21 (deletion of 1 vacant post)	11	Original proposals to remain but implementation strategy amended following consultation. Number of compulsory redundancies mitigated as a result of submission of early release requests. Potential compulsory redundancies reduced to 9.
ETO	Greenspace. Tree Unit - Review operational delivery model (£54k)	0	3	0	3	3	1	Original proposals to remain, however, dependent upon the outcome of the tendering exercise, the number of compulsory redundancies may be mitigated.
ETO	Public Protection. Restructure of staffing and reduction in managerial and operational capacity. (£167k)	1	3	0	4	2 (deletion of 2 vacant posts)	1	An alternative solution has been submitted and is currently under consideration. This solution potentially achieves the savings target with a reduced impact on staffing

T&R	Legal and Democratic Services review (£36k)	0	0	1	1	1	N/A	Review ongoing and to be subject to a separate consultation exercise
T&R	Access Trafford - Contact Centre (£44k) (Y2 - c/f)	0	2	0	2	0 (deletion of vacant posts)	N/A	N/A
T&R	Human Resources. The service will need to move to a different operating model to make the £200k savings in 2014/15, through shared services and income generating arrangements. The new operating model has yet to be determined which will impact on the timing of savings commencing.	TBC	TBC	TBC	TBC	TBC	0	Review ongoing and to be subject to a separate consultation exercise
T&R	Revs & Bens. A detailed review of the Revenue and Benefits staff structure has identified opportunities to save 8.7 FTE. There will be no compulsory redundancies as the savings are arising from vacant posts (£141k)	0	0	8.7	8.7	0 (deletion of vacant posts)	N/A	N/A
T&R	Access Trafford – Review of Libraries (£116k) (Y2 - c/f)	0	5.5	0	5.5	0 (deletion of vacant posts)	N/A	N/A
T&R	Audit – review of resources (£10k)	TBC	TBC	TBC	TBC	TBC	1	Savings achieved via voluntary release.
T&R	Redesign of Partnerships & Performance/ Safe and Strong Communities (£350k)	1	0	14.4	15.4	7 (deletion of 10.5 vacant posts)	2	Proposal reviewed as a result of feedback, including identification of additional funding. Compulsory redundancy impact mitigated to an estimated 3.
T&R	Review of Culture & Sport (£32k)	0	0	1	1	1	0	Original proposal to remain. Deletion of unique post resulting in one compulsory redundancy

T&R	Transformation Team – Further reductions to team establishment in order to reduce pressures on reserves	4	0	3	7	7	1	Original proposals reviewed following consultation. As a result of labour turnover, additional funding being secured and a voluntary release request, the requirement for compulsory redundancies has been mitigated. Therefore, no compulsory redundancies required
TOTAL (ORIGINAL)		12	41.5	35.55	89.05	64	32	As a result of the statutory consultation process, it is estimated that the revised FTE reduction will be 84.25 and that the headcount reduction will be 56 . Of these, it is anticipated that 37 will be achieved as a result of voluntary measures (32 voluntary release requests and 5 resignations). The number of compulsory redundancies has been mitigated and is now estimated as being in the region of 19.

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TRAFFORD BOROUGH COUNCIL

Report to: Executive & Council
Date: 19 February 2014
Report for: Decision
Report of: Deputy Leader & Executive Member for Finance and the Director of Finance

Report Title

FEES, CHARGES & ALLOWANCES 2014/15

Summary

This report summarises the salient features of the annual review and pricing of the Council's main fees and charges. The booklet that details individual fees and charges can be found on the Council's website in the area that supports the agenda.

The Fees and Charges booklet represents the main fees and charges to the public upon which the Executive's proposed budget for 2014/15 has been based. Most fees and charges have been reviewed and amended as appropriate either by regulation or as aligned to the budget process.

The fees and charges are inclusive of VAT, where indicated, and delegated authority to Corporate Directors and the Director of Finance, is sought to amend the level of the relevant fee or charge as appropriate if there are changes to the rate of VAT during 2014/15, which is the Council's traditional practice.

As in previous years, the majority of fees and charges have been coded as to the extent of discretion the Council has to establish the fee or charge, and then the level of discretion to determine the level of fee or charge.

Recommendation(s)

It is recommended that:

The Fees and Charges for 2014/15, as set out in the booklet available on the Council's web site, be approved.

Notice is given of the intent to increase allotment fees by 50p per week for a standard and additional concessionary plot, and a concessionary charge for a first plot to be increased by 25p per week, in 2015/16.

Approval is given to Corporate Directors and the Director of Finance with the joint delegation to amend fees and charges during 2014/15 in the event of any change in the rate of VAT, as appropriate.

Contact person for access to background papers and further information:

Name: Councillor Sean Anstee, Deputy Leader and Executive Portfolio Holder for Finance
Ian Duncan, Director of Finance

Extension: 4884

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed budget for 2014/15 cross cuts all key priorities and policies.
Financial	The report sets out the proposed Fees and Charges for 2014/15.
Legal Implications:	It is a statutory requirement for the Council to set and approve a balanced, robust budget and council tax level. Budget proposals take account of various legislative changes as they affect Council services. The Council has begun the statutory processes associated with the effect of the proposed budget on staffing levels.
Equality/Diversity Implications	Equality impact assessments to be carried out supporting the budget proposals as appropriate
Sustainability Implications	None arising out of this report
Staffing/E-Government/Asset Management Implications	Human Resources – statutory processes have begun and the impact on staffing is still subject to consultation.
Risk Management Implications	An impact assessment of each budget proposal is undertaken as part of the overall budget setting process.
Health and Safety Implications	An impact assessment of each budget proposal is undertaken as part of the overall budget setting process.

Other Options

All options at an individual fee or charge basis would have been considered, where appropriate, during the budget process.

Consultation

A budget consultation has been carried out, the details and results of which are shown in Section 2 of the Budget Report.

Reasons for Recommendation

To fulfill the obligations outlined in the Council Constitution for the budget process.

Key Decision

This is a key decision currently on the Forward Plan: Yes

Finance Officer ClearanceID.....

Legal Officer ClearanceJL.....

CORPORATE DIRECTOR'S SIGNATURE

(electronic).....**WM**.....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

INTRODUCTION

- 1.1 The detailed fees and charges booklet is available on the Council's web site alongside other agenda items. This booklet represents a schedule of the main fees and charges which the Executive is proposing to charge for services in 2014/15 and included in the revenue budget proposals for 2014/15 to be presented to Council on 19 February 2014.
- 1.2 It should be noted that the booklet mostly relates to fees and charges levied on the general public, businesses or service users. Trading income, particularly internal trading income such as that with Schools, is not covered within the fees and charges booklet as it is subject to individual contracts and negotiations.

2. COUNCIL DISCRETION IN SETTING FEES & CHARGES

- 2.1 All fees and charges are subject to relevant legal constraints. Some fees and charges are required by law to be established and administered by the Council, others can be established at the Council's discretion. Once established, regulations then influence the extent or level of the fee or charge. Some fee or charge levels are set by regulation, others are limited by regulation, and some can be determined freely by the Council, though subject to other influencing factors such as competition.
- 2.2 The schedule of fees and charges indicates which fees are Mandatory (M) and which are Discretionary (D) for both the establishment of the charge (the first indicator) and then setting the level of the charge (the second indicator). For example, a fee that must be established and administered by the Council, but the level of fee or charge can be freely determined by the Council would be marked 'M / D'.

How is it determined that a fee or charge can be levied?	Who or how is the rate of the fee or charge determined?	Example of Fee or Charge	KEY
Regulation	Regulation – the rate of charge is fixed by regulation	Registrar Certificates Gaming Permits	M / M
Regulation	Regulation –the Council can choose between lower and/or upper limits	Casino applications Entertainment Licences	M / D*
The Council	Regulation – the Council can only recover costs & reasonable overheads and/or between upper and lower limits or other limit	Fixed Penalty Notices	D / D*
Regulation	The Council	Environmental searches Marriage & Civil Partnerships	M / D
The Council	The Council	Library charges Land charges & search fees	D / D

2.3 The above table has been RAG shaded in terms of extent of Council discretion from red (top 1) where fees and charges are mostly determined by regulation, to green (bottom 2) where the Council has greater control on establishing and setting fee or charge levels. In the middle, or amber zone, Council's discretion is limited by regulatory rules, and for the fees or charges that are subject to such rules a code of 'D*' is used in the booklet, usually with a statement that describes the relevant rule at the bottom of the page or table.

3. Summary of Fees and Charges movements

3.1 The booklet states the percentage increase for each fee or charge. The following table provides key statistics by the type of charge using the coding system outlined in section 2. It should be noted that an increase in the level of fee or charge may not generate the same increase in actual revenue as purchases or uses of the service may vary. Further, any average increase does not suggest the increase in total revenue as some charges may increase substantially in percentage terms but not in monetary, and that some charges are levied more often than others.

Discretion Code	No. of Charges (No')	As a % of the Total (%)	Charges yet TBA (No')	% of charges that have changed (%)	Average increase (%)
M / M	61	6%	0	28%	2%
M / D*	81	8%	0	1%	0%
D / D*	13	1%	0	0%	0%
M / D	53	5%	2	77%	6%
D / D	870	87%	0	80%	8%
Total	997		2	77%	8%

3.2 Nearly 30% of mandatory fees have changed by an average of 2%. Where the Council has discretion to increase the charge level, all such charges have been reviewed as part of the budget process, and consequentially there is much greater movement in those fees and charges. Where the Council has discretion to charge up to a maximum amount set by legislation, many of the current fees are already close to the statutory limit.

3.3 The key highlights with regard to specific charges are:

Adult Social Services

Charges for Domiciliary care are dependent on the actual rates charged by providers of care. The Council is currently in the final stages of negotiations with service providers to agree charges for 2014/15. Rates are expected to be agreed by mid- February.

Unlike in previous years, there is no change in the Council's Community Care Charging Policy.

The various means tested benefits and allowances used within the Charge for Residential Accommodate Guide (CRAG) as prescribed by Government have increased between 1% and 3.6%.

Environment, Transport & Operations; has the majority of the Council's fees and charges. The main changes within this service are:

Pest Control – withdrawal of 50% reduction for benefit claimants;

Cemeteries & Crematorium – new charges for grave widening and an increase of 181% for 'Public Grave' interment to bring it in line with a 'Resident fee' burial;

Stray dogs – 36% increase in charge which now includes a statutory fixed fee of £25 as well as costs of the Animal Warden and subsequent kennelling costs;

New charges introduced for Scrap metal licences;

It should be noted that there are no increases for on/off street parking charges and residents parking permits;

All existing private hire and hackney carriage fees have been frozen, with the exception of roof signs, which have increased by 58% in line with cost of materials;

Allotment fees for 2015/16 have also been notified in line with the terms of the lease agreements.

Economic Growth & Prosperity

The main change relates to new charges for Building Control certificates and research work.

- 3.4 The schedule of fees and charges has been reviewed by management, and amendments made to include those fees and charges which should be brought to the attention of Council at the time of setting the budget, or exclude those that are superfluous.

Trafford Metropolitan Borough Council

DRAFT Fees, Charges and Allowances

2014/15

Fees, Charges and Allowances Guide

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KEY

All fees and charges are subject to relevant legal constraints. Some fees and charges are required by law to be established and administered by the Council, others can be established at the Council's discretion. Once established, regulations then influence the extent or level of the fee or charge. Some fee or charge levels are set by regulation, others are limited by regulation, and some can be determined freely by the Council, though subject to other influencing factors such as competition.

The attached list of fees and charges also indicates which fees are Mandatory (M) and which are Discretionary (D) for both the establishment of the charge (the first indicator) and then setting the level of the charge (the second indicator). For example, a fee that must be established and administered by the Council, but the level of fee or charge can be freely determined by the Council would be marked 'M / D'.

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Regulation	Regulation –the Council can choose between lower and/or upper limits	Casino applications Entertainment Licences	M/D*
The Council	Regulation – the Council can only recover costs & reasonable overheads and/or between upper and lower limits or other limit	Fixed Penalty Notices	D/D*
Regulation	The Council	Environmental searches Marriage & Civil Partnerships	M/D
The Council	The Council	Library charges Land charges & search fees	D/D

CHILDREN & YOUNG PEOPLE SERVICES

Youth Service Hire Charges 2014/15 (All Discretionary)

Letting of Youth Centres

			Rooms				% change
			1	2	3	4	
Scale A	Per Session	up to 50 people	£29.00	£38.00	£56.00	£75.00	5.0%
Scale B	Per Session	51 to 99 people	£38.00	£56.00	£75.00	£93.00	5.0%
Scale C	Per Session	100 to 250 people	£55.00	£74.00	£92.00	£113.00	5.0%
Scale D	Per Session	over 250 people	£74.00	£92.00	£112.00	£129.00	5.0%

Morning session	09.00 – 13.00
-----------------	---------------

Afternoon session	13.00 – 17.00
-------------------	---------------

Evening session	17.00 – 21.00
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Full details of letting terms and conditions available on request from :-

Finance Department,
Youth Service,
Trafford Town Hall
Talbot Road
Stretford
M32 0TH

Trafford Youth Service Charges for Services 2014/15 (All Discretionary)

Unit	Cost £	Session Time	Activity Includes	Additional Notes	% change
<u>Outdoor Education standard activities</u>					
	129.00	3 hour half day	Kit issue, Safety briefings & Kit	Minimum of 2 hours activity	5.0%
	248.00	6 hour full day	Kit issue, Safety briefings & Kit	Minimum of 5 hours activity	5.0%
<u>Outdoor Education non-standard activities</u>					
	185.00	3 hour half day	Kit issue, Safety briefings & Kit	Minimum of 2 hours activity	5.0%
	369.00	6 hour full day	Kit issue, Safety briefings & Kit	Minimum of 5 hours activity	5.0%
<u>Mobile Unit</u>					
	67.00	per hour	N/A	Hire for Mobile Unit Only	5.0%
<u>Gorse Hill Music Studio</u>					
	32.00 - 51.50	Per hour	Use of the studio 1 and engineer Use of associated rooms e.g. & vocal rooms.	Maximum of 6 young people or maximum of 8 young with another agency worker	5.0%
	257.50 - 412.00	8 hours studio sessions	Block of taster sessions in: 1. Planning/ideas 2. Recording 3. Mixing & mastering Digital arts suite room hire	4 x 2 hour sessions in studio and CD's Hire of room plus equipment	5.0%
<u>Youth worker session</u>					
	90.00	3 1/2 hours	N/A	maximum of 8 young people	5.0%

Music Service

Group instrumental lessons range from £3.00 to £6.50 per lesson (dependent on class size).

Individual lessons range from £10 to £15.50 per lesson (dependent on length of lesson and whether child or adult, also on whether child attends a Trafford School or Trafford Music Ensemble).

Instrument hire is £15 to £25 per term (dependent on type of instrument, also on whether child attends a Trafford School or Trafford Music Ensemble).

ADULT SOCIAL CARE

Telephones Provided Under the Chronically Sick and Disabled Persons Act 1970

Following the calculation of the net chargeable income, the following scale is used to determine the service user's entitlement to assistance.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Free installation and rental	M/D	Net chargeable income of up to £12.10 per week	Net chargeable income of up to £12.70 per week	5.0%
Free installation only	M/D	Net chargeable income of up to £12.10 per week but below £24.60 per week	Net chargeable income of up to £12.70 per week but below £25.80 per week	4.9%
No assistance	M/D	Net chargeable income above £24.60 per week	Net chargeable income above £25.80 per week	4.9%
Estimated Financial Implication - Negligible				

Review of Residential and Nursing Home Placements

The Council, in making residential care and nursing home placements outside the Trafford area, may ask the other Local Authority involved to carry out the placement review where it would be more cost effective to do so e.g. where a placement is made in a distant local authority area.

In cases where another local authority arranges a residential placement within the Trafford area and requests that a Trafford Social Worker undertakes the placement review then a charge may be made which is a flat rate charge calculated to cover the cost of social work and administrative time in completing the review.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge for Review	D/D	268.00	281.00	4.9%
Estimated Financial Implication - Negligible				

Community Care Charging Policy - Disregard of Income and Expenditure

The Department of Health Guidance "Fairer Charging for Non-Residential Services" lays down statutory allowances for charging. These are Income Support allowances plus 25%.

The guidance allows the council to charge against Disability Benefits, (Attendance Allowance and Disability Living Allowance) and the Severe Disability Premium of Income Support.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Percentage disregard of Net Disposable Income	M/D	0%	0%	0%
Standard Disregard for Disability Related Expenditure	M/D	10.00	10.00	0.0%

Daily Rate for Day Care Attendance and Day Care Transport	VAT (V) /Code	2013/14 £	2014/15 £	% change
Daily rate for Day Care Attendance	M/D	31.25	32.81	5.0%
Sessional rate (1/2 day attendance)	M/D	15.63	16.41	5.0%
Day Care Transport	M/D	2.00	2.00	0.0%
Domiciliary Care Charge	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge per Hour	M/D	12.62	12.62*	0.0%
Charge per half hour	M/D	6.31	6.31*	0.0%
* These charges are subject to consultation and may change.				
Bathing Service - Charge for Bath	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge per Bath	M/D	9.30	9.70	4.3%
It is recommended that this charge, which is equivalent to the hourly rate for domiciliary care, be increased in line with the domiciliary care charge.				

Overall maximum weekly charge	VAT (V) /Code	2013/14 £	2014/15 £	% change
*Users who meet criteria for financial assessment (capital less than £23,250) shall be subject to a maximum weekly charge of : Estimated Financial Implication - Negligible NB: For service users with capital over £23,250 there is no overall weekly maximum charge and they are required to pay the full amount in relation to the level of services provided.	M/D	214.15	224.86	5.0%

Pendant Alarm Services				
At the Social Services Committee on 1st December 1994, Members approved a scale of charges in respect of pendant alarm systems provided under the Health Services and Public Health Act 1968. The maximum charge is linked to the equipment rental and service required from the Safe and Sustainable Environment Directorate.				
The following service charges for 2014/15 are in line with Government Guidance for Supporting People :				
	VAT (V) /Code	2013/14 £	2014/15 £	% change
Service level 1 - Supporting People	M/D	1.80	1.90	5.6%
Service level 2 - Supporting People	M/D	2.60	2.70	3.8%
Service level 3 - Supporting People	M/D	4.50	4.70	4.4%
Service level 1 - 24 hr monitoring service	M/D	4.20	4.40	4.8%
Service level 2 - responds to emergency calls received by sending a mobile	M/D	5.00	5.20	4.0%
Service level 3 - as per Service level 2 with an additional planned visiting service.	M/D	7.20	7.60	5.6%
Estimated Financial Implication - Negligible				

Supported Living - 3 Kenwood Road				
All current tenants receive Housing Benefit which meets the major part of their rent. An additional charge in the rent, which is not eligible for Housing Benefit, is made for heating and lighting. An increase of 5% would equate to basic rent of £182.69 and heating and lighting to £12.81, making a total weekly rent of £195.50.				
	VAT (V) /Code	2013/14 £	2014/15 £	% change
Kenwood Road	M/D	186.17	195.50	5.0%
Communal Cleaning Charges - Kenwood Road	M/D	21.80	22.90	5.0%
Estimated Financial Implication - Negligible				

Supported Living - Shawe Road & Shawe View				
Most permanent tenants receive housing benefit which meets the major part of their rent. An additional charge in the rent, which is not eligible for Housing Benefit, is made for heating and lighting. An increase of 5% would equate to basic rent of £182.69 and heating and lighting charge of £18.61 making a total weekly rent of £201.30.				
	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Shawe Road</u>				
Rent	M/D	191.73	201.30	5.0%
Charges – Shawe Road	M/D	42.00	44.10	5.0%
<u>Charges for Part 3 Homes (Shawe Rd Respite)</u>				
Cost per resident week	M/D	507.47	532.84	5.0%

Administration Charges Relating to Funerals and Estates
 Section 46 of the Public Health (Control of Disease) Act 1984 charges Local Authorities with the duty to bury or cremate the body "of any person who has died or been found dead in their area, in any case where it appears to the Authority that no suitable arrangements for the disposal of the body have been made or are being made otherwise than the Authority". The Authority is empowered to reimburse itself for any costs involved from the estate provided there are sufficient means to do so.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Where a funeral is arranged but inventory is not required	V M/D	222.00	233.00	5.0%
Where a funeral is arranged and inventory taken.	V M/D	444.00	466.00	5.0%
Estates which have involved four days work (30 hours) involving searching,	V M/D	647.00	679.00	4.9%
Estates where an inventory is taken but no funeral arranged.	V M/D	222.00	233.00	5.0%
Estimated Financial Implication - Negligible				

Administration fee for Deferred Payers
 CRAG guidance states that councils are expected to offer deferred payment arrangements for residents where there is not sufficient disposable income to pay the charge as the capital is tied up in the property. The Authority is empowered to reimburse itself for any costs involved from the estate provided there are sufficient means to do so.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge per deferred case	V D/D	210.00	220.00	4.8%

Scale of Income Support Allowances used in Trafford's Assessments	VAT (V) /Code	2013/14 £	2014/15 £	% change
Personal Allowances				
<u>Single claimant</u>				
18-24	M/M	56.80	57.35	1.0%
25 - 60	M/M	71.70	72.40	1.0%
60 and over	M/M	145.40	148.35	2.0%
<u>Couple</u>				
At least one aged 18 or over	M/M	112.55	113.70	1.0%
Couple aged 60 and over	M/M	222.05	226.50	2.0%
<u>Disability Premium</u>				
Single	M/M	31.00	31.85	2.7%
Couple	M/M	44.20	45.40	2.7%
<u>Pensioner Premium</u>				
Single	M/M	73.30	75.95	3.6%
Couple	M/M	109.50	112.80	3.0%
<u>Severe Disability Premium</u>				
Single claimant	M/M	59.50	61.10	2.7%
Couple (both qualify)	M/M	119.00	122.20	2.7%
<u>Enhanced Disability Premium</u>				
Single claimant	M/M	15.15	15.55	2.6%
Couple	M/M	21.75	22.35	2.8%
<u>Other Premiums</u>				
Carer Premium	M/M	33.30	34.20	2.7%
<u>CAPITAL LIMITS</u>				
Lower Limit	M/M	14,250.00	14,250.00	0.0%
Upper Limit	M/M	23,250.00	23,250.00	0.0%

Disabled Facilities Grants	VAT (V) /Code	2013/14 £	2014/15 £	% change
* Technical and Professional Services fee - minimum charge (£275.00) or 15% of eligible expense, (whichever is the greater). All plus professional negligence insurance based on 10% of fee plus VAT. Professional Indemnity Insurance Fee - 10% of fee.	M/D	*	*	0.0%

ENVIRONMENT, TRANSPORT & OPERATIONS

Freedom of Information Act 2002	VAT (V) /Code	2013/14 £	2014/15 £	% change
If substantial staff time is involved in providing information, an administration charge may be made. Photocopying - per sheet	V D/D	0.05	0.10	100.0%

ENVIRONMENT, TRANSPORT & OPERATIONS

Highways Business Group

Stopping Up and Diversion Of Highway (Temporary)	VAT (V) /Code	2013/14 £	2014/15 £	% change
Temporary Traffic Orders				
Section 14(1) Orders (long term) Costs for Posting of Notices & Invoicing included.	D/D	1,476.00	1,550.00	5.0%
Section 14(2) Notices (5 Day/Emergencies) Costs for Posting of Notices & Invoicing included.	D/D	442.00	464.00	5.0%
Provision of Access Highlight Markings:				
Single Property	D/D	51.50	54.00	4.9%
Two Properties	D/D	83.00	87.00	4.8%

Road Opening Permit	VAT (V) /Code	2013/14 £	2014/15 £	% change
To allow for the excavation in the highway for the purpose footway crossings, sewer connections and sewer maintenance works.				
Administration Fee	V D/D	152.00	160.00	5.3%
Inspection fee – New Roads and Streetworks Act Section 75	M/M	Fee set nationally due March	Fee set nationally due March	
Reinstatement Charges	D/D	Actual Cost	Actual Cost	

New Roads and Streetworks Act 1991 - Section 50 Street Works Licence

Fees to allow for the administration of the licence, maintaining the record of the apparatus and permitted inspection fees under the Act.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Administration Fee – Installation of apparatus (non-returnable)	V D/D	256.00	270.00	5.5%
Administration Fee – Maintenance of apparatus	V D/D	128.00	135.00	5.5%
Capitalised Fee in lieu of annual charge.	M/D	170.00	180.00	5.9%
Inspection fee per 200m length.	M/M	Fee set nationally due March	Fee set nationally due March	
Traffic Management Act - The above may be subject to changes in legislation.				

Street Furniture Records and Specification Info.	VAT (V) /Code	2013/14 £	2014/15 £	% change
To cover small development involving no more than 6 items of street furniture.	D/D	71.50	75.00	4.9%
To cover major development involving more than 6 items of street furniture.	D/D	88.00	93.00	5.7%
Provision of Street Lighting Specification.	D/D	56.50	59.00	4.4%

Vehicular Crossings	VAT (V) /Code	2013/14 £	2014/15 £	% change
Site inspection, preparation of estimate, processing application, supervision of work, payment of account, including all administration costs.	D/D	Actual Cost	Actual Cost	
Specialist input if required, i.e. Trees, Street Lighting.	D/D	Actual Cost	Actual Cost	
Where a crossing is provided as part of programmed highway works, an all inclusive minimum charge (based on standard width of 2.7m).	D/D	371.00	390.00	5.1%
To provide estimate for a vehicle crossing.	D/D	33.50	35.00	4.5%

Hire Of Barriers, Lamps Etc.	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Daily Charges</u>				
Danger Lamp	V D/D	2.00	2.00	0.0%
Danger Lamp including batteries	V D/D	3.68	4.00	8.7%
Traffic Cone to 450 mm high	V D/D	0.50	0.50	0.0%
Traffic Cone and Traffic Cylinder with base over 450 mm	V D/D	1.05	1.10	4.8%
<u>Portable Signs in stands</u> – Minimum charge of 3 days				
600mm triangle/circle	V D/D	2.10	2.20	4.8%
750mm triangle/circle	V D/D	2.10	2.20	4.8%
900mm triangle/circle	V D/D	3.15	3.30	4.8%
1200mm triangle/circle	V D/D	4.20	4.40	4.8%
1050 x 750 rectangle (maximum)	V D/D	4.20	4.40	4.8%

Temporary Signs for pole mounting, excluding mounting - Minimum charge of 3 days	VAT (V) /Code	2013/14 £	2014/15 £	% change
450mm	V D/D	2.10	2.20	4.8%
600mm	V D/D	2.10	2.20	4.8%
750mm	V D/D	2.63	2.80	6.5%
900mm	V D/D	3.68	3.90	6.0%
1200mm	V D/D	3.68	3.90	6.0%
1050 x 750 rectangle	V D/D	3.68	3.90	6.0%
Lane closed, Guard Barrier or Crowd Barrier - Minimum charge 3 days	V D/D	4.20	4.40	4.8%
<u>Temporary Column excluding erection</u> - Minimum charge 3 days				
Temporary Column excluding erection– 8 metre	V D/D	6.83	7.20	5.4%
Temporary Column excluding erection– 6 metre	V D/D	5.25	5.50	4.8%
Wide Base	V D/D	7.35	7.70	4.8%
Twinex Light Unit	V D/D	4.73	5.00	5.7%

Delivery/Collection charges not included. All losses charges at replacement cost.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>WEEKLY</u> (charge for 5 days)				
Danger Lamp	V D/D	10.50	11.00	4.8%
Danger Lamp including batteries	V D/D	17.85	18.70	4.8%
Traffic Cone to 450 mm high	V D/D	2.63	2.80	6.5%
Traffic Cone and Traffic Cylinder with base over 450 mm	V D/D	3.68	3.90	6.0%
<u>Portable Signs in stands</u>				
600mm triangle/circle	V D/D	10.50	11.00	4.8%
750mm triangle/circle	V D/D	10.50	11.00	4.8%
900mm triangle/circle	V D/D	15.75	16.50	4.8%
1200mm triangle/circle	V D/D	18.90	19.90	5.3%
1050 x 750 rectangle (maximum)	V D/D	18.90	19.90	5.3%
<u>Temporary Signs for pole mounting, excluding mounting</u>				
450mm	V D/D	10.50	11.00	4.8%
600mm	V D/D	10.50	11.00	4.8%
750mm	V D/D	107.00	112.40	5.0%
900mm	V D/D	17.85	18.80	5.3%
1200mm	V D/D	17.85	18.80	5.3%
1050 x 750 rectangle	V D/D	17.85	18.80	5.3%
Lane closed, Guard Barrier or Crowd Barrier per section	V D/D	18.00	18.90	5.0%
<u>Temporary Column excluding erection</u> - Minimum charge 3 days				
Temporary Column excluding erection – 8 metre	V D/D	33.60	35.30	5.1%
Temporary Column excluding erection – 6 metre	V D/D	26.25	27.60	5.1%
Wide Base	V D/D	34.65	36.40	5.1%
Twinex Light Unit	V D/D	22.00	23.00	4.5%

Delivery/Collection charges not included. All losses charges at replacement cost.

Miscellaneous charges	VAT (V) /Code	2013/14 £	2014/15 £	% change
Grit, salt etc.				
20 Kilo bag - collected from depot	V D/D	10.00	10.50	5.0%
5 x 20 Kilo bags delivered (minimum 5 bags)	V D/D	168.00	177.00	5.4%
Loose grit salt - 1/2 tonne (if collected)	V D/D	51.00	54.00	5.9%
Loose grit salt - 1 tonne	V D/D	84.00	89.00	6.0%
Delivery charge for 1 tonne loose salt	V D/D	176.00	185.00	5.1%
Grit Bin Delivered	V D/D	344.00	362.00	5.2%
Grit Bin - Collected	V D/D	214.00	225.00	5.1%
Grit Bin - to fill	V D/D	177.00	186.00	5.1%
Hire of sandbags 1 week (each)	V D/D	4.00	4.20	5.0%
Second hand flags - dependent on availability	D/D	On application	On application	

Provision of Highway Inspection Details To Statutory Undertakers and Other Bodies	VAT (V) /Code	2013/14 £	2014/15 £	% change
Supply of collected Highway Inspection Data – per year requested	V D/D	96.60	101.40	5.0%
Administrative charge per question	V D/D	13.65	14.30	4.8%
Photocopying of existing information per sheet	V D/D	0.05	0.10	100.0%

Local Authorities (Transport Charges) Regulations 1998 – Skips	VAT (V) /Code	2013/14 £	2014/15 £	% change
Consideration to an application by any person for permission to deposit, or cause to be deposited, a skip on any highway pursuant to section 129 (1) and (2) of the Highways Act 1980.	D/D	29.40	29.40	0.0%

Local Authorities (Transport Charges) Regulations 1998 – Scaffolding	VAT (V) /Code	2013/14 £	2014/15 £	% change
Consideration of an application for licence in writing to erect or retain on or over a highway any scaffolding or other structure in connection with any building or demolition work or the alteration, repair, maintenance or cleaning of any building which obstructs the highway pursuant to section 169 (1) and (2) of the Highways Act 1980.	D/D	100.00	105.00	5.0%
For each 28 day period thereafter.	D/D	50.00	100.00	100.0%

Local Authorities (Transport Charges) Regulations – Hoardings	VAT (V) /Code	2013/14 £	2014/15 £	% change
Consideration of an application for consent for the obligation to erect a hoarding or fence in accordance with section 172 (1) of the highways Act 1980 to be dispensed pursuant to subsection (2) of that section.	D/D	100.00	105.00	5.0%
Anything done by the local highway authority in connection with site specifications to monitor compliance with duties imposed by section 172(3) and by section 173 (1) of the highways Act 1980 on a person who has erected a hoarding or fence (for pre and post erection inspections per month for duration for safety inspections.	D/D	50.00	52.50	5.0%

Removal of “A” Boards and Other Obstructions placed within the Public Highway	VAT (V) /Code	2013/14 £	2014/15 £	% change
Small	V D/D	46.00	49.00	6.5%
Medium	V D/D	91.00	96.00	5.5%
Large	V D/D	134.00	141.00	5.2%

Placing of Tables and Chairs on The Highway	VAT (V) /Code	2013/14 £	2014/15 £	% change
Band 1 renewal 12 month - Licenced Premises.	D/D	278.25	350.00	25.8%
Band 2 renewal 12 month - Street Café open until 20.30 hrs or in excess of 12 seats.	D/D	212.00	223.00	5.2%
Band 3 renewal 12 month - Street Café open until 17.30 hrs under 12 seats.	D/D	186.00	196.00	5.4%

Children’s Fairground Rides on the adopted highway under Section 115E of the Highways Act 1980	VAT (V) /Code	2013/14 £	2014/15 £	% change
per annum	D/D	1,600.00	1,680.00	5.0%
per month (4 week period)	D/D	140.00	147.00	5.0%
per week (one off special event)	D/D	40.00	42.00	5.0%

Copies of Technical Reports	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Copies of Technical Reports</u> (Ground Investigation and Tests Available to Developers/Consultants) per page inclusive of VAT - minimum charge of £50.	V D/D	2.54	2.65	4.3%
<u>Provision of Policy Documents</u> (for any policy document including the "Highway Design Standards for Adoption" document).	D/D	66.00	70.00	6.1%

Adopted Highway Information, Signs to Housing Developments

Street Lighting Design Services for Private Developments	VAT (V) /Code	2013/14 £	2014/15 £	% Change
Fixed design/checking fee	D/D	550.00	575.00	4.5%
Plus charge per column	D/D	39.00	41.00	5.1%

Highways Act 1980 Section 38 Agreement – Administration Charge	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge to be made of 8.5% of the Bond figure subject to a minimum charge of £5,210 and no maximum charge.	M/D	4,960.00	5,210.00	5.0%
Charge in respect of any agreed extension of time to that in the agreement.	M/D	830.00	872.00	5.1%

Stopping Up and Diversion of Highway (Permanent)	VAT (V) /Code	2013/14 £	2014/15 £	% change
For all requests for the stopping up and diversion of Highways/Public Rights of Way.	D/D	1,825.00	1,916.00	5.0%
The Council's legal fees will be payable in addition to the above.				

Provision of Direction Signing to Tourist Attractions	VAT (V) /Code	2013/14 £	2014/15 £	% change
Non-refundable fee for each request.	D/D	173.00	182.00	5.2%
Provision of temporary directional signage to events.	D/D	105.00	110.00	4.8%
If signing is agreed, the applicant is required to meet all costs for design, manufacture, erection and monitoring of the signs to their attractions.				

Street Numbering and Naming	VAT (V) /Code	2013/14 £	2014/15 £	% change
Renumbering of properties in situations where numbers have previously been allocated.	D/D	390.00	410.00	5.1%

Adopted Highway Information

For all requests from developers, individuals and external bodies to mark up plans submitted by them to show the extent of adopted highways.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
To cover single applications i.e. a single house.	D/D	47.50	50.00	5.3%
To cover large single unit development i.e. office block, single factory unit or flat development.	D/D	58.00	61.00	5.2%
To cover major development i.e. large scale housing, industrial and commercial development.	D/D	82.00	86.00	4.9%
Request for advice and information on proposals or infrastructure queries.	D/D	36.00	38.00	5.6%

Signs to Housing Development	VAT (V) /Code	2013/14 £	2014/15 £	% change
Irrespective of the number of signs, each application to be subject to a fee for processing the application and that the applicant pay the actual cost of providing the signs including the design fee. (The fee covers the first 12 months or part thereof).	D/D	296.00	311.00	5.1%
For each additional 12 months (or part thereof).	D/D	115.00	121.00	5.2%
Administration fee for removal of unauthorised signage.	D/D	91.00	96.00	5.5%
Each further sign:	D/D	12.50	13.00	4.0%
Small	D/D	24.00	25.00	4.2%
Large				
Dangerous Buildings and Demolition Notices	VAT (V) /Code	2013/14 £	2014/15 £	% change
Dangerous Buildings	D/D	poa	poa	N/A
Demolition Notices	D/D	194.00	204.00	5.2%

Parking Services				
Parking Permits	VAT (V) /Code	2013/14 £	2014/15 £	% change
Annual Residents Parking Permit	D/D	32.50	32.50	0.0%
Annual Visitor Permit	D/D	32.50	32.50	0.0%
Visitor Cards – one day use (Gorse Hill)	D/D	4.00	4.00	0.0%
Visitor Books – 25 cards per book	D/D	9.50	9.50	0.0%
Administration Fee	D/D	6.00	6.00	0.0%
Annual Business Permit	D/D	100.00	100.00	0.0%
Town Centre Display Area	VAT (V) /Code	2013/14 £	2014/15 £	% change
Daily charge	D/D	52.50	55.00	4.8%
Trafford Park Match Day Parking	VAT (V) /Code	2013/14 £	2014/15 £	% change
The Village, Trafford Park Match Day parking charge (per event)	D/D	4.00	4.00	0.0%
Pay and Display	VAT (V) /Code	2013/14 £	2014/15 £	% change
Off Street				
Regent Road up to 1 hour	V D/D	0.10	0.10	0.0%
Regent Road up to 2 hours	V D/D	0.30	0.30	0.0%
Regent Road up to 3 hours	V D/D	0.70	0.70	0.0%
Regent Road up to 4 hours	V D/D	2.00	2.00	0.0%
Regent Road over 4 hours	V D/D	6.00	6.00	0.0%
Oakfield Road up to 1 hour	V D/D	0.10	0.10	0.0%
Oakfield Road up to 2 hours	V D/D	0.30	0.30	0.0%
Oakfield Road up to 3 hours	V D/D	0.70	0.70	0.0%
Oakfield Road up to 4 hours	V D/D	2.00	2.00	0.0%
Oakfield Road over 4 hours	V D/D	3.00	3.00	0.0%
Victoria Road up to 1 hour	V D/D	0.10	0.10	0.0%
Victoria Road up to 2 hours	V D/D	0.30	0.30	0.0%
Victoria Road up to 3 hours	V D/D	0.70	0.70	0.0%
Victoria Road up to 4 hours	V D/D	2.00	2.00	0.0%
Victoria Road over 4 hours	V D/D	3.00	3.00	0.0%
Cecil Road up to 1 hour	V D/D	0.10	0.10	0.0%
Cecil Road up to 2 hours	V D/D	0.30	0.30	0.0%
Cecil Road up to 3 hours	V D/D	0.70	0.70	0.0%
Cecil Road up to 4 hours	V D/D	2.00	2.00	0.0%
Cecil Road over 4 hours	V D/D	3.00	3.00	0.0%
Oaklands Drive up to 1 hour	V D/D	0.10	0.10	0.0%
Oaklands Drive up to 2 hour	V D/D	0.30	0.30	0.0%
Oaklands Drive up to 3 hour	V D/D	0.70	0.70	0.0%
Oaklands Drive up to 4 hour	V D/D	2.00	2.00	0.0%
Oaklands Drive over 4 hour	V D/D	3.00	3.00	0.0%
Brown St up to 1 hour	V D/D	0.10	0.10	0.0%
Brown St up to 2 hour	V D/D	0.30	0.30	0.0%
Brown St up to 3 hour	V D/D	0.70	0.70	0.0%
Brown St up to 4 hour	V D/D	2.00	2.00	0.0%
Brown St over 4 hour	V D/D	3.00	3.00	0.0%

On Street

All tariffs remain unchanged from 2013/14

Location	1 hour	2 hours	3 hours	All day
ALTRINCHAM				
Stamford street (ss)	10p	30p		
Springfield road (ss)	10p	30p		
Victoria street (ss)	10p	30p		
Market street (ss)	10p	30p		
Regent road (ss)	10p	30p		
New street (ss)	10p	30p	(max stay 2hrs-no return 1 hour)	
The Downs (ss)	10p	30p		
Lloyd street (ss)	10p			
Railway street (ss)	10p	30p		
Kingsway (ss)	10p	30p		
Oakfield street (ss)	10p	30p		
Oxford road (ss)	10p	30p		
Barrington road (ss)	10p	30p		
Burlington road (ls)	10p	30p	70p	£2.00
Gaskell road (ls)	10p	30p	70p	£2.00

Location	1 hour	2 hours	3 hours	All day
Grosvenor road (nr 2+11) (ss)	10p	30p	(max stay 2hrs-no return	
Grosvenor road (Bridge) (ls)	10p	30p	70p	£2.00
Hazel road (ls)	10p	30p	70p	£2.00
Mill street (ls)	10p	30p	70p	£2.00
Sandiway road (ls)	10p	30p	70p	£2.00
Sandiway place (ss)	10p	30p	(max stay 2hrs-no return	
SALE				
Broad road (ss)	10p	30p	(max stay 2hrs-no return	
Northenden road (ss)	10p	30p	(max stay 2hrs-no return	
Hope road (ss)	10p	30p	(max stay 2hrs-no return	
Ashton lane (ss)	10p	30p	(max stay 2hrs-no return	
Harley road (ls)	10p	30p	70p	£2.00
Symons road (ls)	10p	30p	70p	£2.00
Linley road (ls)	10p	30p	70p	£2.00
Sefton road (ls)	10p	30p	70p	£2.00
Ashfield road (ss)	10p	30p	(max stay 2hrs-no return	
Leicester road (ss)	10p	30p	(max stay 2hrs-no return	
Claremont road (ss)	10p	30p	(max stay 2hrs-no return	
Claremont rd (nr School) (ss)	10p	30p	(max stay 2hrs-no return	
Brighton grove (ss)	10p	30p	(max stay 2hrs-no return	
STRETFORD				
Chorley street (ls)	10p	30p	70p	£2.00
			(previously charged at £1/each	
Warwick road (ls)	30p	30p	70p	£2.00
Brian Statham Way (ls)	30p	30p	70p	£2.00

Parking Dispensations and Suspensions

Operation of decriminalised parking enforcement gives provision for the Council to allow a named vehicle to park for a defined time in a parking place where the operation of the parking place has been suspended or where the parking place is in a restricted area.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Dispensation – per vehicle, per day , e.g. House Removal, Builders (for long term work, price to be agreed upon application).	D/D	10.50	11.00	4.8%
Dispensation – per vehicle for one month (builders etc.).	D/D	100.00	105.00	5.0%
Dispensation – per vehicle for two months (builders etc.).	D/D	150.00	160.00	6.7%
Dispensation – per vehicle for three months (builders etc.).	D/D	200.00	210.00	5.0%
Suspensions	D/D	21.00	22.00	4.8%
Multi-bay suspensions to be agreed upon application. Dependent on location.		negotiated on application with reference to daily parking charges		
Cones charge – refundable charge for each cone - charge to be negotiated on application.	D/D	10.50	11.00	4.8%

Greenspace Business Group

Allotments	VAT (V) /Code	2013/14 £	2014/15 £	% change
Standard Plots – 250 metres square – per annum	D/D	50.50	78.00	54.5%
Concessionary charge – first plot	D/D	25.25	39.00	54.5%
Concessionary – additional plots	D/D	50.50	78.00	54.5%
			2015/16 £	
N.B. Allotment fees set a year ahead in line with legislation.				
Standard Plots – 250 metres square – per annum			104.00	33.3%
Concessionary charge – first plot			52.00	33.3%
Concessionary – additional plots			104.00	33.3%

Park Games	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Tennis</u> Tennis free of charge in all parks.	D/D	0.00	0.00	0.0%
<u>Pitch and Putt</u> Adult 18 hole	V D/D	3.50	3.70	5.7%
Junior/Leisure pass	D/D	1.80	1.90	5.6%
Schools	D/D	1.00	1.00	0.0%

Fishing (King George V Pool)	VAT (V) /Code	2013/14 £	2014/15 £	% change
This facility is managed by Friends of King George V Pool who will collect and retain income for development projects.				
Day ticket to 5.00 p.m. – Adult	D/D	2.00	2.00	0.0%
Day Ticket to 5.00 p.m. - Junior/Leisure Pass	D/D	1.00	1.00	0.0%
Night fishing permit – Adult	D/D	30.00	30.00	0.0%

Special Events	VAT (V) /Code	2013/14 £	2014/15 £	% change
Filming in Parks - price dependent on size of company and length of stay.	V D/D	poa	poa	
Filming in Parks (parking) - price dependent on size of company and length of stay.	V D/D	poa	poa	

Cemeteries & Crematorium	VAT (V) /Code	2013/14 £	2014/15 £	% change
A) Cemeteries				
<u>Exclusive right of burial in an earthen grave</u> <i>Subject to availability at individual Cemeteries</i>				
Exclusive Right Fee	V D/D	1,430.00	1,505.00	5.2%
Resident Fee	V D/D	720.00	760.00	5.6%
<u>Exclusive right of burial of cremated remains</u>				
Exclusive right of burial of cremated remains	V D/D	720.00	760.00	5.6%
Resident Fee	V D/D	395.00	415.00	5.1%
<u>Interment Fees</u>				
At all cemeteries including Dunham Lawn				
To depth of up to 3 metres - 17 years or over	V D/D	1,220.00	1,285.00	5.3%
Child/Junior (Up to 5 years of Age)	V D/D	65.00	70.00	7.7%
Child/Junior (5 to 16 years of Age)	V D/D	160.00	170.00	6.3%
Interment of cremated remains in grave	V D/D	220.00	230.00	4.5%
Loose interment of cremated remains	V D/D	80.00	85.00	6.3%
Interment of Body Parts	V D/D	80.00	85.00	6.3%
Extra width on grave	V D/D	N/A	150.00	NEW in 14/15
Widening grave	V D/D	N/A	125.00	NEW in 14/15
Test dig grave to check size	V D/D	N/A	85.00	NEW in 14/15
<u>Resident Fee</u>				
To depth of up to 3 metres - 17 years or over	V D/D	775.00	815.00	5.2%
Child/Junior up to 16yrs of age	V D/D	Free	Free	
Interment of cremated remains in grave in casket	V D/D	190.00	200.00	5.3%
Loose interment of cremated remains	V D/D	65.00	70.00	7.7%
Interment of Body Parts	V D/D	80.00	85.00	6.3%

N.B. For multiple interments at the same time, in the same grave, the first interment shall be at the full rate.

Each other interment (including cremated remains) 50% fee reduction of full rate.

	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Interment of Public Grave</u>				
Child/Junior up to 17 years of age	V D/D	Free	Free	
Persons 18 years or over	V D/D	290.00	815.00	181.0%
<u>Exclusive right of Burial in Cremated Remains Vault 30 yrs</u>				
Exclusive right of Burial in Cremated Remains Vault 30 yrs	V D/D	995.00	1,050.00	5.5%
Resident Fee	V D/D	599.00	630.00	5.2%
Memorial for Cremated Remains Vault including 1st inscription.	D/D	475.00	500.00	5.3%
<u>Maintenance of Graves</u>				
Full Grave Planting where applicable	D/D	115.00	120.00	4.3%
Full Grave Planting - five years	D/D	525.00	555.00	5.7%
Half Grave Planting where applicable	D/D	60.00	65.00	8.3%
Half Grave Planting – five years	D/D	270.00	285.00	5.6%

Cemeteries cont.	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Headstones and Inscriptions</u>				
To erect a Headstone	D/D	125.00	130.00	4.0%
Subsequent Inscription Fee	V D/D	55.00	60.00	9.1%
Concrete Foundations	D/D	115.00	120.00	4.3%
<u>Miscellaneous (All Cemeteries)</u>				
Transfer of Burial Rights	D/D	45.00	50.00	11.1%
Transfer of Burial Rights – to non resident (incs. transfer & out of district extra charge).	D/D	710.00	747.00	5.2%
Hire of Chapel – Hale, Urmston & Stretford only.	V D/D	135.00	140.00	3.7%
Grave Search – per name	D/D	17.00	18.00	5.9%
Grave Marker	D/D	55.00	60.00	9.1%

B) Crematorium	VAT (V) /Code	2013/14 £	2014/15 £	% change
Dunham Massey, Altrincham				
Crematorium of persons 18 years or over	D/D	489.00	530.00	8.4%
Child/Junior (Up to 17 years of Age)	D/D	Free	Free	
Medical Referee's Services	M/M	24.00	25.00	4.2%
Cremation of Body Parts	D/D	80.00	85.00	6.3%
Interment of cremated remains (to Witness or from other Crematoria).	D/D	65.00	70.00	7.7%
Postage and Packing of Ashes	D/D	75.00	80.00	6.7%
Wooden Caskets	V D/D	80.00	85.00	6.3%
Crematoria Chapel	V D/D	210.00	220.00	4.8%
Storage of Cremated Remains – per month (1st month free of charge).	D/D	20.00	21.00	5.0%
Environmental Surcharge	D/D	55.00	55.00	0.0%

C) Memorials	VAT (V) /Code	2013/14 £	2014/15 £	% change
Memorial Plaques – (Dunham Lawn Only)	V D/D	130.00	135.00	3.8%
<u>Entries in Book of Remembrance</u>				
2 lines	V D/D	90.00	95.00	5.6%
5 lines	V D/D	135.00	140.00	3.7%
8 lines	V D/D	185.00	195.00	5.4%
Emblem	V D/D	100.00	105.00	5.0%
<u>Book of Remembrance Cards</u>				
2 lines	V D/D	50.00	53.00	6.0%
5 lines	V D/D	65.00	68.00	4.6%
8 lines	V D/D	90.00	95.00	5.6%
Emblem	V D/D	100.00	105.00	5.0%
<u>Miniature Books of Remembrance</u>				
2 lines	V D/D	80.00	85.00	6.3%
5 lines	V D/D	130.00	135.00	3.8%
8 lines	V D/D	165.00	175.00	6.1%
Emblem	V D/D	100.00	105.00	5.0%
<u>Vase Block Tablet</u>				
First ten years placement/maintenance	D/D	575.00	610.00	6.1%
Subsequent ten years maintenance	D/D	350.00	350.00	0.0%
Replacement plaque	D/D	230.00	240.00	4.3%
<u>Vase With Subterranean Chamber</u>				
Subsequent twenty years maintenance	D/D	470.00	495.00	5.3%
Replacement plaque	D/D	250.00	265.00	6.0%
<u>Memorial Roses</u>				
Bush Rose - five years placement and maintenance	D/D	200.00	210.00	5.0%
Standard Rose – five years placement and maintenance	D/D	275.00	290.00	5.5%
Additional Plaque	D/D	45.00	47.00	4.4%
Renewal of Rose Bush	D/D	130.00	140.00	7.7%
Renewal of Standard Rose	D/D	170.00	180.00	5.9%
<u>Niche Wall</u>				
Niche - ten years placement including plaque and maintenance	D/D	630.00	660.00	4.8%
Subsequent ten years maintenance	D/D	320.00	335.00	4.7%
Second placement & Replacement plaque	D/D	250.00	265.00	6.0%
Replacement plaque	D/D	230.00	240.00	4.3%
Gilded design on niche	D/D	55.00	58.00	5.5%
<u>Leather Panel Scheme</u>				
Panel - five years placement including plaque and maintenance	D/D	140.00	145.00	3.6%
Panel - ten years placement including plaque and maintenance	D/D	210.00	220.00	4.8%
Renewal for five years	D/D	100.00	105.00	5.0%
Renewal for ten years	D/D	115.00	120.00	4.3%

Memorials Cont.	VAT (V) /Code	2013/14 £	2014/15 £	% change
CABINET				
Urns (Metal)	D/D	170.00	175.00	2.9%
Urn (Bio-degradable)	D/D	120.00	125.00	4.2%
Keepsakes (Metal)	D/D	45.00	48.00	6.7%
Keepsakes (Porcelain)	D/D	90.00	95.00	5.6%
Urns and Keepsakes (Metal) together	D/D	205.00	215.00	4.9%
Baby wooden casket	D/D	55.00	58.00	5.5%
Baby Strewing Tube (Teddy)	D/D	22.00	23.00	4.5%
Alabaster Pot	D/D	95.00	100.00	5.3%
Necklace with Heart/Bow/Teardrop	D/D	90.00	95.00	5.6%
Keepsake Bracelet with Heart/Flask	D/D	100.00	105.00	5.0%
Ribbon/Teardrop/Flask	D/D	55.00	58.00	5.5%
Memorial Tableture Scheme				
Tablet - Small - 5 years placement/maintenance	D/D	290.00	300.00	3.4%
Tablet - Small - 10 years placement/maintenance	D/D	375.00	395.00	5.3%
Tablet - Large - 5 years placement/maintenance	D/D	350.00	370.00	5.7%
Tablet - Large - 10 years placement/maintenance	D/D	425.00	445.00	4.7%
Grave Lease Renewal				
5 year period	D/D	55.00	55.00	0.0%
10 year period	D/D	100.00	100.00	0.0%

Environment Business Group

Waste Management	VAT (V) /Code	2013/14 £	2014/15 £	% change
Waste Charges shown are NOW exclusive of VAT unless stated otherwise				
Waste Sack Purchases				
Commercial Waste blue Sacks (per 100)	D/D	243.46	255.63	5.0%
Purchase of general waste sacks (internal only) per 200	V D/D	19.33	20.30	5.0%
Contracted Commercial Services				
Commercial Wheeled Bins (Emptying & Disposal)				
240 litre wheeled bin, per container per annum (52 emptying)	D/D	326.45	342.77	5.0%
360 litre wheeled bin, per container per annum (52 emptying)	D/D	378.53	397.46	5.0%
Commercial Bulk Containers (Emptying & Disposal)				
660 litre Eurobin per container per annum (52 emptyings)	D/D	476.00	499.80	5.0%
770 litre Eurobin per container per annum (52 emptyings)	D/D	558.02	585.92	5.0%
1,100 litre Eurobin per container per annum (52 emptyings)	D/D	678.62	712.55	5.0%
Commercial Bulk Containers (Hire)				
660 litre Eurobin per container per annum	D/D	157.59	165.47	5.0%
770 litre Eurobin per container per annum	D/D	157.59	165.47	5.0%
1,100 litre Eurobin per container per annum	D/D	157.59	165.47	5.0%
Contracted Household Waste Collections (CWR) collection charges plus (Education estab, Nursing/Rest Homes, Charities)				
Charge is discretionary and may be amended in line with changes in controlled waste regulations				
240 litre wheeled bin, per container per annum (52 emptying)	D/D	168.01	176.41	5.0%
360 litre wheeled bin, per container per annum (52 emptying)	D/D	168.01	176.41	5.0%
660 litre Eurobin per container per annum (52 emptyings)	D/D	200.35	210.37	5.0%
770 litre Eurobin per container per annum (52 emptyings)	D/D	200.35	210.37	5.0%
1,100 litre Eurobin per container per annum (52 emptyings)	D/D	200.35	210.37	5.0%
Cancelled contract reinstatement charge	D/D	63.00	66.15	5.0%
Additional 'One Off' Commercial Collection (All Containers)				
		22.95	24.10	5.0%
Bulky Item Collection				
Removal of Commercial Bulky items (hourly charge)	D/D	76.33	80.15	5.0%
Removal of Commercial Fridges/Freezers/WEEE per unit	D/D	109.96	115.46	5.0%
Removal of Domestic Bulky Household Items (per 5 items)	D/D	27.00	28.00	3.7%
Domestic Container Purchase (Individual Properties)				
Purchase of Domestic Recycling and Waste Container New Builds.		81.49	85.56	5.0%
Domestic Containers Purchase for Developers - per Container. (INCLUSIVE of VAT)				
Purchase of Domestic Waste & recycling Euro Containers (flats) - set of 3	V D/D	764.78	803.02	5.0%
Purchase of Domestic Waste & recycling Wheeled Bins 360 (flats).	V D/D	59.62	62.60	5.0%
Delivery and Administration for Replacement Bins				
Delivery and administration charge for replacement grey bin	V D/D	25.00	25.00	N/A
Delivery and administration charge for replacement grey bin for householders receiving Council Tax Benefit, (excluding Single Persons Reductions) or Housing Benefit	V D/D	10.00	10.00	N/A

Environmental Health

A) Licences	VAT (V) /Code	2013/14 £	2014/15 £	% change
Health & Safety				
Tattooing, Cosmetic Piercing, Ear Piercing, Semi-permanent skin-colouring, Acupuncture & Electrolysis (and other related activities which may be included following a change to the relevant Byelaws) - Premises.	D/D	168.00	176.00	4.8%
Tattooing, Ear Piercing, Acupuncture & Electrolysis (and other related activities which may be included following a change to the relevant Byelaws) - Person.	D/D	57.00	60.00	5.3%
Statement of Facts	D/D	102.00	107.00	4.9%
Animal Welfare				
Pet Animals Act 1951 - Renewal	D/D	114.00	120.00	5.3%
Pet Animals Act 1951 - New Application	D/D	165.00	173.00	4.8%
Breeding of Dogs Act 1973 - Renewal	D/D	114.00	120.00	5.3%
Breeding of Dogs Act 1973 - New Application	D/D	165.00	173.00	4.8%
Animal Boarding Establishments Act 1963 - New Application	D/D	165.00	173.00	4.8%
Animal Boarding Establishments Act 1963 - Renewal	D/D	114.00	120.00	5.3%
Animal Boarding Establishments Act 1963 - Renewal (Home boarding)	D/D	57.00	60.00	5.3%
Animal Boarding Establishments Act 1963 -New (Home boarding)	D/D	165.00	173.00	4.8%
Riding Establishments Act 1964 & 1971 - Renewal	D/D	196.00	206.00	5.1%
Riding Establishments Act 1964 & 1971 - New Application	D/D	235.00	247.00	5.1%
Dangerous Wild Animals Act 1976 - Renewal	D/D	114.00	120.00	5.3%
Dangerous Wild Animals Act 1976 - New Application	D/D	165.00	173.00	4.8%
Performing Animals (Regulation) Act 1925	D/D	165.00	173.00	4.8%
Zoo Licence - Renewal	D/D	275.00	289.00	5.1%
Zoo Licence - New Application	D/D	477.00	501.00	5.0%
Vet's fees at cost plus 15% administration plus VAT	V D/D			
New application fees reflects additional work, time and visits required for licensing a new premises. The new application fee will also apply to any relocation of premises or change of licensee.				
	VAT (V) /Code	2013/14 £	2014/15 £	% change
Food Export Certificate	D/D	130.00	137.00	5.4%
Food Surrender Certificate	D/D	63.00	66.00	4.8%
Certificate of Free Sale	D/D	66.00	69.00	4.5%

B) Environmental Protection	VAT (V) /Code	2013/14 £	2014/15 £	% change
Environmental Protection fees are set nationally by DEFRA and are announced annually in March. At the time of publication, the 2014/15 fees are at consultation stage and are therefore subject to change.				
Authorised Processes - Application Fees				
Standard part B	M/M	1,579.00	1,579.00	0.0%
Part B - Reduced Activities		148.00	148.00	0.0%
Annual Subsistence Fees				
Standard Part B				
- Low Risk	M/M	739.00	739.00	0.0%
- Medium Risk	M/M	1,111.00	1,111.00	0.0%
- High Risk	M/M	1,672.00	1,672.00	0.0%
Part B - Reduced Activities				
- Medium Risk	M/M	151.00	151.00	0.0%
Vehicle Refinishers				
- Low Risk	M/M	218.00	218.00	0.0%
- Medium Risk	M/M	349.00	349.00	0.0%
- High Risk	M/M	524.00	524.00	0.0%
Mobile Screening and Crushing Plant				
- Low Risk	M/M	618.00	618.00	0.0%
Environmental Searches				
Basic environmental search (250m radius)	V M/D	70.00	73.50	5.0%
Extended basic environmental search (250-500m radius)	V	105.00	110.25	5.0%
Detailed environmental search	V	128.00	134.40	5.0%

C) Housing Standards	VAT (V) /Code	2013/14 £	2014/15 £	% change
Housing Inspection				
Immigration Inspections	V D/D	119.60	125.58	5.0%
Other Inspections	V D/D	108.25	113.66	5.0%
Notices & Works in Default				
Service of Statutory Notice under Housing Act	D/D	300.00	315.00	5.0%
Administration charge for works in default	M/D	Officers' hourly rate X 2	Officers' hourly rate X 2	
Landlord Accreditation	D/D	75.00	78.75	5.0%
HMO Licensing (Housing Act 2004 part 2)				
Per habitable room fee.		52.70	55.34	5.0%
Initial application (plus fee per habitable room).	M/D	583.20	612.36	5.0%
Subsequent application (plus fee per habitable room).	M/D	541.80	568.89	5.0%
Additional application fee after wrongly claimed exemption under Building Regulations.	M/D	73.80	77.49	5.0%
Notification of inadequate application.	M/D	51.45	54.02	5.0%
Resubmission of application following refusal of licence.	M/D	531.95	558.55	5.0%
Verification of satisfactory management arrangements.	M/D	71.20	74.76	5.0%
Application to vary licence or licence conditions.	M/D	75.80	79.59	5.0%
Renewal Fee for pass-ported HMO's with early re-applications (plus fee per habitable room).	M/D	271.00	284.55	5.0%

D) Pest Control	VAT (V) /Code	2013/14 £	2014/15 £	% change
Dwelling Houses				
- Wasps & Bees (Single or first nest below gutter level)	V D/D	55.00	58.00	5.5%
- Wasps & Bees (Single or first nest above gutter level)	V D/D	75.00	79.00	5.3%
- Wasps & Bees (Second or subsequent nests treated at same time)	V D/D	30.00	31.00	3.3%
- Ants	V D/D	55.00	58.00	5.5%
- Mice (3 visits)	V D/D	60.00	63.00	5.0%
- Grey Squirrels (3 visits)	V D/D	95.00	100.00	5.3%
- Fleas	V D/D	75.00	79.00	5.3%
- Fleas (respray within 14 days)	V D/D	25.00	26.00	4.0%
- Cockroaches	V D/D	75.00	79.00	5.3%
- Bedbugs (2 visits)	V D/D	150.00	158.00	5.3%
- Rats (3 visits)	V D/D	50.00	53.00	6.0%
- Call out charge and missed appointments (all customers, all pests)	V D/D	25.00	26.00	4.0%
- Pestport Scheme (3 visits - no discount for benefit recipients)	V D/D	45.00	47.00	4.4%
All other pests and insects in dwelling houses will be charged at an hourly rate of £53.00. The time charged would be a minimum of one hour for each visit and time in excess of one hour will be charged in rounded up thirty-minute periods.	V D/D	50.00 per hr	53.00 per hour	6.0%
Work at trade, commercial and local government premises will be charged at an hourly rate of £84.00 for the first visit, subsequent visits will be charged at £63.00 (assuming visit completed within 45 minutes)	V D/D	80.00 per hour	84.00 per hour	5.0%

E) Works in Default	VAT (V) /Code	2013/14 £	2014/15 £	% change
Administration charge for works in default	D/D	Officers' hourly rate X 1.34	Officers' hourly rate X 1.34	0.0%

F) Stray Dogs	VAT (V) /Code	2013/14 £	2014/15 £	% change
Stray Dogs Charge [Note: This charge applies when a stray dog has been seized by the Dog Warden is then collected by the owner from Manchester Dogs Home. Where a dog is returned directly to the owner by Animal Wardens (the contracted dog warden service) a fee of £77.00 is collected by them. Additional kennelling charges may also be applied by Manchester Dogs Home and Animal Wardens.]	M/D	80.00	108.56	35.7%

Licensing

Licence Application Fees

These fees are subject to a 'reasonableness' test and the authority must advertise certain fees for Hackney Carriage and Private Hire Vehicle Licensing with an objection period in operation for any challenge to an increase.

1. Taxis – Private Hire & Hackney	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Taxi Licences – Vehicles & Drivers</u>				
Hackney Vehicle Licence (Grant)	D/D	236.00	236.00	0.0%
Hackney Vehicle Licence (Renewal)	D/D	236.00	236.00	0.0%
Private Hire Vehicle Licence	D/D	236.00	236.00	0.0%
Initial Grant of Hackney Carriage/Private Hire Driver	D/D	128.00	128.00	0.0%
Renewal (Hackney Carriage Driver)	D/D	81.00	81.00	0.0%
Renewal (Private Hire Driver)	D/D	81.00	81.00	0.0%
* Includes charge to cover the cost of unmet demand survey				
<u>Vehicle Tests</u>				
Test Fee S.68	D/D	71.00	71.00	0.0%
Retest Fee	D/D	39.00	39.00	0.0%
Penalty – arriving late for vehicle test	D/D	26.50	26.50	0.0%
Meter Test	D/D	12.50	12.50	0.0%
Tint test (to check compliance with tinted glass policy)	D/D	12.50	12.50	0.0%
Exceptional Vehicle Condition Test	D/D	12.50	12.50	0.0%
<u>Drivers Tests</u>				
English Language Assessment		N/A	35.00	NEW in 14/15
Taxi Driver Training & Test	D/D	118.00	118.00	0.0%
Knowledge Test (re-take)	D/D	32.00	32.00	0.0%
Knowledge Test (one section re-take)	D/D	11.00	11.00	0.0%
<u>Taxi Operators Licence</u>				
1 vehicle	D/D	181.00	181.00	0.0%
Additional vehicle 2-5	D/D	181.00	181.00	0.0%
Plus per extra vehicle	D/D	29.50	29.50	0.0%
6-10 vehicles	D/D	351.00	351.00	0.0%
11 -29 vehicles	D/D	474.00	474.00	0.0%
30+ vehicles	D/D	623.00	623.00	0.0%
<u>Other Charges</u>				
Duplicate Licence	D/D	14.00	14.00	0.0%
Duplicate Plate	D/D	24.50	24.50	0.0%
Duplicate Badge	D/D	4.10	4.10	0.0%
Criminal Records Bureau Enhanced Check - Set by CRB	M/M	44.00	44.00	0.0%
DVLA Mandate	D/D	12.50	12.50	0.0%
Roof Signs	D/D	40.00	63.00	57.5%
Change of Vehicle	D/D	38.50	38.50	0.0%
Owner Transfer of Vehicle	D/D	14.00	14.00	0.0%
2. Liquor & Entertainment Licensing				
Personal Licences	M/M	37.00	37.00	0.0%
<u>Premises Licences</u>				
Band A	M/D *	70.00	70.00	0.0%
Band B	M/D *	180.00	180.00	0.0%
Band C	M/D *	295.00	295.00	0.0%
Band D	M/D *	320.00	320.00	0.0%
Band E	M/D *	350.00	350.00	0.0%
Temporary Event Notices (Approx.)	M/D *	21.00	21.00	0.0%
Change of Designated Premises Supervisor (Approx.)	M/D *	23.00	23.00	0.0%
Consultation fee for completion of application form (grant/variation of premises licence)	D/D	150.00	150.00	0.0%
<u>Premises Licences for Concerts</u>				
30,000 to 39,999	M/D *	16,000.00	16,000.00	0.0%
40,000 to 49,999	M/D *	24,000.00	24,000.00	0.0%
50,000 to 59,999	M/D *	32,000.00	32,000.00	0.0%
<u>Variation of Premises Licence</u>				
Band A	M/D *	100.00	100.00	0.0%
Band B	M/D *	190.00	190.00	0.0%
Band C	M/D *	315.00	315.00	0.0%
Band D	M/D *	450.00	450.00	0.0%
Band E	M/D *	635.00	635.00	0.0%

Liquor & Entertainment Licensing cont.	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Other Charges</u>				
Theft, loss, etc. of premises licence or summary	M/M	10.50	10.50	0.0%
Application for a provisional statement where premises being built etc.	M/M	315.00	315.00	0.0%
Notification of change of name or address	M/M	10.50	10.50	0.0%
Application for transfer of premises licence	M/M	23.00	23.00	0.0%
Interim authority notice following death etc. of licence holder	M/M	23.00	23.00	0.0%
Theft, loss etc. of certificate or summary	M/M	10.50	10.50	0.0%
Notification of change of name or alteration of rules of club	M/M	10.50	10.50	0.0%
Change of relevant registered address of club	M/M	10.50	10.50	0.0%
Theft, loss etc. of temporary event notice	M/M	10.50	10.50	0.0%
Theft, loss etc. of personal licence	M/M	10.50	10.50	0.0%
Duty to notify change of name or address	M/M	10.50	10.50	0.0%
Right of freeholder etc. to be notified of licensing matters	M/M	21.00	21.00	0.0%

* Discretionary up to a maximum limit. The current fees are at the statutory limit.

3. Safety at Sports Ground Licences	VAT (V) /Code	2013/14 £	2014/15 £	% change
Manchester United	D/D	15,340.00	16,110.00	5.0%
Altrincham Football Club	D/D	210.00	220.00	4.8%
Lancashire Cricket Club	D/D	1,113.50	1,170.00	5.1%

4. Grant of a Safety at Sports Ground Certificate	VAT (V) /Code	2013/14 £	2014/15 £	% change
Number of proposed Spectators:				
5,000 to 9,999	D/D	1,000.00	1,050.00	5.0%
10,000 to 14,999	D/D	2,000.00	2,100.00	5.0%
15,000 to 19,999	D/D	4,000.00	4,200.00	5.0%
20,000 to 29,999	D/D	8,000.00	8,400.00	5.0%
30,000 to 39,999	D/D	16,000.00	16,800.00	5.0%
40,000 to 49,999	D/D	24,000.00	25,200.00	5.0%
50,000 to 59,999	D/D	32,000.00	33,600.00	5.0%
60,000 to 69,999	D/D	40,000.00	42,000.00	5.0%
70,000 to 79,999	D/D	48,000.00	50,400.00	5.0%
80,000 to 89,999	D/D	56,000.00	58,800.00	5.0%
90,000 and over	D/D	64,000.00	67,200.00	5.0%

5. Safety Certificate for a Stand at a Sports Ground	VAT (V) /Code	2013/14 £	2014/15 £	% change
Number of proposed spectators:				
up to 999	D/D	100.00	105.00	5.0%
1000 to 1999	D/D	250.00	265.00	6.0%
2000 to 2999	D/D	400.00	420.00	5.0%
3000 to 3999	D/D	550.00	580.00	5.5%
4000 to 4999	D/D	700.00	735.00	5.0%

6. Street Trading Provisions of Local Government (Miscellaneous Provisions) Act	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Street Trading Licences (Non MUFC)</u>				
Consent Certificate – purchased April to June.	D/D	847.00	890.00	5.1%
Consent Certificate – purchased July to September.	D/D	723.00	760.00	5.1%
Consent Certificate – purchased October to December.	D/D	604.00	635.00	5.1%
Consent Certificate – purchased January to March.	D/D	388.00	410.00	5.7%
One day event licence (Including Special Events) - dedicated locations to be identified for each event (Max no's to be applied). Price on Application Arrangements to be introduced for one day event licences to reflect the varying nature and scale of events and associated costs.	D/D	154.00	poa	N/A
<u>Licensed Pitch MUFC</u>				
Food - Premium zone	D/D	2,777.00	2,920.00	5.1%
Food - Non-premium zone	D/D	2,001.00	2,110.00	5.4%
Merchandise - Premium zone	D/D	1,445.00	1,520.00	5.2%
Merchandise - Non-premium zone	D/D	1,224.00	1,290.00	5.4%
<u>Sale Town Centre</u>				
Licensed Pitch	D/D	1,510.00	1,590.00	5.3%
Licensed Pitch (Non-Food)	D/D	1,078.00	1,140.00	5.8%
Duplicate Licence	D/D	54.00	57.00	5.6%
Cancellation Fee	D/D	173.00	182.00	5.2%

7. Other Licences	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Scrap Metal Dealers - Site Licence</u>				
Grant - One Site	D/D	N/A	630.00	NEW in 14/15
Grant - Per additional site	D/D	N/A	490.00	NEW in 14/15
Renewal - One Site	D/D	N/A	430.00	NEW in 14/15
Renewal - Per Additional Site	D/D	N/A	320.00	NEW in 14/15
Minor Variation	D/D	N/A	120.00	NEW in 14/15
Major Variation	D/D	N/A	270.00	NEW in 14/15
<u>Scrap Metal Dealers - Collector's Licence</u>				
Grant	D/D	N/A	270.00	NEW in 14/15
Renewal	D/D	N/A	150.00	NEW in 14/15
Minor Variation	D/D	N/A	70.00	NEW in 14/15
Major Variation	D/D	N/A	630.00	NEW in 14/15
Entertainment Club Registration	M/D	309.50	325.00	5.0%
Marriage Act Approval	D/D	1,129.50	1,186.00	5.0%
Sex Establishment Licence		1,408.00	1,478.00	5.0%
<u>Gaming Act Fees</u>				
<u>Application Type (New Application)</u>				
New Small Casino	M/D *	8,000.00	8,000.00	0.0%
New Large Casino	M/D *	10,000.00	10,000.00	0.0%
Regional Casino	M/D *	15,000.00	15,000.00	0.0%
Bingo Club	M/D *	3,500.00	3,500.00	0.0%
Betting Premises (excluding Tracks)	M/D *	3,000.00	3,000.00	0.0%
Tracks	M/D *	2,500.00	2,500.00	0.0%
Family Entertainment Centres	M/D *	2,000.00	2,000.00	0.0%
Adult Gaming Centre	M/D *	2,000.00	2,000.00	0.0%
Lottery Registration	M/M	40.00	40.00	0.0%
Club Gaming Permit or Club Gaming Machine Permit	M/M	200.00	200.00	0.0%
Club Gaming Permit or Club Gaming machine Permit "Excluding club premises certificate holders"	M/M	100.00	100.00	0.0%
<u>Application Type (Annual Fee)</u>				
New Small Casino	M/D *	5,000.00	5,000.00	0.0%
New Large Casino	M/D *	10,000.00	10,000.00	0.0%
Regional Casino	M/D *	15,000.00	15,000.00	0.0%
Bingo Club	M/D *	1,000.00	1,000.00	0.0%
Betting Premises (excluding Tracks)	M/D *	600.00	600.00	0.0%
Tracks	M/D *	1,000.00	1,000.00	0.0%
Family Entertainment Centres	M/D *	750.00	750.00	0.0%
Adult Gaming Centre	M/D *	1,000.00	1,000.00	0.0%
Lottery Registration	M/M	20.00	20.00	0.0%
Club Gaming Permit or Club Gaming Machine Permit	M/M	50.00	50.00	0.0%
Club Gaming Permit or Club Gaming machine Permit "Excluding club premises certificate holders"	M/M	50.00	50.00	0.0%
*Discretionary up to a maximum limit. The current fees are close to the statutory limit.				
<u>New Small Casino</u>				
Application to Vary	M/D *	4,000.00	4,000.00	0.0%
Application to Transfer	M/D *	1,800.00	1,800.00	0.0%
Application for Re-Instatement	M/D *	1,800.00	1,800.00	0.0%
Application for Provisional Statement	M/D *	8,000.00	8,000.00	0.0%
Licence Application (provisional Statement holders)	M/D *	3,000.00	3,000.00	0.0%
Copy Licence	M/D *	25.00	25.00	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
<u>New Large Casino</u>				
Application to Vary	M/D *	5,000.00	5,000.00	0.0%
Application to Transfer	M/D *	2,150.00	2,150.00	0.0%
Application for Re-Instatement	M/D *	2,150.00	2,150.00	0.0%
Application for Provisional Statement	M/D *	10,000.00	10,000.00	0.0%
Licence Application (provisional Statement holders)	M/D *	5,000.00	5,000.00	0.0%
Copy Licence	M/D *	25.00	25.00	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
<u>Regional Casino</u>				
Application to Vary	M/D *	7,500.00	7,500.00	0.0%
Application to Transfer	M/D *	6,500.00	6,500.00	0.0%
Application for Re-Instatement	M/D *	6,500.00	6,500.00	0.0%
Application for Provisional Statement	M/D *	15,000.00	15,000.00	0.0%
Licence Application (provisional Statement holders)	M/D *	8,000.00	8,000.00	0.0%
Copy Licence	M/D *	25.00	25.00	0.0%
Notification of Change	M/M	40.00	40.00	0.0%

Gaming Act Fees cont...	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Bingo Club</u>				
Application to Vary	M/D *	1,750.00	1,750.00	0.0%
Application to Transfer	M/D *	1,200.00	1,200.00	0.0%
Application for Re-Instatement	M/D *	1,200.00	1,200.00	0.0%
Application for Provisional Statement	M/D *	3,500.00	3,500.00	0.0%
Licence Application (provisional Statement holders)	M/D *	1,200.00	1,200.00	0.0%
Copy Licence	M/D *	25.00	25.00	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
<u>Betting Premises (excluding tracks)</u>				
Application to Vary	M/D *	1,500.00	1,500.00	0.0%
Application to Transfer	M/D *	1,200.00	1,200.00	0.0%
Application for Re-Instatement	M/D *	1,200.00	1,200.00	0.0%
Application for Provisional Statement	M/D *	3,000.00	3,000.00	0.0%
Licence Application (provisional Statement holders)	M/D *	1,200.00	1,200.00	0.0%
Copy Licence	M/D *	25.00	25.00	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
* Discretionary up to a maximum limit. The current fees are close to the statutory limit.				
<u>Tracks</u>				
Application to Vary	M/D *	1,220.00	1,220.00	0.0%
Application to Transfer	M/D *	922.00	922.00	0.0%
Application for Re-Instatement	M/D *	922.00	922.00	0.0%
Application for Provisional Statement	M/D *	2,434.00	2,434.00	0.0%
Licence Application (provisional Statement holders)	M/D *	922.00	922.00	0.0%
Copy Licence	M/D *	23.50	23.50	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
Temporary Use Notice	M/D *	N/A	500.00	NEW in 14/15
<u>Family Entertainment Centres</u>				
Application to Vary	M/D *	976.00	976.00	0.0%
Application to Transfer	M/D *	922.00	922.00	0.0%
Application for Re-Instatement	M/D *	922.00	922.00	0.0%
Application for Provisional Statement	M/D *	1,947.00	1,947.00	0.0%
Licence Application (provisional Statement holders)	M/D *	922.00	922.00	0.0%
Copy Licence	M/D *	23.50	23.50	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
<u>Adult Gaming Centres</u>				
Application to Vary	M/D *	976.00	976.00	0.0%
Application to Transfer	M/D *	1,172.00	1,172.00	0.0%
Application for Re-Instatement	M/D *	1,172.00	1,172.00	0.0%
Application for Provisional Statement	M/D *	1,172.00	1,172.00	0.0%
Licence Application (provisional Statement holders)	M/D *	1,172.00	1,172.00	0.0%
Copy Licence	M/D *	23.50	23.50	0.0%
Notification of Change	M/M	40.00	40.00	0.0%
<u>Club Gaming Permit or Club Gaming Machine Permit</u>				
Application to Vary	M/M	100.00	100.00	0.0%
Copy Licence	M/M	15.00	15.00	0.0%
Discretionary up to a maximum limit. The current fees are close to the statutory limit.				

Trading Standards

Weights & Measures Fees	VAT (V) /Code	2013/14 £	2014/15 £	% change
1. General				
The charges for examining, testing, certifying, stamping, authorising or reporting on any weighing or measuring equipment will be individually calculated by the local authority based upon a figure of per officer/hour. The time charged will include travel.	V M/D	60.00	63.00	5.0%
The charges for the provision of specialist advice in support of Primary Authority Partnership. Please note: Additional fees to be levied for the provision of tailored training events - price on application		N/A	68.00 per hr	NEW in 14/15
If a particular piece of work requires the presence of support staff then this will be charged in addition.	M/D	36.00	37.80	5.0%
Additional charges will be levied if the council is required for example to hire in specialist equipment.	M/D	Costs +Admin £60.00 per hr	Costs +Admin £63.00 per hr	5.0%
2. Poisons Act				
1) Initial registration	M/D	37.25	39.11	5.0%
2) Re-registration	M/D	19.63	20.61	5.0%
3) Change in details of registration	M/D	10.05	10.55	5.0%
3. Weighbridges				
Weighbridge Operator's Certificate	M/D	123.30	129.47	5.0%

ECONOMIC GROWTH & PROSPERITY

Asset Management / Lettings

Community Lettings	VAT (V) /Code	2013/14 £	2014/15 £	% change	
SCHEDULE A - MOST VENUES					
<u>Mondays to Fridays</u>					
Up to 50 people	Concessionary Charges for first hour with 50% discount	D/D	7.30	7.60	4.1%
	Standard and Statutory	D/D	7.30	7.60	4.1%
	Commercial and Social	D/D	14.50	15.20	4.8%
51 to 99 people	Concessionary Charges for first hour with 50% discount	D/D	11.00	11.50	4.5%
	Standard and Statutory	D/D	11.00	11.50	4.5%
	Commercial and Social	D/D	22.00	23.00	4.5%
100 + people	Concessionary Charges for first hour with 50% discount	D/D	14.50	15.20	4.8%
	Standard and Statutory	D/D	14.50	15.20	4.8%
	Commercial and Social	D/D	29.00	30.50	5.2%
<u>Saturdays, Sundays, Bank Holidays</u>					
Up to 50 people	all categories	D/D	14.50	15.20	4.8%
51 to 99 people	all categories	D/D	22.00	23.00	4.5%
100 + people	all categories	D/D	29.00	30.50	5.2%
SCHEDULE B - SPECIFIC VENUES					
Sale West - Social and Concessionary	Up to 50 people	D/D	4.20	4.40	4.8%
	51+ people	D/D	8.40	8.80	4.8%
Partington Concessionary only	Up to 50 people	D/D	4.20	4.40	4.8%
	51+ people	D/D	8.40	8.80	4.8%
Partington Social only - hall and dining room	51+ people	D/D	22.00	23.00	4.5%
Old Trafford Concessionary only	Up to 50 people	D/D	4.20	4.40	4.8%
	51+ people	D/D	8.40	8.80	4.8%
Community Lettings continued.....					
SCHEDULE C - ALTRINCHAM TOWN HALL					
<u>Mondays to Fridays</u>					
Bar and Room 1 - up to 10 people	Concessionary Charges for first hour with 50% discount	D/D	7.30	7.60	4.1%
	Standard and Statutory	D/D	7.30	7.60	4.1%
	Commercial and Social	D/D	17.00	18.00	5.9%
Rooms 2 to 4 - up to 20 people	Concessionary Charges for first hour with 50% discount	D/D	7.30	7.60	4.1%
	Standard and Statutory	D/D	7.30	7.60	4.1%
	Commercial and Social	D/D	26.00	27.00	3.8%
Council Chamber - 70+ people	Concessionary Charges for first hour with 50% discount	D/D	11.00	11.50	4.5%
	Standard and Statutory	D/D	11.00	11.50	4.5%
	Commercial and Social	D/D	34.00	36.00	5.9%
<u>Saturdays, Sundays, Bank Holidays</u>					
Bar and Room 1 - up to 10 people	all categories	D/D	17.00	18.00	5.9%
Rooms 2 to 4 - up to 20 people	all categories	D/D	26.00	27.00	3.8%
Council Chamber - 70+ people	all categories	D/D	34.00	35.50	4.4%

Community Lettings continued.....	VAT (V) /Code	2013/14 £	2014/15 £	% change
BROOMWOOD COMMUNITY CENTRE				
<u>Schedule A</u>				
<u>Mondays to Fridays</u>				
Meeting Room and Café - up to 50 people	D/D	7.30	7.60	4.1%
Standard and Statutory	D/D	14.50	15.20	4.8%
Commercial and Social				
Community Hall - up to 80 people	D/D	11.00	11.50	4.5%
Standard and Statutory	D/D	22.00	23.00	4.5%
Commercial and Social				
<u>Saturdays, Sundays, Bank Holidays</u>				
Meeting Room and Café - up to 50 people	D/D	14.50	15.20	4.8%
Standard, Statutory, Commercial and Social Groups				
Community Hall - up to 80 people	D/D	22.00	23.00	4.5%
Commercial and Social				
<u>Schedule B</u>				
<u>Special Rates for Local Community Groups meeting for a minimum of 2 hours -</u>				
Meeting Room and Café - up to 50 people	D/D	4.20	4.40	4.8%
Community Hall - up to 80 people	D/D	8.40	8.80	4.8%
ADDITIONAL INFORMATION				
Religious groups when venue booked for regular worship - 25% discount on hire charge.				
Community Lettings continued...				
<u>Partington Community Centre-</u>				
Kitchen hire for Socials including insurance.	D/D	33.00	35.00	6.1%
<u>Old Trafford Community Centre -</u>				
Lounge - Free when the hall and kitchen are booked for a social	D/D	Free	Free	
£15.00/hour when the kitchen is not booked	D/D	14.50/hr	15.00/hr	3.4%
For Socials after 9pm, one -off charge for door supervisor.	D/D	76.00	79.80	5.0%
Kitchen hire for Socials including insurance.	V D/D	66.00	69.30	5.0%
Stage hire including VAT.	V D/D	75.20	79.00	5.1%
<u>Flixton House -</u>				
For Socials after 9pm, optional charge for door supervisor.	D/D	76.00	79.00	3.9%
Wedding Ceremony Room Fee.	D/D	120.00	126.00	5.0%
When booked at same venue and date as Wedding Reception.	D/D	Free	Free	
Markets				
<u>Partington Market</u>				
Pitches (at 75p per foot)	D/D	6.00	6.00	0.0%
Stalls	D/D	7.00	7.00	0.0%
Single Units - small	D/D	9.00	9.00	0.0%
Single Units - large	D/D	11.00	11.00	0.0%
Double Units - small	D/D	17.50	17.50	0.0%
Double Units - large	D/D	21.50	21.50	0.0%
Trafford Town Hall - Football Parking				
Season ticket	D/D	185.00	185.00	0.0%
Single match	D/D	10.00	10.00	0.0%
All Day Event	D/D	15.00	15.00	0.0%

Planning and Building Control

Strategic Planning and Developments	VAT (V) /Code	2013/14 £	2014/15 £	% change
Trafford Revised Unitary Development Plan June 2006	D/D	50.00	52.50	5.0%
Written Statement only	D/D	30.00	31.50	5.0%
Proposals Maps - North/South sheet	D/D	25.00	26.25	5.0%
CD only	D/D	15.00	15.75	5.0%
Statement of Community Involvement (Adopted)	D/D	15.00	15.75	5.0%
Trafford Borough Retail and Leisure Study November 2007				
Written Study, including CD	D/D	250.00	262.50	5.0%
CD	D/D	200.00	210.00	5.0%
Main Report	D/D	50.00	52.50	5.0%
Appendix 1	D/D	100.00	105.00	5.0%
Appendix 2	D/D	100.00	105.00	5.0%
Planning and Research Studies *	D/D	* price on request	* price on request	
Housing Land Availability Schedule	D/D	20.00	21.00	5.0%
Planning Policy and Development Guidance Briefs	D/D	15.00	16.00	6.7%
Photocopying per side	V D/D	0.35	0.35	0.0%
Core Strategy Adopted Version	D/D	35.00	37.00	5.7%
Supplementary Planning Documents	D/D	10.00	10.50	5.0%

Building Control Fees	VAT (V) /Code	2013/14 £	2014/15 £	% change
	V M/M	See Note below	See Note below	
These fees are agreed within the AGMA group. It is a statutory requirement that the level of the charge				

New Building Regulation	VAT (V) /Code	2013/14 £	2014/15 £	% change
Decision Notices and Completion Certificates - Duplicate Copies of Building	D/D	N/A	42.00	NEW in 14/15
Copies of correspondence (excluding 1 above Notices) relating to B Regs	V D/D	N/A	12.00	NEW in 14/15
Researching site histories or providing "search type" information from the Building	D/D	N/A	42.00	NEW in 14/15
Researching site histories or providing "search type" information from the Building	D/D	N/A	65.00	NEW in 14/15
Administrative fee for processing refund or part refund of fees for cancelled B	D/D	N/A	42.00	NEW in 14/15
For the issuing of completion certificates in connection with archived and dormant	D/D	N/A	70.00	NEW in 14/15
Provision of a confirmation of exemption from the provisions of the Building	D/D	N/A	42.00	NEW in 14/15
Administrative processing cost for refunding of part of Building Regulation fees	D/D	N/A	25.00	NEW in 14/15
Provision of pre-submission consultancy advice after initial one hour for large	V D/D	N/A	65.00	NEW in 14/15
Pre-submission site visits where requested by owner or agent to maintain	V D/D	N/A	65.00	NEW in 14/15

Planning Fees	VAT (V) /Code	2013/14 £	2014/15 £	% change
Business - pre-application advice				
<u>Dwellings:</u>				
1 unit	V D/D	300.00	315.00	5.0%
2 to 9 units	V D/D	630.00	661.00	4.9%
10 to 99 units	V D/D	1,800.00	1,890.00	5.0%
100 or more	V D/D	2,440.00	2,562.00	5.0%
<u>Town Centre uses as defined in NPPF / mixed use developments which include</u>				
<u>Town Centre uses:</u>				
Buildings comprising 10,000 sq.m. gross floorspace or more / site area of 2	V D/D	2,100.00	2,205.00	5.0%
Buildings comprising 1,000 sq.m. to 9,999 sq.m. gross floorspace / site area from	V D/D	1,680.00	1,764.00	5.0%
Buildings comprising less than 1,000 sq.m. gross floorspace /site area less than 1	V D/D	600.00	630.00	5.0%
* Please note: In the case of out-of-centre retail schemes where the Council				
<u>Other Commercial, Industrial or Leisure uses:</u>				
Buildings comprising 10,000 sq.m. gross floorspace or more / site area of 2	V D/D	1,200.00	1,260.00	5.0%
Buildings comprising 1,000 sq.m. to 9,999 sq.m. gross floorspace / site area from	V D/D	960.00	1,008.00	5.0%
Buildings comprising less than 1,000 sq.m. gross floorspace /site area less than 1	V D/D	450.00	472.50	5.0%
Waste/mineral extraction/energy production development proposals where	V D/D	720.00	756.00	5.0%

Householder Extensions - pre-application advice	VAT (V) /Code	2013/14 £	2014/15 £	% change
Householder extensions	V D/D	180.00	189.00	5.0%
Please note: On subsequently submitting a planning application, a fee of £172 will				

Invalid planning applications	VAT (V) /Code	2013/14 £	2014/15 £	% change
Where an application remains invalid due to non-progression by the applicants	V D/D	25.00	26.25	5.0%
Information and Documents				
Researching site histories or providing search type information from the planning	D/D	41.00	43.00	4.9%
Copies of decision notices and or information/ documentation within the 3 month	V D/D	17.50	18.40	5.1%
Copies of decision notices/TPOs and or information/ documentation outside the 3	V D/D	36.00	37.80	5.0%
Copies of information/documentation excluding exempt information within the 3	D/D	0.33	0.35	5.0%
Additional information/documentation requested, generated by a land charge	D/D	36.00	38.00	5.6%
Copy of a T.P.O. not generated by a land charge search but within the 3 month	D/D	10.00	10.50	5.0%
(The above charges all include first 4 sides of photocopying, any additional sides are charged)				

Planning Fees - continued	VAT (V) /Code	2013/14 £	2014/15 £	% change
Additional information/documentation requested where no application number is quoted. (SEARCH)	D/D	41.00	43.00	4.9%
Weekly list of Planning Applications received / monthly decision list.	V D/D	302.00	317.00	5.0%
Planning guidelines & related documents - (Free to download) or copies from:	D/D	copies from £1.55 to £7.40	copies from £1.63 to £7.70	5.2%
High Hedge fee	D/D	410.00	430.00	4.9%
Faxing of Planning Information	D/D	£1.30 per sheet	£1.36 per sheet	4.6%
Information research/retrieval from Building Control Files.	D/D	£36.00 per hour + 22p per copy	£38.00 per hour + 23p per copy	5.6%
Building Control - For the issuing of Completion Certificates in connection with	D/D	62.00	65.00	4.8%
Provision of a certificate of exemption from the provisions of the Building	D/D	36.00	38.00	5.6%

Housing Services	VAT (V) /Code	2013/14 £	2014/15 £	% change
<u>Housing Improvement Grants:</u>				
Technical and Professional Services fee - minimum charge (£150.00) or 15% of	M/D	150.00	150.00	0.0%
	M/D	or 15%	or 15%	0.0%
Housing Strategy Documents.	D/D	20.00	20.00	0.0%
Housing Policy Documents.	D/D	10.00	10.00	0.0%

COMMUNITY SAFETY, CULTURE, AND SPORT

Sale Waterside Arts Centre Community Rates		VAT (V) /Code	2013/14 £	2014/15 £	% change
Mondays to Thursdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	14.90	16.00	7.4%
	Council Chamber/Gallery Bar	V D/D	22.00	24.00	9.1%
	Theatre for rehearsal	V D/D	22.00	24.00	9.1%
6pm to 11pm	Theatre for performance/event	V D/D	29.50	31.00	5.1%
	Meeting rooms	V D/D	22.00	24.00	9.1%
	Council Chamber/Gallery Bar	V D/D	33.50	36.00	7.5%
	Theatre for rehearsal	V D/D	192.00	202.00	5.2%
	Theatre for performance/event	V D/D	225.00	237.00	5.3%
Fridays and Saturdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	14.90	16.00	7.4%
	Council Chamber/Gallery Bar	V D/D	26.00	28.00	7.7%
	Theatre for rehearsal	V D/D	26.00	28.00	7.7%
6pm to 11pm	Theatre for performance/event	V D/D	37.70	40.00	6.1%
	Meeting rooms	V D/D	33.50	36.00	7.5%
	Council Chamber/Gallery Bar	V D/D	43.80	46.00	5.0%
	Theatre for rehearsal	V D/D	218.00	229.00	5.0%
	Theatre for performance/event	V D/D	280.00	294.00	5.0%

Sale Waterside Arts Centre continued		VAT (V) /Code	2013/14 £	2014/15 £	% change
Sundays, Christmas Eve, New Year's Eve and Bank Holidays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	31.00	33.00	6.5%
	Council Chamber/Gallery Bar	V D/D	43.70	46.00	5.3%
	Theatre for rehearsal	V D/D	43.70	46.00	5.3%
	Theatre for performance/event	V D/D	55.00	58.00	5.5%
6pm to 11pm	Meeting rooms	V D/D	49.50	52.00	5.1%
	Council Chamber/Gallery Bar	V D/D	65.00	69.00	6.2%
	Theatre for rehearsal	V D/D	336.00	353.00	5.1%
	Theatre for performance/event	V D/D	415.00	436.00	5.1%

Commercial Rates					
Mondays to Thursdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	37.00	39.00	5.4%
	Council Chamber/Gallery Bar	V D/D	55.50	59.00	6.3%
	Theatre for rehearsal	V D/D	55.50	59.00	6.3%
	Theatre for performance/event	V D/D	74.00	78.00	5.4%
6pm to 11pm	Meeting rooms	V D/D	61.50	65.00	5.7%
	Council Chamber/Gallery Bar	V D/D	92.50	97.00	4.9%
	Theatre for rehearsal	V D/D	461.50 for the evening	485.00 for the evening	5.1%
	Theatre for performance/event	V D/D	615.00 for the evening	646.00 for the evening	5.0%
Fridays and Saturdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	37.00	39.00	5.4%
	Council Chamber/Gallery Bar	V D/D	55.50	59.00	6.3%
	Theatre for rehearsal	V D/D	55.50	59.00	6.3%
	Theatre for performance/event	V D/D	74.00	78.00	5.4%
6pm to 11pm	Meeting rooms	V D/D	61.50	65.00	5.7%
	Council Chamber/Gallery Bar	V D/D	92.50	97.00	4.9%
	Theatre for rehearsal	V D/D	461.50 for the evening	485.00 for the evening	5.1%
	Theatre for performance/event	V D/D	615.00 for the evening	646.00 for the evening	5.0%
Sundays, Christmas Eve, New Year's Eve and Bank Holidays		VAT (V) /Code	2013/14 £	2014/15 £	% change
Sundays, Christmas Eve, New Year's Eve and Bank Holidays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	37.00	39.00	5.4%
	Council Chamber/Gallery Bar	V D/D	55.50	59.00	6.3%
	Theatre for rehearsal	V D/D	55.50	59.00	6.3%
	Theatre for performance/event	V D/D	74.00	78.00	5.4%
6pm to 11pm	Meeting rooms	V D/D	61.50	65.00	5.7%
	Council Chamber/Gallery Bar	V D/D	92.50	97.00	4.9%
	Theatre for rehearsal	V D/D	461.50 for the evening	485.00 for the evening	5.1%
	Theatre for performance/event	V D/D	615.00 for the evening	646.00 for the evening	5.0%

Sale Waterside Arts Centre continued		VAT (V) /Code	2013/14 £	2014/15 £	% change
Approved User Rates					
Mondays to Thursdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	9.70	11.00	13.4%
	Council Chamber/Gallery Bar	V D/D	15.00	16.00	6.7%
	Theatre for rehearsal	V D/D	15.00	20.00	33.3%
	Theatre for performance/event	V D/D	19.00	20.00	5.3%
6pm to 11pm	Meeting rooms	V D/D	14.70	16.00	8.8%
	Council Chamber/Gallery Bar	V D/D	22.40	24.00	7.1%
	Theatre for rehearsal	V D/D	115.00	121.00	5.2%
	Theatre for performance/event	V D/D	137.50	145.00	5.5%
Fridays and Saturdays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	9.70	11.00	13.4%
	Council Chamber/Gallery Bar	V D/D	18.70	20.00	7.0%
	Theatre for rehearsal	V D/D	18.70	20.00	7.0%
	Theatre for performance/event	V D/D	24.70	26.00	5.3%
6pm to 11pm	Meeting rooms	V D/D	22.00	24.00	9.1%
	Council Chamber/Gallery Bar	V D/D	30.50	33.00	8.2%
	Theatre for rehearsal	V D/D	155.00	163.00	5.2%
	Theatre for performance/event	V D/D	185.00	195.00	5.4%
Sundays, Christmas Eve, New Year's Eve and Bank Holidays			per hour	per hour	
9am to 6pm	Meeting rooms	V D/D	18.60	20.00	7.5%
	Council Chamber/Gallery Bar	V D/D	27.50	29.00	5.5%
	Theatre for rehearsal	V D/D	27.50	29.00	5.5%
	Theatre for performance/event	V D/D	37.70	40.00	6.1%
6pm to 11pm	Meeting rooms	V D/D	30.80	33.00	7.1%
	Council Chamber/Gallery Bar	V D/D	43.00	46.00	7.0%
	Theatre for rehearsal	V D/D	218.00	229.00	5.0%
	Theatre for performance/event	V D/D	280.00	295.00	5.4%

Technical Resources		VAT (V) /Code	2013/14	2014/15	% change
Commercial					
Lighting/Sound switch on (Inc. basic lights and up to 3 wired microphones for one		V D/D	71.66	76.00	6.1%
Lighting/Sound switch on (Inc. 2 colours/2mics/1 stage monitor		V D/D	82.69	87.00	5.2%
Lighting/Sound switch on.(Inc 2 colours/3mics/5 monitors		V D/D	N/A	100.00	NEW in 14/15
Additional days for lighting and sound equipment for the same event.		V D/D	45.00	48.00	6.7%
Additional condenser and kit mics		V D/D	26.25	58.00	121.0%
Allen & Heath Digital Mixer inc Stage Box. 32 channel		V D/D	N/A	145.00	NEW in 14/15
Lighting Scrollers in standard layout (19 colours)		V D/D	60.64	64.00	5.5%

Technical Resources cont...	VAT (V) /Code	2013/14	2014/15	% change
LED RGB 25 deg 3 watt. 4 Units	V D/D	N/A	60.00	NEW in 14/15
LED RGB 25 deg 3 watt. 7 Units	V D/D	N/A	80.00	NEW in 14/15
LED RGBW moving, zoom units. Each	V D/D	N/A	42.00	NEW in 14/15
Scrollers and Moving Lights (575 Spots or 575 Washes)	V D/D	110.25	116.00	5.2%
Scrollers and Moving Lights (575 Spots and 575 Washes)	V D/D	165.38	174.00	5.2%
Scrollers and Moving Lights (575's and 700E's)	V D/D	220.50	232.00	5.2%
4 Lites and Rays	V D/D	27.56	64.00	132.2%
Boom Lighting	V D/D	55.13	75.00	36.0%
Active sunstrips. Each	V D/D	N/A	20.00	NEW in 14/15
Hazer	V D/D	68.20	72.00	5.6%
Smoke Machine	V D/D	22.05	45.00	104.1%
Dance Floor. 3 strips	V D/D	16.54	65.00	293.0%
Dance Floor. 4 strips	V D/D	N/A	75.00	NEW in 14/15
Temporary stage decks. Full stage (Before 10pm)	V D/D	132.30	198.00	49.7%
Temporary stage decks. Smaller music stage (Before 10pm)	V D/D	90.14	95.00	5.4%
Retract Theatre seating (Before 10pm)	V D/D	93.71	115.00	22.7%
Set up of additional Theatre seating (Before 10pm)	V D/D	38.59	41.00	6.2%
Video/Data Projector (4000ANSI). Flown.	V D/D	176.40	186.00	5.4%
Video/Data Projector (2000ANSI) and Screen	V D/D	88.20	63.00	(28.6%)
Projector, laptop (with PowerPoint) and Screen	V D/D	110.25	116.00	5.2%
Laptop (with PowerPoint)	V D/D	38.59	41.00	6.2%
AV Rack	V D/D	75.00	79.00	5.3%
Wireless Remote	V D/D	12.13	13.00	7.2%
DVD Player	V D/D	12.13	13.00	7.2%
15" TV and Video Combi	V D/D	27.56	29.00	5.2%
22" Flat screen with DVD player	V D/D	44.10	47.00	6.6%
Overhead Projector and screen (5' x 5')	V D/D	34.18	36.00	5.3%
Flip Chart, pen and paper	V D/D	11.03	12.00	8.8%
Unicol Stand	V D/D	11.03	12.00	8.8%
Screen 8' x 8'	V D/D	33.08	35.00	5.8%
Screen 5' x 5'	V D/D	16.54	18.00	8.8%
Extension lead - Secured, 4 way.	V D/D	3.31	4.00	20.8%
Lectern	V D/D	49.61	53.00	6.8%
Lectern with mic	V D/D	66.15	70.00	5.8%
Perspex lectern	V D/D	38.59	41.00	6.2%
Upright Piano	V D/D	44.10	47.00	6.6%
Tuning for piano	V D/D	55.13	65.00	17.9%
Portable PA (including 1 mic.) for 80 people	V D/D	71.66	76.00	6.1%
Radio Mic (Lapel=4. Handheld=2. Max 4 of either)	V D/D	35.28	38.00	7.7%
Portable Appliance Testing	V D/D	5.00	5.25	5.0%
Technical staff (per hour) - Normal hours	V D/D	19.78	21.00	6.2%
Technical staff (per hour)- Normal hours. Up to 4 channels of audio	V D/D	N/A	25.00	NEW in 14/15
Sound engineer - Normal hours	V D/D	27.56	29.00	5.2%
Technical staff (per hour) - Sunday, B/H, before 8am and after 11pm	V D/D	27.56	29.00	5.2%
Sound engineer - Sundays, B/H, before 8 am and after 11pm	V D/D	27.56	29.00	5.2%

Technical Resources	VAT (V) /Code	2013/14 £	2014/15 £	% change
Community / Approved User				
Lighting/Sound switch on (Inc. basic lights and up to 3 wired microphones for one	V D/D	46.20	49.00	6.1%
Lighting/Sound switch on (Inc. 2 colours/2mics/1 stage monitor	V D/D	60.90	64.00	5.1%
Lighting/Sound switch on (Inc 2 colours/3mics/5 monitors	V D/D	N/A	80.00	NEW in 14/15
Day 2 for lighting and sound equipment for the same event	V D/D	25.00	27.00	8.0%
Additional days for lighting and sound equipment for the same event.	V D/D	N/A	20.00	NEW in 14/15
Additional Condenser and Kit mics	V D/D	18.22	19.50	7.0%
Allen & Heath Digital Mixer inc Stage Box. 32 channel	V D/D	N/A	115.00	NEW in 14/15
Lighting Scrollers in standard layout (19 colours)	V D/D	39.90	42.00	5.3%
LED RGB 25 deg 3 watt. 4 Units	V D/D	N/A	40.00	NEW in 14/15
LED RGB 25 deg 3 watt. 7 Units	V D/D	N/A	65.00	NEW in 14/15
LED RGBW moving, zoom units. Each	V D/D	N/A	33.00	NEW in 14/15
Scrollers and Moving Lights (575 Spots or 575 Washes)	V D/D	70.00	73.50	5.0%
Scrollers and Moving Lights (575 Spots and 575 Washes)	V D/D	99.75	105.00	5.3%
Scrollers and Moving Lights (575's and 700E's)	V D/D	132.30	139.00	5.1%
4 Lites and Rays Inc setup	V D/D	17.33	63.50	266.4%
Boom Lighting Inc setup	V D/D	28.88	75.00	159.7%
Active sunstrips. Each	V D/D	N/A	10.00	NEW in 14/15
Hazer	V D/D	28.88	35.00	21.2%
Smoke Machine	V D/D	25.00	26.50	6.0%
Dance Floor. 3 strips	V D/D	30.00	50.00	66.7%
Dance Floor. 4 strips	V D/D	N/A	75.00	NEW in 14/15
Temporary stage decks. Full stage (Before 10pm)	V D/D	110.25	167.50	51.9%
Temporary stage decks. Smaller music stage (Before 10pm)	V D/D	78.75	117.00	48.6%
Retract Theatre seating (Before 10pm)	V D/D	60.64	98.00	61.6%
Set up additional Theatre seating (Before 10pm)	V D/D	18.22	19.50	7.0%
Video/Data Projector (4000ANSI). Flown	V D/D	110.25	116.00	5.2%
Video/Data Projector (2000ANSI) and Screen	V D/D	58.33	61.50	5.4%
Projector, laptop (with PowerPoint) and Screen	V D/D	82.69	87.00	5.2%
Laptop (with PowerPoint)	V D/D	26.25	28.00	6.7%
AV Rack	V D/D	33.00	35.00	6.1%
Wireless Remote	V D/D	9.38	10.00	6.6%
DVD Player	V D/D	9.38	10.00	6.6%
15" TV and Video Combi	V D/D	19.95	21.00	5.3%
22" Flat screen with DVD player	V D/D	28.67	30.50	6.4%
Overhead Projector and screen (5' x 5')	V D/D	23.10	24.50	6.1%
Flip Chart, pen and paper	V D/D	9.14	10.00	9.4%
Unicol Stand	V D/D	6.10	6.50	6.6%
Screen 8' x 8'	V D/D	21.88	23.00	5.1%
Screen 5' x 5'	V D/D	12.16	13.00	6.9%
Extension lead - 4 way. Secured.	V D/D	1.50	2.00	33.3%
Lectern	V D/D	24.30	26.00	7.0%
Lectern with mic	V D/D	32.55	34.50	6.0%
Perspex lectern	V D/D	17.37	18.50	6.5%
Upright Piano	V D/D	24.31	25.5	4.9%
Tuning for piano	V D/D	57.75	61.00	5.6%
Portable PA (including 1 mic) for 80 people	V D/D	47.41	50	5.5%
Radio Mic (Lapel=4. Handheld=2. Max 4 of either)	V D/D	22.50	24.00	6.7%
Portable Appliance Testing	V D/D	5.00	5.50	10.0%

Technical Resources continued....	VAT (V) /Code	2013/14 £	2014/15 £	% change
Technical staff (per hour) - Normal hours	V D/D	16.28	17.50	7.5%
Technical staff (per hour) - Normal hours - Up to 4 channels of audio	V D/D	N/A	19.50	
Sound engineer - Normal hours - Over 4 channels of audio	V D/D	20.95	22.00	5.0%
Technical staff (per hour)- Sunday, B/H, before 8am and after 11pm	V D/D	20.95	22.00	5.0%
Sound engineer - Sundays, B/H, before 8 am and after 11pm	V D/D	24.89	26.50	6.5%

LIABILITY FOR DAMAGE - INSURANCE

A hirer must agree to indemnify the Council against any claim for loss or damage, death or personal injury arising from the hirer's use of any

Alternatively the hirer (particularly regular hirers) may obtain their own Public Liability and Accidental Damage cover as detailed below but

a) Public liability cover of £5,000,000.

b) Accidental damage cover with a limit of £10,000 and subject to a £25 damage excess payable by the hirer.

A refund of the premium involved cannot be made once cover has been effected on the hirer's behalf.

Any bookings for these activities / equipment should be referred to the insurance section.

VAT ON INSURANCE

VAT is only chargeable on insurance if the booking charge itself is subject to VAT. Otherwise it is exempt.

Community Safety

Abandoned Trolleys	VAT (V) /Code	2013/14 £	2014/15 £	% change
Collection per trolley	V D/D	25.64	26.92	5.0%
Storage per trolley, per week	V D/D	3.58	3.76	5.0%
Return to owners' premises per trolley	V D/D	25.64	26.92	5.0%
Disposal per trolley if unclaimed	V D/D	13.11	13.77	5.0%

Graffiti Removal	VAT (V) /Code	2013/14 £	2014/15 £	% change
Charge per hour	V D/D	43.00	45.15	5.0%

Environmental Enforcement	VAT (V) /Code	2013/14 £	2014/15 £	% change
Fixed penalty for the offence of failing to remove dog	V D/D*	50.00	50.00	0.0%
Fixed penalty for the offence of leaving litter	V D/D*	75.00	75.00	0.0%
Fixed penalty for the offence of abandoning a vehicle	V D/D*	200.00	200.00	0.0%
Fixed penalty for nuisance parking offences	V D/D*	100.00	100.00	0.0%
Fixed penalty for Waste receptacle offences	V D/D*	80.00	80.00	0.0%
Fixed penalty for graffiti offences	V D/D*	75.00	75.00	0.0%
Fixed penalty for the offence of failure to produce authority	V D/D*	300.00	300.00	0.0%
Fixed penalty for the offence of failure to furnish	V D/D*	300.00	300.00	0.0%
Fixed penalty for street litter control offences	V D/D*	100.00	100.00	0.0%
Fixed penalty for fly-posting offences	V D/D*	75.00	75.00	0.0%
Fixed penalty for litter clearing offences	V D/D*	100.00	100.00	0.0%
Fixed penalty for the offence of unauthorised distribution	V D/D*	75.00	75.00	0.0%
Fixed penalty for dog control order offences	V D/D*	75.00	75.00	0.0%
*Fixed penalty fees are Discretionary but are contained within limits set by DEFRA				

TRANSFORMATION & RESOURCES
Registration of Births, Deaths & Marriages

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Marriage & Civil Partnership fees at outside venues including cost of				
Monday to Thursday	M/D	300.00	305.00	1.7%
Friday		340.00	345.00	1.5%
Saturday	M/D	340.00	345.00	1.5%
Sunday / Bank Hol.	M/D	390.00	395.00	1.3%
Baby naming, Renewal of vows & Commitment Ceremonies				
Ceremonies at Register Office:				
Monday to Friday	V D/D	175.00	175.00	0.0%
Saturday	V D/D	200.00	200.00	0.0%
Ceremonies at Approved Premises:				
Monday to Thursday	V D/D	190.00	190.00	0.0%
Friday		220.00	220.00	0.0%
Saturday	V D/D	220.00	220.00	0.0%
Sunday / Bank Hol.	V D/D	250.00	250.00	0.0%
Ceremonies at Commercial Premises and Private Houses:				
Monday to Thursday	V D/D	235.00	235.00	0.0%
Friday		260.00	260.00	0.0%
Friday & Saturday	V D/D	260.00	260.00	0.0%
Sunday / Bank Hol.	V D/D	290.00	290.00	0.0%
Non Refundable Provisional Marriage & Civil Partnership Booking Fee	V D/D	N/A	25.00	NEW in 14/15

The fees for commercial premises and private houses include a non-returnable pre-ceremony inspection fee of £40

Citizenship Ceremonies (non standard ceremonies)					
Ceremonies at Register Office :					
Per adult citizen	Monday to Friday	D/D	75.00	75.00	0.0%
Per adult citizen	Saturday	D/D	75.00	75.00	0.0%
Ceremonies at Approved Premises :					
	Monday to Friday	D/D	290.00	290.00	0.0%
	Saturday	D/D	320.00	320.00	0.0%
	Sunday / Bank Hol.	D/D	370.00	370.00	0.0%
* Statutory charges for certificates and Marriage/Civil partnerships notice					
Marriages & Civil Partnerships					
Attending a marriage or civil partnership at Sale Town Hall Town Hall (inc. cert fee)					
	Monday to Friday	M/D	100.00	100.00	0.0%
	Saturday	M/D	150.00	150.00	0.0%
	Council Chamber				
	Mon to Sat	M/D	180.00	185.00	2.8%
Nationality Checking Service					
Adult submitting single application		V D/D	60.00	60.00	0.0%
Husband & wife applying at the same time		V D/D	80.00	80.00	0.0%
Husband & wife (and up to 2 children)		V D/D	100.00	100.00	0.0%
One parent / 3 children		V D/D	100.00	100.00	0.0%
One parent / 2 children		V D/D	90.00	90.00	0.0%
Additional children on parents' application		V D/D	35.00	35.00	0.0%
Children independent of parents		V D/D	40.00	40.00	0.0%
Non-refundable deposit (deducted from Fee)		V D/D	25.00	25.00	0.0%
Verification of Overseas Pensions		V D/D	N/A	10.00	NEW in 14/15

Revenues and Benefits

	VAT (V) /Code	2013/14 £	2014/15 £	% change
Summons Costs				
Council Tax Liability Orders	M/D	95.00	95.00	0.0%
NNDR Liability Orders	M/D	135.00	135.00	0.0%
Committal to prison proceedings				
- Committal application (maximum)	M/M	305.00	305.00	0.0%
- Arrest warrant with bail (maximum)	M/M	145.00	145.00	0.0%
- Arrest warrant without bail (maximum)	M/M	145.00	145.00	0.0%
Prosecution Fines, Court Costs, Charging Orders, Insolvency proceedings and				

Special Events	VAT (V) /Code	2013/14 £	2014/15 £	% change
Operational Days				
Large Events (Fairs with 15 or more vehicles) per day	V D/D	810.00	TBC	N/A
Deposit (Returnable)	D/D	2,500.00	TBC	N/A
Medium Events (Fairs with 10 to 15 vehicles) per day				
Deposit (Returnable)	V D/D	590.00	TBC	N/A
	D/D	1,350.00	TBC	N/A
Small Events (Fairs with up to 10 vehicles) per day				
Deposit (Returnable)	V D/D	285.00	TBC	N/A
	D/D	725.00	TBC	N/A
Youth Events per day				
Deposit	V D/D	195.00	TBC	N/A
		750.00	TBC	N/A
Exhibitions – per day				
	V D/D	80.00	TBC	N/A
Non-Operational Days (i.e. set up and shut down)				
Large Events (Fairs with 15 or more vehicles) per day	D/D	75.00	TBC	N/A
Medium Events (Fairs with 10 to 15 vehicles) per day	D/D	50.00	TBC	N/A
Small Events (Fairs with up to 10 vehicles) per day		25.00	TBC	N/A
Circuses – price on application				
Caravan and vehicle per day whether operational or non operational				
		10.00	TBC	N/A

LIBRARIES

	VAT (V) /Code	2013/14 £	2014/15 £	% change
A) Fines				
Adults (over 16) - per book, per day (to a maximum of £12.00)	D/D	0.10	0.12	20.0%
Children (under 16) - per book per day	D/D	Exempt	0.06	N/A
Customers who are disabled	D/D	Exempt	Exempt	
Overdue Items Letter (postage charge)	D/D	0.50	0.57	14.0%
B) Reservation Fee				
In stock in Trafford		Free	Free	
Not in stock in Trafford	D/D	3.50	3.50	0.0%
All Items requested from British Library, including photocopies, (in addition to	D/D	5.00	5.00	0.0%
Lost British Library book (price set by the British Library)		137.50	147.50	7.3%
C) Photocopying, printing and scanning				
Black and white per sheet (A4)	V D/D	0.10	0.10	0.0%
Black and white per sheet (A4) Double sided	V D/D	0.15	0.15	0.0%
Black and white per sheet (A3)	V D/D	0.15	0.15	0.0%
Black and white per sheet (A3) Double sided	V D/D	0.20	0.20	0.0%
Colour (A4)	V D/D	0.50	0.50	0.0%
Colour (A4) Double sided	V D/D	0.75	0.75	0.0%
Colour (A3)	V D/D	1.00	1.00	0.0%
Black and white (photographic quality) per sheet A4	V D/D	0.25	0.25	0.0%
Black and white (photographic quality) per sheet A3	V D/D	0.50	0.50	0.0%
Scanning	V D/D	0.10	0.10	0.0%
D) E-Readers				
Refundable security deposit	D/D	20.00	20.00	0.0%
Late Return per day (up to 10 weeks then lost item)	D/D	1.00	1.00	0.0%
Damage to E-reader case, leads, charger, screen + deposit forfeit	D/D	20.00	20.00	0.0%
Damage beyond use or lost + deposit forfeit	D/D	100.00	100.00	0.0%
E) Postage				
Recharge for overdue and reservation letters		0.50	0.57	14.0%
Notification of overdue and reservations by text		0.10	0.10	0.0%

Libraries continued....				
	VAT (V) /Code	2013/14 £	2014/15 £	% change
F) Compact Discs and Audio Cassettes				
DVD's - all DVD's (per item)	D/D	2.00	2.00	0.0%
G) Exhibition Charge				
Rental of space 50 or more sq m £50 per week or part of week (Urmston Library only) or under 50 sq m £25 per week or part of week, plus £10 per week public liability insurance.		25.00/ 50.00	25.00/ 50.00	0.0%
	D/D	+	+	0.0%
		10.00	10.00	0.0%
H) Displaying posters (charge per week)				
A5	D/D	0.30	0.30	0.0%
A4	D/D	0.50	0.50	0.0%
A3	D/D	1.00	1.00	0.0%
I) Replacement Library Cards				
Adults (16 and over)	D/D	2.00	2.00	0.0%
Children under 16 - first loss free, any subsequent loss	D/D	1.00	1.00	0.0%
J) Toys (Up to 3 can be borrowed for up to 3 Weeks)				
Loan of one toy	D/D	0.50	0.50	0.0%
K) Local Studies				
Research				
Right to Buy Research Fee (payable in advance)	V D/D	10.00	10.00	0.0%
Genealogical Research Fee - half hour (payable in advance)		N/A	15.00	NEW in 14/15
Genealogical Research Fee - full hour (payable in advance)		N/A	30.00	NEW in 14/15
Reprographics/ Research				
Minimum charge including 2 free A4 printouts		N/A	5.00	NEW in 14/15
Additional sheets		N/A	1.30	NEW in 14/15
Microfilm				
Microfiche/ film - A4 Copy	V D/D	1.00	0.70	(30.0%)
Microfiche/ film - A3 Copy	V D/D	1.00	1.40	40.0%
Photocopies - A4	V D/D	0.05	0.10	100.0%
Photocopies - A3	V D/D	0.10	0.15	50.0%
Photocopies - Maps	V D/D	0.50	0.50	0.0%
Maps and Plans - 1 item	V D/D	35.00	35.00	0.0%
Maps A0 size historical maps	V D/D	5.00	10.00	100.0%
Photographs - superior quality	V D/D	7.05	10.00	41.8%
Photographs - standard quality	V D/D	1.75	1.75	0.0%
Digital Camera				
Supply of digital image		N/A	10.00	NEW in 14/15
Self service photography permit - each click		N/A	1.00	NEW in 14/15
Self service photography permit - half day		N/A	5.00	NEW in 14/15
Self service photography permit per day	V D/D	3.00	10.00	233.3%
Reproduction - Books periodicals, e-books, CD-Roms				
Front cover/jacket - UK rights		N/A	60.00	NEW in 14/15
Front cover/jacket - World rights		N/A	120.00	NEW in 14/15
Interior - UK rights		N/A	30.00	NEW in 14/15
Interior - World rights		N/A	60.00	NEW in 14/15
Leaflets and brochures - UK rights		N/A	60.00	NEW in 14/15
Leaflets and brochures - World rights		N/A	120.00	NEW in 14/15
Presentation and Internal Reports				
UK rights		N/A	60.00	NEW in 14/15
World rights		N/A	120.00	NEW in 14/15
Advertising in newspapers and periodicals				
UK rights		N/A	60.00	NEW in 14/15
World rights		N/A	120.00	NEW in 14/15
TV				
Per transmission - UK rights		N/A	60.00	NEW in 14/15
Per transmission - World rights		N/A	120.00	NEW in 14/15
5 year unlimited transmission (excluding video and DVD) - UK rights		N/A	350.00	NEW in 14/15
5 year unlimited transmission (excluding video and DVD) - World rights		N/A	700.00	NEW in 14/15
Videos, DVD and Films				
UK rights		N/A	120.00	NEW in 14/15
World rights		N/A	240.00	NEW in 14/15
Exhibitions				
UK rights		N/A	60.00	NEW in 14/15
World rights		N/A	60.00	NEW in 14/15
Interior decoration of Commercial Premises				
UK rights		N/A	60.00	NEW in 14/15
World rights		N/A	60.00	NEW in 14/15
Web use				
UK rights		N/A	60.00	NEW in 14/15
World rights		N/A	60.00	NEW in 14/15

Libraries continued....	VAT (V) /Code	2013/14 £	2014/15 £	% change
L) Fax Service				
Within the UK each A4 sheet - send	V D/D	1.00	1.00	0.0%
Receipt of each A4 sheet	V D/D	0.50	0.50	0.0%
International faxes	V D/D	2.00	2.00 first page	0.0%
	V D/D	1.00	1.00 subsequent pgs	0.0%
M) People's Network Charging				
ICT sessions	V D/D	FREE for first half hour, 50p per half hour (or part) thereafter	FREE for first half hour, 50p per half hour (or part) thereafter	0.0%
	VAT (V) /Code	2013/14 £	2014/15 £	
N) Musical Scores and Playsets				
Hire by local societies (per set)				
- 1 to 40 copies	D/D	25.00	30.00	20.0%
- 41 to 80 copies	D/D	30.00	35.00	16.7%
- 81 to 120 copies	D/D	35.00	40.00	14.3%
- Over 120 copies	D/D	40.00	45.00	12.5%
Orchestral sets	D/D	10.00	15.00	50.0%
O) Comb Binding	V D/D	2.00	2.00	0.0%
P) Laminating				
A4	V D/D	1.00	1.00	0.0%
A3	V D/D	2.00	2.00	0.0%
Blue Badge Permits	M/D	10.00	10.00	0.0%

DEFINITIONS

ADULT/JUNIOR: An adult is anyone defined as 16 years or over and juniors up to and

CONCESSIONS: All juniors, Leisure Pass Holders or Registered Disabled

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TRAFFORD COUNCIL

Report to: Executive and Council

Date: 19 February 2014

Report for: Decision

Report of: The Executive Member for Finance and the Director of Finance

Report Title

CAPITAL INVESTMENT PROGRAMME & PRUDENTIAL INDICATORS 2014/17

Summary

This report consists of two main areas for the Executive to consider:

Capital Investment Programme – This report highlights the Council's investment plans for the next three years taking into account the estimated resources to be made available from Government as well as the Council's own resources. The level of resources forecasted to be available for capital investment purposes during the period 2014/17 is £82.1m.

New schemes with a value of £12.0m are recommended for approval. If agreed this would result in a total Capital Investment Programme for 2014/17 of £83.2m.
(see Appendix 1)

Prudential Indicators – the Council is required to set indicators in accordance with the CIPFA Prudential Code which are designed to support and record decisions taken on affordability, sustainability and professional good practice and these are outlined at Appendix 3.

Recommendations

- 1) That the Executive approve the Capital Investment Programme as detailed in the report
- 2) That the Executive recommends the Council to approve the Capital Investment Programme in the sum of £83.2m for the period 2014-17
- 3) That the Executive recommends the Council agrees additional borrowing for the LED Street Lighting as detailed in paragraph 17 of this report
- 4) That the Executive recommends the Council to approve the Prudential Indicators as set out at Appendix 3 of this report

Contact person for access to background papers and further information:

Name: Graeme Bentley

Extension: 4336

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial Implications	Planned capital expenditure over the next 3 year period will be contained within available capital resources. Additional borrowing of £9.3m to support major investment in street lighting. This will achieve savings in energy and running costs sufficient to repay the borrowing costs and provide for additional savings to the revenue budget.
Legal Implications:	None arising out of this report
Equality/Diversity Implications	None arising out of this report
Sustainability Implications	None arising out of this report
Staffing/E-Government/Asset Management Implications	A number of improvement schemes are being undertaken in 2014/17.
Risk Management Implications	Not Applicable
Health and Safety Implications	A number of schemes are being undertaken in 2014/17 on the grounds of health and safety.

BACKGROUND

1. The capital programme includes a wide range of projects to support the delivery of the Council's objectives including infrastructure improvements required to meet specific objectives for schools, highway infrastructure, housing and assist in promoting economic growth, regeneration and creation of local jobs.
2. Capital expenditure mainly includes spending on the acquisition or improvement of physical assets or in some cases on contributions to third party owned assets. In addition it can also include other exceptional items like redundancy costs but these items need permission from the Government.
3. The level and availability of capital funding determines the size of the overall capital programme and is heavily reliant on external funding, mainly in the form of capital grants from the Government. The programme is also reliant on internal funding to deliver more local priorities like town centre regeneration, improvement in public buildings and building rationalisation programmes. These internal funds are largely in the form of capital receipts but can also include prudential borrowing and earmarked reserves. There are significant constraints on the availability of internal funds due to a finite asset base which puts pressure on delivering capital receipts from the sale of surplus assets. Borrowing tends to pay for major invest to save schemes, for example the long term accommodation project. All borrowing is done within prudential limits and needs to be affordable and sustainable. A range of indicators are maintained to demonstrate this.

2013-14 PROGRAMME

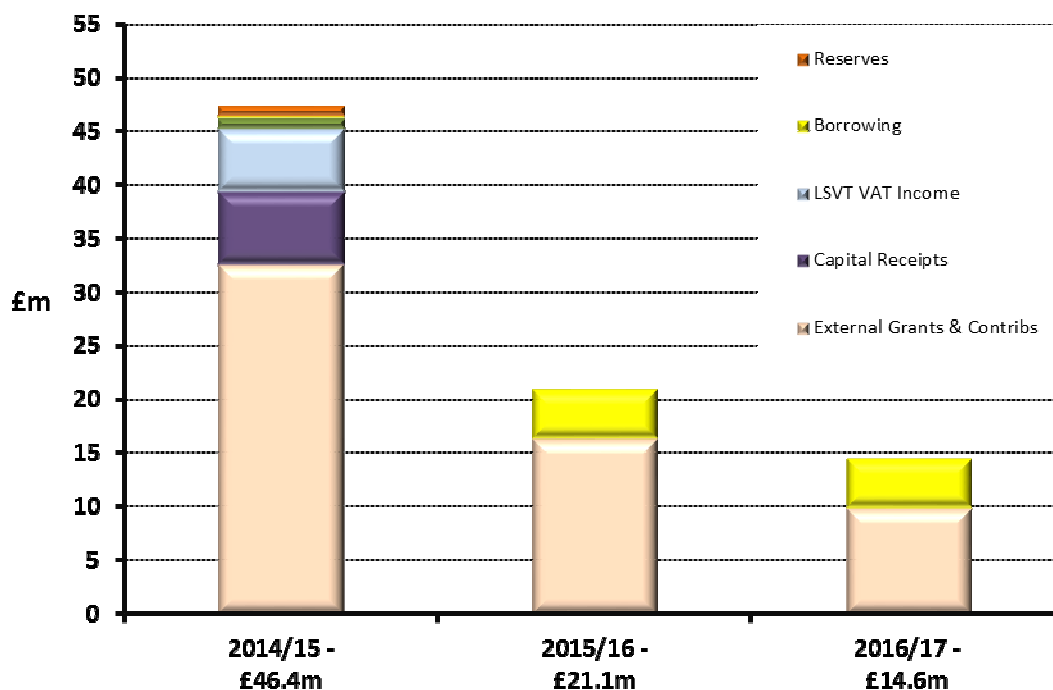
4. The current forecasted expenditure for 2013/14 is £41.8m. The current three year capital programme 2013/14 to 2015/16 originally approved by the Council in February 2013 is being implemented and has been updated for the amendments and additions approved throughout the year. As part of the budget process the Programme has been reviewed to ensure it continues to meet Council priorities and remains affordable within the level of resources available.

- The 2013/14 programme includes the delivery of a number of key projects including:-
 - Schools additional places and improvement programmes - £21.7m
 - Highways Improvements - £6.9m: includes road safety, street lighting and structural maintenance.
 - LCCC Redevelopment - £2.9m: Completion of the work started in 2011.
 - Housing Grants – £2.9m: includes Local Authority Mortgage Scheme & Disabled Facilities Grants.
 - ICT Programmes - £2.0m: including Customer Relationship Manager / Electronic Data Records Management System / Content Management System.
 - Adult Social Care - £1.3m: includes Telecare and integrated adult social care system.
 - Environmental Programmes - £1.7m: includes Parks & Open Space, Waste Management & Bereavement Services.
 - Altrincham Town Centre Regeneration and Altair land assembly costs - £1.8m

RESOURCE AVAILABILITY 2014/17

5. The estimated level of capital resources for 2014/17 total £83.7m and can be categorised into specific resources and discretionary resources. It is estimated that the Council will need to increase its provision for outstanding equal pay claims in 2014/15 and following the introduction of statutory regulations last year councils are permitted to finance these costs from capital receipts (Statutory Instrument 2013 No.476). This is currently estimated at £1.6m therefore the resource envelope for the capital programme is £82.1m.

2014/17 Capital Resource Availability - £82.1m



6. **Specific Resources** – These total £58.9m (72% of the overall resources) and mainly include government grants awarded for specific schemes, for example school building improvements, provision of additional school places or highway structural maintenance. Also the Council applies developer contributions to fund some infrastructure improvements but these need to be spent in accordance with conditions laid out in each legal agreement. Over recent years the Council has received contributions totalling £14.1m, of which £9.0m has either been spent or is committed to schemes in the current programme, with £5.1m available to support further projects. Until schemes are identified this amount has not been included in the resources available above as they are not available for general support of the capital programme. In addition there are signed planning agreements such that if developments proceed then the Council will receive up to a further £31m to support infrastructure improvements. The introduction of the Community Infrastructure Levy is estimated to yield approximately £2.7m p.a in support of projects included on the local infrastructure plan from 2015/16. At this stage these amounts have not been included in the resource envelope for 2014/17.
7. **Discretionary Resources** – These total £23.2m and mainly comprise of capital receipts from the disposal of surplus assets, LSVT VAT receipts and borrowing.
8. When setting the original 2013/16 capital programme all available capital resources were allocated. Subsequently the update to the land sales programme reported to the Executive in July 2013, which detailed all available sites that will be surplus to operational requirements for 2014/15, identified a number of new additional sites. The value of these exceeded the resourcing requirement by £3.4m. At this stage no estimate has been made on levels of capital receipts beyond this timeframe. The majority of the proceeds are already committed to support existing capital priorities such as the long term accommodation project and regeneration in our town centres. A further update to the land sales programme was undertaken in October 2013 which identified a slight increase in the level of available capital receipts.

Capital receipts estimate	2014/15 £m
Gross receipts estimate *	10.0
Ring-fenced receipts	(2.2)
Net receipts estimate	7.8
Amount allocated to support current Capital Programme	(4.3)
Amount required to support the anticipated increase in equal pay costs	(1.6)
Estimated Surplus	1.9

* Includes reimbursement of costs in respect of Urmston town centre, estimated at £4.4m.

9. The potential also exists to release some of the LSVT VAT Shelter receipts currently being received from Trafford Housing Trust (THT). An element of caution needs to be placed on this because a number of environmental warranties were given to THT when the stock was transferred, for example asbestos. Therefore consideration still needs to be given to the level of resources set-aside to cover potential liabilities that could arise. THT has confirmed that there are no claims anticipated to be made in respect of asbestos, although there can be no certainty about future claims. As at 1 April

2013 the balance was £6.8m with amounts already committed against existing schemes of £2.6m leaving an uncommitted balance of £4.2m. Receipts are also anticipated in 2013/14 and 2014/15 estimated at £1.6m, giving a total of £5.8m. No further LSVT VAT receipts will be received after 2014/15. **In the event that VAT shelter monies are used towards the Council's capital programme then any future valid claim from THT under these warranties would need to be met from existing revenue or capital resources. Members need to be aware of this risk before committing the VAT shelter proceeds.**

10. Included in the capital programme in later years are a number of schemes supported by discretionary resources where programmes are not yet committed, therefore these resources totalling £1.4m could be redirected in support of new priorities. In addition a number of other resources are available to support future years:-
- Available grants of £0.5m. As at 1 April 2013 the level of capital grants and contributions on the Council's balance sheet was £38.9m and for all intents and purposes is committed against schemes in the capital programme. A detailed line by line review of this account has been undertaken which has identified a number of unringfenced grants that are no longer required to support specific capital schemes as a consequence of historic underspending and are not at risk of claw-back. These can now be released to support the general capital programme.
 - Capital Reserve of £0.6m. Originally earmarked to support any requirement for additional equal pay costs.
 - A reimbursement of the Council's vacant possession costs on the Urmston town centre regeneration scheme is expected in spring 2014. The principal element of the reimbursement is already included in the current capital resourcing assumptions. As part of the agreement interest is due on this amount and an option exists to use this to support the overall funding gap. Final confirmation of the figure is still to be agreed with the developer but it is estimated to be in excess of £0.8m.

Amount Available to Support New Projects	Total
	£000
Capital Receipts Surplus (See Para 8)	1,900
Available Grants and Contributions (See Para 10)	500
Capital Reserve (See Para 10)	600
Add resources supporting schemes not yet committed (See Para 10)	1,381
Additional income from Urmston TC redevelopment (See Para 10)	800
LSVT VAT Receipts (See Para 9)	5,793
Total Available	10,974

11. An alternative option for using capital receipts is to set them aside for the redemption of debt which would provide savings in the Council's debt related costs. If the receipts included in the table above were used in this way it would provide revenue savings of approximately £400k to £750k p.a.

12. It is important to ensure that these scarce capital resources are used to support capital schemes that make a major contribution to ensuring the Council's assets are suitable for delivering future priorities, improving service delivery and generating revenue savings. Resources are allocated in accordance with the prioritisation process included in the Council's Capital Strategy which gives priority to:-

- Schemes of a mandatory nature e.g. health & safety;
- Invest to Save
- Supporting the Asset Base (backlog maintenance)
- Council priorities
- Other remaining projects

NEW START PROPOSALS

13. A number of new capital priorities have been identified for 2014/17 totalling £12.0m as summarised below. More detail together with justifications for the projects are detailed in Appendix 1.

Summary of New Start Proposals 2014/17	Total
	£000
Schemes of a mandatory nature	3,000
Invest to save schemes	589
Schemes that protect the asset base	5,120
Council Priorities	3,020
Other Priorities	313
Total	12,042

14. The capital bids summarised above and detailed in Appendix 1 exceed the resources available by £1.1m. The following options need to be considered:-

- a) Reduce the number of bids, particularly in later years
- b) Add all the schemes to the Capital Programme and introduce an element of overprogramming

15. If option b) is supported then it is imperative that all future capital receipts are pooled in support of priorities included in the indicative programme shown at Appendix 2.

2014/17 INDICATIVE PROGRAMME

16. The value of the indicative three year budget is £83.2m and is detailed in Appendix 2 with a summary shown in the table below. At this stage the figures for 2014/15 are known in detail, whereas the resource position for 2015/16 and 2016/17 is less certain. Whilst the programme for the later two years is at a lower level than in 2014/15 it is likely to increase as additional resources are confirmed over time.

17. Included in this indicative programme is £9.3m to replace the existing SOX/SON street lighting luminaires with LED luminaires, including a central management system. The scheme was approved in principle by the Executive on 18 November 2013, subject to a robust procurement exercise and there being no changes to the business case or other issues that arise. The outcome of this exercise will be reported back to a future Executive. This investment will be financed by borrowing with any related debt costs met from expected savings in energy and maintenance costs.

Capital Programme 2014/17 : Analysis by Priority	Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget Total
	£000	£000	£000	£000
Existing Programme (Specific resources and committed projects)	35,046	21,102	15,054	71,202
New Starts (per appendix 1)	5,892	3,400	2,750	12,042
Total Investment	40,938	24,502	17,804	83,244
Protecting the Asset Base	2,405	1,750	1,549	5,704
Supporting Service Provision	26,349	10,269	7,405	44,023
Supporting the Local Economy	2,582	3,914	1,750	8,246
Investing in New Technology	1,593	0	0	1,593
Investing in Major Infrastructure	8,009	8,569	7,100	23,678
Total Investment	40,938	24,502	17,804	83,244

Protecting the Asset Base – This includes investment in public buildings and infrastructure which is crucial in ensuring much needed facilities, used by the public, are kept open as lack of investment will lead to health and safety issues and potential closures.

Supporting Service Provision – This predominantly relates to the continuation of investment in school buildings including a programme that will create 875 additional school places across the Borough to address the shortage of primary school places as well as addressing priority condition needs.

Supporting the Local Economy – Includes major investment in the Borough's town centres

Investing in New Technology – This investment will support the completion of a number of corporate improvements. Also investment in Telecare products which monitor people at risk in their own homes, improving their safety and helping them to stay independent and healthy for longer.

Investing in Major Infrastructure – This investment includes improvements to 65km of carriageway, 66km of footways, 750 new street lighting columns and replacement of all luminaires, major bridge refurbishments and junction improvements.

PRUDENTIAL INDICATORS

18. The Council is required to set indicators that are designed to support and record decisions taken on affordability and sustainability. There is also a requirement to impose *limits* on the Council's treasury management activities to ensure decisions are made in accordance with professional good practice and risks are appropriate (these are included in the Treasury Management Strategy report, elsewhere on the agenda). The Director of Finance will monitor these and report on them at appropriate times. The Council can revise these indicators and limits at any time.
19. All the indicators take account of the proposals in this report and a list of Prudential Indicators is included at Appendix 3.

RECOMMENDATIONS

20. That the Executive:-

- approve the Capital Investment Programme as detailed in the report.
- recommend the Council approve the Capital Investment Programme in the sum of £83.2m for the period 2014-17.
- recommends the Council agrees additional borrowing for LED Street Lighting as detailed in paragraph 17 of this report
- recommend the Council approve the Prudential Indicators.

Other Options

The Executive could decide to use capital receipts to repay debt which would generate revenue savings on the Medium Term Financial Plan.

Consultation

Consultation has taken place with budget holders, responsible officers and professional services to ascertain the new projects to be put forward for inclusion in the Capital Investment Programme for 2014/17.

Reasons for the Recommendation

The Authority is regularly assessed on the performance of its Capital Investment Programme and how delivery matches corporate policies and proposed spending plans. To reflect budgets in line with revised expectations will assist in evidencing that compliance with the above is being met.

Finance Officer Clearance (type in initials)GB.....

Legal Officer Clearance (type in initials)JLF.....

Director of Finance: Appended in hard copy.

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

New Start Proposals 2014/17					
Description	2014/15 £000	2015/16 £000	2016/17 £000	Total £000	Justification
Schemes of a mandatory nature					
Disabled Facility Grants	1,000	1,000	1,000	3,000	The Council has a legal responsibility to provide adaptations to properties for people who meet the disabled facilities grant criteria. To accomplish this the Council is provided with a government grant. This grant does not meet the annual demand from Trafford residents so a bid for Capital to add to the grant is made. The service is demand led so we base the bid on the expenditure from the previous year's demand with a small allowance for demographic increases.
Sub-total	1,000	1,000	1,000	3,000	
Invest to Save					
Shawe View LD Assessment and Reablement Unit	100			100	The service will offer time limited support for individuals in order to assess their needs before agreeing a long term placement. This service will provide practitioners the opportunity to assess individuals and provide a period of reablement. The Shawe View site will be utilised for an assessment and reablement service for vulnerable adults with learning disabilities, mental health and autistic spectrum conditions. The site will be used for existing clients as well as enabling individuals to smoothly transition from residential college placements to community living. This in itself has the potential to reduce costs by having the facility to assess someone in borough and then identifying

				<p>an appropriate placement in Trafford rather than out of area. To this end the service would complement the work being undertaken as part of the Winterbourne View recommendations and also the resettlement of high cost, out of area placements.</p> <p>In order to use the Shawe View site as an assessment and reablement service the building will require investment. There will also be the requirement to purchase some specialist equipment. The service will look to work with a spectrum of individuals, ranging from lower level to very complex and profoundly disabled.</p>
Review of Children's Residential Services – review to increase capacity by one place	35		35	<p>Provisional sum of £35k is included whilst outcome of business case is competed.</p>
Additional Telecare Investment	400		400	<p>Trafford Council launched its Telecare Pledge targeted at those Trafford residents aged 80 or over. Its success has supported increased numbers of older people taking advantage of Telecare products to support them to remain independent, living in their own homes. In order to increase the take-up of Telecare products the aim is to target individuals aged 75-and over.</p>
SAN Controller Upgrade and Capacity	54		54	<p>The current SAN Controller (filer) is 3 years old and is about to end its 3 year maintenance contract. The filer is at capacity with regard to processing performance and is starting to impact on performance of systems. There are 3 major projects which will add additional workload to the system CRM, EDRMS and ASC. Pressure exists to undertake this investment in 2013/14.</p>

Sub-total	589	0	0	589	
Supporting the Asset Base					
Corporate Landlord	750	750	750	2,250	Ongoing major maintenance and backlog repairs to operational buildings.
Community Asset Transfer	500	500		1,000	As part of the transfer of community assets to the community and voluntary sector it may be necessary to carry out essential repairs to the buildings prior to the transfer.
Friars Court, Sale – Demolition	85			85	Annual running costs for the empty building are a minimum of £192k, whereas demolition has been estimated at circa £85k. We have a proposal to sell the site in approximately 18 months, when the site will become part of a redevelopment scheme and the building will be demolished.
Additional Highway Maintenance	1,350			1,350	It is recognised that funding at steady state levels is not possible in the current financial climate. However, what is being attempted is a controlled reduction in the condition of the highway ensuring that the maximum effectiveness is achieved from the funding available, and so reducing future reactive maintenance and potential insurance costs. The funding will allow some of the roads in the worst condition in the Borough to be treated. Pressure exists to undertake this investment in 2013/14
Altrincham Crematorium - Cremators	200	150		350	Replacement of two of the three cremators that have reached the end of their serviceable life which will protect long term on DEFRA requirements and enable possible income generation through CAMEO (initiative around mercury abatement compliant facilities). The new cremators would be

Corporate Landlord IT System	85			85	<p>more energy efficient reducing on-going costs. One cremator has reached end of life and is being carefully managed until replacement.</p> <p>Investment is required to allow a centralised model to be implemented and enable the service to deliver its core functionality effectively and efficiently. The model is business critical and a pre requisite to the RightSourcing approach. Any compromise to the systems aspect would directly impact the service and savings required for 2014/15. Indicative recurring costs per annum are 60% less than maintaining the existing system.</p>
Sub-total	2,970	1,400	750	5,120	
Council priorities					
Ascot House Adaptations	20			20	<p>Scheme will ensure the Council meets its statutory responsibilities re Care Quality Commission registration. To redevelop the rehabilitation flat to improve further the percentage of people we discharge home and divert away from expensive residential care. This improves customers' outcomes and experience while protecting the Adult Social Care budget.</p> <p>To redevelop 2 bathrooms as wet rooms which will again increase customers independence and improve rate of successful reablement and discharge home while also improving access to people with mobility problems</p>
Housing Assistance	150	150	150	450	<p>Discretionary grant assistance of £50k p.a to owner occupiers with properties in poor condition (category 1 hazards in accordance with the Housing Health & Safety Rating System). An amount of £100k p.a for site investigation and</p>

Integrated Transport	500	500	500	1,500	<p>preparation to support housing development. Principally to be used for Council owned land prior to disposal but also for third party sites where intervention will bring forward development or to support bids for external funding.</p> <p>Continued reduction of highways related accidents through physical intervention including :</p> <ul style="list-style-type: none"> •Improved sustainable travel modes •Facilitation of healthier modes of travel •Reduced highway congestion. •Improved compliance with traffic regulations. •Improved highway DDA access. •Improved car parking and residential amenity. <p>The consequences of not undertaking this work include :</p> <ul style="list-style-type: none"> • Increased road traffic injury accidents • Increased congestion & pollution, health issues • Possible increase in insurance claims. • Significant increase in complaints to the Council.
Parks & Greenspace	350	350	350	1,050	<p>Capital bids for Greenspace including parks, countryside and allotments will support a programme of continued improvement which along with S106 contributions will reduce structural maintenance issues and potential future liabilities. External grant funding will also be sought to maximise the value of the Council's capital investment wherever this is possible. Capital funding is necessary to ensure that play areas, footpath networks, car parks and other associated infrastructure is brought up to standard across both parks and countryside sites including the Mersey Valley and Bollin Valley where there has been no major investment for many years. The bids support enhancing the Council's asset base whilst ensuring</p>

					that health and safety risks are addressed. Parks and countryside sites are increasingly very well used and important resources for the residents of Trafford particularly during times of austerity when the usage and demands from local green spaces continues to increase. Funding has also been requested to tackle an ongoing problem with allotment toilet facilities and dilapidated infrastructure that has not been addressed for a number of years. This investment would reduce on going revenue costs associated with dealing with these issues.
Sub-total	1,020	1,000	1,000	3,020	
Other remaining projects					
Contribution to GM Broadband	313			313	This is a contribution from the Council to support an AGMA wide initiative for high speed broadband and digital growth in Greater Manchester.
Sub-total	313			313	
Total	5,892	3,400	2,750	12,042	

2014/2017 INDICATIVE CAPITAL PROGRAMME			
	2014/15	2015/16	2016/17
DESCRIPTION	£000	£000	£000
Childrens Services			
Basic Need : School Places & Condition Issues	21,194	7,092	4,255
Infants Free School Meals Grant	416	0	0
Devolved Formula Capital	410	400	400
Capital Maintenance Grant	2,997	2,100	2,100
Review of Children's Residential Placements (Increase capacity by one place)	35	0	0
Sub-total	25,052	9,592	6,755
Adults Services			
Adult Personal Social Care - Community Capacity Grant	519	527	500
Replace ICT Social Care System	745	0	0
Ascot House, Sale - Adaptations	20	0	0
Shawe View, Urmston - LD Assessment and Reablement Unit	100	0	0
Telecare System Extension	400	0	0
Disabled Facility Grants	1,769	1,914	1,750
Sub-total	3,553	2,441	2,250
Economic Growth & Prosperity			
Mechanical & Electrical Works	200	200	342
Asbestos Management	50	50	50
Legionella Control Remedial Works	50	50	50
Energy Efficiency & Sustainability Schemes	50	50	50
DDA Compliance	100	100	100
Public Building Repairs	300	300	607
Community Asset Transfer	500	500	0
Friars Court, Sale - Demolition	85	0	0

	2014/15	2015/16	2016/17
DESCRIPTION	£000	£000	£000
Corporate Landlord IT System	85	0	0
Land Compensation - Sale Water Park	50	0	0
Altrincham : Library / Community Facility	0	2,000	0
Altair Development, Altrincham	615	0	0
Bringing Town Centres Alive	148	0	0
Assistance to Owner Occupiers	50	50	50
Housing Growth	100	100	100
Affordable Housing - Roseneath Rd, Urmston (S.106)	108	0	0
Sub-total	2,491	3,400	1,349
Environment, Transport & Operations			
Integrated Transport Schemes	500	500	500
Altrincham Interchange	350	150	0
Bridgewater Way Improvements	365	219	0
Highways & Public Transport S106s	94	0	0
Cycle City Ambition Grant	1,569	0	0
Highways Structural Maintenance	2,212	2,000	2,000
Additional Highway Maintenance	1,350	0	0
Highways - Asset Management Plan	92	0	0
Street Lighting – LED Programme	0	4,700	4,600
Bridge Assessments & Strengthening	55	0	0
A56 / West Timperley - Improvements	677	1,000	0
Additional Burial Land	300	0	0
Altrincham Crematorium - Cremators	200	150	0
Parks Infrastructure	345	225	225
Countryside Infrastructure	75	75	75
Allotments - Welfare & Security Works	50	50	50
Parks - S.106 Projects	100	0	0
Sub-total	8,334	9,069	7,450

	2014/15	2015/16	2016/17
DESCRIPTION	£000	£000	£000
Transformation & Resources			
CRM Upgrade	500		
Web / Customer Strategy	210		
HR Payroll System - SWITch	431		
GM Broadband Contribution	313		
SAN Controller - upgrade	54		
Sub-total	1,508		
TOTAL	40,938	24,502	17,804

Prudential Indicators – Estimates 2013/17

Capital Prudential Indicators	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Capital Expenditure	41.8	40.9	24.5	17.8
Capital expenditure - the table above shows the estimated capital expenditure to be incurred for 2013/14 and the following three years.				
Capital Financing Requirement as at 31 March	146.3	140.0	138.3	138.3
Capital Financing Requirement (CFR) - this reflects the estimated need to borrow for capital investment (i.e. the anticipated level of capital expenditure not financed from capital grants and contributions, revenue or capital receipts).				
Financing Cost to Net Revenue Stream	6.9%	6.9%	7.0%	7.3%
Financing costs to net revenue stream - this indicator shows the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the Council's net revenue stream.				
Incremental Impact on Band D Council Tax (£)	12.43	0.00	0.00	0.00
Incremental impact on band D council tax – reflects the incremental impact on the Council Tax arising from new borrowing undertaken in order to finance the capital investment decisions taken by the Council during the budget cycle. The figures above, reflects the movement away from borrowing to grant funding for future years spend.				

All the prudential indicators are monitored on a regular basis. If the situation arises that any of the prudential indicators appear that they will be breached for a sustained period, then this will be reported to the Council at the earliest opportunity.

TRAFFORD COUNCIL

Report to: Accounts & Audit Committee 11 February 2014
Executive & Council Meetings 19 February 2014
Report for: Decision
Report of: The Executive Member for Finance and Director of Finance

Report Title

TREASURY MANAGEMENT STRATEGY 2014/15 – 2016/17

Summary

This report presents the:-

- expected treasury management operations for this period,
- risks that exist and mitigations measures and
- prudential indicators for 2014/15 – 2016/17.

The global economic climate, despite early signs that a recovery maybe underway, remains in a fragile state and it is therefore recommended that the strategy will remain similar to that approved last year.

Recommendation(s)

That the Accounts & Audit Committee & Executive recommend to Council for approval the;

- policy on debt strategy for 2014/15 to 2016/17 as set out in section 3,
- investment strategy for 2014/15 to 2016/17 as set out in section 5,
- Prudential Indicators and limits including the Authorised Limit (as required by section 3(1) of the Local Government Act 2003), Operational Boundary, Minimum Revenue Provision Statement and Investment criteria as detailed in Appendix 1.

Contact person for access to background papers and further information:

Name: Graham Perkins
Extension: 4017

Background papers: None

Relationship to Policy Framework / Corporate Priorities	Value for Money
Financial	The treasury management strategy will aim to maximise investment interest and reduce interest payable on debt, whilst minimising the risk to the Council.
Legal Implications:	Actions being taken are in accordance with legislation, CIPFA Prudential Code and CIPFA Treasury Management Code of Practice.
Equality/Diversity Implications	Not applicable
Sustainability Implications	Not applicable
Staffing/E-Government/Asset Management Implications	Not applicable
Risk Management Implications	The overriding aim will always be to minimise risk and in respect of this the annual strategy report will therefore remain a cornerstone of the treasury management decision making process.
Health and Safety Implications	Not applicable

Other Options

This report has been produced in order to comply with Financial Procedure Rules and relevant legislation. It provides a plan of action for the period 2014-15 to 2016-17, which is flexible enough to take account of changes in financial markets.

Consultation

Advice has been obtained from Capita, the Council's external advisors.

Reasons for Recommendation

The Financial Procedure Rules, incorporating the requirements of the revised CIPFA Prudential Code and the CIPFA Treasury Management Code. These consider that the annual strategy report is an essential control over treasury management activities whereby Members approve the parameters under which officers will operate. In addition The Local Government Act 2003 requires that the Council approves an annual borrowing limit (the Authorised Limit) and CLG Guidance an annual investment strategy (setting out the limits to investment activities).

Key Decision

This will be a key decision likely to be taken in: February 2014

This is a key decision currently on the Forward Plan: Yes

Treasury Management Strategy – Summary of Key Points

This report outlines the expected treasury activities for the forthcoming 3 years and has been prepared in accordance with the Council's Financial Procedure Rules. Additional treasury management reports are produced during the course of the year reporting actual activity for the preceding year and a mid-year update.

Economic situation (Appendix 4)

During the second half of 2013, signs that global economic recovery was underway emerged, however this position remains fragile.

Main economic headlines were;

- UK reported positive growth throughout 2013 with unemployment levels falling to 2.3m (7.1%) in December 2013,
- The Eurozone sovereign debt crisis eased despite Cyprus needing a bailout in the Spring,
- US economy continued to recover despite protracted fiscal negotiations, often taken to the last minute, approving stringent federal expenditure cuts and increases in taxation; and
- China's economy averted a hard landing and Japan saw growth.

Debt (Section 3)

In line with previous years practice, no external loans were taken to fund the Council's capital investment requirement. As a consequence of this action, the internal borrowing position (cash backed reserves, balances and cash flow being used rather than taking on new debt) will be at £45.0m by 31 March 2015 and generate a saving in loan interest payable of £2.0m. This approach, which has been adopted by the majority of councils, reduces both the risks associated with investment counterparties and the large difference between debt costs and investment returns.

Debt restructuring exercises will only be undertaken in order to produce revenue savings or lower overall treasury risk.

Investments (See Section 5 and Appendix 1)

The primary principles governing the Council's investment criteria remains unchanged from that previously adopted of security of capital first, liquidity of its cash flows and finally yield.

The Council is required to agree the lending criteria, which is primarily determined by credit ratings issued by all 3 major credit rating agencies as detailed at Appendix 1. *The only recommended change to that previously agreed by Council in February 2013 relates to the decrease in the maximum duration amounts that can be lent to both the UK part nationalised banks and the Council's own bank.*

Prudential Indicators and limits (Section 7 and Appendix 1)

The Council is required to approve a set of Prudential Indicators and limits which ensure the Council's capital expenditure plans and borrowing remain robust, prudent, affordable and sustainable. These are detailed at Appendix 1 for Member approval.

1. Background

Please note a glossary of all abbreviations appears at Appendix 7 for reference.

- 1.1 Treasury management is an important part of the overall financial management of the Council's affairs and is undertaken in accordance with statutory requirements together with the CIPFA Treasury Management Code of Practice. A brief outline of these has been provided at Appendix 2.
- 1.2 The main task of Treasury management is to ensure that adequate cash is available to meet the Council's cash flow requirements together with the management of its long and short term loans with any temporary surplus monies invested in low risk counterparties.
- 1.3 Each year in order to comply with the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code), the Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals as follow;
 - annual treasury strategy for the year ahead (February i.e. this report)
 - mid-year update report (November)
 - annual report on the activity undertaken compared to the strategy (June).
- 1.4 The Council uses Capita, formerly Sector, as its treasury management advisors who provide a range of services from technical support on treasury matters to the supply of credit ratings as issued by the three main credit rating agencies.
- 1.5 Whilst the advisors provide support to the internal treasury management function, the Council recognises that the final decision on all treasury management matters remains with the organisation at all times. This service is subject to regular review.
- 1.6 The Council recognises the importance of ensuring that all Members and staff involved in the treasury management function receive adequate training and are fully equipped to undertake the duties and responsibilities allocated to them by ensuring that;
 - Members will continue to have access to training which will be relevant to their needs & responsibilities;
 - Officers will attend courses / seminars presented by CIPFA, LGC, Advisors & any other suitable professional organisation in accordance with Council policy on this issue.
- 1.7 Excluded from this report are the activities carried out by the Council's schools, which operate within separate criteria as stipulated by the Director of Finance and in accordance with the Council's Financial Procedure Rules.

2. Economic & Interest Rate forecast

- 2.1 Signs started to appear in 2013/14 that a global recovery was underway, however the economic climate continues to remain in fragile state. During 2013/14 the main economic headlines are outlined at Appendix 4 for reference.
- 2.2 Economic forecasting remains difficult, particularly with many external influences affecting the UK economy e.g. will the Eurozone recovery continue? Market forecasters currently predict that the UK economic recovery, which started mid-year in 2013, is set to continue and that the main headlines for 2014/15 are as follows:

- UK bank rate, currently at 0.5%, is not expected to move until 2016;
- Consumer Price Inflation to remain around the 2% Government target Level;
- The Bank of England's latest forecast for growth in the UK economy for 2014 is 2.8% an increase of 1.1% from its original forecast of 1.7%;
- UK continues to be seen as a safe haven for foreign investors.

2.3 Capita, the Council's external treasury management advisors, has produced a set of interest rate forecasts up to March 2017;

Annual Average %	Bank Rate	Investment Rates		Borrowing Rates	
		3 month LIBID	1 year LIBID	5 year	25 year
2013/14	0.50	0.50	0.80	2.70	4.60
2014/15	0.50	0.50	0.80	2.90	4.75
2015/16	0.50	0.50	1.10	3.20	5.05
2016/17	1.00	0.90	1.95	3.50	5.30

2.4 As a result of this economic position, the Council will take a cautious approach to its treasury strategy during this period.

3. Debt Strategy 2014/15 – 2016/17

3.1 The Council maintains an under-borrowed position. This position has resulted from the underlying borrowing need arising from the capital programme and historic capital decisions (the Capital Financing Requirement, CFR), not been fully funded by taking on external debt. Instead cash supporting the Council's reserves, balances and cash flow has been used to finance this requirement.

3.2 The table below shows the actual external debt levels against the underlying capital borrowing need (the Capital Financing Requirement - CFR) highlighting the Council's under-borrowing position.

	2013/14	2014/15	2015/16	2016/17
	Estimate £000	Estimate £000	Estimate £000	Estimate £000
Debt at 1 April	100,473	97,417	94,992	97,922
Debt maturing	(3,056)	(2,425)	(1,770)	(3,747)
New Debt	0	0	4,700	4,600
Actual gross debt at 31 March	97,417	94,992	97,922	98,775
Capital Financing Requirement at 31 March	146,266	140,013	138,334	138,321
Under borrow at 31 March	48,849	45,021	40,412	39,546

3.3 The strategy of not undertaking any external borrowing, which the Director of Finance under delegated powers has adopted, is set to continue for 2014/15. Based on the forecasted closing position at 31 March 2015 in the table above, this will save the Council £2.0m in loan interest payable (£45.0m x 4.5%).

- 3.4 Subject of Council approval, in order to finance the Council's L.E.D. street lighting replacement programme, as approved at 18 November 2013 Executive meeting, it is likely that new debt will be taken in line with the current forecasted spend profile. This will commence in 2015/16, with all debt costs being met from savings generated from reduced maintenance and energy costs.
- 3.5 In addition to the borrowing undertaken directly, the Council is also responsible for a further £1.0m which is administered by Tameside Borough Council on behalf of all the 10 Greater Manchester Authorities. This follows the conversion in February 2010 of loans previously held on behalf of Manchester International Airport into an equity rated instrument.
- 3.6 As short term borrowing rates will be cheaper than longer term fixed interest rates, there may be potential opportunities in the future to generate revenue savings by switching from long term debt to short term debt. However the cost of premiums incurred, due to early repayment, will also need to be taken into account before any restructuring is undertaken.
- 3.7 The Council is required to set its limits for external debt for 2014/15 to 2016/17 in accordance with the Local Government Act 2003, having regard for CIPFA's prudential code before the commencement of each financial year. **These limits are detailed at Appendix 1 for Council approval.**
- 3.8 The Council retains the flexibility to borrow funds in advance of requirement should market conditions unexpectedly change i.e. anticipate a sharp rise in interest rates, however funds will not be taken purely in order to profit from investment of the extra sums borrowed. This course of action will be done in accordance with the Director of Finance's delegated powers and reported to Members through either the mid-year or annual reporting mechanism.
- 3.9 Any borrowing undertaken in this way by The Director of Finance will be done within the constraints stated below;
- no more than 50% of the expected increase in borrowing need (CFR) over the three year planning period is to be taken in this manner and
 - borrowing only up to a maximum 12 months in advance of need.
- 3.10 A breakdown of the Council's expected debt maturity profile as at 31 March 2014 is provided at Appendix 5 for reference which also shows, in accordance with the Code of Practice, the potential first date the lending banks could amend the rate of interest for the market loans.

4. Minimum Revenue Provision Strategy

- 4.1 The Council is required to set aside an amount each year for the repayment of debt (by reducing the CFR), through a revenue charge called the Minimum Revenue Provision (MRP). In addition, the Council is also allowed to undertake voluntary revenue payments (VRP).
- 4.2 CLG regulations require full Council to approve an MRP Policy in advance of each year. A variety of options are provided to councils so long as there is a prudent provision. **The Council is requested to approve the MRP statement as detailed at Appendix 1.**

5. Investment Strategy

- 5.1 The Council's investment policy has regard to the CLG's Guidance on Local Government Investments and the revised CIPFA Treasury Management in Public Services Code of Practice.

- 5.2 The primary principle governing the Council's investment criteria is the security of its investments and in order to comply with this, the Council's investment priorities will therefore remain unchanged to that previously adopted;
- security of capital,
 - liquidity of its cash flows and
 - yield.
- 5.3 In accordance with the above guidance from the CLG & CIPFA and in order to minimise the risk of a counterparty defaulting, the Director of Finance will maintain, as in previous years, a list comprising of high creditworthy counterparties with whom funds can be invested with.
- 5.4 The creditworthiness methodology used to create the counterparty list uses the credit ratings issued by all three of the main rating agencies (Fitch, Moody's and Standard and Poor's) and is based on the lowest common denominator approach which defaults to the lowest equivalent rating.
- 5.5 This approach, which uses real time credit rating information, enables a counterparty to be included on this list using the latest ratings from at least two of the three independent rating agencies, providing the ratings meet all the minimum levels required by the Council as shown at Appendix 1.
- 5.6 Any counterparty featuring on the Council's list of authorised institutions which incurs a negative rating change which means it no longer meets the minimum required, will be immediately suspended from use and removed from the authorised list.
- 5.7 A full explanation of the credit ratings determining the counterparties which the Council will use can be found at Appendix 3.
- 5.8 The Council officers further recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor each counterparty taking into account market opinions, financial press, equity & credit default swap prices. This additional market information is detailed for Members' reference at Appendix 3.
- 5.9 The overall aim of this approach is to produce a list of high creditworthy counterparties enabling investments to be placed with a wide spectrum of institutions.
- 5.10 The criteria for providing a list of high quality investment counterparties (both Specified and Non-specified), and reducing exposure of the Council's investments by country, group and sector are explained in more detail at Appendix 3 together with time and value limits.
- 5.11 The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded and will be limited to the Prudential Indicator detailed at Appendix 1.
- 5.12 Investments will be made with reference to the Council's cash flow requirements as well as the outlook for investment rates and it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.
- 5.13 The criteria for choosing counterparties as set out at Appendix 1 provide a sound approach to investment in "normal" market circumstances. Whilst Members are asked to approve this base criteria, the Director of Finance may temporarily restrict further investment activity to those counterparties considered of higher credit

quality than the minimum criteria set out for approval should any exceptional market conditions be encountered. These restrictions would remain in place until the banking system returned to “normal” conditions. Similarly the time periods for investments will be restricted.

- 5.14 In conjunction with both the Government’s commitment to commence the process of privatising the part nationalised banks and thereby reducing the level of support offered together with the Council’s own bank which it uses for transactional purposes having its credit ratings downgraded to sub investment levels, **it is recommended to reduce the maximum period funds can be placed as outlined at Appendix 1**
- 5.15 The minimum criteria for providing a list of high quality investment counterparties, instruments and limits to be applied are highlighted at **Appendix 1** and Council is requested to approve these requirements.

6. Investment Risk Benchmarking

- 6.1 The Code of Practice and CLG Investment Guidance require that appropriate security and liquidity benchmarks are considered and reported to Members and these are explained in more detail in Appendix 3.
- 6.2 These benchmarks are simple guides to maximum risk (not limits) and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. Their purpose is to assist officers to monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported to Members, with supporting reasons in the Mid-Year or Annual Report. For reference these benchmarks will be;

- Security - for each individual year the security benchmark when compared to historic default rates are not to exceed:

1 year investments	2 year investments	3 year investments
0.09%	0.04%	0.14%

- Liquidity - In respect of this the Council seeks to maintain;
 - Bank overdraft of £0.5m,
 - Weighted Average Life (WAL) benchmark for 2014/15 is set at 6 months, with a maximum of 3 years,
 - Liquid short term deposits of at least £15m are available with a week’s notice
- Yield benchmarks are currently used to assess investment performance and internal returns are required to achieve above the 7 day LIBID rate.

7. Prudential Indicators

- 7.1 A number of prudential indicators have been devised for both the treasury management and capital operations. These are designed to assist managing risk and reducing the impact of an adverse movement in interest rate as well as ensuring that the Council’s capital expenditure plans are prudent, affordable and sustainable. These indicators have been set in order that they are not too restrictive thereby impairing the opportunities to reduce costs and reflect the capital programme proposals, included within the main budget report.

7.2 Members are requested to approve the prudential indicators for both the Council's capital expenditure and treasury management activities as detailed at **Appendix 1**.

8. Recommendations

That the Accounts & Audit Committee and Executive recommend to Council the key elements of this report for approval;-

- the policy on debt strategy for 2014/15 to 2016/17 as set out in section 3;
- the investment strategy for 2014/15 to 2016/17 as set out in section 5;
- the Prudential Indicators and limits including the Authorised Limit (as required by section 3(1) of the Local Government Act 2003), The Minimum Revenue Provision Statement and Investment criteria as detailed in Appendix 1.

Finance Officer Clearance *.....ID*

Legal Officer Clearance *... MJ.....*

Director of Finance Signature Appended in hard copy

ELEMENTS FOR COUNCIL APPROVAL
(including Prudential Indicators, Minimum Revenue Provision & Investment Criteria)

In accordance with CLG Guidance, the CIPFA Prudential Code and the CIPFA Code of Practice on Treasury Management each council is required to set, before the commencement of each financial year, Treasury Management Prudential Indicators and limits, a Minimum Revenue Provision Statement and Investment criteria.

The Accounts and Audit Committee and Executive are requested to recommend that Council approve these for the period 2014/15 – 2016/17 as detailed below;

PRUDENTIAL INDICATORS AND LIMITS

In accordance with the CIPFA Prudential code, the Council is required to produce prudential indicators and limits reflecting the expected capital activity regarding its capital investment programme. These have an impact on the Council's treasury management activities and the Council is required to approve the prudential indicators and limits affecting treasury management performance as shown below;

Prudential Indicators	2013/14 estimate £m	2014/15 estimate £m	2015/16 estimate £m	2016/17 estimate £m
(1) Upper Limits – Fixed interest rate exposure (interest costs)	3.6	3.2	3.1	2.8
(2) Upper Limits – Variable interest rate exposure (interest costs)	1.9	3.1	3.1	3.1
Upper Interest Limits – identifies the maximum limit for both fixed and variable interest rates exposure based upon the Council's debt position net of investments (debt interest payable less investment interest receivable).				
(3) Authorised Limit for External debt				
- External debt (01.04)	120	120	120	120
- Other long term Liabilities (PFI)	7	7	7	6
Total	127	127	127	126
Authorised external debt limit - maximum level of external debt that the authority will require to cover all known potential requirements and includes headroom to cover the risk of short-term cash flow variations that could lead to a need for temporary borrowing. This limit needs to be set or revised by Council and is the statutory limit determined under section 3(1) of the Local Government Act 2003.				
(4) Operational Boundary Limit for External debt				
- External debt (01.04)	100	100	100	100
- Other long term	7	7	7	6

Liabilities (PFI) Total	107	107	107	106
Operational boundary - calculated on a similar basis as the authorised limit but represents the likely level of external debt that may be reached during the course of the year excluding any temporary borrowing and is not a limit.				
(5) Upper limit for sums invested over 364 days	50	50	40	30
Upper Limit for sums invested for over 364 days – these limits are set with regard to the Council’s liquidity requirements and to reduce the need for early sale of an investment.				
(6) Gross debt and Capital Financing Requirement				
-External debt (01.04)	100	100	100	100
-Other long term Liabilities (PFI)	7	7	7	6
Gross debt	107	107	107	106
-C.F.R.	146	140	138	138
Excess C.F.R.	39	33	31	32
Gross Debt and the Capital Financing Requirement – this indicator reflects that over the medium term, debt will only be for capital purposes. The Director of Finance will ensure that all external debt does not exceed the capital financing requirement with any exceptions being reported to Council.				

MATURITY STRUCTURE of BORROWING 2014/15 to 2016/17		
	Lower limit %	Upper limit %
Under 12 months	0	70
12 months to 2 years	0	25
2 years to 5 years	0	25
5 years to 10 years	0	25
10 years to 20 years	0	25
20 years to 30 years	0	25
30 years to 40 years	0	25
40 years and above	0	25
Maturity Structure of Borrowing – these gross limits are set to reduce the Council’s exposure to large sums falling due for refinancing and this indicator reflects the next date on which the lending bank can amend the interest rate for the Lender Option Borrower Option loans.		

All the prudential indicators are monitored on a regular basis. If the situation arises that any of the prudential indicators appear that they will be breached for a sustained period, then this will be reported to the Council at the earliest opportunity.

MINIMUM REVENUE PROVISION - (no change)

In accordance with C.L.G. Guidance, the Council shall determine for the current financial year, an amount of minimum revenue provision that it considers to be prudent and submit an MRP Statement setting out its policy for its annual MRP to Council for approval. The following MRP Statement has been prepared in accordance with the Council's accounting procedures as stated in the annual Statement of Accounts publication and is recommended for approval:

- Capital expenditure incurred before 1 April 2008 or which in the future will be supported by external borrowing approvals -, the MRP policy will follow the existing practice outlined in former C.L.G. regulations, i.e. 4% of the C.F.R. each year;
- Capital expenditure incurred after 1 April 2008 by prudential borrowing (unsupported) -, the policy will be based on the estimated life of the assets once operational with MRP charged on a straight line basis or annuity basis in accordance with the Guidance;
- MRP regarding PFI schemes and leases shown on the balance sheet will be based on the amount of the principal lease repayment included within the annual unitary payments made;
- For expenditure that does not create an asset, or following the use of a Capitalisation Direction, provision will be made over a period not exceeding 20 years, in accordance with Guidance.
- The Council participated in the national Local Authority Mortgage Scheme using the cash backed option with Lloyds bank. This involved the Council placing 2 five year deposits totalling £3m, (£2m 2012/13 & £1m 2013/14), with the bank matching the five year life of the indemnities. These deposits provide an integral part of the mortgage lending, and is treated as capital expenditure and a loan to a third party. The Capital Financing Requirement (CFR) will increase by the amount of the total indemnity. The deposit is due to be returned in full at maturity and once received will be classed as a capital receipt, and the CFR will reduce accordingly. As this is a temporary (five years) arrangement and the funds will be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application. The Council will also apply this policy to other service debt arrangement it should enter into.

INVESTMENT CRITERIA – (recommended changes as highlighted)

The minimum criteria for providing a list of high quality investment counterparties is highlighted in the categories below and these are to be applied for both Specified and Non-specified investments;

	Fitch (or equivalent) – Long Term	Maximum Group Limit	Maximum Time Limit
Category 1 – All UK or Non UK banks and building societies domiciled in a non-UK country which has a minimum Sovereign long term	AA- To AAA A- to A+	£20m £5m	3yrs 1yr

rating of AA and individual credit rating issued by Fitch, Moody's and Standard and Poor's of: <ul style="list-style-type: none"> • Short Term – Fitch F1 or equivalent • Long Term – Fitch A- or equivalent • Viability / Financial Strength – C (Fitch / Moody's only) • Support – 3 (Fitch only). 			
Category 2 – UK Banks part nationalised -	-	£20m	1yr (current limit 3yr)
Category 3 – The Council's own banker if the bank falls below the above criteria for transactional purposes only.	-	n/a (current limit £5m)	1day (current limit 1yr)
Category 4 – <ul style="list-style-type: none"> • Money Market Funds – must be AAA credit rated • UK Government (including treasury bills, gilts and the DMO) • Local Authorities • Supranational Institutions • Corporate bonds (Manchester International Airport only) 	-	£20m	3yrs

Specified and Non Specified Investments – (recommended change as highlighted)

In accordance with the Code of Practice, the Council is required to set a criteria which identifies its investments between Specified and Non Specified investments and these are classified as follows;

- Specified investments are high security and high liquidity investments with a maturity of no more than a year or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. A maximum of 100% can be held under this definition,
- Non specified investments are any other type of investment not defined as specified above with the maximum permitted to be held in this classification detailed in Appendix 1 including Manchester Airport Shares at 31 March 2013 of £29.3m and
- Local Authority Mortgage Scheme. Under this scheme, which is designed for first time buyers to be able purchase a property in the area, the Council is required to place funds of £3m with Lloyds bank for a period of 5 years to match the 5 year life of the indemnity. This is classified as being a service investment, rather than a treasury management investment and is therefore outside of the specified / non specified categories.

All Investments will be undertaken in Sterling in the form of Term Deposits, Money Market Funds, or Certificates of Deposits unless otherwise stated below,

Specified Investments

Investment	Maximum Maturity
The UK Government including Local Authorities, Debt Management Office, UK Treasury Bills or gilts with less than one year to maturity.	1 Year
Supranational bonds of less than one year duration	1 Year
Pooled investment vehicles that have been awarded a AAA credit rating by Fitch, a credit rating agency, such as money market funds	1 Year
An institution that has been awarded a high short term credit rating (minimum F1 or equivalent) by a credit rating agency, such as a bank or building society.	1 Year

Non-Specified Investments

Investment	Maximum Maturity
<p>Multilateral development bank bonds - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.).</p> <p>The security of interest and principal on maturity is on a par with the Government and so are very secure, and these bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	3 Years
Gilt edged securities with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. The value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	3 Years
The Council's own bank if it fails to meet the basic credit criteria.	1 Day (current limit 1 Year)
UK Banks which have significant Government holdings	1 Year
Any bank or building society which meets the minimum long term credit criteria detailed in Appendix 1, for deposits with a maturity of greater than one year.	3 Years
The UK Government including Local Authorities, Debt Management Office, UK Treasury Bills or Gilts	3 Years

<p>Share capital or loan capital in a body corporate – The use of these instruments maybe deemed to be capital expenditure, and as such maybe an application (spending) of capital resources. It is envisaged this facility will apply to the Manchester International Airport share holding which the Council holds at a historical value of £29.3m as reported in the 2012/13 statement of accounts. It is not envisaged that this type of investment will be undertaken in the future.</p>	<p>3 Years</p>
<p>Manchester Airport Group – This is in response to the restructuring of the airports existing debt and is included for clarity and transparency purposes only.</p>	<p>Term of loans</p>

STATUTORY FRAMEWORK

Local Government Act 2003

In accordance with the Local Government Act 2003 (and supporting regulations and guidance) each Council must before the commencement of each financial year, produce a report fulfilling three key requirements as stipulated below;

- The debt strategy in accordance with the CIPFA Code of Practice on Treasury Management (section 3);
- The investment strategy in accordance with the Communities and Local Government (C.L.G.) investment guidance (section 5);
- The reporting of the prudential indicators as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Appendix 1).

CIPFA Code of Practice

The Council's treasury activities are strictly regulated by statutory requirements in conjunction with a professional code of practice (the CIPFA Treasury Management Code of Practice). This Council adopted the Code of Practice on Treasury Management on 24 April 2002 and followed recommended practices by considering an annual Treasury Management Strategy before the commencement of each financial year. These Codes are revised from time to time and the Council complies with any revisions.

CIPFA defines treasury management as *“The management of the organisation's investments and cash flows, its banking, money market and capital market transactions(debt); the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”*.

Investment Guidance

The C.L.G. issued Investment Guidance in March 2010, and this forms the structure of the Council's policy below,

- The strategy guidelines for decision making on investments, particularly non-specified investments.
- Specified investments the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.
- The principles to be used to determine the maximum periods for which funds can be committed.

INVESTMENT CREDIT AND COUNTERPARTY RISK MANAGEMENT
(No change)

The Council receives credit rating advice from its treasury management advisors, as and when ratings change and counterparties are checked promptly to ensure it complies with the Council's criteria. The criteria used are such that any minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria, or those on the minimum criteria placed on negative credit watch, will be removed from the list immediately, and if required new counterparties which meet the criteria will be added to the list.

Classification	Description	Credit Rating Agency		
		Fitch (Minimum)	Moody's (Minimum)	Standard & Poors (Minimum)
Short Term	Ensures that an institution is able to meet its financial obligations within 12 months	F1 (Range F1+, F2 A to D)	P1 (Range P1 to P3)	A1 (Range A-1, to C)
Long Term	Ensures that an institution is able to meet its financial obligations greater than 12 months	A- (Range AAA to D)	A3 (Range AAA to C)	A- (Range AAA to CC)
Viability / Financial Strength	Assess how an institution, in the event of financial difficulty, would be viewed if it were entirely independent and could not rely on external support.	C (Range A to E)	C (Range A to E)	N/a
Support	Indicates state support would be forthcoming in the event of financial difficulty	3 (Range 1 to 5)	N/a	N/a

Investment Counterparty information.

Whilst the Council's Investment counterparty list is prepared primarily using credit rating information, additional market information is also required to also be considered. The information below will continue to be considered when undertaking investments;

- Credit default swaps - CDS created in 1997 and are a financial instrument for swapping the risk of debt default. Essentially the owner of the position would enter into an agreement with a third party who would receive a payment in return for protection against a particular credit event – such as default. Whilst absolute prices can be unreliable, trends in CDS spreads do give an indicator of relative confidence about credit risk.

- Equity prices – like CDS prices, equities are sensitive to a wide array of factors and a decline in share price may not necessarily signal that the counterparty in question is in difficulty.
- Interest rates being paid - If a counterparty is offering an interest rate which is out of line with the rest of the market this could indicate that the investment is likely to carry a high risk.
- Information provided by management advisors – this may include some information detailed above together with weekly investment market updates.
- Market & Financial Press information – information obtained from the money market brokers used by the Council in respect of interest rates & Counterparties will also be considered.

Investment Limits

In order to safeguard the Council’s investments and in addition to the information shown at Appendix 1 due care will be taken to consider country, group and sector exposure as follows;

- The country selection will be chosen by the credit rating of the Sovereign state as shown at Appendix 1 and no more than 40% of the Council’s total investments will be directly placed with non-UK counterparties at any time;
- limits in the table below will apply to Group companies (e.g. a group equates to Royal Bank of Scotland / Nat West);
- Sector limits will be monitored regularly for appropriateness.

Investment Risk benchmarking

Security and liquidity benchmarks are central to the approved treasury strategy through the counterparty selection criteria and proposed benchmarks for these are set out below.

Security - A method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council’s investment strategy. The table below shows average defaults for differing periods of investment grade products for each Fitch/Moody’s and Standard and Poors long term rating category over the period 1990 to 2011.

Long term rating	Average 1 yr default	Average 2 yr default	Average 3 yr default	Average 4 yr default	Average 5 yr default
AAA	0.00%	0.02%	0.06%	0.09%	0.13%
AA	0.02%	0.04%	0.14%	0.28%	0.36%
A	0.09%	0.25%	0.43%	0.60%	0.79%
BBB	0.23%	0.65%	1.13%	1.70%	2.22%
BB	0.93%	2.47%	4.21%	5.81%	7.05%
B	3.31%	7.89%	12.14%	15.50%	17.73%
C	23.15%	32.88%	39.50%	42.58%	45.48%

The Council’s minimum long term rating criteria is currently “A”, meaning the average expectation of default for a one year investment in a counterparty with a “A” long term rating would be 0.09% of the total investment (e.g. for a £1m investment the average loss would be £900). This is only an average as any specific counterparty loss is likely to be higher.

Liquidity – The CIPFA Treasury Management Code of Practice defines this as “*having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable at all times to have the level of funds*”

available which are necessary for the achievement of its business/service objectives”.

The availability of liquidity and the period of risk in the portfolio can be benchmarked by the monitoring of the Weighted Average Life (WAL) of the portfolio (shorter WAL would generally represent less risk).

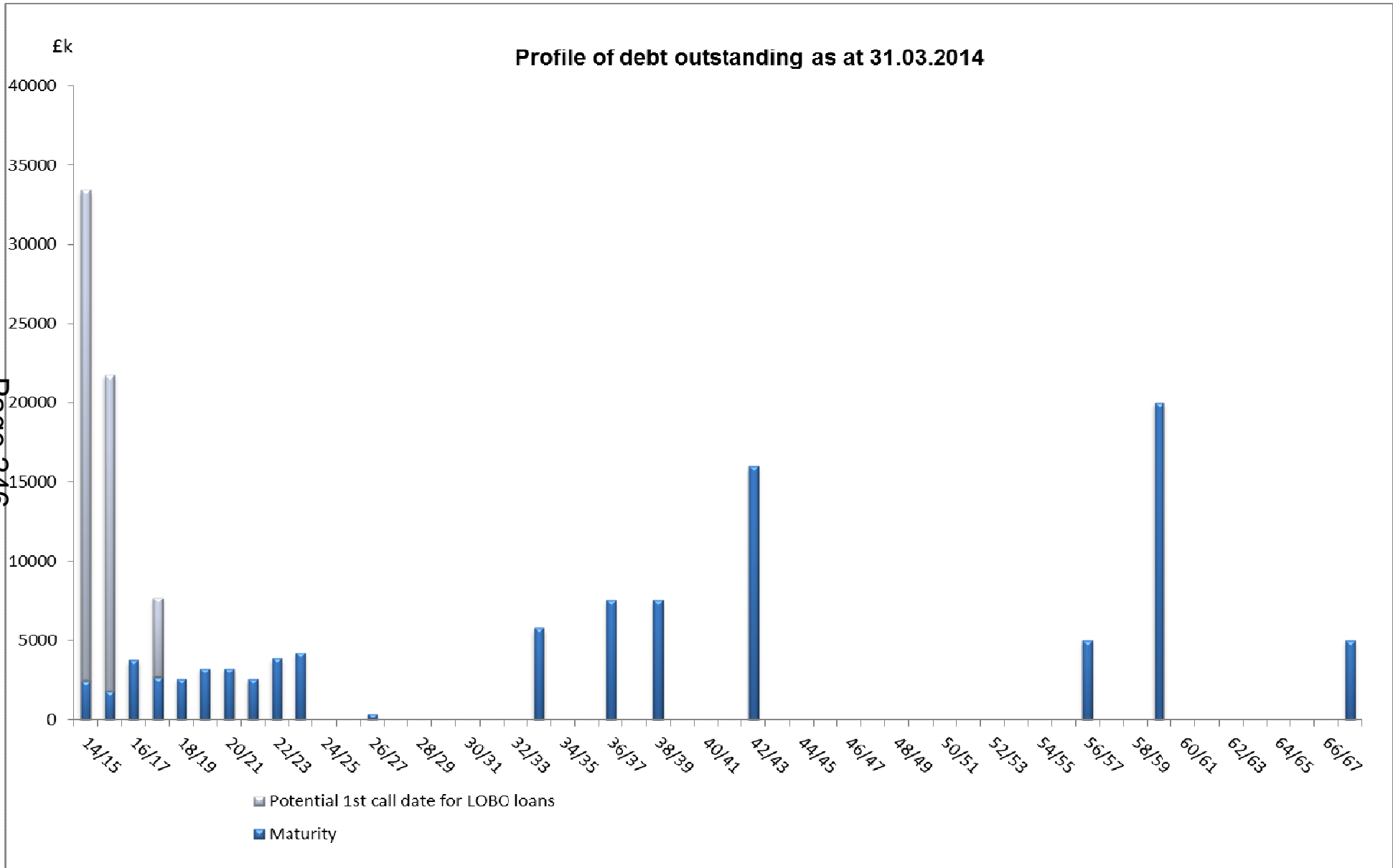
MAIN ECONOMIC HEADLINES DURING 2013/14

- **UK economy-**
 - An expected dip back into recession was avoided with positive growth in all sectors being reported for 2013 of 1.9%, the strongest rate since 2007,
 - The Bank of England upgraded its growth forecasts for 2013 from 1.2% to 1.4% during the Summer 2013,
 - Wage inflation continues to remain significantly below Consumer Price Index Inflation;
 - Forward guidance was issued by the Bank of England stating that it would not start to consider raising the Bank Rate, which remained at 0.5% in 2013, until the jobless rate fell to 7.0%;
 - The level of unemployment benefit claimants fell to 7.1% in December 2013, its lowest in 3 years;
 - The Bank of England's Funding for Lending scheme was reviewed to focus more on small businesses and to exclude mortgage borrowers in order to avoid the housing market overheating.
 - Consumer Purchases Index (CPI) fell from its peak of 2.9% in June 2013 to 2.0% in December 2013, the lowest level since November 2009,
 - The UK lost its AAA sovereign credit rating in February & March 2013 as issued by Moody's and Fitch respectively however this caused little market reaction.

- **Eurozone –**
 - The sovereign debt crisis eased during 2013 despite Cyprus seeking a bailout in the Spring;
 - Positive growth was achieved in both the second & third quarters of 2013 following six successive quarters of negative growth;
 - Italy has the third biggest level of debt in the world behind Japan & US;
 - Greece continues to struggle to meet Eurozone targets;
 - European Central Bank reduced its central policy rate from 0.5% to 0.25%.

- **US –**
 - The economy continued to grow with positive growth figures being reported for the first 3 quarters in 2013 of 1.1%, 2.5% & 4.1% respectively. This was achieved despite the fiscal cliff induced sharp cuts in federal expenditure and increases in taxation;
 - The Federal Reserve announced in November that it will reduce the level of its Quantitative Easing (QE) programme assistance from \$85bn to \$75bn per month. It also pledged not to increase its central rate until unemployment falls to 6.5%;
 - Consumer, Investor and business confidence levels improved in 2013;

- Unemployment levels fell by 0.8% to 7.0% in November from 7.8% in January 2013;
- A turn around in the housing market has occurred as reflected by increases in both sales and prices.
- **Other –**
 - China's economy averted a hard landing, however concerns still remain around an unbalanced economy;
 - Japan's economy started to show signs of improving, reporting positive growth for the first 3 quarters in 2013 of 0.9%, 0.5% & 0.3% respectively.



INVESTMENT & EXTERNAL DEBT PORTFOLIO AS AT 31.12.2013

	Principal £m	Average Rate %
DEBT		
Fixed rate:		
- PWLB	42.8	7.16
- Market	25.0	2.49
Sub-total	67.8	5.44
Variable rate:		
- PWLB	0.0	0.0
- Market	31.0	4.58
Sub-total	31.0	4.58
Total debt	98.8	5.17
INVESTMENTS		
- Fixed rate	(31.5)	0.93
- Variable rate	(14.6)	0.52
Total Investments	(46.1)	0.80
NET ACTUAL DEBT	52.7	

GLOSSARY of ABBREVIATIONS

CDS	Credit Default Swaps – financial instrument for hedging against counterparty default
CLG	Communities & Local Government (Department of)
CIPFA	Chartered Institute of Public Finance & Accountancy
CFR	Capital Financing Requirement – this is a measure of the council's borrowing needs in order to finance its capital investment programme.
DMO	Debt Management Office – low credit risk UK Government investment Counterparty which offers low rates of return
LGC	Local Government Chronicle
LIBID	London Interbank BID interest rate – average rate of interest offered by the UK clearing banks
MRP	Minimum Revenue Provision – this is the amount required to pay off an element of the capital spend each year through a revenue charge
MTFP	Medium Term Financial Plan – 3 year financial plan
PFI	Private Finance Initiative – private sector source of funding
PWLB	Public Works Loan Board
TMP	Treasury Management Practices – details the methods in which the Council will achieve the treasury management policies and objectives and how it will manage and control them.
VRP	Voluntary Revenue Provision – identical to MRP but on a voluntary basis
WAL	Weighted Average Life – benchmark indicating average life of investments