

TRAFFORD BOROUGH COUNCIL

Report to: Executive
Date: 15 November 2016
Report for: Decision
Report of: Executive Member for Finance and the Chief Finance Officer

Report Title

Executive's Draft Revenue Budget Proposals 2017/18 & MTFS 2018/19-2019/20

Summary

This report sets out the Executive's 3 year budget strategy proposals and detailed draft revenue budget proposals for 2017/18 and Medium Term Financial Strategy (MTFS) for the period 2018/19-2019/20.

The key summary of figures for the revenue budget, based on current estimates:

- The overall effect on 2017/18 is that the net budget will decrease by £4.2 million or 2.9%, from £147.32 million to £143.1 million.
- The total budget gap for the three years is currently estimated at £42.09 million comprising:
 - £26.23 million of additional cost pressures
 - £15.86 million of reductions to funding

This report represents a draft set of proposals which, in line with our three year strategy, will contribute towards closing this funding gap. These proposals will now form the basis of consultation with members of staff and the general public and are therefore subject to change; the draft proposals are also subject to review by the Scrutiny Committee.

It should be noted that if all the proposals in this report were implemented there currently still remains a gap of:

2017/18 £2.02 million
2018/19 £9.15 million
2019/20 £4.83 million

Final decisions will be taken by the Executive after taking into consideration further proposals to address the gap, all relevant matters and feedback, at which time a proposed budget will be put to full Council for approval on 22nd February 2017.

Recommendation(s)

It is recommended that the Executive:

- a) Approve the 2017/18 to 2019/20 proposed budget strategy, draft revenue budget and MTFs including the income and savings proposals for the purposes of consultation only and that these proposals will also be referred to the Scrutiny Committee for their consideration.
- b) Notes the proposal to increase Council Tax by 1.99% for the three years 2017/18 to 2019/20 and the proposal to levy the permitted 2% precept over the same period, which is only permitted to be allocated to adult social care.
- c) Notes the budget gap for the years 2017/18, 2018/19 and 2019/20
- d) Notes that the draft proposals are subject to various consultation exercises and impact assessments, movements in core funding, specific grants, costing and robustness assessments.
- e) Agrees that the decision is to be deemed urgent for the reasons set out in the report, and thus not subject to call-in.

Contact person for access to background papers and further information:

Name: Cllr Patrick Myers Nikki Bishop
 Extension: 4238

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed draft budget for 2017/18 supports all key priorities and policies.
Financial	The report sets out the proposed draft budget for 2017/18, allocating 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 and will continue to comply with 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.
Resource Implications e.g. Staffing / ICT / Assets	Human Resources – statutory processes have begun and any impact on staffing will be subject to

	consultation.
Risk Management Implications	An impact assessment of each budget proposal is in the process of being finalised.
Health and Wellbeing Implications	Equality Impact Assessments in relation to the budget proposals to be carried out.
Health and Safety Implications	An impact assessment of each budget proposal to be carried out.

Other Options

The Executive is recommending an overall increase to the level of council tax of 3.99% in 2017/18 comprising the increase of 2% for the social care 'precept' to be earmarked for adult social care expenditure and 1.99% general increase.

An alternative option is not to increase council tax but there would be insufficient funding to pay for the Council's services in 2017/18. If this option were pursued then further savings of £3.35 million would need to be identified over and above the significant level of savings already included in this budget report. At this stage pursuing this course of action would compound difficulties in balancing the budget given there is currently a deficit of £2.02 million.

Alternatively a decision could be made to increase council tax above the levels proposed in this report, however this would be likely to exceed the referendum limits (which are currently the subject of a Government consultation) which would mean a local referendum was required.

Urgency of Decision

This report should be considered as 'urgent business' and the decision exempted from the 'call-in' process for the following reason(s):

The Council will be consulting widely on the budget proposals and the final decision will be taken by the Council on 22 February 2017. In order to allow the optimum time for the consultation process, consultation will need to commence on the 16 November. This would not be possible if the decision was subject to call in and it is therefore recommended that the decision is exempt from call in. The Scrutiny Committee are to consider the budget proposals and the process for budget scrutiny at their meeting on the 16 November. Therefore any issues arising from this report can be raised at that meeting and any necessary action as a result of recommendations/comments from Scrutiny Committee can be implemented at an early stage of the consultation process.

Consultation

The report recommends that the draft and indicative proposals go forward for consultation.

Reasons for Recommendation

To enable consultation with the public, businesses (s65 of the Local Government Finance Act 1992), stakeholders, staff and Scrutiny Committee to take place

Key Decision

This is a key decision currently on the Forward Plan: No

Finance Officer Clearance GB.....

Legal Officer Clearance ...JLF... ..

CORPORATE DIRECTOR'S SIGNATURE



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



TRAFFORD
COUNCIL

**Executive's
Draft Revenue Budget
Proposals 2017/18 &
2018/19-2019/20 Medium
Term Financial Strategy**

15 November 2016

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**FOREWORD by the EXECUTIVE MEMBER for FINANCE
COUNCILLOR PATRICK MYERS**

The budget proposals contained in this report are the 8th since austerity began in 2010. Throughout this period the Council has been committed to delivering value for money services and a low council tax. Trafford currently has the lowest council tax in the North West and also has the lowest council tax of any Metropolitan District in England.

This has only been achieved by a strong culture of financial management across all services. The Council also has a strong ethos of collaboration and working in partnership to strengthen our local and organisational resilience. As in recent years it is important to remind ourselves of the strengths of the borough and the many achievements of the Council.

Trafford has a robust economy and its population, of just over 230,000, is highly skilled / educated with 49% qualified at NVQ4 and above compared to the Greater Manchester (GM) average of 32%. The borough has the highest productivity rate per head in GM and the highest Gross Value Added (GVA) outside of Manchester producing £6.9 billion p.a. The number of Trafford residents in employment is 157,000 and is predicted to increase by 8% over the next 10yrs.

With our partners we have won several awards for our innovative and collaborative work across the recently reviewed and refreshed Trafford Partnership, which represents all sectors including the faith community, is a powerful force to enable partners to work differently and galvanises communities to take the lead in their local areas.

In 2016 we were a national finalist in the MJ Awards for 3 categories, Local Authority of the Year, Senior Leadership Team and for our Locality Working programme which is supporting behaviour change amongst our residents and the Council received a commendation in the North of England Excellence Awards. The Partnership has also established a new integrated governance framework which is driving forward reform across sectors and services in order to reduce demand and ensure we provide services more collaboratively and more effectively in the best interests of the residents of Trafford.

Trafford was also announced joint winner of the NHS Health Education England Learning Together in Health and Social Care Projects Award for its innovative integrated working project called i-Care. The award recognises the bold and ambitious journey the authority took to re-shape itself and change the way its people work, including how it operates with key partners from the NHS and other agencies.

As a Council, we have been recognised at a national level for our employment and equality initiatives, employee relations and quality of apprentices.

Our Children's Services were rated by OFSTED as good with outstanding features citing 'many examples of innovation, hard work and determination demonstrated by elected members, officers and workers at all levels to ensure that vulnerable children and families get the best possible service';

95.1% of Trafford pupils attend schools which are rated as “good” or “outstanding”, which puts us in the top 10 local authorities nationally, at both primary and secondary level. 2015 figures show that Trafford is ranked 6th nationally for Key Stage 2, 3rd nationally for GCSE and 3rd nationally for A Level results.

Work is continuing to implement the strategic frameworks for all the town centres including the Stretford Masterplan, Urmston and Sale Road Maps and Altrincham Strategy. The Council is committed to the sustainability of its main town centres and has completed the first phase of the comprehensive public realm improvement works in Altrincham, while the second phase (phase 2a) encompassing Stamford New Road to Regent Road will be completed in spring 2017. New partnership arrangements have been established in Stretford, and residents and businesses have been consulted on exciting proposals for public realm improvements which are scheduled to start in February 2017. The Council supported 11 new businesses to take vacant premises in the town centres through the innovative Town Centres Loan Scheme, which levered c£214,000 of private sector investment and created 51 jobs. Through these efforts, the overall vacancy rates in the town centres at March 2016 fell to just under 13% from 16% in March 2015 and 19% in March 2014.

The Council delivered, in partnership with the private sector, the borough's first Business Improvement District for Altrincham which will generate c£1.5m over 5yrs to support business growth and attract spend and investment.

The Council also, in partnership with the Manufacturing Institute, Trafford College and Trafford Housing Trust, delivered the borough's first Fab Lab to encourage residents and businesses to utilise technology, develop prototypes and products, start businesses and develop skills.

- Through direct service delivery and effective partnership working the Council has maintained performance and quality standards even at a time of significant change, increasing demand and reducing resources:-
 - Supported 116 residents into employment through the innovative Trafford Pledge, matching unemployed people with local employers.
 - Directly supported 267 local businesses to access advice and support from a range of local, sub-regional and national organisations.
 - Successfully delivered combined local and general elections in May 2015.
 - Secured 'Bronze' status under government's homelessness gold standard challenge (i.e. the first step in the process) scoring one of the country's highest scores. 'Silver' award status to be sought by the end 2016
 - Reduced average major planning application processing times by half.
- When the budget proposals are discussed and debated the focus tends to be on what financial savings are to be made. Whilst this is important, we should also consider what services we continue to deliver. Some of these include:-

- 106,732 visitors to Waterside Arts Centre selling more than 40,500 tickets and receiving over 3,500 school children,
 - The Arts Centre launched the first Summer Family Festival event in July 2016 and a Trafford Live (Celebrating Your Community) event was held at the Town Hall in early October.
 - Determined more than 2,700 planning applications, which will grant permission for nearly 4000 new homes.
 - Maintain 40 public parks covering 243 hectares, with 7 parks currently achieving Green Flag status.
 - Continue to collect grey general waste bins on a fortnightly cycle, emptying approximately 30,000 bins of household rubbish every day.
 - Remove approximately 6,000 tonnes of street sweepings per month and 500 tonnes of litter from approximately 1,200 waste and litter bins (streets and parks).
 - Protecting expenditure on the Youth Trust.
 - Recycle over 60% of domestic waste making Trafford the best performing district in Greater Manchester and the highest performing metropolitan districts in the country; 6th of all councils.
- Furthermore, the Council continues to respond to the financial and service demand challenges by focussing on developing a broad spectrum of initiatives designed to provide multiple opportunities for cost reduction and service improvement. Since the last budget the Council has:-
 - Seen our “Be Bold Be the Difference” campaign encourage hundreds of residents to get more active in their community, enabled by 150 front-line staff trained in community building (in addition to the 300 trained in 2015) and over 1500 residents got involved in our community voting events to allocate council grants, with 45 groups now being supported to deliver new innovative community projects
 - Introduced a premium planning application service to deliver robust planning decisions within challenging timescales.
- The Council also continues to invest and support key initiatives in the borough and wider sub-region including:-
 - Planning the implementation of a £24m investment in a new Leisure Strategy for Trafford
 - Contributing to the new Trafford Park Metrolink extension to the Trafford Centre.
 - Taking forward the Future Carrington scheme in partnership with HIMOR to ensure first phase planning application submitted (900 homes) and future

phases that will in total deliver c 7,000 new homes, 8m sqft of new employment floor space and 14,000 new jobs.

- Fully supporting the development of the GM Strategic Framework that will set GM's employment and residential growth targets for the next 20 years.
- Four new library buildings to be provided by the end of 2017 at Altrincham, Old Trafford, Hale and Timperley.
- Working with AGMA to improve service delivery and enhance customer experience e.g. one library card.
- Limelight - Shrewsbury Street, Old Trafford – £18m new community hub with extra care housing, library and health centre.
- Major public realm works in Altrincham town centre and Stretford.

As stated earlier the budget proposals contained in this report are the 8th since austerity began in 2010. Over this period the Council has had to bridge budget gaps each year as a result of reduced funding and cost pressures totalling £112.82m. This has been no easy challenge for a low funded, low tax authority like Trafford. The next three years will not provide any respite with a further estimated budget gap of £42.09m.

In recent years we have approached the budget position positively and transformed and reshaped our services. Our long term vision for the future is that:

No one will be held back and no one left behind

and our future strategy holds this at its core. A new place based strategy is under development guided by two key principles around:-

- People - The Council will help residents to help themselves and each other
- Place - To create a place where people want to live, stay, learn, work & relax

A number of key work streams will be developed over the next few years to ensure Trafford is able to meet the challenge with our partners and create a sustainable borough. The conversation we have to have with the residents of the borough, customers and partners is how we can further transform the services our communities rely on and provide them in different ways.

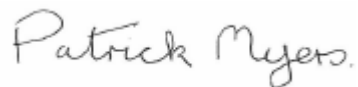
The proposals in this report are the start of a new journey and the basis for starting a conversation with residents and users of council services. At this stage further work is still required to balance our budget.

The 2017/18 budget gap is currently estimated at £22.17million, which is to be met from:

- Income generation and savings amounting to £14 million comprising:-
 - Income Generation:
 - The continuation of existing income generating projects of £430k and

- New proposals which are projected to generate £1.66 million.
- Transformational Service Delivery Savings:
 - The continuation of existing savings programmes of £8.92 million and
 - New savings proposals amounting to £2.99 million.
- Additional funding and use of reserves amounting to £6.15 million comprising:-
 - Council tax of £3.35m, comprising of both a general increase in Council Tax of 1.99% and a 2% increase in respect of the adult social care precept. For a band D property in Trafford this equates to an increase of 86.5 pence per week or £44.98 per annum.
 - The use of the budget support reserve, which has been set aside for this purpose, of £2.80 million. This gives us a temporary one year smoothing effect which defers savings to 2018/19.

This leaves a balance of savings still to be identified of £2.02m before the budget for 2017/18 can be balanced and priority will be given to doing this before final budget proposals are presented to Council for approval in February 2017.



Councillor Patrick Myers

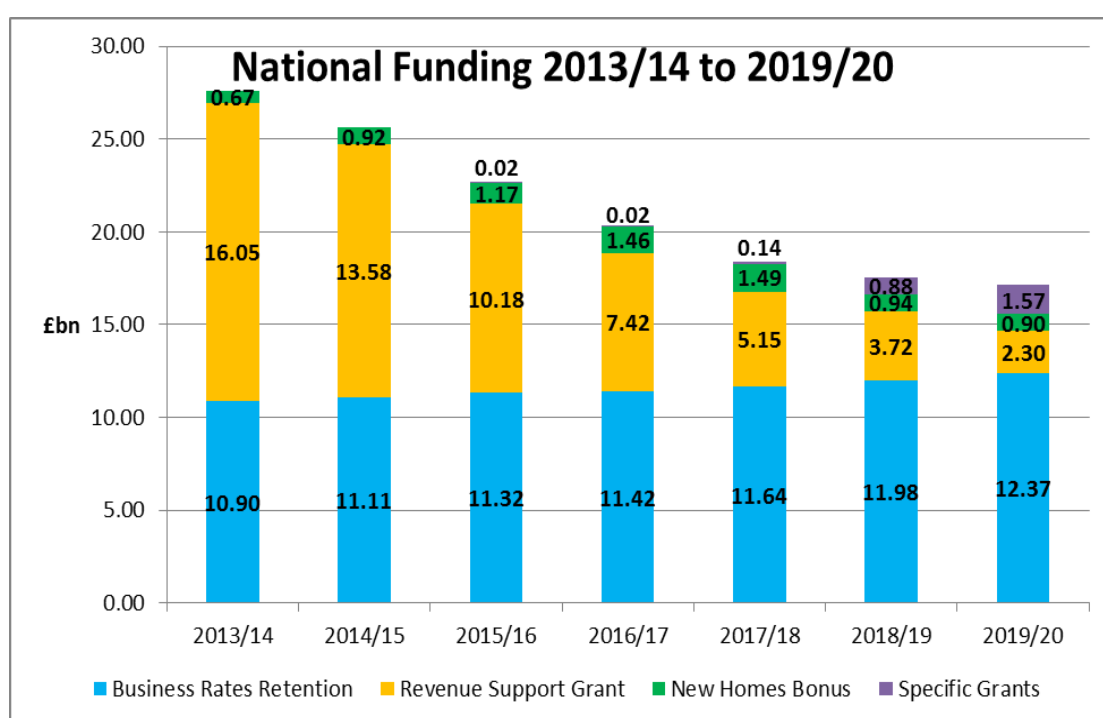
Executive Member for Finance

1. FINANCIAL BACKGROUND

1.1 External Position

1.1.1 Since 2010 the Government has reduced the funding for Local Government and in the November 2015 Spending Review announced plans to completely phase out Revenue Support Grant (RSG) by 2020, paving the way for the implementation of 100% Business Rate Retention scheme.

1.1.2 The December Finance Settlement provided indicative national funding figures to 2019/20 and when comparisons are made from the inception of the Business Rates Retention scheme in 2013/14 it highlights funding reducing from £27.6bn to £17.1bn (38%) over the period, with RSG being the main contributor.



1.1.3 To provide funding certainty & stability over the period to 2020, in the December 2015 Finance Settlement the Secretary of State offered councils the option to accept a four year funding settlement for the period 2016/17 to 2019/20 on the condition that councils produce an efficiency plan to be published by 14th October 2016. This offer was confirmed by letter, after a consultation period, on 10th March 2016.

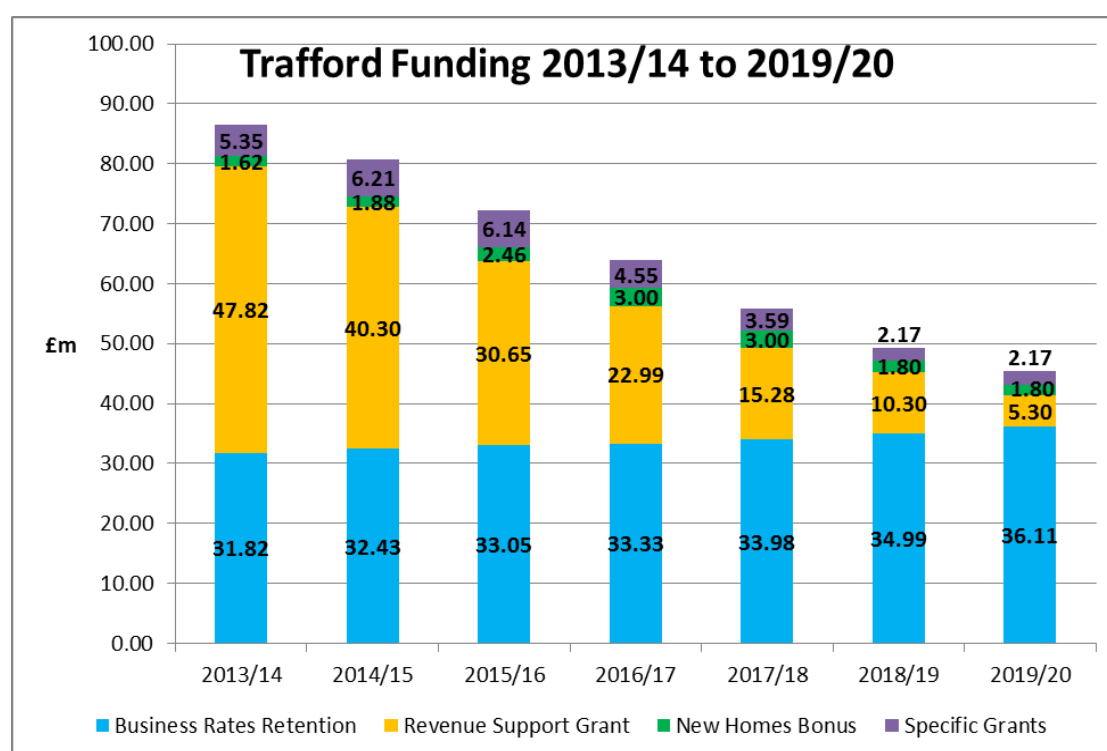
1.2 Council Position

1.2.1 On the 19th September 2016 The Executive approved that the Council accept the four year funding settlement and the publication of the Efficiency Plan. The medium term minimum funding guarantee will not only safeguard the Council against further reductions but provides certainty to enable the Council to make longer term transformational and growth plans both within our organisation and in collaboration with our partners.

1.2.2 The figures for each type of grant covered by accepting the four year settlement can be found in the table below:

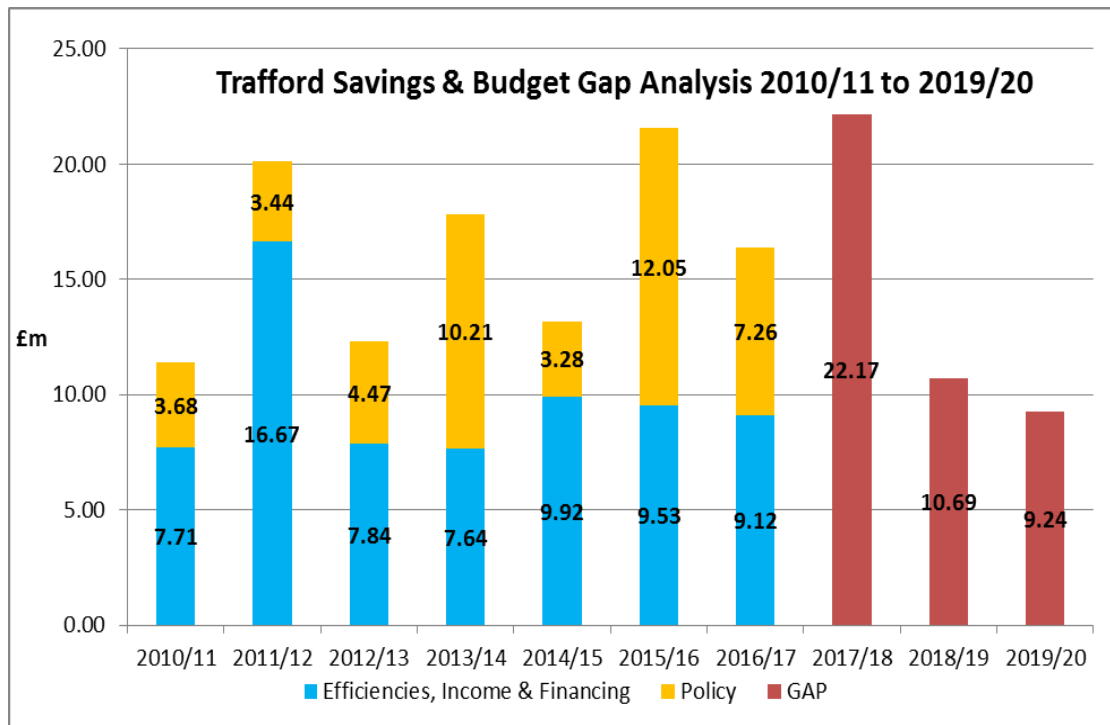
<i>Table 1: The Funding Offer</i>	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Revenue Support Grant	22,989	15,276	10,303	5,299
Transitional Grant	465	458	0	0
Rural Services Delivery Grant	0	0	0	0
Total	23,454	15,734	10,303	5,299

1.2.3 When making comparisons to the national funding figures above, Trafford funding over the same period 2013/14 to 2019/20 is set to reduce by £41.23m or 47.6% which is 9.6% above the national average.



1.2.4 Trafford Council is a high performing, low spending council providing excellent, value for money services and has risen to the challenge presented by the effects of the austerity agenda, rising demand levels and funding reductions over the years since 2010.

1.2.5 Since 2010/11 the Council has successfully delivered £96.44m of savings and the current year 2016/17 budget includes a further £16.38m of savings. These are being delivered through a mixture of income generation, in-house efficiencies and the transformation of services and service delivery. Over the next three years the Council is tasked with closing a budget gap which currently stands at £42.09m.

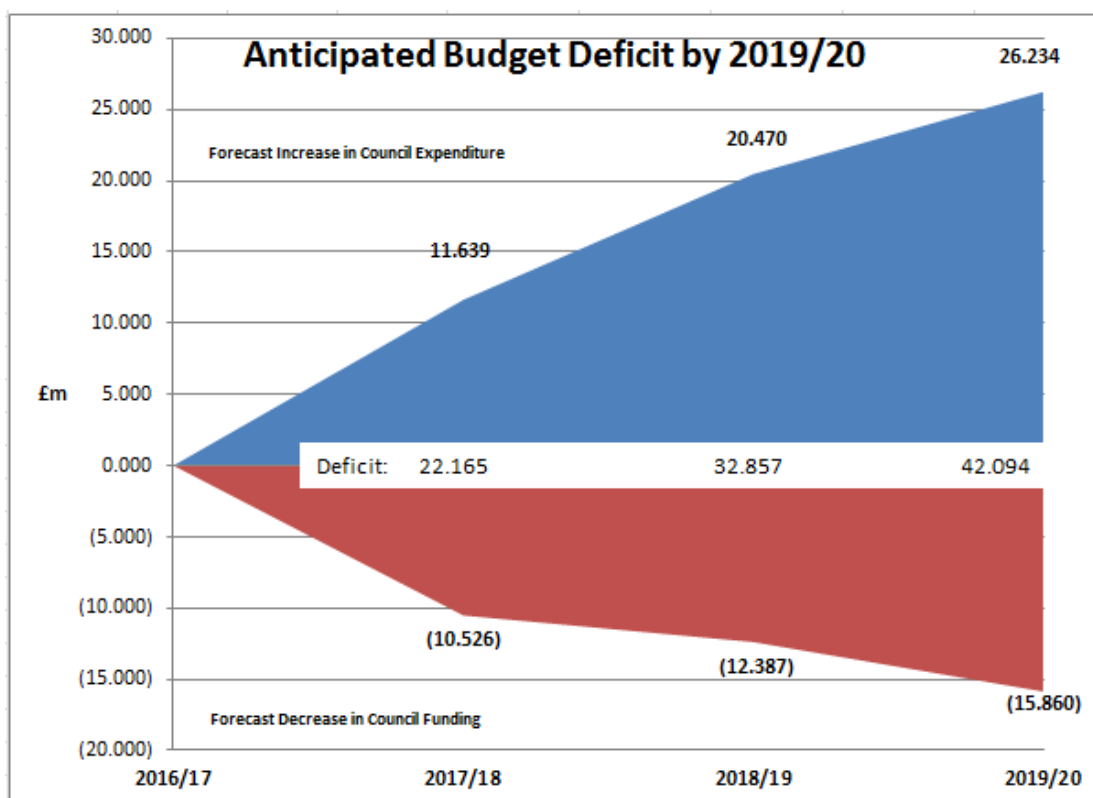


2. UPDATED 2017/18 BUDGET & 2018/19-2019/20 MTFS

2.1 Updated Position

2.1.1 The MTFS is a rolling document which is updated as changes in conditions are known. Since February 2016 the long-term interest rate forecasts have fallen which has reduced our forecast investment income and there has been an increase in the demographic pressures forecasts for spending on Adults and Children's social care.

2.1.2 The latest MTFS position reported to the Executive in September shows that the overall budget gap for 2017/18 to 2019/20 is £42.09m as shown below:



2.2 Budget Pressures and Additional Investment

2.2.1 The updated budget gap of £42.09m for 2017/18 to 2019/20 comprises of both cost pressures and funding changes.

2.2.2 Funding variances amount to £15.86m over the next three years, the main feature being the reduction in RSG which is being partially offset through an increase in the Council Tax base and a growth in Business Rates as detailed below:

- Revenue Support Grant: as discussed earlier in the report, the RSG figures have been updated to reflect those provided as part of accepting the four year settlement.

- Council Tax: an allowance has been made for an estimated increase in the Council Tax base.
- Business Rates: the Council is now seeing a relatively buoyant rateable value base, including the opening of a new power station in Carrington and a new supermarket in Broadheath late last year. An allowance has been made for this growth in the current resource forecasts.

2.2.3 Cost pressures and additional investment amount to £26.23m over the next three years, the main features are detailed below with a summary of budget assumptions shown in Annex A.

- Pay: includes provision for a 1% pay award; and an increase in employer's pension rate.
- Inflation: relates to non-staffing budgets and includes a general allowance of 2%; plus other contractual inflation.
- Living Wage: an allowance of £5.60m has been made for the cost of the new Living Wage over the period, which is likely to affect the care market particularly.
- Levies: allowances for increases in waste disposal and Environment Agency (flood defence).
- Demography: an annual allowance for increasing number of adults of £4.5m and increasing number and cost of looked after children of £2.20m, which includes an additional £700k due to increased demand being experienced in 2016/17.
- New Income: an allowance for the Council's share of the additional funding of £1.5bn the Government is providing for the improved Better Care Fund.
- Expected Grant Reductions: allowance for reductions in the Public Health grant; the phasing out of the Education Services Grant by September 2017 and planned reduction in New Homes Bonus to four year allocations.
- Other: includes allowances for other minor service pressures & contingency items.

2.2.4 A further breakdown of the £42.09m gap is provided in the table below:

Table 2: The 2017/19 Budget Gap	September 2016		
Indicative Budget Forecasts	2017/18 (£'000)	2018/19 (£'000)	2019/20 (£'000)
Net Budget Brought Forward	147,320	158,958	167,790
Cost Pressures:			
Pay	1,435	1,449	1,172
Inflationary	786	791	797
Contractual Obligations	1,502	1,512	1,488
Living Wage	2,148	1,822	1,729
Levies	698	703	703
Demographic	2,701	2,000	2,000
Grants, Legislative & Service Transfers *	1,387	195	(2,375)
Loss of Income	105	0	0
Treasury Management	590	(127)	0
Other	286	487	250
Total Cost Pressures	11,638	8,832	5,764
Proposed Net Budget	158,958	167,790	173,554
Funding:			
Council Tax	83,654	84,064	84,477
RSG	15,276	10,303	5,299
Redistributed Business Rates	33,985	34,988	36,106
Business Rate Growth	3,578	5,578	5,578
Collection Fund Surplus	300	0	0
Proposed Funding	136,793	134,933	131,460
Reserves:			
General Reserve	0	0	0
Use of Reserves	0	0	0
Cumulative Funding Gap	22,165	32,857	42,094
Annual Funding Gap	22,165	10,692	9,237

* Note: includes additional Improved Better Care Funding of £5.7m by 19/20

2.3 Budget Approach 2017/19

2.3.1 In recent years the Council has had to adopt innovative approaches in order to address the significant budget pressures it faces. The Council's Reshaping Trafford approach has been further adapted for this budget process to address the gap in the budget for 2017/18 to 2019/20.

2.3.2 The long term vision for the future is that ***no one will be held back and no one left behind*** and our future strategy holds this at its core.

2.3.3 The Executive aims to shape a borough which acknowledges that it is made up of different places and enables each to flourish and be confident in their own identity. It will be a thriving borough everywhere and an attractive place to live. The key outcomes include:-

- Trafford will have thriving communities where people choose to live and which retain their own unique identity across the whole of the Borough.
- Businesses will thrive in all areas, creating sustainable employment for all working age people.
- No place will be isolated because the road network and public transport infrastructure will connect all our places.
- Young people will have access to good quality education that prepares and enables them to develop the skills they need to access good quality jobs.
- The sport, recreation and retail offer will help to define the unique nature of these places, which complements the wider offer across the borough whilst promoting healthy lifestyles and regular exercise.
- Young couples and families will want to live in these areas because they have good quality housing, access to good quality schools and they are well connected to transport links.
- People will be enabled to take full responsibility for their health and wellbeing. They will partake in regular exercise and narrow the healthy life expectancy gap, living independently within their communities.

2.3.4 As part of this work a placed based strategy has been developed based around two guiding principles which will see the Council work with partners to ensure services are delivered in the most efficient and effective manner:-

- People - The Council will help residents to help themselves and each other
- Place - To create a place where people want to live, stay, learn, work & relax

2.3.5 This strategy has identified eight key work streams and savings proposals in this budget report have been themed around these, albeit a number of the themes will take time to develop.

- Make Trafford a Destination of Choice (Tourism, visitor attraction, economic growth)
- Accelerate housing and economic growth
- Supporting communities and businesses to work together to design services, help themselves and each other
- Working together for Trafford
- Creating a national beacon for sports, leisure and activity for all
- Optimising technology to improve lives and productivity
- Developing a wider education and skills offer that better connects people to jobs
- Mersey Valley becomes a significant visitor attraction that connects the North to the South of the Borough

2.3.6 As with previous budget rounds the Executive will continue the approach of growth, charging and saving to balance its overall budget. The first two themes were a priority for the Executive as the creation of new income into the Council will avoid the equivalent amount having to be found from service budgets and thereby minimise adverse impacts on residents and businesses in the borough.

2.3.7 **Income Generation:** income initiatives provide an important contribution to the financial challenges and have resulted in reducing the requirement to make budget savings by £2.09m (9.4% of the target), comprising of:

- The continuation of existing income generating projects of £430k and
- New proposals which are projected to generate £1.66m, a full detailed listing is included within the Annex C which comprises of parking income, kerbside green waste collection income, new advertising opportunities and education traded services.

2.3.8 However, income generation on its own cannot address the full resource shortfall and savings within services will inevitably have to be made to balance the budget.

2.3.9 **Savings:** £11.91m of savings proposals include:

- The continuation of existing savings programmes of £8.92m and
- New savings proposals amounting to £2.99m, a full detailed listing of all the savings that each intervention is to contribute to the budget gap is included within the Annex C and these will be developed further over the coming months.

2.3.10 The figures in the table below also include the full year impact of £9.35m from those income generating projects and savings identified in the 2016/17 budget process and approved by Council in February 2016.

2.3.11 The table below summarises both the income and savings proposals:

Table 3: Summary of Savings & Income Proposals by Vision/Intervention	2017/18 £'000	2018/19 £'000	2019/20 £'000
Make Trafford a Destination of Choice (Tourism, visitor attraction, economic growth)	(100)	(100)	0
Accelerate housing and economic growth	(70)	0	0
Supporting communities and businesses to work together to design services, help themselves and each other	(11,100)	(340)	(40)
Working together for Trafford	(2,349)	(307)	(656)
Creating a national beacon for sports, leisure and activity for all	0	(100)	(100)
Optimising technology to improve lives and productivity	(377)	(38)	(15)
Total Income and Savings	(13,996)	(885)	(811)

2.3.12 Annex B contains a subjective summary of the proposed budget for 2017/18 together with the overall financing and Annex C contains full detailed schedules of all the new budget proposals put forward to address the budget gap. However there remains a budget gap for the years 2017/20 and the Council will continue to review business cases and budget proposals to identify further savings and income generating proposals to address the remaining gap.

2.3.13 **Funding:** In order to address some of the additional pressures and to support vital Council services it is now necessary to raise overall council tax by 3.99% which includes both the general increase of 1.99% without breaching the expected referendum threshold and the 2% increase to fund adult social care services 'precept' for each of the next three years.

2.4 Summary

2.4.1 The table below shows the current position following the latest round of business cases & budget proposals, after which there remains a budget gap of £2.02m in 2017/18.

Table 4: Summary of the Reduction in the Budget Gap	2017/18 £'000	2018/19 £'000	2019/20 £'000
Original Gap	22,165	10,692	9,237
Less Social Care Precept (as per budget report February 2016)	(1,682)	(1,732)	(1,783)
Remaining Budget Gap	20,483	8,960	7,454
Less Savings from existing programmes	(9,346)	(250)	0
New Savings and Income Proposals	(4,650)	(635)	(811)
Increase in Council Tax (general increase of 1.99%)	(1,665)	(1,730)	(1,818)
Net Gap	4,822	6,345	4,825
Use of Budget Support Reserve	(2,800)	2,800	0
Total Remaining Budget Gap	2,022	9,145	4,825

2.4.2 The budget gap includes the application of the Budget Support Reserve which was created during 2015/16, as a result of prudent financial management, to support future year's budgets. This is a one-off resource which assists in helping to close the gap in 2017/18 but only acts to defer savings to later years. Further savings proposals will be developed over the next couple of months in order to bridge the gap in the 2017/18 budget and later years.

3. RISKS & RESERVES

3.1 Risks

3.1.1 The law requires that the Council sets a balanced and robust budget, which is sufficient to meet its legal obligations, and then its aspirations. This requires all plans to be costed, forecasts and estimates to be checked for reasonableness, and risks to be assessed across the many varied services the Council provides. This also includes an assessment for emergencies, severe weather and other service and strategic risks.

3.1.2 Robustness does not guarantee that all possible eventualities are identified, or that all budget estimates are exact. Actual income and expenditure is likely to vary from the established budgets, but in the round these will compensate, and the approved budget need only be sufficient to meet overall expenditure requirements.

3.1.3 In exercising her statutory duty the Chief Finance Officer, in conjunction with the Corporate Leadership Team, will take all matters and issues into consideration and will make a reasoned assessment of whether the budget is sufficient and robust. The Executive will ensure the minimum reserve level is maintained to ensure the Council can meet its obligations.

3.1.4 The Council faces various financial risks to include:

- The ability to deliver savings within agreed timescales.
- Potential legal challenges to decisions.
- Fees & charges income differing to assumptions.
- Variations to external funding and grant allocations.
- Demographic pressures.
- Inflation & Interest Rates differing to assumptions.
- Business Rates growth & the 100% retention scheme pilot and potential costs with backdated appeal costs.
- Variations to external levies & contracts.
- Future changes to legislation
- An increasing level of its funding from local sources
- Devolution & integration of Health & Social Care (also an opportunity)

3.2 Reserves

3.2.1 Reserves are set aside so that future plans can be afforded or to avoid infrequent or emergency expenditure impacting on the 'normal operational budget. It is a legal requirement to set aside provisions, and a minimum level of generally available reserve and it is best practice to ensure that there are other sufficient reserves available to meet further needs to ensure an achievable and sustainable budget.

3.2.2 The Council usable reserves at 31st March 2016 stood at £55.65m, of which £20.57m relates to Earmarked revenue reserves as shown below along with their projected usage over the 3 year planning period.

Table 5: Usable Reserves	13/14	14/15	15/16	16/17	17/18	18/19	19/20
	£m	£m	£m	£m	£m	£m	£m
Specific	24.84	18.19	7.09	6.26	4.99	4.58	4.58
Smoothing	3.80	1.64	2.84	3.22	2.46	1.49	1.49
Budget Support	0.00	0.00	4.05	3.68	0.88	0.88	0.88
Service C/fwd	0.98	3.94	6.59	1.94	1.94	1.94	1.94
Earmarked Reserves	29.62	23.77	20.57	15.10	10.27	8.89	8.89
General Reserve	10.98	7.87	7.89	6.00	6.00	6.00	6.00
Capital Related Reserves	27.32	30.25	17.77	4.37	3.71	0.00	0.00
School Related Reserves	13.37	10.73	9.42	9.44	9.44	9.44	9.44
Total Usable Reserves	81.29	72.62	55.65	34.91	29.42	24.33	24.33
Provisions	25.18	18.87	18.77	17.83	17.83	17.83	17.83
Total Usable Reserves & Provisions	106.47	91.49	74.42	52.74	47.25	42.16	42.16

3.2.3 In February 2016 Council agreed to set the minimum level of the General Fund Reserve to £6.00m

3.2.4 The Council holds other Earmarked reserves to fund both revenue and capital expenditure which are held primarily to fund known future commitments but also act as service contingencies for unexpected events and to cover future risks, which include:

- Smoothing: established to reduce or smooth out volatility in the revenue budget where normal operating expenditure is not always similar year-on-year.
- Budget Support: established to provide a cushion against volatility in budget funding and the significant level of savings required over the medium term.
- Service Carry Forward: represent accumulated savings on directorate budgets in previous years. These amounts are anticipated to be utilised to support expenditure on transformational projects.

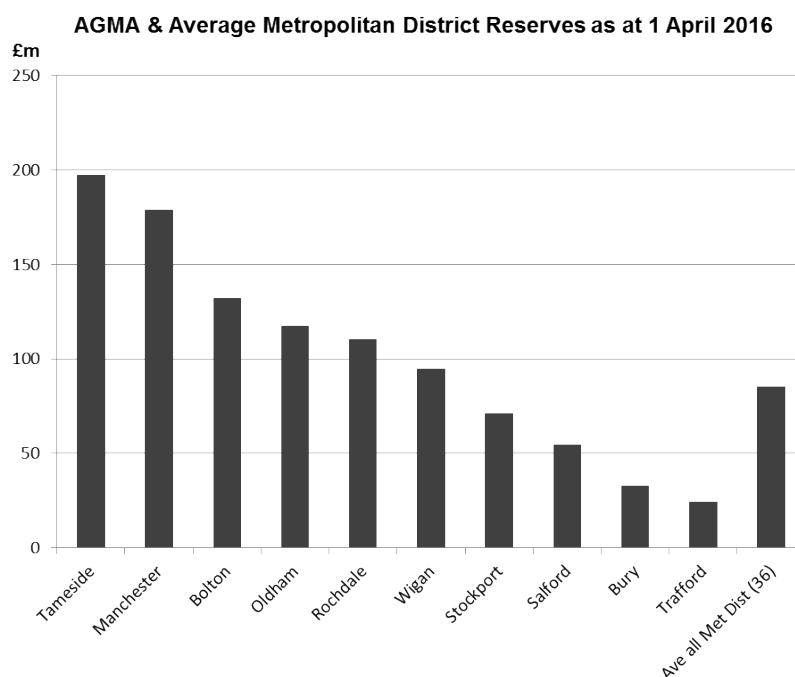
- Specific: mainly consists of the Insurance Reserve to cover potential future claims as a result of past events, the Employment Rationalisation Reserve for the costs of severance and related costs of structural change over and above the revenue budget provision and Transformation Reserve.

3.2.5 The Council holds the following reserves for statutory or specific purposes only

- General Fund reserve: the Council is required by law to maintain a minimum level of reserves to meet unexpected or emergency expenditure
- Capital reserves: consist of capital receipts, grants and contributions which can only be used to fund capital expenditure and are all allocated to support the current capital programme
- Schools reserves: represent the carry forward balances of individual school surpluses & deficits

3.2.6 Balancing the annual budget by drawing on Earmarked reserves may be viewed as a legitimate short-term option but it is not prudent for these reserves to be deployed to finance recurrent expenditure. However as a one-off in 2017/18 £2.8m will be used from the Budget Support Reserve to defer an element of savings into 2018/19.

3.2.7 The level of Reserves the Council holds is in part reflective of the past funding levels of a council in comparison to its need to spend. Holding reserves can assist in cushioning the effects of financial shocks and aids resilience. It should be noted that, as the lowest funded Council in Greater Manchester, Trafford also faces the challenge of having accumulated the lowest level of earmarked reserves.



Data source: National Statistics: Local authority revenue expenditure and financing England: 2016 to 2017 budget individual local authority data: [Revenue account \(RA\) budget 2016-17](#)

3.2.8 The Council has significantly lower levels of reserves than its neighbours and therefore the use of reserves to support its budget decisions cannot be taken lightly. During 2015/16 a budget support reserve was created and this will be utilised to help balance the budget position in 2017/18. A further review of earmarked reserves will be undertaken and reported back to Executive in February 2017 with the intention of bolstering the budget support reserve to support future year's budgets.

4. CAPITAL PROGRAMME

- 4.1 Council approved the 3 year 2016/19 Capital Programme of £90.68m in February 2016 as follows:

<i>Table 6: Capital Investment Programme (Feb 2016)</i>	2016/17 £'000	2017/18 £'000	2018/19 £'000	TOTAL £'000
Service Analysis :				
Children, Families & Wellbeing	14,133	10,692	10,090	34,915
Economic Growth, Environment & Infrastructure	27,095	15,600	9,675	52,370
Transformation & Resources	2,475	570	350	3,395
Total Programme	43,703	26,862	20,115	90,680

- 4.2 The Capital Programme is reviewed on a monthly basis and as reported in the Budget Monitoring 2016/17 Period 2 and 4 reports to The Executive the Capital programme has been updated and re-profiled for amounts brought forward from 2015-16, the re-phasing of the original 2016-17 programme to later years and new external contributions as follows:

<i>Table 7: Capital Investment Programme (July 2016)</i>	2016/17 £'000	2017/18 £'000	2018/19 £'000	TOTAL £'000
Service Analysis :				
Children, Families & Wellbeing	13,608	12,106	6,040	31,754
Economic Growth, Environment & Infrastructure	28,404	21,258	10,275	59,937
Transformation & Resources	3,287	1,373	350	5,010
Total Programme	45,299	34,737	16,665	96,701

- 4.3 This programme utilises all known available capital funding sources over this period including prudential borrowing, capital grants and contributions and capital receipts. A review of the future year's programme will be undertaken and reported back to Executive in February 2017. This will involve a review of existing planned programmes against new emerging priorities including any invest to save measures required to support future revenue savings.
- 4.4 In the last financial settlement, an announcement was made allowing local authorities the flexibility to use capital receipts to finance other expenditure on transformational activity. Within the Council's Efficiency Plan referred to earlier in the report it was stated that the Council could look to take advantage of this new flexibility which would need agreeing at the Budget Council meeting in February. Utilising capital receipts in this manner may lead to a funding shortfall on the capital programme which would need to be made good through borrowing with associated ongoing borrowing costs to the revenue budget. As an indication for every £1m of new borrowing the annual charge to the budget would be £70,000 based on current rates of borrowing over a twenty year period.

5. SCHOOLS FUNDING & BUDGETS 2016/17

5.1 Background

5.1.1 Schools are funded from ring fenced grants, the most notable of which is the Dedicated Schools Grant (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. DSG can be divided into three main areas:

- Mainstream block - approximately £143m which essentially funds schools' budgets. This includes approximately £57m for academies which is determined by the Schools Funding Forum and Council but paid to Academies through the Education Funding Agency (EFA).
- High Needs block - approximately £23m which primarily supports Special Educational Needs (SEN) expenditure. This includes £10m to fund Trafford Special Schools.
- Early Years block - approximately £11m, which funds educational, provision for 2 to 5 year olds in both LEA Schools and Private, Voluntary and Independent (PVI) settings.

5.1.2 Other grants include Pupil Premium Grant (PPG) of £6m which is intended to bridge the attainment gap for pupils in receipt of free school meals and pupils who are or have been in care. In addition to this there is the Universal Infant Free School Meals Grant £2.88m, 6th Form Funding £1.18m and PE and Sports Grant £600k.

5.1.3 The distribution of DSG for Trafford and subsequent funding amounts for individual schools are dependent upon the October census count of pupil numbers so the final distribution of DSG will not be known until January 2017 following the pupil census in October 2016. These will be taken to School's Funding Forum in January 2017 before we are required to submit the Authority Pro forma Tool (APT) to the Education Funding Agency (EFA).

5.1.4 The High Needs block is under increasing pressure as the SEND reforms, particularly the requirement to extend Education Health and Care (EHC) plans and provision to young people up to the age of 25, has resulted in increased expenditure, particularly on high cost placements. No additional funding has been made available from Government for these costs.

5.1.5 Trafford's per pupil funding is amongst the lowest in the country so it was a disappointment that the proposed introduction of a new fair funding formula would be postponed until 2018/19 at the earliest, despite an initial high level phase of consultation during 2016/17. An element of this exercise did include an expenditure baselining exercise, so it is expected that allocations for 2017/18 will at least be refreshed from their previous historic basis.

5.1.6 There has been a recent consultation on proposals to change how free childcare and early year's education is funded. The proposals include:

- Introducing a new early years national funding formula for 3 and 4 year olds;
- Changing the way local authorities fund the early years providers in their area; and
- Making sure that children with special educational needs or disabilities attract the extra funding they need.

5.2 Pressures on schools

5.2.1 Schools are required to meet all inflationary increases out of their delegated budgets, namely:

- Pay awards of 1% or higher;
- Increased pension contributions; and
- Inflation at a prevailing average on supplies and services.

5.2.2 The f40 Group have calculated that a typical secondary school would require a further £350k to meet additional cost pressures from 2017/18. This is equivalent to ten teachers, however the additional cost pressures are far more significant to schools such as those in Trafford, which are relatively low funded.

5.2.3 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 as the Council can no longer subsidise them. Therefore, going forward, schools will need to pay for these services in future.

5.2.4 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.

5.3 Overall Position

5.3.1 The DSG budget excluding academies for 2016-17 is £121m, period 4 (July 16) budget monitoring shows an estimated overspend of £1.09m. An element of this can be funded from a remaining balance on the general DSG reserve of £787k with additional in-year savings to be identified to meet the remaining shortfall.

5.3.2 The current level of spend compared to budget is not sustainable. It is 6 years since the government's White Paper formally acknowledged that school funding was unfairly allocated and that a change would be made. The delay in implementing the National Funding Formula means the poorest funded schools have to cope with the current cost pressures without any relief from a fairer funding formula, after being promised that 2017/18 would be the year funding would improve. Schools and the Local Authority will now need to take urgent action to find ways of managing with insufficient funding for a further year. A number of schools in Trafford are likely to face increasingly difficult times.

6. CONSULTATION & BUDGET TIMETABLE

6.1 Consultation

6.1.1 The following budget consultation process is recommended:

- As there were disappointing levels of public engagement in last year's consultation process as much activity as possible will be undertaken online and via social media. All public engagement activity will be promoted as 'conversation' rather than consultation, again in an effort to encourage greater public participation.
- The new budget context will be presented at 2 sessions for the public in November/December. One will be held in the North and one will be held in the South of the borough.
- At these sessions, the public will be informed about those things which could directly affect them and the neighbourhood they live in. There will be opportunities for the public to ask questions at these meetings and share their views openly with Members, Officers and others in attendance.
- It should be recognised that the sessions in November/December mark the start of a longer period of engagement. As proposals mature and clarify, relevant stakeholder groups will be consulted with as the proposal requires; this could be at any point between 2016 and 2019/20. There is no agreed schedule for this at this stage and it will take some time to define, particularly for the latter years.
- Specific consultation activity will be proportionate in scale to the proposal concerned and targeted to the stakeholder group concerned.
- Staff will have budget briefings at the same time. Any efficiency proposals affecting staff will be dealt with separately and internally through routine staff consultation arrangements. Staff consultation on some of the specific proposals begins on 7 November 2016 and public and stakeholder consultation will start on 16 November 2016. Public consultation will conclude on 16 December 2016 but some staff consultations will conclude beyond this date.
- Details of the public and stakeholder consultation are available on the Council's web site on the 2017/18 Budget pages. There will also be a review of this report and its proposals by the Council's Scrutiny Committee.
- Detailed planning work on some proposals is still taking place. The draft Local Government Finance Settlement is expected in December 2016, however with the Council accepting the four year settlement, DCLG is expected to respond soon after the 14th October to confirm the constituent elements of the multi-year offer for the remaining years.
- All of the above will be brought together by the end of January 2017 when the Executive will make final changes to their draft proposals. These will then be recommended for approval at the Public Executive, and the final determination of the budget made at Budget Council, on 22nd February 2017.

6.2 Impact on staff

- 6.2.1 Employee costs form a large proportion of the Council's expenditure; it is therefore inevitable that savings will have an impact on the Council's workforce.
- 6.2.2 This will be particularly important in the Children, Families and Wellbeing Directorate, where there is a dedicated programme to support the delivery of significant savings targets. This will mean working collaboratively and innovatively with partners and residents to explore alternative options for service delivery, with the aim of protecting employment across the borough, as far as possible. It is inevitable, however, that there will be an impact on the number of budgeted jobs within the Council.
- 6.2.3 A range of options relating to service redesign have been explored and these will be shared as part of the staff and trade union consultation process on potential workforce reductions.
- 6.2.4 It is currently anticipated that the proposals may result in more than 20 staff being dismissed on the grounds of redundancy; in these circumstances, the Council is required to issue a S.188 notice to the recognised trade unions in order to mark the commencement of formal collective consultation. The period of collective consultation is likely to commence on 7th November 2016 and will run for a minimum of 30 days. Should it become evident that the proposals will affect more than 99 staff, this period will be extended to a minimum of 45 days.
- 6.2.5 During the consultation period, as always, the Council will strive to minimise the number of redundancies and support employees by:
- continuing to operate robust vacancy management systems;
 - operating a centrally managed redeployment process;
 - considering options for voluntary redundancy or early retirement where these are cost effective and operationally viable;
 - considering secondment and temporary project assignment opportunities where appropriate;
 - considering options for other employees to take voluntary redundancy or early retirement to enable a redeployment opportunity for displaced staff, where this is cost-effective and operationally viable;
 - providing an employee assistance and outplacement support programme for staff at all levels.
- 6.2.6 In addition to the savings relating to service reviews, there is also a Council-wide proposal which relates to changes to staff terms and conditions. In 2014, the Council introduced a number of changes to staff terms and conditions which realised savings in the region of £1.7m. Whilst most of these changes related to permanent contractual changes, the introduction of 3 days mandatory unpaid leave was made as a temporary variation until 31st March 2016; this was further extended for one year until 31st March 2017.

- 6.2.7 Since the introduction of mandatory leave, the Council has worked to try and reduce the number of mandatory days that staff are required to take. In this respect, a Voluntary Additional Unpaid Leave Scheme has been introduced and this has helped to achieve savings via voluntary measures. A variation of the existing scheme is still required which will result in 1.5 days mandatory leave for those employees who haven't opted to take voluntary unpaid leave in order to achieve the full savings of £0.5m assigned to terms and conditions.
- 6.2.8 This proposed variation requires the Council to undertake a period of statutory collective consultation as it may result in the dismissal and re-engagement of the workforce. Therefore, on 7th November 2016, the S.188 notice that will be issued in relation to service reviews will also include details of the terms and conditions proposal. This consultation will run for a minimum period of 45 days.

6.3 Draft Budget Timetable

Draft Budget Timetable	
Budget proposals presented to Executive	15/11/2016
Social Media Campaign commences	16/11/2016
Initial Budget Scrutiny meeting	16/11/2016
Public consultation event	23/11/2016
Public consultation event	03/12/2016
Budget Scrutiny	Dec-16
Output of online and public conversation.	Jan-17
Executive Member Workshops	Jan-17
Final budget is presented to Council	Feb-17
Service Plans in place by April for the following year	Apr-17

MEDIUM TERM FINANCIAL OUTLOOK - BASE BUDGET ASSUMPTIONS

Base Budget Assumptions	2017/18
Service Expenditure	
Pay	1.0%
	£0.6m
Pension	1.0%
	£0.5m
Prices – General inflation (certain services have specific inflation, e.g. energy)	2.0%
	£2.2m
Demography : Children	£1.2m
Adults	£1.5m
Waste (GMWDA): Total Levy Increase (after adj for smoothing reserve)	£0.7m
Transport (GMCA) Levy increase	0.0%
	£NIL
Treasury Management & Funding	
Investment Rates	0.5%
Debt Rates	3.50%
Council Tax rate increase	1.99%
Adult Social Care Precept (Council Tax)	2.00%
Council Tax base increase	0.50%
Reduction in Start-up Funding	12.5%
	£7.1m
Reduction in overall Government support	10.5%
	£9.3m

2017/18 Subjective Budget Analysis

2017/18	CFW (£000's)	EGEI (£000's)	T&R (£000's)	Council- wide (£000's)	Funding & Reserves (£000's)	Total (£000's)
Net Budget Brought Forward	76,563	32,198	16,938	21,621		147,320
<u>Cost Pressures:</u>						
Pay	925	92	419	(1)		1,435
Inflationary	483	96	205	2		786
Contractual Obligations	713	789	0	0		1,502
Living Wage	2,024	50	74	0		2,148
Levies	0	700	0	(2)		698
Demographic	2,700	0	0	1		2,701
Grants, Legislative & Service Transfers	552	0	113	722		1,387
Loss of Income	0	105	0	0		105
Treasury Management *	0	0	0	590		590
Other	(68)	(578)	302	630		286
Total Cost Pressures	7,329	1,254	1,113	1,942		11,638
<u>Approved Budget Updates (Feb 2016):</u>						
Income Generation	0	(200)	(230)	0		(430)
Savings Proposals *	(8,916)	0	0	0		(8,916)
Total Approved Budget Proposals	(8,916)	(200)	(230)	0		(9,346)
<u>New Budget Updates (Oct 2016):</u>						
Income Generation	0	(1,202)	(460)	0		(1,662)
Savings Proposals	(1,028)	(438)	(562)	(800)		(2,828)
Total New Budget Proposals	(1,028)	(1,640)	(1,022)	(800)		(4,490)
PROPOSED NET BUDGET	73,948	31,612	16,799	22,763	0	145,122
<u>Funding:</u>						
Council Tax					(83,663)	(83,663)
RSG					(15,276)	(15,276)
Redistributed Business Rates					(33,985)	(33,985)
Business Rate Growth					(3,578)	(3,578)
Collection Fund Surplus					(300)	(300)
Total Funding					(136,802)	(136,802)
<u>Additional Funding (Oct 2016):</u>						
Council Tax - 2% Adult Social Care Increase					(1,673)	(1,673)
Council Tax - 1.99% General Increase					(1,665)	(1,665)
Council Tax Support Scheme					(160)	(160)
Additional Funding Total					(3,498)	(3,498)
PROPOSED FUNDING					(140,300)	(140,300)
<u>Additional Use of Reserves (Oct 2016):</u>						
Budget Support Reserve					(2,800)	(2,800)
Additional Use of Reserves Total					(2,800)	(2,800)
USE OF RESERVES					(2,800)	(2,800)
BUDGET GAP						2,022

Make Trafford a Destination of Choice (Tourism, visitor attraction, economic growth)

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
C&P	Sale Waterside Arts Centre	Business development	Income	(100)	(100)	0	As part of the agreed 3 year business plan develop existing and new areas of business (e.g. weddings and conferences) and reduce reliance on Council funding.
				(100)	(100)	0	

Accelerate housing and economic growth

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
EGEI	Planning	Additional income from planning application fees	Income	(70)	0	0	The Planning Service has been offering a "premium" pre-planning advice service since February 2016 which has had a positive response from developers, particularly where there are time constraints. This is generating additional income in 2016/17 already which is expected to continue in 2017/18. Other fees will also be reviewed to ensure cost recovery is achieved.
				(70)	0	0	

Supporting communities and businesses to work together to design services, help themselves and each other

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
EGEI	Parking	Parking fees	Income	(702)	0	0	<p>Currently the parking fees in Trafford are 30 mins – 20p, 2hrs - 50p, 3hrs - £1, 4hrs - £2, day - £4 (£3 on street). It is proposed to revise charges to 30 mins – 70p, 2hrs - £1.50, 3hrs - £2.50, 4hrs - £3.50, day - £7 (£6 on street). Estimated additional income from this proposal is £667k</p> <p>It is also proposed to introduce charges at seven off-street car parks which are currently free all day: Lacy Street (Stretford), Flixton Road (Urmston), Manor Avenue (Urmston), Hampson Street (Sale Moor), Balmoral Road (Altrincham), Atkinson Road (Urmston), James Street (Sale Moor), The proposal is for 2 hrs free with over 2 hrs £1 giving estimated additional income of £35k.</p>
ASS&CW	Care Management	Reablement – phase 2	Efficiency	(946)	0	0	<p>Savings will be achieved by implementing the next phase of the previously consulted on changes to the service by commissioning a rapid, intensive support service which has been shown to deliver improved independence at a lower cost, from the market of care providers (called Stabilise and Make Safe). The internal service will no longer be provided but residents will have an improved level of access to the new service.</p>

EGEI	One Trafford Partnership – Property Management	Property repairs and maintenance savings from improved management information	Efficiency	(89)	0	0	Implementation of new facilities management system during 2016/17 will allow property repairs and maintenance works to be better prioritised and reduce costs accordingly.
EGEI	One Trafford Partnership – Property Management	Reduction in energy and water consumption in Council buildings	Efficiency	(80)	0	0	Further work will be carried out to drive energy efficiency programmes across all Trafford owned buildings.
T&R	Transformation Team	Capitalisation of costs	Efficiency	(170)	0	0	Use of capital investment funding for Transformation project costs which deliver sustainable savings for the Council.
F	Terms and Conditions	Staffing	Policy Choice	(500)	0	0	Extension of the voluntary and mandatory leave scheme
F	Provisions	Provisions and Contingency	Policy Choice	(200)	0	0	Review of provisions and contingencies
F	Finance – Exchequer Services	Council Tax support scheme	Policy Choice	(160)	(40)	(40)	A review of the support scheme to align to national benefits.
F	Treasury Management	PFI Contract	Cashable	(50)	(50)	0	Anticipated savings in the unitary service payment on the Sale Waterside PFI agreement
F	Insurance	Insurance Premiums	Cashable	(50)	0	0	Reduction due to lower than anticipated insurance premiums and level of self-insured provision due to a lower claim payments.
F	Base Budget Review	Budget Revisions	Cashable	(332)	0	0	Review and removal of on-going budget underspends.
				(3,279)	(90)	(40)	

Working together for Trafford

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
EGEI	One Trafford Partnership – Waste Management	Income from kerbside green waste collection	Income	(430)	(75)	(395)	Introduce partial cost recovery for the collection of green waste from the kerbside (a voluntary opt-in service). Estimated income generation after costs over three years is £900K. Food waste will still be collected weekly without additional charge as part of the universal council offering.
T&R	School Crossing Patrols	Traded Service	Income	(350)	0	0	Schools crossing patrols to become a traded service which will be offered to schools and/ or community groups.
EGEI	One Trafford Partnership – Waste Management	#BeResponsible – Right Stuff, Right Bin	Policy Choice	(151)	(232)	(261)	A range of measures proposed to encourage recycling and reduce waste disposal costs. There will be no change to collection frequencies but a stricter approach to ensuring only non-recyclable items are included in the general (grey) waste bin. Estimated saving is £644k over three years after costs.
EGEI	One Trafford Partnership – Grounds Maintenance	Transfer of maintenance to bowling clubs	Policy Choice	(18)	0	0	The Council will pay individual bowling clubs a fixed amount to undertake their own green maintenance. This arrangement already operates successfully at one club and the proposal is to roll this out across the Borough.
				(949)	(307)	(656)	

Creating a national beacon for sports, leisure and activity for all

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
T&R	Leisure	Franchise income Trafford leisure	Income	0	(100)	(100)	If proposed investment is agreed, additional revenue will be generated by the leisure company based on increased take up of services.
				0	(100)	(100)	

Optimising technology to improve lives and productivity

Port-folio	Service Area	Description of Saving	Category of Saving	2017/18 £000's	2018/19 £000's	2019/20 £000's	Impact of Saving (e.g. service, equality, other)
C&P	CCTV	Business development	Income	(10)	(10)	(15)	Savings are from re-procurement of cameras, reduced maintenance costs and staff relocation through collaboration with Salford.
EGEI	Street lighting	LED roll out – energy saving	Efficiency	(100)	0	0	Use of a Central Management System to control LED lighting (dimming and trimming). The roll out is scheduled between April 2016 and September 2017 and the total full year saving already included in the MTFP is £1.150m before financing costs (estimated at £500k).
F	Finance – Exchequer Services	Business scanning	Efficiency	(100)	(28)	0	Business efficiency savings from enhanced use of scanning technology.
F	Finance – Exchequer Services	On-line integrated Council Tax forms	Efficiency	(42)	0	0	Business efficiency savings from improved use of on-line technology in the administration of Council Tax.
				(252)	(38)	(15)	