

# Public Document Pack



## TRAFFORD COUNCIL

### AGENDA PAPERS FOR EXECUTIVE MEETING

Date: Wednesday, 18 February 2015

Time: 6.00 pm

Place: Council Chamber, Trafford Town Hall, Talbot Road, Stretford M32 0TH

AGENDA	PART I	Pages
1.	<b>ATTENDANCES</b>	
	To note attendances, including officers, and any apologies for absence.	
2.	<b>DECLARATIONS OF INTEREST</b>	
	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.	<b>EXECUTIVE'S BUDGET PROPOSALS 2015/16</b>	
	To consider a report of the Executive Member for Finance and Director of Finance. Comprising:	
	(a) Executive's Revenue Budget Proposals 2015/16	1 - 136
	(b) Fees, Charges and Allowances 2015/16	To Follow
	(c) Executive's Response to Scrutiny Committee's Recommendations to the Budget Proposals	To Follow
	(d) Capital Investment Programme 2015-18	137 - 150
	(e) Treasury Management Strategy	151 - 174
4.	<b>CONSULTATION OUTCOMES AND BUDGET PROPOSALS</b>	175 - 334
	To consider a report of the Executive Members for Adult Social Care and Community Wellbeing, Children's Services, Economic Growth and Planning, and Environment and Operations.	

## **Executive - Wednesday, 18 February 2015**

**5. REVENUE BUDGET MONITORING 2014/15 - PERIOD 9** To Follow

To consider a report of the Executive Member for Finance and Director of Finance.

**6. CAPITAL PROGRAMME MONITORING REPORT 2014/5 QUARTER 3** To Follow

To consider a report of the Executive Member for Finance and Director of Finance.

**7. 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.

**8. 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 SEAN ANSTEE**  
Leader of the Council

Membership of the Committee

Councillors S. Anstee (Chairman), M. Cornes, M. Hyman, J. Lamb, P. Myers, J.R. Reilly, A. Williams and M. Young (Vice-Chairman)

Further Information

## **Executive - Wednesday, 18 February 2015**

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

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### TRAFFORD BOROUGH COUNCIL

**Report to:** Executive and Council  
**Date:** 18 February 2015  
**Report for:** Decision  
**Report of:** The Executive Member for Finance and the Director of Finance

#### Report Title

**Executive's Revenue Budget Proposals 2015/16**

#### Summary

The report sets out the Executive's updated revenue budget proposals for 2015/16, 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 fifth successive year to reduce the burden on residents. Instead the Council will take the opportunity of additional resources in the form of additional Government grant, £(0.9)m equivalent to a 1.0% rise, rather than raise tax up to the permitted threshold level of 2.0%.

#### **The key summary points for the revenue budget proposals are:**

- Budget will decrease by £(5.638)m or (3.6)%, from £154.552m to £148.914m;
- Government based support has reduced by £10.1m or 10.4%;
- planned base budget investment in services and other cost pressures amount to £14.6m, The sum of reduced funding and expenditure pressures presents a gross deficit for 2015/16 of £24.7m which has been offset by one-off net income of £(3.2)m [business rate growth net of levy and including the pool rebate £(3.4)m, increase in the council taxbase £(0.8)m and offset by a reduction in use of reserves from £(2.0)m to £(1.0)m reflecting the use of the additional airport dividend received in 2014/15.
- The sum of reduced funding and expenditure pressures presents a total budget deficit for 2015/16 of £21.5m.
- Efficiency and additional income streams will amount to £(9.5)m being 44% of the gross deficit,
- £(12.0)m of policy choice savings have been identified being 56% of the gross deficit.

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 M.

## **Recommendation(s)**

### **It is recommended that Council approve:**

- The net Revenue Budget for 2015/16 at £148.914m, a decrease of £(5.638)m, or (3.6)%, when compared to the 2014/15 base budget of £154.552m;
- The calculation of the Council Tax Requirement as summarised in Section 10 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 2015/16 (valuation bands are detailed at Annex E);
- The Fees and Charges for 2015/16, as set out in the booklet available on the Council's website:-
  - Approval is given to Corporate Directors and the Director of Finance with the joint delegation to amend fees and charges during 2015/16 in the event of any change in the rate of VAT, as appropriate
- That the minimum level of General Reserve for 2015/16 be set at £6.0m, the same as in 2014/15 (Section 5);
- The overall Capital Investment Programme level of £79.7m be approved (as detailed in the Capital Investment Programme 2015/18 report attached) of which £41.8m relates to 2015/16.
- The Prudential Borrowing Indicators as set out in Appendix 3, page 14, of the attached Treasury Management Strategy.
- The distribution of Dedicated Schools Grant as recommended by the School Funding Forum and Executive as summarised in Section 7 and detailed in Annex F.

### **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 (Section 5 and Annex M).
- 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 Executive on 26 January 2015.
- The Equality Impact Assessments in relation to the budget proposals and the Public Sector Equality duty

### **In addition, the Council notes the following :**

- The approval on 30 January 2015 under delegated powers by the Director of

Finance of the Council Tax Base for 2015/16 at 72,669 Band D equivalents. Along with the calculation of the estimated Council Tax surplus, sufficient to release £(300)k to support the Council's 2015/2016 revenue budget and a distribution of £(41.3)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 2016/17 and 2017/18 is to be set at an indicative £23.5m and £14.4m respectively.
- That the Council Tax figures included in the report for the GM Fire & Rescue Authority are the recommended provisional amounts pending their formal approval on 12<sup>th</sup> February 2015.
- The Treasury Management Strategy 2015/18 detailed elsewhere on the agenda.
- The writing down of the Learning Disability pool deficit of £3.0m
- The base budget assumptions as set out in the Medium Term Financial Outlook as detailed in Annex A.
- That final decisions with regard to some services will not be taken until March 2015. As a result, the allocation of resources set out on pages 65-69 may vary including the use of reserves. All reports will be presented at the appropriate time.

**Contact person for access to background papers and further information:**

Name:	Cllr Patrick Myers	Ian Duncan
Extension:	4884	1886

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed budget for 2015/16 supports all key priorities and policies.
Financial	The report sets out the proposed budget for 2015/16, 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. Because consultation is still ongoing in two service areas, the budget allocation in the attached annexes is indicative. The Executive will be free to amend the allocation of resources within directorates at the time it makes a final decision in these areas. If the budget for a directorate is to be exceeded, which will result in a call on reserves,

	the Executive will need to identify the impact on reserves and when they will be replenished. The Council has carried out a public consultation on its budget proposals. It has taken full account of the feedback in presenting this budget. Where the consultation is still on-going, for the Library Service and School Crossing Patrol Service, financial decisions will be made when the consultations have been completed.
Equality/Diversity Implications	Equality Impact Assessments for each budget proposal have been considered and are published as background papers to the report on Consultation Outcomes and Budget Proposals elsewhere on the agenda.
Sustainability Implications	None arising out of this report.
Risk Management Implications	An impact assessment of each budget proposal is in the process of being finalised.
Staffing/E-Government/Asset Management Implications	Statutory processes have been complied with during the course of these budget proposals in respect of staffing implications and more detail is included in Section 2.
Health and Wellbeing Implications	Equality Impact Assessments in relation to the budget proposals have been considered.
Health and Safety Implications	An impact assessment of each budget proposal is in the process of being finalised.

### **Other Options Considered**

The Council could consider an increase in council tax. Under the Localism Act 2011 the Council is required to hold a council tax referendum if it 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 2015/16 is 2.0%. For information, raising the Basic Amount of Council Tax by 1.99% would raise an additional sum of £(1.598)m. However, at the same time the Council would not qualify for the council tax freeze compensation grant £(0.903)m, therefore the net income raised from an increase in council tax would be £(0.695)m.

The Executive does not recommend an increase in the level of council tax as the Council would lose £0.903m in council tax freeze grant; in addition the amount raised below the referendum threshold (1.99%) would be modest compared to the scale of the challenges it faces. If an increase above the referendum trigger was agreed, to avoid a substantial element of the savings having to be made, it would pass on a significant financial burden onto its residents.

The use of reserves has been reviewed (See Section 5) and an appropriate amount has been assessed for release to support these budget proposals whilst still maintaining a minimum level of reserves to manage any unforeseen risks. Any further use of reserves is not recommended as it does not provide a sustainable means of balancing the budget.



**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 2015/16.

**Key Decision**

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

**Finance Officer Clearance** .....GB .....

**Legal Officer Clearance** .....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.



**TRAFFORD**  
**COUNCIL**

**Executive's  
Revenue Budget  
Proposals 2015/16**

**18 February 2015**

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

### **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. The Council also has a strong ethos of collaboration and working in partnership to strengthen our local and organisational resilience. Before getting to the detail of the budget proposals it is worth reminding ourselves of the strengths of the Borough and the many achievements of the Council.

As a borough, we have a powerful cultural and industrial base with over 11,000 businesses in the borough which contribute £5.8 billion GVA to the country's economy. Of our population, 73% are employed in Trafford and it is predicted that there will be growth in employment in Trafford of 3.4% between 2014 and 2017, which is well above the forecast for Greater Manchester (-2.8%) and North West (-6.7%). We also have the lowest unemployment figures (2.3% of the working age population), compared to other authorities in Greater Manchester.

The Council is continuing to build upon its track record of partnership working and is working as part of the Greater Manchester Local Enterprise Partnership to maximise the opportunities for investment in the local region presented by new funding streams such as business rates pooling.

With our Partners we have won several awards for our innovative and collaborative work. In 2013 the Council won a LGC award for our work across Public Sector Partnerships and our Trafford Partnership Executive, which represents all sectors including the faith community groups, functions as a powerful force to get statutory partners to work differently and galvanises communities which want to work differently to do this amongst themselves. Also in 2014 the Council received a commendation in the North of England Excellence Awards.

As a Council, we have been recognised at a national level for our employment and equality initiatives, employee relations and quality of apprentices. The refurbishment of the Town Hall has also been recognised nationally for how we have retained the building's architectural heritage and also the environmentally sustainable design. Our Children's Services are rated as performing 'Excellent' by Ofsted. 94% 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. We were ranked 3rd in the country for GCSE and 3rd for A Level results in 2014. Provisional Key Stage 2 data for 2014 shows Trafford 2<sup>nd</sup> nationally, with 87% of pupils achieving Level 4 or above in Reading, Writing and Maths.

Altrincham Forward, a public/private strategic partnership set up in Altrincham in 2011, continues to progress the work in town centres and has established a clear action plan to improve and revitalise the town centre. Its innovative approach and initiatives have been nationally recognised and shared as best practice with other towns and local authorities. Work is continuing to develop the strategic frameworks

for all the town centres including Stretford Masterplan, Urmston and Sale Road Maps and Altrincham Strategy.

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:

- Crime has fallen by 54% in the last 7 years.
- The time to process new benefit claims is 13.5 working days which is an improvement on previous performance.
- Action to reduce fraud has resulted in £890,000 of fraudulent benefit overpayments in 2013/14 being identified and 62 prosecutions. A further £560k of overpayments had been identified since April 2014.
- The Council has more than doubled the amount of retail rate relief awarded to eligible businesses. We have already achieved awards totalling £845,000 which is an additional £600,000 since the uptake started.
- The Council's website has been improved so that people can get information easier. Webcasting of Council meetings was introduced in June to open up democracy for local people.
- Have supported 38 Partington residents into employment through the innovative Partington Pledge, matching young unemployed people with local employers.
- Supported 51 new businesses to start trading through our Business Start Up programme, delivered in partnership with Blue Orchid.
- Supported 182 new affordable homes to be delivered by our housing association partners in 2013/14.
- Successfully combined local and European elections in May 2014.
- Funded 36 projects across all Locality Partnership areas through the 2014/15 Voluntary Sector Grant scheme allocating £103k in grant funding.

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 will be carried out next year. Some of these include:

- 8,000 social care clients looked after at a cost of £48.7m.
- Over 110,000 visitors to Waterside Arts Centre, selling 40,000 tickets.
- Collect over 97% of Council Tax in year to support the Council's financial resources.
- Receive over 330,000 telephone enquiries per year through our customer contact service alone.
- Pay 96.8% of invoices within 30 days to support businesses.

- Clean 2000 linear miles of highway channels and footways at least once every 8 weeks.
- 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).
- Remove approximately 1,750 tonnes of fly-tipping per year.
- Respond to more than 450 incidences of graffiti per year.
- Maintain 40 public parks covering 243 hectares, with 6 Green Flag parks and 30 Friends of Parks groups.
- Serve 2.7 million school meals this year, an increase of 400,000 from the previous year following the introduction of Universal Infant Free School Meals in September 2014.
- Collect domestic waste from 30,000 wheeled bins every day.

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. This year we have:

- Launched our 'Schools SLA Online' services, making it easier for schools to purchase our services and for the Council to retain and manage this business on a more commercial basis.
- Invested in capacity in partnership with others through the establishment of a shared service for procurement with Stockport and Rochdale Councils, known as STaR, reducing overheads, building our local resilience and boosting purchasing power.
- Co-located some voluntary and community sector advice and guidance services at our Contact Centre in Sale Waterside, facilitating an effective one stop shop for benefits and housing enquiries.
- Started to scope out public service delivery partnership options with Greater Manchester Police for HR payroll services, which we will be developing further during the current year.
- Piloted new delivery models for troubled families, early years' services, offender management and worklessness support under the banner of Public Service Reform across Greater Manchester.

### **Summary of the 2015/16 Proposed Budget**

Turning to the Council's finances, it is important context that since 2004/05 the Council has approved £(70)m of efficiencies, and a further £(6.6)m is proposed for 2015/16. This is equivalent to 95% of the current Council Tax, helping to maintain service levels at times of significantly reducing resources.

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 and low investment rates. 2015/16 will be the sixth national austerity budget under the Coalition Government's approach to managing the national deficit. The local government financial settlement recently announced and reported to the Executive on 26 January has only confirmed our financial forecasting and means the Council will need to make total savings of £21.5m compared to an estimated £24.3m at the draft budget stage, as a result of:

- £10.1m reduction in government funding, which has been offset by a number of income streams including an increase in the council tax-base of £(0.8)m, business rate growth £(3.4)m, offset by a reduction in use of reserves from £(2.0)m to £(1.0)m reflecting the use of the additional airport dividend received in 2014/15. It is not yet clear whether the latter two will be recurring income streams.
- inflation, increasing public expectation and demographic pressures in key services, increasing charges from levying bodies for waste disposal and some reduction in income totalling another £14.6m.

Since the draft budget was considered by the Executive in October 2014 there have been a number of changes to the budget plans and these are detailed in Section 6 and Annex D. In summary:-

	£m
<b>Deficit position in October</b>	<b>0.6</b>
<b>Changes in budget assumptions:-</b>	
• Additional cost of pay award £0.173m	
• Increase in Treasury Management costs £0.300m	
• Increase in bad debt provision £0.200m	
• Reduction in Transport Levy £(0.205)m	
• T&R savings realignment £0.106m	
• Reduction in adopter fee income of £0.100m	
• Reduction in Housing Benefit Subsidy £0.150m	
• Reduction in superannuation additional allowances £(0.195)m	
• Increase in Redundancy Provision £0.165m	
<b>Recommended additional investment:-</b>	
• Increase in the CFW commissioning budget for youth of £0.130m;	
• Increase in deprivation of liberty costs £0.200m;	
• Increase in CFW capacity building £0.170m and	
• £0.7m general contingency to cushion against savings proposals generally	
• Increase in foster carer fees £0.100m	2.1
<b>Reduction in Government Funding</b>	<b>(0.1)</b>
<b>Reduction in Savings:-</b>	

<ul style="list-style-type: none"> <li>• Contribution from CCG to pool fund £1.500m</li> <li>• Reshaping Trafford's offer – changing the way we meet needs £1.000m</li> <li>• Negotiated use of the Better Care Fund £0.788m</li> <li>• Externalisation of Reablement – older people £0.302m</li> <li>• Renegotiation of existing contracts – learning disability £0.300m</li> <li>• Additional saving - Review of ordinary residence arrangements – learning disabilities £(0.466)m</li> <li>• Additional saving – Continuing healthcare – adult services £(0.289)m</li> <li>• Phased implementation of savings proposals £0.500m</li> <li>• New saving – commissioning review of non-mandatory services £(1.500)m</li> </ul>	2.2
<b>Sub-Total</b>	<b>4.8</b>
<b>Financed By:-</b>	
Business Rates Growth (after payment of the levy)	(2.8)
AGMA Pool Rebate	(0.6)
Council Taxbase Growth	(0.4)
MAG Dividend	(1.0)
<b>Budget Balance</b>	<b>NIL</b>

Identifying new efficiencies and income streams that can be achieved cost effectively is becoming more and more challenging and the national austerity measures are unlikely to be removed for some time. For this reason the Council is now taking a different approach, which will manage this challenge over the longer term.

Earlier this year, the Council established its Reshaping Trafford Council Programme which will deliver a new organisational model for the Council from 2017/18. In the new organisational model we are planning to have a mix of different delivery models of which most will be delivered by others rather than the Council directly. Those we continue to fund will be monitored for quality by a much smaller Council model. Our plan is set out in the 'blueprint' document which is available below.

<http://www.trafford.gov.uk/budget>

The aims of the new organisational model are to:

- Improve local outcomes.
- Increase local resilience.
- Generate profit to be reinvested in front line services.
- Manage demand on services through focussing on prevention and asking citizens to 'be responsible'.
- Deliver good quality services within the funding available to us.

In order to get to this position we must have a more stringent approach to managing the budget pressures. All services will be subject to comprehensive service reviews to identify further opportunities for optimising resources and prioritising services for delivery at compliant and acceptable service levels. This will help us manage how we stop running services or reduce them to a level where they are operating at their core minimum standards, so they are affordable.

Trafford Council is in a strong position to deliver such a fundamental change. As set out earlier, our high performance, quality standards and valuable experience of doing things differently and being innovative gives us this confidence. As we 'reshape' into our new organisational model, we will remain committed to providing value for money, protecting as many jobs as possible and maintaining service standards in so far as is practicable. We will continually improve and use original ways of ensuring we support local people.

However, providing services in the way they are currently is no longer an option; we must change the way we do things if we are to continue to meet our obligations and support local people within the current financial climate. Demand for high cost services, particularly in the provision of care for our most vulnerable residents is growing as our funding declines. This means we not only need to reshape our services but we must help our customers and service users to think differently about managing their needs through their own resources before and in addition to any support available from the Council.

Our Reshaping Trafford Council Programme has identified £21.5m of savings and additional income for 2015/16, which is the biggest target of any of the six austerity budgets and will be delivered through a variety of approaches, all of which are contributing to the formation of the Council's new organisational model. This report provides details on all of the proposals currently being put forward by the Executive by each service area and can be reviewed at Annexes I through L and a summary is provided below:

- £(2.250)m through the establishment of our Joint Venture contract for a range of environment, highways and property services; in addition a further £(0.086)m is proposed through a management restructure which merges 2 directorates into one.
- Our Reshaping Trafford Council Programme will save £(1.568)m by refining the new structure for central support services with resilience to support the business, commercial opportunities and new partners.
- £(0.026)m increased income by Waterside Arts Centre and £(0.135)m from the Music, Governor and Education Psychology Services.
- A target of £(0.700)m from a review of our library provision. This will be subject to public consultation and a final decision in March 2015.
- £(0.451)m from reviewing our contract arrangements with Trafford Leisure Trust.



Over the next 2 years, Trafford Council will continue to develop an integrated, all age health, education and social care service, exploring new delivery models. The following savings in 2015/16 will support this activity:

- £(2.717)m by establishing alternative delivery options for the Reablement Service, learning disability services, day support services and Telecare.
- £(1.330)m by establishing a new delivery model for integrated education, health and care commissioning and service delivery on an all age basis.
- £(2.416)m from the review and renegotiation of care contract costs.
- £(1.430)m from the review of care package offers and a policy change in the way we meet eligible needs.
- £(3.684)m from the review of Early Years, Youth Service, Connexions, Education Welfare, Youth Offending Services and Children's Centre provision.
- £(0.100)m by increasing personal budgets across children and young people with special educational needs.
- £(0.300)m by remodelling Home to School Transport services.
- £(2.000)m agreed contribution from the Better Care Fund which is a shared budget with the Trafford CCG with the aim of providing more effective integrated health and social care services.
- £(1.500)m via a commissioning review of non-mandatory adults care services.

There are further savings proposals, which will help the Council to deliver services within the funding available :

- £(0.231)m through a review of parking charges.
- £(0.114)m from rationalising Schools Crossing Patrols.
- £(0.093)m charges for allotments and other fees and charges.
- £(0.497)m of other savings achieved by management of inflationary pressures, discretionary business rate provision now accounted for within the Collection Fund and a reduction in the cost of Members' Allowances.

In addition to the above savings, our proposals allow for investment in priority service areas, namely:

- in particular, an investment of £8.5m in Adult Social Care and £0.9m in Children's Social Care to meet the expectations of increasing service demands.

- Investment of £0.073m revenue and £0.150m capital expenditure in plans to reduce litter, fly tipping and improve recycling by targeting areas of the borough.
- The provision of a free school meal for every infant pupil (key stage1), funded by an additional specific grant approximately £2.84m in 2015/16.
- The Council Tax will remain frozen at the 2010/11 rate, keeping it the lowest in the North West and one of the lowest in England.

Of the estimated 212.5 fte equivalent positions that are at risk to be removed from the establishment 65% are in management and back-office roles. The Council will employ a number of processes to minimise the impact on the staff concerned. The proposals contained within this report have been subject to public consultation, equality impact assessments, the views of the Scrutiny Committee, and the detail of the Local Government Finance Settlement in late autumn.

### **Summary**

To remain within the available resource envelope the budget for 2015/16 will reduce by £5.638m, from £154.552m to £148.914m. There have been a number of changes to the budget since October 2014 as detailed above which have increased the pressures on the 2015/16 budget but these have been afforded by an increase in the council tax base £0.4m, growth in retained business rates of £3.4m and a further return on our investment in the Manchester Airport Group (MAG) following a restructure of the company, including a new equity investment partner. A number of proposals within the plan are still subject to consultation or further Executive decisions, namely the proposals around the libraries and the joint venture, hence further decisions will be made in March on those services which could impact on the 2015/16 budget.

## CONTENTS

		<b>Pages</b>
	Foreword by the Executive Member for Finance	7
	<b>Section</b>	
1	Executive Summary	16
2	Budget Consultation and staff impact of proposals	18
3	Scrutiny review	21
4	Resource Position	23
5	Reserves	28
6	Proposed Budget 2015/16	32
7	Schools Funding and Budgets 2015/16	38
8	Risk, Robustness and Reserves	41
9	Medium Term Outlook	42
10	Council Tax Requirement and Statutory Calculations	49
11	Capital Programme 2015/18 & Treasury Management	52
12	Recommendations	54
	<b>Annexes</b>	
A	Base Budget assumptions for the medium term	56
B	Government Funding Changes	57
C	Business Rates Retention Scheme	59
D	Changes since the draft budget	62
E	Council Tax Levels by Valuation Band	64
F	Schools funding Formula 2015/16	65
G	2014/15 indicative Budget Categorised subjectively (changes in expenditure and incomes by category)	67
H	2014/15 indicative Budget Categorised objectively (management accounts format)	68
	<b>Service Summaries</b>	
I	Children, Families & Wellbeing	73
J	Economic Growth, Environment and Infrastructure	99
K	Transformation & Resources	105
L	Council-Wide Budgets	116
M	Robustness & Adequacy of Reserves Assessment	122

## 1. EXECUTIVE SUMMARY

- 1.1 The Executive's draft Budget 2015/16 proposals were submitted to the Executive in October 2014. These proposals have been subject to public consultation, which in a number of areas, for example libraries, joint venture proposals and fair price for care. The Council's Scrutiny Committee also reviewed the budget on 17 November 2014 and 8 December 2014 where £18.4m (76%) of proposed budget savings were reviewed.
- 1.2 Since the draft budget was presented to the Executive in October a number of changes have been made as a result of consultation on the proposed budget, government funding announcements and other budget pressures.
- 1.3 The total net change from the announcements leading from the Local Government Finance Settlement was a favourable £0.026m. Additional cost pressures and changes to savings have added a further £4.0m to the budget which coupled with the deficit from October of £0.6m has resulted in a further £4.8m needed to be found within the 2015/16 budget. These pressures have been afforded by increases in both the council taxbase and from the retained business rates worth an additional £(0.4)m and £(3.4)m respectively. These have been supplemented by a further return on our investment in the Manchester Airport Group (MAG) of £(1.0)m following a restructure of the company, including a new equity investment partner.
- 1.4 A period of statutory consultation ended on 12th December 2014. At the conclusion of this consultation, it was estimated that 199 full time equivalent (fte) posts would be deleted from the budgeted establishment, resulting a potential 204 compulsory redundancies. However, after taking into account requests for early release, this number reduced to 144 and was further mitigated by a number of voluntary resignations, which reduced the number down to 124 staff at risk of compulsory redundancy. Since the end of consultation, a further period of collective consultation has commenced with respect to the review of Library Services; this has resulted in an estimated impact of a further 15 full time equivalent posts being deleted, with a potential impact of a further 22 redundancies. Therefore, at this point, it is currently anticipated that the total reduction in posts across the Council will be 212.5, with a potential 141 compulsory redundancies. It should be noted, however, that within the Library Services, a number of staff are likely to seek voluntary early release; therefore some of these compulsory redundancies will be achieved via voluntary measures.
- 1.5 The proposed budget for 2015/16 after robustness, risk mitigation, equality impact assessment and consultation is proposed at £148.914m:
  - which is a reduction of £5.638m or 3.6% on the £154.552m 2014/15 budget,
  - and includes for a Council Tax freeze for the fifth year running, taking advantage of the additional Government grant of an estimated £(0.903)m.
  - The gross budget deficit of £24.7m is made up of reduced Government support £10.1m, and cost pressures £14.6m, which were,

- mitigated by an increase in the Council Tax base of £(0.8)m, partly due to a welcome lower cost of the local Council Tax Support Scheme, increase in the business rate base worth an estimated net increase of £(3.4)m offset by a reduction in use of reserves from £(2.0)m to £(1.0)m reflecting the use of the additional airport dividend received in 2014/15
  - The sum of reduced funding and expenditure pressures presents a total budget deficit for 2015/16 of £21.5m.
  - Efficiency and additional income streams will amount to £(9.5)m being 44% of the gross deficit,
  - £(12.0)m of policy choice savings have been identified being 56% of the gross deficit.
- 1.6 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.
- 1.7 Future budgets remain challenging with further austerity reductions and increasing demand and costs. The Council estimates that in the period to 2017/18 it will need to address a gross budget deficit of £57m.
- 1.8 The Capital Investment Programme for 2015/18 of £79.7m will see a planned £41.8m of expenditure to support services in 2015/16 alone. Most notable will be expenditure on primary school places, £14.1m; highways, £13.3m; social services clients, £2.7m; and economic regeneration support to the Borough's town centres of £4.8m.
- 1.9 As interest rates are expected to remain low for investments and relatively high for borrowing, any borrowing for 2015/16 will likely be restricted to cover any investment in LED street lighting to be financed from savings in energy costs in the event that proposals to roll-out LED lighting across the borough are approved at a later date by the Executive. It is planned to repay £2m of long term loans reducing the debt portfolio to £93m, 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**

2.1 A full report on the findings from the budget consultation exercise was reported to the Executive on 26 January 2015. The following is a summary of that report.

2.2 The draft 2015/16 Budget proposals of 20 October 2014 are supplemented by the Reshaping Trafford Council Blueprint document, which sets out how the Council will be changing to manage the fiscal challenges in the coming years. The proposals contained £24.3m of savings which can be thematically summarised as:

- Increase local resilience;
- Generate profit to be re-invested in front line services;
- Manage demand on services through focussing on prevention;
- Deliver good quality services within the funding available to us;

2.3 The proposals per Directorate were summarised as:

### Children Families and Wellbeing - £17.4m

Over the next 2 years, Trafford Council will continue to develop an integrated, all age health, education and social care service, exploring new delivery models:

- Remodel Home To School Transport services;
- A review of mental health care packages;
- Development of a new Early-Help Delivery Model for 0-18 year olds including Children's Centres, Youth Services, Connexions, Education Welfare and Youth Offending Services;
- Deliver a reshaped Social Care offer for adults, looking at promoting independence and resilience through use of equipment, Telecare, local sourced community solutions to meeting needs, voluntary services and new models of support for people with long term needs.

### Economic Growth, Environment and Infrastructure - £2.8m

- The establishment of a Joint Venture Contract for most of our environmental and highways services;
- Senior management restructure;
- A review of parking charges;
- A review of allocation of Schools Crossing Patrols;
- A review of Festive lights funding arrangements.

### Transformation and Resources - £3.2m

- Back office service redesigns and restructures;
- Increased income generation at Waterside Arts Centre and through the Music, Governor and Education Psychology Services;
- Review of our library provision;
- Reviewing our contract arrangements with Trafford Leisure Trust;
- New ways of working within the CCTV control room.

- 2.4 Staff consultation on the proposals began on 10 October 2014 and the public and stakeholder consultation began on 21 October 2014. Both concluded on 12 December 2014. The statutory consultation with recognised trade unions commenced on 9 October 2014 with the issue of a S188 notice.
- 2.5 The main budget consultation ended on 12 December 2014 and the report outlined the approach taken to the consultation, the key messages received, the outcome and how the consultation has shaped the budget proposals, including the impact on staffing numbers. The report did not include the outcomes for Library services as stage 2 of this consultation did not commence until 19 January 2015 and also the consultation on the school crossing patrol service which was extended.

### **Stakeholder consultation**

- 2.6 The main stakeholder groups were: residents through press media and the Council's web site; seven public consultation meetings; staff via briefings and a Reshaping Trafford Council staff newsletter and dedicated website; local businesses through a targeted and promoted event; youth conference including a panel session with the Leader of the Council; 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. Specific consultations were undertaken and reported by external consultants for library services and for early years and adult social care service 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 Executive 26 January 2015.
- 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, Equality Impact Assessment were maintained as live documents.

### **Impact on Staff**

- 2.10 A period of statutory consultation ended on 12th December 2014. At the conclusion of this consultation, it was estimated that 199 Full Time Equivalent (fte) posts would be deleted from the budgeted establishment, resulting a potential 204 compulsory redundancies. However, after taking into account requests for early release, this number reduced to 144 and was further mitigated by a number of voluntary resignations, which reduced the number down to 124 staff at risk of compulsory redundancy. Since the end of consultation, a further period of collective consultation has commenced with

respect to the review of Library Services; this consultation is on-going but has resulted in an estimated impact of a further 15 full time equivalent posts being deleted, with a potential impact of a further 22 redundancies. Therefore, at this point, it is currently anticipated that the total reduction in posts across the Council will be 212.5, with a potential 141 compulsory redundancies. It should be noted, however, that within the Library Services, a number of staff are likely to seek voluntary early release; therefore some of these compulsory redundancies will be achieved via voluntary measures.

2.11 The table below provides a summary of the anticipated impact on staff and posts.

<b>Staffing type</b>	<b>Post reduction in fte</b>	<b>Total number of compulsory redundancies</b>	<b>Percentage of total workforce</b>
Management	35	12	0.4%
Back office/Other	102	44	1.45%
Front line	75.5	85	2.81%
<b>Total</b>	<b>212.5</b>	<b>141</b>	<b>4.66%</b>



### 3. SCRUTINY REVIEW

3.1 The Executive's draft 2015/16 Budget proposals were submitted to the Council's Scrutiny Committee on 17 November and 8 December, following a meeting in October with The Leader and Director of Finance. Scrutiny Committee Members divided the proposals into two areas, Children, Families and Wellbeing and Transformation and Resources/Economic Growth, Environment and Infrastructure.

3.2 The report on the findings of Scrutiny was submitted and considered by the Executive on 26 January 2015. The key messages were:-

- **Management Capacity** - Scrutiny Members had significant concerns that the management capacity to manage the scale of the budget reductions and the changes associated with them will be put under severe strain. The reductions in key support services, including Finance, Legal and ICT, where significant reductions are proposed, increase this risk. The Executive must ensure that these risks are managed in a robust manner and should receive timely updates on any adverse consequences of the changes. Scrutiny Committee will also be tracking this issue through the year.
- **Future Budget Planning** - Concern was raised regarding preparedness for 2016/17 service provision under current budget forecasts for that year. In contrast to previous years' budget setting processes, it is not clear that sufficient consideration has been given to requirements of both funding shortfall and allocation to enable this to be built into the 2015/16 budget to prepare for 2016/17. The Leader indicated to the committee at the outset of the scrutiny process that there will come a point where council tax will need to be increased. In light of DCLG freeze grant arrangements, year two budget planning is therefore particularly relevant to the current process.
- **Performance Management and Quality Assurance Arrangements** - A number of the proposals rely on other providers to deliver services in future. Quality assurance, performance and contract management processes must be robust to ensure that services meet the Council's specification and performance requirements. The Executive need to satisfy themselves that these systems are in place and that managers are using regular and robust information to inform decisions and corrective action needs to be taken at an early stage.
- **Impact on Users** - The session on Children, Families and Wellbeing in particular raised a number of issues where proposals have a potential impact on service users. Equality impact assessments were still in the process of being completed at the time of the meetings so Scrutiny Members were not able to assess this as part of their work. The Executive must demonstrate that they fully understand the impact of changes on users and ensure that robust action plans are in place to address potential problems for vulnerable users. They should monitor the implementation of the changes and ensure that any unintended or unpredicted impacts are identified and addressed.
- **Lobbying** - The Executive should lobby Government for additional funding to ensure that Trafford services to vulnerable people are protected.

Service Specific Issues:-

- **Supporting People** - Ensure that risks for service users have been properly assessed and that service changes take the risk assessment process fully into account.
- **Mental Health Services** - The Executive must have assurance that services to people with needs will be sufficient and that proposals for savings will not have an adverse impact on vulnerable service users.
- **Mental Health Services** - Ensure that proposals in relation to CAMHS are backed up with plans to mitigate the impact of any reductions in funding.
- **All Age Integrated Health And Social Care** – Ensure that the Council’s safeguarding responsibilities are managed through the change process.
- **Learning Disabilities** - Ensure that robust processes are in place to ensure that the savings are achieved and that risks for service users are managed effectively.
- **Early Help Delivery Model** - Ensure that there is adequate time for alternative providers or community groups to put plans in place to take on provision
- **Support Services** - Scrutiny Members are concerned about the issue of capacity to manage change, and in particular unexpected and emerging challenges, and the role of support services in this. The Executive must ensure that these risks are managed in a robust manner and should receive timely updates on any adverse consequences of the changes.

3.3 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.

#### 4. RESOURCE POSITION

- 4.1 Local Government is funded from three main sources, council tax, revenue support grant and a share of business rate income. The overall resources available to support the 2015/16 budget have fallen from £(154.552)m in 2014/15 to £(148.914)m, a reduction of £5.638m or 3.6% and a breakdown of this is as follows:-

<b>Comparison of Resources Available</b>	2014/15 £m	2015/16 £m	Change £m
Settlement Funding Assessment (a)	(72.735)	(63.700)	9.035
Council Tax	(79.510)	(80.316)	(0.806)
Council Tax Surplus	(0.300)	(0.300)	
Retained Business Rates (b)		(3.598)	(3.598)
Reserves (c)	(2.007)	(1.000)	1.007
<b>Total</b>	<b>(154.552)</b>	<b>(148.914)</b>	<b>5.638</b>

Note:

- (a) In the announcement on 3 February 2015 of the final Local Government Finance Settlement 2015-16, an additional £74m nationally has been provided to upper –tier authorities “to assist them in dealing with pressures on local welfare and health and social care”. This amounts to £242k for Trafford and will be paid through Revenue Support Grant
- (b) this is the Council’s share of growth in business rates, before the payment of any levy;
- (c) the use in 2015/16 relates to the interim dividend received from Manchester Airport in 2014/15

- 4.2 The total available resource to support the 2015/16 budget is £148.672m which represents an increase of £4.893m from the position when the draft budget was considered.

<b>Change in Resources since October 2014</b>	<b>Draft Budget (October) £m</b>	<b>Proposed Budget £m</b>	<b>Change £m</b>
Financial Settlement	(63.571)	(63.700)	(0.129)
Council Tax	(80.208)	(80.616)	(0.408)
Business Rates Growth		(3.598)	(3.598)
Reserves		(1.000)	(1.000)
	<b>(143.779)</b>	<b>(148.914)</b>	<b>(5.135)</b>

#### Government’s Local Government Finance Settlement

- 4.3 An update on the local government finance settlement was reported to the Executive on 26 January 2015. The Government provides support to councils through general grant, notably Revenue Support Grant, specific grants and through the relatively new Business Rates Retention Scheme.

- 4.4 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;
  - 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;
- 4.5 The Settlement Funding Assessment (SFA) represents the large block grant given to each local authority; authorities are free to decide how to spend this grant. It comprises of two elements, Revenue Support Grant and a share of business rates. The national settlement funding assessment (spending control total) has been set at £20.832bn in 2015/16, a reduction of £3.280bn or 13.60% on the adjusted 2014/15 position. Trafford's reduction is 14.1 - see table below. The 2015/16 national total includes for:-
- A reduction in the holdback for the New Homes Bonus by £50m from £1bn to £950m;
  - The roll in of the 2014-15 council tax freeze grant and into Revenue Support Grant;
  - Compensation for the 2% cap on the small business rates multiplier;
  - Hold back £50m for the cost of the rates retention safety net;
  - The inclusion of £129.6m in respect of New Local Welfare Provision;
  - A "small" transfer out in respect of carbon reduction commitment;
  - £74 million to upper-tier authorities to recognise that such councils have asked for additional support, including to help them respond to local welfare needs and to improve social care provision.

Trafford's settlement funding for 2015/16 is £63.700m and represents a 14.14% reduction on the adjusted 2014/15 position. Compared to the draft budget assumption the allocation represents an increase £(0.129)m.

	<b>Adj 2014/15 £m</b>	<b>2015/16 £m</b>	<b>Reduction £m</b>	<b>Reduction %</b>
<b>England</b>	<b>24,112.195</b>	<b>20,832.539</b>	<b>3,279.656</b>	<b>13.60%</b>
<b>AGMA:</b>				
Bolton	135.336	115.081	20.255	14.97%
Bury	72.414	61.849	10.565	14.59%
Manchester	355.289	300.611	54.678	15.39%
Oldham	129.127	109.685	19.442	15.06%
Rochdale	122.672	104.589	18.083	14.74%
Salford	146.064	124.045	22.019	15.07%

Stockport	96.768	82.674	14.094	14.56%
Tameside	112.551	95.473	17.078	15.17%
<b>Trafford</b>	<b>74.187</b>	<b>63.700</b>	<b>10.487</b>	<b>14.14%</b>
Wigan	141.139	120.052	21.087	14.94%
<b>GM Average</b>	<b>1,385.547</b>	<b>1,177.759</b>	<b>207.788</b>	<b>15.00%</b>

- 4.6 In addition to the increase in SFA of £0.129m other adjustments were announced in the funding settlement with a net impact of a further reduction of £0.103m and these are included in the changes in government funding in Annex D. The total net change in Government support, including other specific grants is an increase of £0.026m compared to the assumption at draft budget; an overall reduction of £10.123m.

### Council Tax

- 4.7 The Government has in recent years established a 2% limit on raising Council Tax before a referendum must be called. However, if a Council does not raise Council Tax the Government has offered additional funding worth an equivalent of a 1% increase in Council Tax. The Council is therefore left with a difficult choice of either placing a burden on residents of £1.6m, or accepting additional Government support of £(0.9)m.
- 4.8 Increasing the Council Tax above the Government set threshold would require a referendum to be held. Should the result not be in favour of a higher Council Tax, there would be a delay in implementing a consequent savings programme requiring the additional use of reserves. **The proposed budget is based on a freeze for the fifth year in succession; Members do have the discretion to agree an increase in Council Tax.**
- 4.9 A modest increase in our Council Tax Base of 1.0% to reflect a forecast in the growth in the number of houses and lower than anticipated cost of the Council Tax Support Scheme has been built into the on-going budget funding; this represents an increase of £(0.806)m, which is £(0.408)m above assumptions in the draft budget. Furthermore, the lower costs of Council Tax Support Scheme together with a decrease in single person discounts, has provided for a surplus on the Collection Fund during the current financial year. A contribution from the surplus of £(0.3)m was built into the 2014/15 budget and will continue into 2015/16.

### Business Rates

- 4.10 The Government's Business Rates Retention scheme, introduced in 2013/14, 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; how it works and the associated risks are outlined in Annex C. A major risk relates to business rate appeals but this has been largely mitigated by the inclusion of a provision for any back-dated costs in the 2013/14 accounts. At the time of the draft budget, there was no assumption that the new scheme would result in additional resources. Further updates from the Valuation Office Agency (VOA)

has provided sufficient evidence to allow the Council to forecast a projected surplus of £(3.489)m for the current financial year (2014/15) with Trafford's share £(1.710)m (net of levy) being £(0.855)m. This additional one off resource has subsequently been included in the proposed budget for 2015/16.

- 4.11 The forecast of business rate yield included on the NNDR1 form 2015/16 submitted to DCLG in January included for a net yield of £161.238m, which represents an increase over the baseline target set by the Government of £3.696m. Trafford retains 49% of this growth, with 50% paid to the Government and 1% paid to the Fire and Rescue Authority. The Council is normally required to pay a levy to the Government of 50% of any growth; however in 2015/16 the Council has agreed to join a business rate pool with the other AGMA districts and Cheshire East which means any levy payments are retained within the pool for the benefit of the area. In respect of any levy paid by Trafford it has been agreed with the other Pool members that the Council can retain one third for its own use.
- 4.12 The calculation of the amount of business rates to be retained is complicated. The accounting arrangements add a further layer of complexity and further still, the compensation arrangements for measures announced in the past two autumn statements make the whole scheme far from transparent. A summary of the business rate position is as follows:-

<b>Calculation of Additional Business Rates Income 2015/16</b>	2015/16 Estimate £m
Net Yield	(161.238)
Local Share (49%)	(79.007)
Less Tariff (Set by Govt)	44.142
Retained Rates	(34.865)
Government Baseline	(33.054)
<b>In Year Growth (A)</b>	<b>(1.811)</b>
Add Estimated surplus from 2014/15	(1.710)
<b>Total Available before deduction of Levy</b>	<b>(3.521)</b>
Add Section 31 Grants 2015/16	(1,663)
<b>Total Income subject to levy</b>	<b>(5.184)</b>
Total Levy @50%, of which	2.592
Deduct Levy 2014/15 @ 50%	0.855
Deduct Levy 2015/16 @ 50%	1.737
<b>Net Income</b>	<b>(2.592)</b>
Add GM Pool Rebate(one third 15/16 Levy)	(0.579)
Add increase in 2% cap grant	(0.136)
Add Renewable Energy (retained in full)	(0.077)
<b>Total Additional Business Rate Related Income after levy</b>	<b>(3.384)</b>

Note:

- (a) Section 31 grants reimburse local authorities for Government initiatives to reduce the burden on business rates eg Retail Relief and extension of small business rate relief.

## 5. Reserves

### Reserves Overview

- 5.1 The Council has both cash-backed and non-cash backed reserves. Non-cash backed reserves are created for statutory accounting purposes only ie they do not represent resources available for use by the Council. Cash back reserves are monies set aside for a future possible event that is either planned or dependent upon potential future circumstances. Each reserve is subsequently used to mitigate the impact on the base budget should certain eventualities happen, such as insurance claims and severance costs to staff as the Council downsizes.
- 5.2 Total Council reserves at 1st April 2014 were £(81.3)m, of which £(13.4)m belonged to schools, £(27.32)m was committed to finance the capital programme, £(15.9)m of accounting adjustments largely relating to the Business Rates scheme, £(10.98)m General Reserve, leaving a balance of £(13.77)m the majority of which resides in the insurance reserve £(3.4)m, Employee Rationalisation Reserve £(2.4)m to provide for the costs of reorganisation as a result of continued austerity and smoothing reserves £(3.8)m to even out variable revenue expenditure over time (eg Waste Levy)
- 5.3 Reserves are reviewed throughout the year, but particularly at the time of establishing the budget and closing down the accounts at the end of the year. The Council is required by law to maintain a minimum level of reserves to meet unexpected or emergency expenditure. Further details of the assumptions made in establishing this balance are covered in Annex N, based on these assumptions the Director of Finance is advising the Council to set a minimum level of £6m for the General Reserve as assessed in the following table. The overall risk has been reduced by 28% to reflect that all risks are unlikely to occur at the same time.

<b>Table 1: Advised minimum level of General Reserve</b>	<b>2015/16 £m</b>
Tax & Treasury Management	0.31
Pay & inflation	1.04
Fees and Charges	0.10
Emergency & Disaster Recovery	1.29
Efficiencies	2.15
Demand led budgets	0.70
Other Pressures	0.43
General Fund Financing	2.43
<b>TOTAL</b>	<b>8.45</b>
<b>Risk reduction of 5%</b>	<b>(2.37)</b>
<b>Advisory level of minimum reserve</b>	<b>6.08</b>



Based on the latest available 2014/15 revenue budget monitoring information, the expected balance on the General Reserve as at 1 April 2015 and the uncommitted balances for future years is as follows:

<b>Forecast General Reserve level</b>	<b>Forecast (£000's)</b>
<b>Balance brought forward 31 March 2014</b>	<b>(10,980)</b>
<b>Commitments 2014/15:</b>	
Planned use for 2014/15 Budget (agreed 19 Feb 2014)	2,007
Additional support for Adult Services (agreed at Council 17 September 2014)	1,582
Learning Disability budget in-year underspend	(1,017)
Support to help deliver future CFW savings (agreed by Executive 1 December 2014)	500
Planned use for one-off projects 2014/15	207
Underspend on Council-Wide budgets	(1,881)
Balance on Earmarked Reserves released to General Reserve **	(752)
Learning Disability Pool Deficit Reserve Write Down	3,022
<b>Forecast balance 31 March 2015</b>	<b>(7,312)</b>
<b>Commitments 2015/16:</b>	
Planned base budget support 2015/16 (Re Airport Dividend)	1,000
<b>Forecast balance 31 March 2016</b>	<b>(6,312)</b>

\*\* A review of Earmarked Reserves has resulted in a realignment of resource requirements enabling £(0.752)m to be released into General Reserve. An amount of £(0.473)k was released from the Waste Levy Smoothing Reserve used to smooth the potential volatility of annual increases in the waste levy during the construction phase of the PFI facilities. A further amount of £(0.279)k was released from the Manchester Airport Group Debt Restructure Reserve as described in paragraph 5.10

The above table shows a modest balance of 5% over the recommended minimum level of £6m.

## Use of Reserves

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

<b>Reserve Statement (estimated as at February 2015)</b>	<b>Estimated Balance at 1 April 2015 (£000's)</b>	<b>Estimated net spend 2015/16 (£000's)</b>	<b>Estimated Balance at 31 March 2016 (£000's)</b>	<b>Estimated net spend 2016/17 (£000's)</b>	<b>Estimated Balance at 31 March 2017 (£000's)</b>
Schools General	(13,252)		(13,252)		(13,252)
Schools Synthetic Pitches	(135)	(15)	(150)	(15)	(165)
<b>Schools Total</b>	<b>(13,387)</b>	<b>(15)</b>	<b>(13,402)</b>	<b>(15)</b>	<b>(13,417)</b>
<b>Non-Schools Earmarked Reserves:</b>					

Insurance	(2,746)	172	(2,574)	101	(2,473)
Revenue Projects	(667)	311	(355)	271	(84)
Employee Rationalisation	(2,250)	1,111	(1,139)	1,139	0
Transformation Reserve (including CFW Trans Res)	(1,318)	1,068	(250)	250	0
Services' Reserves	(364)	0	(364)	0	(364)
Smoothing Reserves	(1,520)	69	(1,451)	(75)	(1,526)
<b>Total</b>	<b>(8,865)</b>	<b>2,731</b>	<b>(6,133)</b>	<b>1,686</b>	<b>(4,447)</b>
<b>General Reserve</b>	<b>(7,312)</b>	<b>1,000</b>	<b>(6,312)</b>	<b>0</b>	<b>(6,312)</b>
<b>Total of non-School Revenue Reserves</b>	<b>(16,177)</b>	<b>3,731</b>	<b>(12,445)</b>	<b>1,686</b>	<b>(10,759)</b>

5.5 Once a reserve has been established, authorisation to call upon the reserve can be delegated to an appropriate officer. Many reserves are directly managed by the Director of Finance, and updates are provided within the 10 monthly revenue monitoring reports with a detailed report provided to the Accounts and Audit Committee on an annual basis. The review of reserves has been carried out as part of the budget processes and included in the table above. The significant changes worthy of noting are summarised below.

### General Reserve

5.6 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 expenditure; instead using reserves to finance one-off or short term service investments. Due to the good budgetary performance of the Council, this had allowed a margin to accumulate above the minimum £6m in the General Reserve. No contribution from General Reserve was originally assumed in the 2015/16 draft budget, however Manchester Airport Group (MAG) recently announced their interim results for 2014/15 and have paid a total one off dividend of £(1.0)m to the Council. At year end this windfall will roll forward and is planned to be released as a one off contribution to the 2015/16 budget.

### Learning Disability Pool Reserve

5.7 Trafford has operated a pooled fund for Learning Disability Services in conjunction with Trafford Clinical Commissioning Group (CCG), (previously PCT), since 1 April 2003. The Council acts as the lead accounting body for the pooled fund, which is managed jointly by the Council and the CCG. The pool provides a wide variety of services to Learning Disability adults in Trafford, including a joint community team, extensive specialist residential provision, a range of supported placements, support in the home and external and in-house day care.

5.8 The net expenditure for 2013/14 was in the region of £22m which was financed 90% by the Council and 10% by the CCG. As a result of increasing client demand above budget over a period of years a historic deficit has accumulated on the pool which stood at £3.022m at 31<sup>st</sup> March 2014. Plans to reduce the deficit together with a negotiated contribution from the CCG had been anticipated during 2014/15, however as the CCG became a new NHS

commissioning organisation it did not inherit any historic liabilities in respect of the Pool.

- 5.9 The Council could work with the CCG over considerable time to reduce the accumulated deficit on the LD Pool by reducing spend, however with the persistent pressures on demand and the already reduced expenditure commitments in the medium term plan, it is not considered prudent to continue to carry forward the deficit indefinitely. As such, the total Learning Disability Pool deficit will be written down before the 2014/15 year end to a zero balance, using a contribution from the General Reserve. Nevertheless, dialogue with the CCG about the historical financial position of the Pooled budget will continue.

### **Employment Rationalisation Reserve**

- 5.10 The Employment Rationalisation Reserve is maintained for the costs of severance and related costs of structural change over and above the revenue budget provision. The balance at the beginning of 2014/15 stood at £(2.414)m. Based on the projected redundancy costs in 2015/16 and an estimate for a similar number of staff in 2016/17 and 2017/18 this reserve will need to be replenished with an extra £1.4m. This has been achieved by a realignment of the Insurance Reserve (releasing £0.530m) and the Manchester Airport Group (MAG) debt restructure reserve (releasing £1.149m) as a result a reappraisal of the relative level of risks. The Debt Restructure reserve was established in recognition of risk of default by MAG on an unsecured long term loan made by the Council. The MAG Group is now in a much stronger financial position, as evidenced in their latest financial trading statement, which has allowed the reserve to be reduced accordingly.

## 6. PROPOSED BUDGET 2015/16

- 6.1 The draft budget presented to Executive in October 2014 has been reviewed and updated to take account of any new cost pressures, issues raised during the public consultation, the update of the local government finance settlement and other funding changes (See Section 4), scrutiny and a review of robustness. It must be noted that at this stage further decisions are still to be made on areas of the budget still subject to on-going consultation which could have an impact on the 2015/16 budget, with final decisions to be taken by the Executive in March on the joint venture, fair price for care and libraries.
- 6.2 The total proposed budget for 2015/16 is £148.914m and reflects a reduction of £5.638m compared to 2014/15. Since the draft budget was reviewed by the Executive in October there have been a number of changes to both funding (See Section 4) and to cost pressures which are summarised below. A detailed list of funding and changes to net budget are included at Annex D.
- 6.3 Movements in expenditure and funding and the impact on the overall deficit position is summarised below. The table shows the updated gross budget deficit, or gap, to be 21.5m, which is an improvement from the forecast position in October.

2015/16 Budget	2015/16 Oct 2014 Draft Budget (£m)	2015/16 Final Proposed Budget (£m)	Change (£m)
Expenditure Pressures	11.9	14.0	
2014/15 Savings Targets not achieved	0.6	0.6	
<b>Total Budget Pressure</b>	<b>12.5</b>	<b>14.6</b>	<b>2.1</b>
Government Funding Reduction (incl service specific grants)	10.2	10.1	(0.1)
One off Contribution – Airport Dividend from General Reserve	2.0	1.0	(1.0)
Increase in Council Tax Base	(0.4)	(0.8)	(0.4)
Business Rates (net increase 15/16)		(2.5)	(2.5)
Business Rates (net surplus 14/15)		(0.9)	(0.9)
<b>Total Resource Pressure</b>	<b>11.8</b>	<b>6.9</b>	<b>(4.9)</b>
<b>Total Budget Deficit</b>	<b>24.3</b>	<b>21.5</b>	<b>(2.8)</b>
Efficiencies & Additional Income	(12.0)	(9.5)	(2.5)
Policy Choice	(11.7)	(12.0)	0.3
<b>Total</b>	<b>(23.7)</b>	<b>(21.5)</b>	<b>(2.2)</b>
Imbalance	0.6	0	

### Cost pressures

- 6.4 A summary of pressures and savings can be found below and in the subjective and objective analyses at Annexes G & H.

- 6.5 The Council's costs of operation increase year on year, primarily due to inflation, but also due to demand changes in mandatory services such as social care services. The following lists a summary of the estimated increase in costs, and more detail is provided at Annex D. Total expenditure pressures for 2015/16 are £14.6m, an increase of £2.1m since the draft budget.
- 6.6 **Inflation**  
Inflation has started to fall in recent months with headline rates at their lowest in 12 years, however given the sporadic nature of the changes, assumptions remain as those anticipated at the draft budget stage. Overall inflation still remains a considerable pressure and a total provision of £3.4m has been made in the proposed budget.
- 6.7 **Increase in Demand**  
Increased demand across all client groups for social care is expected to require additional service investment of £9.1m in order for the Council to meet its legal obligations. This figure includes £6.5m identified earlier in 2014 as a result of a significant under reporting of the Council's financial position in adult services.
- 6.8 **Levies and Third Party Payments**  
The cost of levies, particularly Waste Disposal delivered by the Greater Manchester Waste Disposal Authority on the Council's behalf, is expected to increase by £0.3m. The other major levy is for Public Transport services, such as subsidised bus services and concessionary fares; Greater Manchester Combined Authority have confirmed a reduction in levy in 2015/16 of £(0.2)m since the draft proposals.
- 6.9 **Pay and Pensions**  
A provision of £1.2m was made for pay and pension increases in our draft budget. The national pay award for 2014/15 and 2015/16 has since been settled, offering an average of 2.2% over the two years; this has added a further pressure of £0.173m.
- 6.10 **Prior Year Savings**  
As part of on-going monitoring the CFW and EGEI Directorates have identified £0.585m of 2014/15 savings targets which are unlikely to be realised. These savings have been carried forward into the 2015/16 budget as an expenditure pressure. This represents no change since October
- 6.11 **Other Changes**  
The improved financial position since October 2014 means that the Council does not have to save as much money in 2015/16. However, the medium term outlook continues to look extreme and as such does not allow for the cancellation of the various savings initiatives. If any were cancelled they would surely come back as proposals for 2016/17 with a fresh round of consultation. What the changed position offers is more time to deliver the savings, consistent with Scrutiny's concern over capacity; in some cases a different way of achieving the saving will be carried out.

Whilst the Local Welfare Grant funding for the Trafford Assist scheme ceased in 2015/16. It is proposed to continue with this scheme during 2015/16 at a cost of £0.554m. Other pressures since the draft budget include:

**Changes in budget assumptions:-**

- Additional cost of pay award £0.173m
- Increase in Treasury Management costs £0.300m
- Increase in bad debt provision £0.200m
- Reduction in Transport Levy £(0.205)m
- T&R savings realignment £0.106m
- Reduction in adopter fee income of £0.100m
- Reduction in Housing Benefit Subsidy £0.150m
- Reduction in superannuation additional allowances £(0.195)m
- Increase in Redundancy Provision £0.165m

**Recommended additional investment:-**

- Increase in the CFW commissioning budget for youth of £0.130m;
- Increase in deprivation of liberty costs £0.200m;
- Increase in CFW capacity building £0.170m and
- £0.7m general contingency to cushion against savings proposals generally
- Increase in foster carer fees £0.100m

6.12 The specific savings proposals are listed and discussed in more detail within the service narratives which can be found at Annexes I to L. Detailed Schedules of Savings for each service area can be found on the following pages

- Children, Families and Wellbeing – Pages 73 to 98
- Economic Growth, Environment and Infrastructure – Pages 99 to 104
- Transformation and Resources – Pages 105 to 115
- Council Wide – Page 116 to 121

6.13 The proposed budget for 2015/16 includes for £21.5m of cost reductions and new income. These are detailed in the service narratives but reflect a reduction of £2.8m since the draft budget. The total budget savings and changes since draft are detailed below:-

- £(2.250)m through the establishment of our Joint Venture Contract for a range of environment, highways and property services; in addition a further £(0.086)m is proposed through a management restructure which merges two directorates into one.
- Our Reshaping Trafford Council Programme will save £(1.568)m by refining the new structure for central support services with resilience to support the business, commercial opportunities and new partners.
- £(0.026)m increased income by Waterside Arts Centre and £(0.135)m from the Music, Governor and Education Psychology Services.

- A target of £(0.550)m from a review of our library provision.
- £(0.451)m from reviewing our contract arrangements with Trafford Leisure Trust.

Over the next 2 years, Trafford Council will continue to develop an integrated, all age health, education and social care service, exploring new delivery models. The following savings in 2015/16 will support this activity:

- £(2.717)m by establishing alternative delivery options for the Reablement Service, learning disability services, day support services and Telecare. The savings since draft budget have increased by £0.5m
- £(1.330)m by establishing a new delivery model for integrated education, health and care commissioning and service delivery on an all age basis.
- £(2.416)m from the review and renegotiation of care contract costs.
- £(1.430)m from the review of care package offers and a policy change in the way we meet eligible needs. This saving has reduced by £1.0m since draft budget stage.
- £(3.684)m from the review of Early Years, Youth Service, Connexions, Education Welfare, Youth Offending Services and Children's Centre provision.
- £(0.100)m by increasing personal budgets across children and young people with special educational needs.
- £(0.300)m by remodelling Home to School Transport services.
- £(2.000)m agreed contribution from the Better Care Fund which is a shared budget with the Trafford CCG with the aim of providing more effective integrated health and social care services. This saving has reduced by £2.3m to allow more time for alternatives to be explored with the CCG.
- £(1.500)m via a commissioning review of non-mandatory adults care services.

There are additional savings proposals, outlined below which will help the Council to deliver services within the funding available to us:

- £(0.231)m through a review of parking charges.
- £(0.136)m from rationalising Schools Crossing Patrol.
- £(0.093)m charges for allotments and other fees and charges.
- £(0.497)m of other savings achieved by management of inflationary pressures, discretionary business rate provision now accounted for within the Collection Fund and a reduction in the cost of Members' Allowances.

In addition to the above savings, our proposals allow for investment in priority service areas, namely :

- in particular, an investment of £8.5m in Adult Social Care and £0.9m in Children's Social Care to meet the expectations of increasing service demands,
- Investment of £0.073m revenue and £0.150m capital expenditure on plans to reduce litter, fly tipping and improve recycling by targeting areas of the borough.
- The provision of a free school meal for every infant pupil (key stage1), funded by an additional specific grant approximately £2.84m in 2015/16.
- The Council Tax will remain frozen at the 2010/11 rate, keeping it the lowest in the North West.

6.14 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 2015/16 is estimated at an additional £(0.3)m.

### Proposed Revenue Budget 2015/16

6.15 The following table summarises at Directorate level, and then by Executive Portfolio, the year-on-year movement between the 2014/15 budget and the 2015/16 proposed budget.

2015/16 proposed summary budget, compared to 2014/15	2014/15 Budget (£000's)	Move-ment (£000's)	2015/16 Final Budget (£000's)	Change (%)
<b>Children, Families &amp; Wellbeing:</b>				
Schools - DSG	0	0	0	0.0%
Children & Families	30,810	(2,272)	28,538	(7.4)%
Adult Social Services	50,434	(1,657)	48,777	(3.3)%
Public Health	(868)	0	(868)	0.0%
<b>Total</b>	<b>80,376</b>	<b>(3,929)</b>	<b>76,447</b>	<b>(4.9)%</b>
<b>Economic Growth, Environment &amp; Infrastructure:</b>				
Technical & Environment Services	31,442	(1,337)	30,105	(4.3)%
Operational Services for Education (Catering, cleaning & transport)	(72)	131	59	181.0%
Growth & Regulatory Services	2,087	(62)	2,025	(3.0)%



<b>Total</b>	<b>33,457</b>	<b>(1,268)</b>	<b>32,189</b>	<b>(3.8)%</b>
<b>Transformation &amp; Resources</b>	<b>10,764</b>	<b>(1,158)</b>	<b>9,606</b>	<b>(10.8)%</b>
<b>Communities &amp; Partnerships</b>	<b>3,182</b>	<b>(483)</b>	<b>2,699</b>	<b>(15.2)%</b>
<b>Finance Services</b>	<b>3,614</b>	<b>452</b>	<b>4,066</b>	<b>12.5%</b>
<b>Council-wide budgets</b>	<b>23,159</b>	<b>748</b>	<b>23,907</b>	<b>3.2%</b>
<b>Total Net Budget</b>	<b>154,552</b>	<b>(5,638)</b>	<b>148,914</b>	<b>(3.6)%</b>

## 7. SCHOOLS FUNDING & BUDGETS 2015/16

### Background

- 7.1 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. DSG can be divided into three main areas:
- **Schools block** : approximately £141m for the Borough of Trafford which essentially funds schools' budgets. This includes circa £56m for academies which is determined by the Local Schools Funding Forum and Council but paid to the Education Funding Agency (EFA).
  - **High Needs block** : approximately £24m which primarily supports Special Educational Needs expenditure. This includes £10m to pay for Trafford Special Schools.
  - **Early Years block** : approximately £12m, which finances educational provision for 2 to 5 year olds in both LEA Schools and Private, Voluntary and Independent (PVI) settings.
- 7.2 The DSG is apportioned between authorities largely based on pupil numbers and historical out of date formulae. The final grant level for 2015/16 will not be finalised until March when the early years census data has been collated.
- 7.3 Locally, the schools funding forum, which comprises of representatives from Primary, Secondary and Special Schools, will make recommendations to the Council on the formula that should be used to distribute monies to individual schools.
- 7.4 The Schools Funding Forum has recommended that 78% of the formula be allocated on basic entitlement. The total formula for mainstream schools amounts to £141.059m of which the Funding Forum have recommended £110.032m (78%) be allocated according to Basic Entitlement (BE) per pupil. The BE rates are £2,642 per primary pupil and £4,211 per secondary pupil. The formula was considered by the Funding Forum on 13<sup>th</sup> January 2015 agenda item 7 and 14<sup>th</sup> October 2014 agenda item 7.
- 7.5 Full details of the funding formula as recommended by the Schools Funding Formula and Council Executive are shown in Annex F.

### Government Funding

#### DSG

- 7.6 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 2015/16. Trafford is one of the lowest funded local authorities in

the country and we are pressing the Government to introduce a more transparent method of distributing funding. Trafford is an active member of the f40 group which is campaigning vigorously for this change. The existing distribution is based upon historical spend plus data which no longer has any rationale, as recognised by the Department for Education. (DfE)

The Government did promise a wide radical consultation on school funding to be launched in January 2014. This did not occur but additional funding designed to partly address the problem was announced in July 2014. The national pot for this purpose was £380m of which Trafford received just £97k in comparison to Salford (which is higher funded than Trafford) which received an additional £2.9m. A letter is being drafted to the Minister of Schools from the Forum expressing concern as to how these additional monies were distributed.

### **Pupil Premium Grant (PPG)**

- 7.7 In 2015/16 schools will receive £1,300 per eligible Primary pupil and £935 for eligible Secondary pupil which is worth in total (£7.3m) This money is designed to bridge the attainment gap for pupils who are in receipt of free school meals.
- 7.8 There is a high rate of PPG for children who are or have been in care; this is worth £1,900 per pupil and totals £240k. A further amount of £456k is administered centrally and allocated to schools on the basis of the child's need set out in their personal education plan

### **Universal Infant Free School Meals (UIFSM)**

- 7.9 From September 2014 every infant (key stage1) pupil is entitled to a free school meal. This is funded by an additional specific grant amounting to £2.30 per pupil and will total approximately £2.84m in 2015/16 (including academies).

### **6<sup>th</sup> Form Funding**

- 7.10 There are two schools with 6<sup>th</sup> forms (Stretford Grammar and Blessed Thomas Holford) that are not academies and their sixth form funding comes via the Education Funding Agency and amounts to circa £1.3m. Sixth form funding for schools is reducing in line with that given to 6<sup>th</sup> form colleges and is therefore a pressure on all schools which have 6<sup>th</sup> forms.

### **Local Funding Distribution**

- 7.11 Distributing funding across schools, recognising deprivation and special educational needs (SEN) factors, has become increasingly difficult at a time of no growth in resource availability. There are schools who do not receive any deprivation or SEN monies and as a consequence find it increasingly difficult to set sustainable balanced budgets to cover basic needs.
- 7.12 Individual schools are protected by a nationally prescribed Minimum Funding Guarantee (MFG). This is set at -1.5% per pupil for 2015/16 and means that a

school's budget cannot fall by more than 1.5% per pupil from the previous year, regardless of any formula changes that are made.

- 7.13 The Schools Funding Forum has recognised that secondary schools are relatively well funded compared to primary schools. However, there are no specific proposals to address this because of lack of additional funding and the impact the MFG has on formula changes.
- 7.14 Early Years funding is distributed by the Early Years Single Funding Formula (EYSFF), which is currently under review.

### **Pressures on schools**

- 7.15 Schools are required to manage demands on their delegated budgets, including:
- pay awards, of 1% or higher;
  - increased pension contributions;
  - inflation at a prevailing average, forecasted to be 1.9%, but with heating and lighting costs expected to be in excess of this;
  - Reduction in 6<sup>th</sup> form funding.
- 7.16 The f40 Group have calculated that a typical secondary school would require an additional £350k to meet additional cost pressures from 2016/17. This is equivalent to ten teachers, however this is more significant to schools such as those in Trafford, which are relatively low funded.
- 7.17 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 have to decide between continuing these services, other buy-back services and their own core budgets.
- 7.18 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.

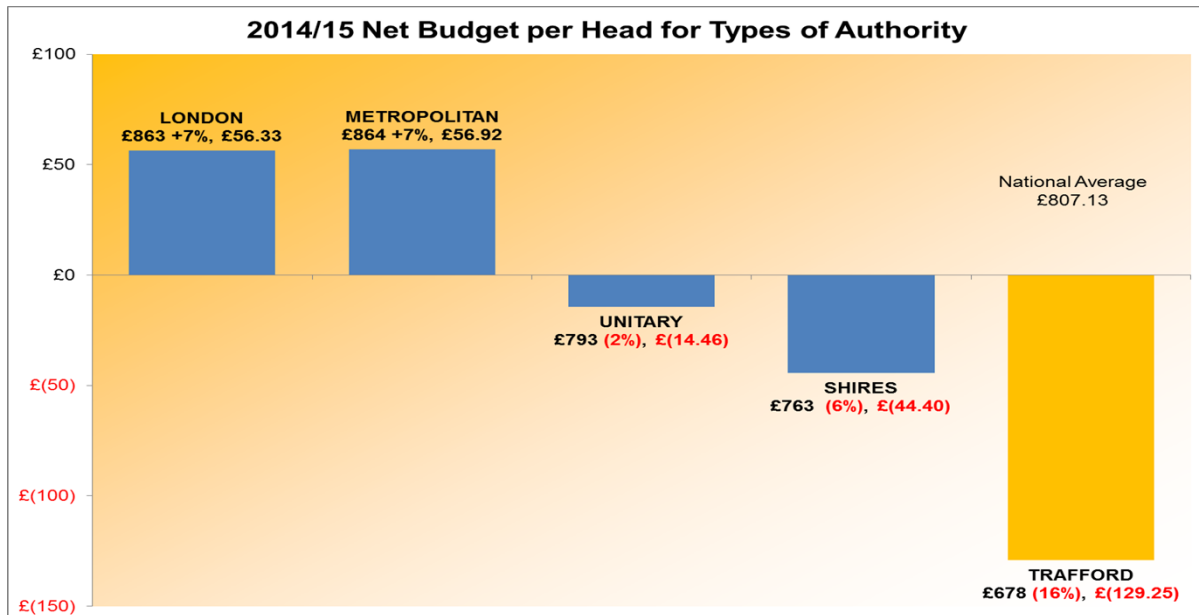
## **8. RISK, ROBUSTNESS AND RESERVES**

- 8.1 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.
- 8.2 Members' attention is drawn to the statement by the Director of Finance attached at Annex M, which should be taken into account before approving the budget. The year ahead presents a number of financial challenges, and in particular there are areas of uncertainty for which mitigating action is included in the budget and/or reserves, if required;
- The scale of savings required, over and above that delivered in the previous five austerity budgets, and in particular the CFW directorate, will be demanding on the capacity of managers and staff;
  - A number of savings are still to be agreed, including those subject to consultation;
  - The outcome of the current Joint Venture procurement contract will not be known until after the budget has been agreed;
  - The Council could face legal challenge in the decisions it makes, and whilst every effort has been made to guard against the likelihood of successful challenge, the costs of defending any such proceedings could be significant;
  - The uncertainty that exists on demand led services;
  - The reliance that the Council has, for the first time, on business rates growth to support its spending plans.
- 8.3 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.

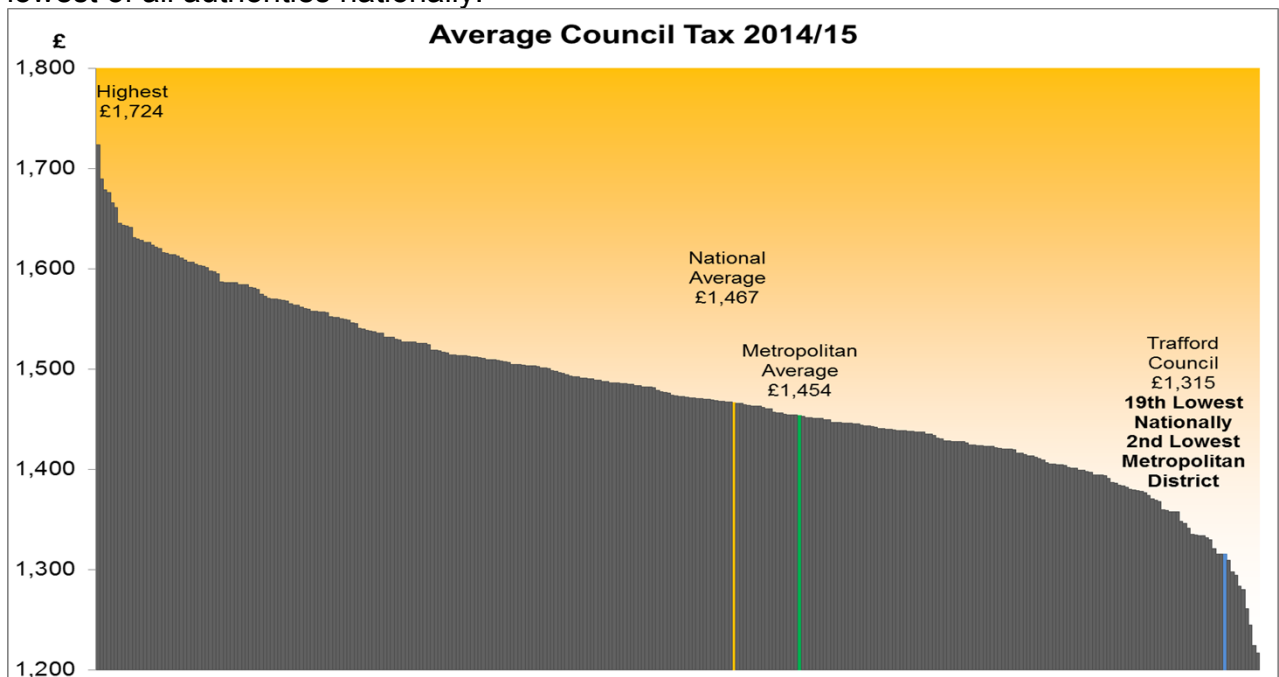
## 9. MEDIUM TERM OUTLOOK

### Outlook

9.1 In reviewing the outlook for the Council it is useful to put into context the financial position of the authority. The Council is already low cost and low funded. The Council's net spend per head in 2014/15 is £678 which is £129 (16%) lower than the national average and the lowest metropolitan district, some £186 (21%) less than the metropolitan average and £512 (43%) lower than the highest.

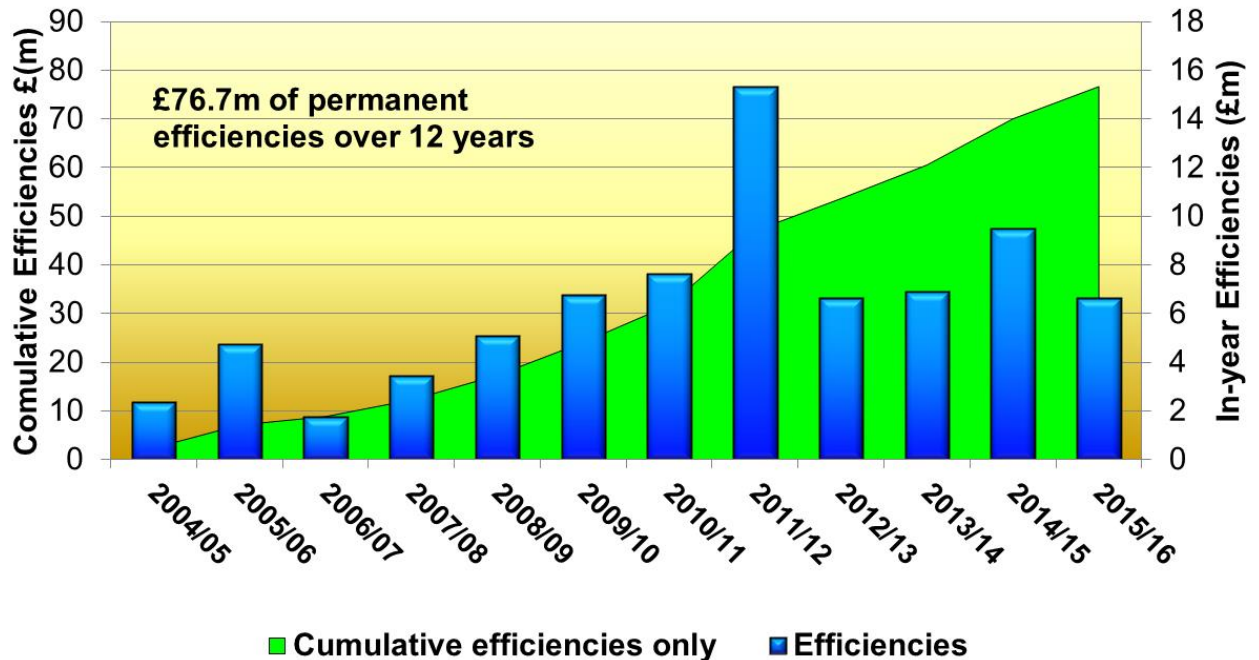


9.2 The council tax continues to be one of the lowest nationally and is ranked 19<sup>th</sup> lowest of all authorities nationally.



9.3 In addition to this the Council continues to be highly efficient. Since 2004/05, the Council has delivered £(70.1)m of efficiencies, with a further £(6.6)m of efficiencies proposed for 2015/16. Together, this £(76.7)m is equivalent to 95% of the current Council Tax.

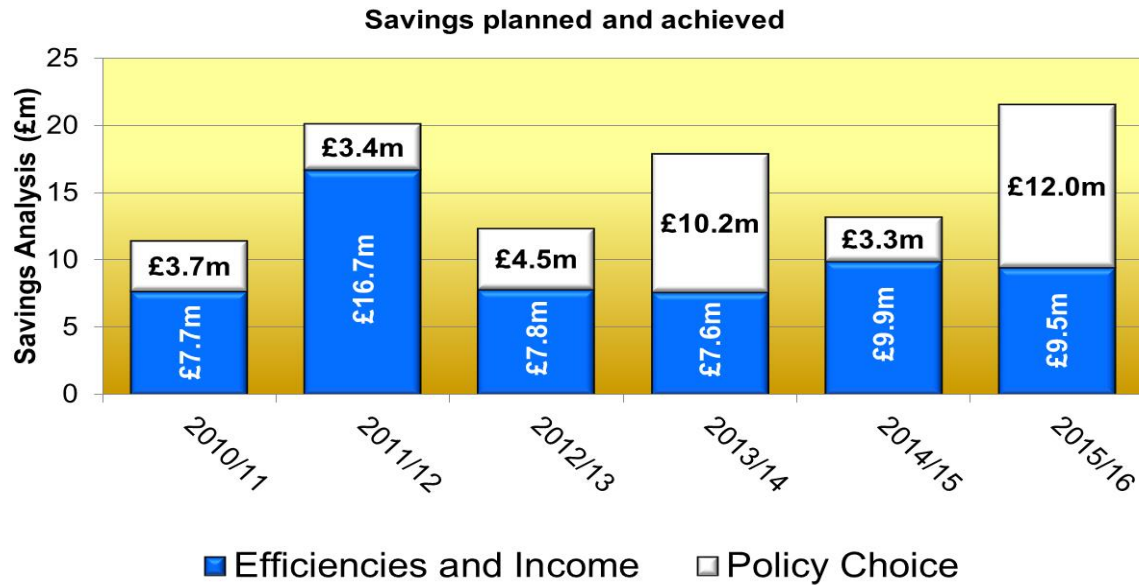
### Permanent Efficiencies planned & achieved



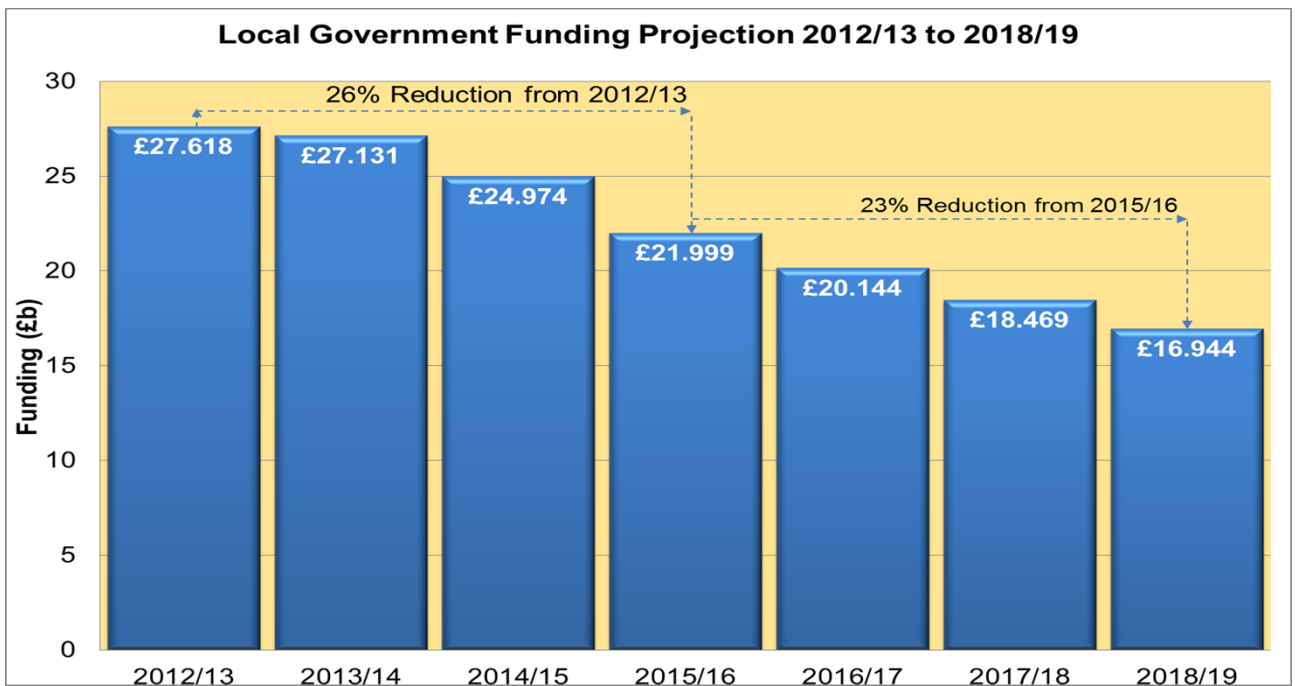
9.4 In 2010/11 the newly elected Coalition Government introduced the first austerity budget with an emergency budget in July of that year. The traditional budget challenges of low funding and higher demands from inflation and growth in social services, have been made more difficult since then as Government funding has been scaled back.

9.5 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.

9.6 Over the five years of austerity the Government will have withdrawn some £38.7m of funding, equivalent to around 48% 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.



9.7 The recent Autumn Statement did not signal any deviation to the Government’s current public sector expenditure forecasts which are set to fall until 2018/19 at the same rate as 2010/15, although these will be updated in the Spending Round due in the summer of 2015.

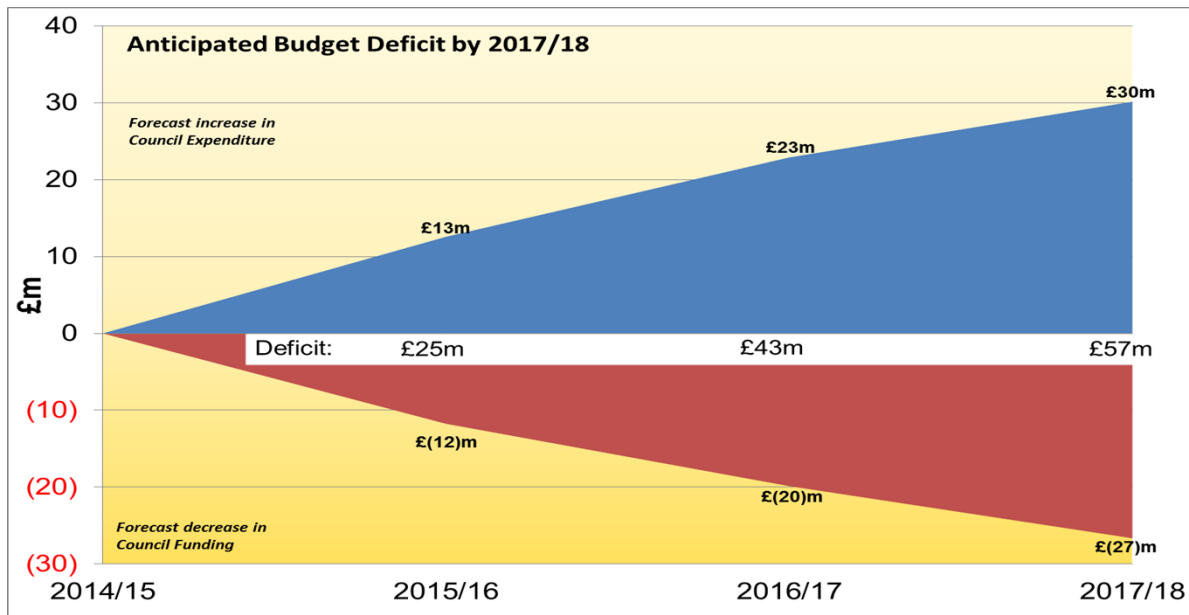


Source: LGFutures January 2015

9.8 Based on these projections and the budget assumptions listed at Annex B, the Council will need to reduce expenditure and/or increase income by £57m over the next three years, 2015/18. Over this period it will be a priority of the Council to:-



- Increase the council tax base
- Increase business rates income
- Reduce demand on council services
- Increase opportunities to trade



9.9 The estimates include for:

- A continued freeze on the increase in the Council Tax rate and 0.5% average increase in the number of Band D equivalent properties available each year.
- Further Government funding reductions as currently advised totalling £22.5m, which is equivalent to a 25% Council Tax increase or around £102 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 an occupational 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 in 2017 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 £12.7m 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 £12.9m over the three year period

- The costs of levies for waste disposal and transport services is expected to rise at a combined £1.6m.

9.10 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 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 continues 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.
- 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.
- The 10 AGMA districts and the Greater Manchester Combined Authority are currently negotiating a deal to devolve more funding and responsibilities to the local level. It not currently known what impact this may have on budgets going forward.

## **Reshaping Trafford**

- 9.11 The Council will continue to face unprecedented financial pressures, and while great strides have already been achieved witnessed by the level of efficiencies and cost reductions achieved to date, more will still be needed. Demand for services is increasing and yet the support received from Government will decline further. To meet these challenges the Reshaping Trafford Council programme has been developed which will allow the Council to maximise opportunities for revenue generation, including both business rates and council tax, reducing demand and making further innovations to provide the council with as many business and operational choices in the future as possible.
- 9.12 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 and Devolution**

- 9.13 Greater Manchester has been a Government selected pilot area for Place Based Settlement work for the few years. This 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.
- 9.14 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.
- 9.15 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.
- 9.16 Each locality within GM has now formally signed up to the GM Devolution agreement through their relevant locality governance arrangements. Progress is being made on the development of the detailed implementation plans for each aspect of the agreement itself. This is being delivered through joint discussions with key representatives from government and GM. The devolution deal covers a number of areas some which will have a direct benefit to Trafford, including the extension of the metrolink through Trafford Park.

## **Better Care Fund and Care Act**

- 9.17 The Better Care Fund submission has been approved and will mean that in 2015-16 the Council will receive s256 funding similar to previous levels of funding and an additional amount of funding for the protection of social care. The Council will be working in a much more integrated way with the NHS Trafford CCG to deliver a range of initiatives, including the redesign of frail and Older Peoples Services, end of life care and integrated locality teams.
- 9.18 The Better Care Fund also incorporates funding previously provided for Disabled Facility grant and Adult Social Care capital grant. The total value of the Better Care Fund in 2015-16 is £15.4m.
- 9.19 The Care Act 2014 is a further significant change affecting adult social care which comes into effect in two phases from April 2015 and April 2016. The changes in April 2015 relate to the introduction of new responsibilities for self-funders and carers, changes to the eligibility criteria and the consolidation of a range of other social care responsibilities under the Act.
- 9.20 Additional funding has been provided by Government to meet the expected cost of the requirements of meeting the Care Act, though there is some uncertainty as to whether the level of funding will be sufficient to meet the increased activity arising from the Care Act. In 2015-16 this will depend on the extent to which self-funders and carers take up assessments and services which are made available under the Act. A further potential risk exists in relation to the impact of the changes to eligibility criteria and the introduction of the new concept of wellbeing.
- 9.21 There is a further level of uncertainty around the changes which come into effect in April 2016. These changes are the Dilnott changes, which relate to the introduction of a cap on care costs and changes to the financial limits for capital resources. The regulations and guidance on funding reform are due to be published shortly and an assessment of financial impact on 2016-17 will be undertaken.

## 10. COUNCIL TAX REQUIREMENT and STATUTORY CALCULATIONS

### Budget Requirement

10.1 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).

10.2 If the proposals in this budget report are agreed, the calculation for the 2015/16 Council Tax Requirement will be as follows:

LGFA 1992	Calculation of Council Tax Requirement & Basic Amount of Council Tax 2015/16	£
<b>S 31A(2)</b>	<b>Gross Expenditure</b>	
(a) – (f)	Service expenditure	417,636,968
<b>S 31A(3)</b>	<b>Gross Income</b>	
(a, c, d)	Fees, charges and specific grants	(268,722,682)
	Application of General Reserve	(1,000,000)
	<b>Budget Requirement (previous regulations)</b>	<b>147,914,286</b>
(b)	Revenue Support Grant	(30,646,442)
(b)	Retained Business Rates Baseline	(33,053,820)
	Growth 2015/16	(1,811,145)
	Growth 2014/15	(1,710,012)
	Renewable Energy	(76,908)
(b)	Collection Fund surplus	(300,000)
<b>S 31A(4)</b>	<b>Council Tax Requirement</b>	<b>80,315,959</b>
	<b>Council Tax Base in Band D's</b>	<b>72,669</b>
	<b>Basic Amount of Council Tax</b>	<b>£1,105.23</b>

10.3 The Director of Finance approved the Council Tax Base (number of equivalent Band D properties in the borough) on 30 January 2015 at 72,669, which is a growth of 729 Band D equivalents on 2014/15.

### Council Tax Increases

10.4 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 2015/16 is 2.0%.

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

	2014/15	2015/16
Council Tax Base	71,940	72,669
Council Tax Requirement with Levies (£)	79,510,246	80,315,959
Basic Amount of Council Tax (£)	1,105.23	1,105.23
<b>% increase in Basic Amount of Council Tax</b>	<b>0.0%</b>	<b>0.0%</b>

- 10.5 As the “Relevant Amount of Council Tax” has remained static between 2014/15 and 2015/16 and is subsequently below the threshold level of 2.0%, therefore there is no requirement to hold a Referendum.
- 10.6 For information, raising the Basic Amount of Council Tax by 1.99% would raise an additional sum of £(1.598)m. However, at the same time the Council would not qualify for the council tax freeze compensation grant £(0.903)m, therefore the net income raised from an increase in council tax would be £(0.695)m.
- 10.7 For the fifth year running the Executive is proposing to Council not to increase the rate of Council Tax. Also, of the two major precepting bodies, the GM Police & Crime Commissioner has already agreed to freeze their element of the Council Tax for 2015/16 and the GM Fire and Rescue Authority is proposing to freeze its element as in 2014/15.
- 10.8 Partington Town Council, at its meeting on 8 December 2014, elected to keep the level of Band D Council Tax at £42.50, the same as 2014/15. The Council has also agreed to provide additional funding of £10,000, as in 2014/15, which represents 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

10.9 The overall Precepts and Council Tax levels for 2015/16 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	80,315,959	1,105.23	0%
GM Police Authority (see note)	11,067,489	152.30	0%
GM Fire Authority (see note)	4,188,641	57.64	0%
<b>Total (excluding Partington)</b>	<b>95,572,089</b>	<b>1,315.17</b>	<b>0%</b>
Partington Precept	60,435	42.50	0%
<b>Total for Partington</b>		<b>1,357.67</b>	<b>0%</b>

Note: The Council Tax figure for the GM Fire & Rescue Authority included above is the recommended amount and is subject to formal approval.

10.10 The council tax for 2015/16 for each of the eight valuation bands would be as follows:

### 2015/16 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 figure for the GM Fire & Rescue Authority included above is the recommended amount and is subject to formal approval.

## **11. CAPITAL PROGRAMME 2015/18 & TREASURY MANAGEMENT**

11.1 There are two, more detailed, papers elsewhere on the agenda regarding the Capital Investment Programme 2015/18, 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 2015/18**

11.2 The proposed Capital Programme for 2015/18 is expenditure of £79.7m, with £41.8m of this being undertaken during 2015/16. The programme is mostly funded by Government grant (57%), emphasising how sensitive expenditure is to movements in Government funding. The programme will allow for the following investments:

- Additional primary school placements, £14.1m in 2015/16, £22.8m over three years, and
- other investment in schools' infrastructure of £3.4m in 2015/16, £8.0m over three years.
- Highways investment of £13.3m in 2015/16, and £27.8m over the three years allowing for the replacement of 65km of carriageway, 66km of footway, contribution to the extension of the Metrolink into Trafford Park and replacing old street lighting luminaires with LED in the event that such a proposal is approved by the Executive when it is considered in March.
- Investment in the local economy through the Borough's Town Centres of £4.8m in 2015/16 and £7.7m over the three years.
- A variety of investments in social care of £2.7m in 2015/16 and £7.3m 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 £0.3m in 2015/16 and £0.4m over three years.
- Improvements to the Council's parks and open spaces and facilities at allotment sites of £0.7m in 2015/16 and £1.2m over three years, and
- a range of works to the Council's asset to ensure service delivery including improvements to the crematorium, mechanical, electrical and DDA works of £0.8m in 2015/16 and £2.7m over the three years.

### **Treasury Management & Prudential Indicators**

11.3 The salient points of the papers elsewhere on the agenda are:

- Both investment and long term borrowing rates are expected to remain reasonably static
- Whilst there is no borrowing envisaged in 2015/16 in support of the general capital programme, new borrowing to be financed through



revenue savings may be undertaken for investment in LED street lighting, although this is subject to a future Executive decision.

- Some £2m of debt will be repaid, lowering the debt portfolio to £93m
- Cash balances are expected decrease from an average level of £74m in 2014/15 to £66m in 2015/16 reflecting application of capital grants and contributions and reserves.

There will be no significant changes to the Council's prudential indicators.

## 12. 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:**

- The net Revenue Budget for 2015/16 at £148.914m, a decrease of £(5.638)m, or (3.6)%, when compared to the 2014/15 base budget of £154.552m;
- The calculation of the Council Tax Requirement as summarised in Section 10 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 2015/16 (valuation bands are detailed at Annex E;
- The Fees and Charges for 2015/16, as set out in the booklet available on the Council's website:-
  - Approval is given to Corporate Directors and the Director of Finance with the joint delegation to amend fees and charges during 2015/16 in the event of any change in the rate of VAT, as appropriate
- That the minimum level of General Reserve for 2015/16 be set at £6.0m, the same as in 2014/15 (Section 5);
- The overall Capital Investment Programme level of £79.7m be approved (as detailed in the Capital Investment Programme 2015/18 report attached) of which £41.8m relates to 2015/16.
- The Prudential Borrowing Indicators as set out in Appendix 3, page 14, of the attached Treasury Management Strategy.
- The distribution of Dedicated Schools Grant as recommended by the School Funding Forum and Executive as summarised in Section 7 and detailed in Annex F.

### **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 (Section 5 and Annex M).
- 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 Executive on 26 January 2015.
- The Equality Impact Assessments in relation to the budget proposals and the Public Sector Equality duty

**In addition, the Council notes the following :**

- The approval on 30 January 2015 under delegated powers by the Director of Finance of the Council Tax Base for 2015/16 at 72,669 Band D equivalents. Along with the calculation of the estimated Council Tax surplus, sufficient to release £(300)k to support the Council's 2015/2016 revenue budget and a distribution of £(41.3)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 2016/17 and 2017/18 is to be set at a indicative £23.5m and £14.4m respectively.
- That the Council Tax figures included in the report for the GM Fire & Rescue Authority are the recommended provisional amounts pending their formal approval on 12<sup>th</sup> February 2015.
- The Treasury Management Strategy 2015/18 detailed elsewhere on the agenda.
- The writing down of the Learning Disability pool deficit of £3.0m
- The base budget assumptions as set out in the Medium Term Financial Outlook as detailed in Annex A.
- That final decisions with regard to some services will not be taken until March 2015. As a result, the allocation of resources set out on pages 65-69 may vary including the use of reserves. All reports will be presented at the appropriate time.

## MEDIUM TERM FINANCIAL OUTLOOK - BASE BUDGET ASSUMPTIONS:

<b>Base Budget Assumptions</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
<b>Service Expenditure</b>				
Pay	1.0% £0.9m	1.0% £0.8m	1.0% £0.8m	1.0% £0.8m
Pension inflation	+0.8% £0.5m	+0.7% £0.5m	+1.0% £0.6m	+1.0% £0.6m
Pension Auto-Enrolment effective from 1 Oct 2017			£0.3m	£0.3m
Cease 'contracted out' NIC rate in 2016/17		£1.6m		
Prices – General inflation (RPI)	1.9% £1.3m	2.0% £1.3m	2.0% £1.4m	2.0% £1.4m
Contract & Other inflation (e.g. energy)	£0.8m	£0.8m	£0.8m	£0.9m
Demography :				
Young People	£0.6m	£0.5m	£0.5m	£0.5m
Adults	£7.9m	£1.5m	£1.5m	£1.5m
Waste (GMWDA) Levy increase	£0.34m	£0.34m	£0.34m	£0.34m
Transport (GMCA) Levy increase	£(0.2)m	£0.9m	£1.0m	£1.0m
<b>Treasury Management &amp; Funding</b>				
Investment Rates	0.85%	1.35%	2.0%	2.0%
Debt Rates	4.5%	4.5%	4.5%	4.5%
Council Tax rate increase	0.0%	0.0%	0.0%	0.0%
Council Tax base increase	0.5%	0.5%	0.5%	0.5%
Freeze Grant 2015/16 @ 1.0%	£(0.9)m	£0.9m		
Reduction in Start-up Funding	12.4% £9.0m	7.8% £4.9m	8.7% £5.1m	2.8% £1.5m
Reduction in overall Government support	10.4% £10.1m	8.6% £7.5m	9.0% £7.2m	3.2% £2.4m

**GOVERNMENT FUNDING CHANGES**

Changes in government funding during 2015/16 have resulted in a £10.123m, or 10.4%, reduction to Trafford, equivalent to £43.32 per head of population of the borough. The changes in funding are detailed in the table below:

<b>POST-FINALSETTLEMENT</b>	<b>Specific Grants (£000's)</b>	<b>Main Funding (£000's)</b>	<b>Total Change (£000's)</b>
<b>Funding ceasing</b>			
KEEP Grant	60		60
Intensive Fostering	148		148
Assets of Community Value	8		8
Community Right to Challenge	9		9
Local Welfare Provision - Social Fund (moved to base)	554	(417)	137
New Burdens Council Tax Reform	72		72
Local Flood Grant	8		8
Council Tax Freeze Grant 2014/15 (moved to base)	898	(898)	
<b>Funding reducing</b>			
Government base funding		9,595	9,595
Youth offending team	48		48
Staying in Care Grant	56		56
Social Care / NHS Integration Grant	3		3
Housing Benefit Administration	116		116
Council Tax Benefit Administration	38		38
Education Services Grant	671		671
Returned New Homes Bonus	6		6
Adopter Reform Grants	197		197
Learning Disability and Health Reform		20	20
Extended Rights to Travel	8		8
Council Tax Compensation Grant		9	9
Local Reform and Community Voices	43		43
Early Intervention Grant		555	555
Carbon Reduction Commitment Grant		75	75
Capitalisation Grant		95	95
<b>Funding increasing</b>			
Public Health Reform	(373)		(373)
<b>Sub-Total Existing Funding</b>	<b>2,570</b>	<b>9,034</b>	<b>11,604</b>
<b>New funding</b>			
New Homes Bonus 2015/16 allocation	(578)		(578)
Council Tax freeze 2015/16 allocation	(903)		(903)
<b>Total Funding Change</b>	<b>1,089</b>	<b>9,034</b>	<b>10,123</b>

In the announcement on 3 February 2015 of the final Local Government Finance Settlement 2015-16, an additional £74m nationally has been provided to upper –tier authorities “to assist them in dealing with pressures on local welfare and health and social care”. This amounts to £242k for Trafford and will be paid through Revenue Support Grant and is included within the Government Base Funding figure of £9,595k in the analysis above.

In addition to the government funding changes identified above, the following Section 31 National Non Domestic Rates grants are estimated to be receivable in 2015-16 :

- 2% Business Rates Cap £480k
- Small Business Rates Relief £1,038k
- Retail Relief £611k
- Re-occupation Relief – FRESH START £14k

## BUSINESS RATES RETENTION SCHEME

### Background

From April 2013 local authorities no longer pay all their business rates income to central government and receive a share of the business rates pool back as part of formula grant; instead they are able to retain a proportion of the growth of their business rates income.

Each authority has a business rates baseline, which represents their proportion of the national estimated business rates yield for 2015/16, and a funding baseline, which is driven by a funding formula. If the business rates baseline exceeds the funding baseline then the difference will be payable to government as a tariff; if the funding baseline is the higher then the authority will receive a top-up payment.

Single tier metropolitan authorities like Trafford will be required to pay 50% of the business rates income they collect to central government (the 'central share') and 1% to the fire authority, leaving a 'local share' of 49%.

The local share is then either increased by the top-up or reduced by the tariff. Tariff authorities (like Trafford) will then be liable to pay a levy to government on the amount by which their income exceeds the funding baseline, with the balance being retained by the authority. If the authority enters into a pooling arrangement (as Trafford has from 1 April 2015) then the value of the levy is retained by the Pool.

### 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, to smooth the impact of volatility in rates income across a wider economic area and minimise any levy paid to the Government. This approach has been considered by a number of authorities in Greater Manchester and Cheshire and the decision has been taken to join a GM Pool with Cheshire East in 2015/16.

In relation to 2015/16, districts have provided updated information re business rates estimates. All returns have shown authorities expecting to be above their (indexed) baseline business rates levels and hence well clear of the safety net triggers. These estimates were produced before the Autumn Statement announcement regarding the restriction for rate payers to receive backdated amounts for appeals submitted post 1<sup>st</sup> April 2015. These proposals should have the effect of reducing, to a small degree, the cost of appeals in 2015/16.

Those initial estimates also show expected levy payments as follows:

	£M
Stockport	0.076
Trafford	1.737
Cheshire East	<u>1.407</u>
	<u>3.220</u>

Discussions, both last year and this, with Cheshire East have been on the basis that they would retain 50% of any levy that is generated by themselves. This had been accepted as an equitable approach where the two parties (GM and Cheshire East) could only benefit through mutual co-operation and that a 50/50 share would be appropriate. On the above figures, Cheshire East would receive £0.704m levy, £2.544m for GM.

In discussions regarding the GM share of the pool we have proposed Trafford Council retains one third of the levy generated locally. We consider this is a more equitable way of sharing the benefit of business rates growth in that whilst the 8 top-up councils in GM retain 49%, we currently only retain 24.5% as outlined above. It has been agreed at a GM level that Trafford retain one third of the levy, to give an overall retention of approximately one third of any growth. This equates to £0.579m and has been included in the 2015/16 budget.

### **Appeals**

A major risk of forecasting continues to be the level of business rate appeals and estimating the impact these appeals will have on the overall yield, albeit measures announced in the Autumn Statement will no longer allow backdated appeal costs on appeals lodged after 1 April 2015. It is therefore expected that there will be an uplift in appeal volumes up to 31 March 2015 and this increase has been taken into account in the business rate forecasts. Also at the end of 2013/14 the Council created a significant provision to cover the backdated cost from successful appeals against rateable values which, to some extent, has reduced the potential risk to the Council.

At the end of January the Council submitted its NNDR1 return to DCLG. This return includes the Council's forecast of business rates for 2015/16 and is used to determine the amount of retained rates that will be available to support the budget in 2015/16. In addition the NNDR1 return also requires a projected forecast for the current year. A comparison of the original estimate and forecast is shown in the table below.



	<b>2014/15 NNDR1 Estimate £m</b>	<b>2014/15 NNDR1 Projection £m</b>	<b>2015/16 NNDR1 Estimate £m</b>
<b>Net Yield</b>	<b>(154.588)</b>	<b>(158.077)</b>	<b>(161.238)</b>
Central Share (50%) and Fire Share (1%)	78.840	80.619	82.231
<b>Local share</b>	<b>(75.748)</b>	<b>(77.458)</b>	<b>(79.007)</b>
Less Tariff	43.314	43.314	44.142
Retained Rates	(32.434)	(34.144)	(34.865)
Baseline	32.434	32.434	33.054
<b>Growth</b>		<b>(1.710)</b>	<b>(1.811)</b>
Additional estimated Section 31 grants	(2.231)	(1.391)	(1.663)
Total leviable income	(2.231)	(3.101)	(3.474)
Levy Payable @ 50%	1.115	1.550	1.737
Net Retained Income		(1.551)	(1.737)
Other Income :			
Renewable Energy	(0.073)	(0.148)	(0.077)
GM Pool Rebate (33.33% of the levy)			(0.579)
Add increase in S31 Cap Grant			(0.136)
<b>Retained Business Rates Income</b>	<b>(1.189)</b>	<b>(1.699)</b>	<b>(2.529)</b>
Less amount already assumed in 14/15 budget		0.844	
<b>Amount available to support the 2015/16 budget</b>		<b>(0.855)</b>	<b>(2.529)</b>

The surplus for 2014/15 is available to support the budget in 2015/16.

Note the overall yield from business rates is inherently volatile and as such should be treated similar to one-off resources. The national Revaluation for all business rates is also scheduled to be effective from 1 April 2017 thus increasing the uncertainty about future business rate yields.

## CHANGES TO THE DRAFT BUDGET PROPOSALS

	Net Budget (£m)	Funding (£m)	Balance (£m)
<b>Draft budget proposal (October)</b>	<b>144.333</b>	<b>(143.779)</b>	<b>0.554</b>
Finance Settlement changes			
- Settlement Funding Assessment		(0.129)	
- New Homes Bonus	(0.043)		
- Council Tax Freeze Grant	(0.005)		
- Education Services Grant	(0.229)		
- New Burdens – Council Tax Reform	(0.042)		
- Housing Benefit, Council Tax Admin	0.055		
- Intensive Fostering	0.078		
- Extended Rights	0.009		
- Local Reform and Community Voices	0.043		
- Adoption Reform	0.198		
- Looked After Children	0.041		<b>(0.024)</b>
Changes in budget assumptions			
- Additional Cost of Pay Award	0.173		
- Treasury Management	0.300		
- Saving in Transport Levy	(0.205)		
- T&R savings realignment	0.106		
- Reduction in Superannuation			
Additional Allowances	(0.195)		
- Increase in Employment			
Rationalisation Budget	0.165		
- Increase in Bad Debt Provision	0.200		
- Increase in STaR costs	0.011		
- Housing Benefit Subsidy Initiative	0.150		
- Looked After Children	(0.041)		
Additional Investment			
- Deprivation of Liberty	0.200		
- Youth Service Commissioning	0.130		
- CFW Capacity Building	0.170		
- Contingency for delivery of savings programme	0.700		
- Increase in Foster Carer Fees	0.100		
Changes in Savings			
- CFW savings realignment(Adults)	1.629		
- CFW savings realignment (Children)	0.238		
- Phased implementation in achieving 2015/16 savings (Note1)	0.500		
- Closure of two bed home	(0.100)		
- EGEI savings realignment (School crossing patrols)	0.031		

Changes in business rates (Note 2):			
- Business Rates Levy Est 15/16	1.737		
- Business Rates Levy re 14/15	0.855		
- S31 Business Rate Grants	(1.799)		
- Business Rate Levy Rebate	(0.579)		
			<b>4.476</b>
Use of Reserves (MAG Dividend)		(1.000)	<b>(1.000)</b>
- Increase in Council Taxbase		(0.408)	
- Business Rates Growth 15/16		(1.888)	
- Business Rate Surplus 14/15		(1.710)	<b>(4.006)</b>
<b>2015/16 Budget Proposal</b>	<b>148.914</b>	<b>(148.914)</b>	<b>(0.000)</b>

Note 1 - includes phased implementation on the delivery of some savings targets associated with Early Help and Libraries

Note 2 – Changes in business rates – net impact:-

	<b>£m</b>
Changes in business rates:	
- Business Rates Levy 2015/16	1.737
- Business Rates Levy 2014/15	0.855
- S31 Business Rate Grants	(1.799)
- Business Rate Levy Rebate	(0.579)
- Business Rates Growth 2015/16	(1.888)
- Business Rate Surplus 2014/15	(1.710)
<b>Total</b>	<b>(3.384)</b>

**COUNCIL TAX LEVELS by VALUATION BAND**  
(including precepts)

<b>Band</b>	<b>Valuation range (in 1991 prices)</b>	<b>Partington Council Tax £</b>	<b>All other areas Council Tax £</b>
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 figure for the GM Fire & Rescue Authority included above is the recommended amount and is subject to formal approval.

**OUTLINE OF 2015/16 FUNDING FORMULA RECOMMENDED BY SCHOOL FUNDING FORUM**

**Basic Entitlement**

	No of Pupils	Rate £	Amount Distributed £	Total Both Sectors £	Percentage Total Funding %age
Primary	19,420	2641.61	51,300,066		
Secondary	13,947	4211.09	<u>58,732,072</u>		
				110,032,138	78.00%

**Index of Deprivation (IDACI)**

Primary	6,869	Various*	1,493,772		
Secondary	4,558	Various*	<u>1,186,894</u>		
				2,680,666	1.90%

\* There are 6 IDACI Bands with different values

**Free School Meals**

Primary	3,656	609.68	2,228,688		
Secondary	2,759	750.99	<u>2,071,996</u>		
				4,300,684	3.05%

**English as an Additional Language**

Primary	1,945	278.69	542,162		
Secondary	189	557.39	<u>105,511</u>		
				647,673	0.46%

**Prior Attainment**

Primary	2,247	1800.95	4,045,886		
Secondary	1,733	3037.45	<u>5,263,704</u>		
				9,309,590	6.60%

No of Schools

**Lump Sums**

Primary	67	150,000	10,050,000		
Secondary	18	150,000	<u>2,700,000</u>		
				12,750,000	9.04%
<b><u>Split Sites</u></b>					
Primary					
Secondary	2			187,799	0.13%
<b><u>Rates</u></b>	The rates bill of each school			1,150,137	0.82%
<b><u>Total Funding</u></b>				<u>141,058,687</u>	<u>100.00%</u>

### **Minimum Funding Guarantee**

Schools are protected from reductions in budgets by the Minimum Funding Guarantee (MFG) which is a statutory formula factor. The MFG is -1.5% per pupil and is set nationally by DFE. The cost of the MFG is £2,672.784 and this is financed by capping the schools who are gaining from the formula. This means that schools can only gain by 0.26% per pupil . The cost of the MFG is a major concern to the forum because it is preventing the formula being developed in ways they would wish.

<b>Draft (base) Budget 2015/16 Subjective Analysis</b>	<b>CFW (£000's)</b>	<b>EGEI (£000's)</b>	<b>T&amp;R (£000's)</b>	<b>Council- wide (£000's)</b>	<b>Total (£000's)</b>
<b>Budget Brought Forward</b>	<b>80,376</b>	<b>33,457</b>	<b>17,560</b>	<b>23,159</b>	<b>154,552</b>
Net Inflation	1,728	1,137	536	14	3,415
Levies		343		(172)	171
Legislative; Grant / Service Transfers	105	0	797	(346)	556
Investment Interest (incl. airport dividend) & Tax				34	34
Debt Management				(501)	(501)
Demographic (Quantitative)	8,657	0	180	54	8,891
Governance / Compliance	475	0	(19)	100	556
Other Unavoidable Business Consequences	318	66	165	1,875	2,424
<b>Total Pressures (excl. new investment)</b>	<b>11,283</b>	<b>1,546</b>	<b>1,659</b>	<b>1,058</b>	<b>15,546</b>
Service Improvement/New Services	400	0	0	0	400
<b>Total New Cost Pressures</b>	<b>11,683</b>	<b>1,546</b>	<b>1,659</b>	<b>1,058</b>	<b>15,946</b>
Cashable Efficiencies	(3,812)	(2,336)	(201)	(207)	(6,556)
Terms & Conditions				(68)	(68)
New Income	(2,556)	(324)	(26)	0	(2,906)
Policy Choice	(9,244)	(154)	(2,621)	(35)	(12,054)
<b>Total New Cost Reductions</b>	<b>(15,612)</b>	<b>(2,814)</b>	<b>(2,848)</b>	<b>(310)</b>	<b>(21,584)</b>
<b>Net Budgetary Effect of Proposals</b>	<b>(3,929)</b>	<b>(1,268)</b>	<b>(1,189)</b>	<b>748</b>	<b>(5,638)</b>
<b>Proposed Total budget for Year</b>	<b>76,447</b>	<b>32,189</b>	<b>16,371</b>	<b>23,907</b>	<b>148,914</b>
	(4.9%)	(3.8%)	(6.8%)	3.2%	(3.6%)

## Draft Revenue Budget Proposals Summary 2015/16: Net Controllable Expenditure by Service

Service	Revised Budget 2014/15 (£000's)	Growth / Pressures 2015/16 (£000's)	Efficiency & Income 2015/16 (£000's)	Policy Choice 2015/16 (£000's)	Proposed Budget 2015/16 (£000's)	Change (£000's)	Change %
<b>Children, Families &amp; Wellbeing</b>							
<b><u>Children's Services - DSG</u></b>							
<b>Dedicated Schools Grant:</b>							
- Schools	103,061				103,441	380	0.4%
- Central	23,765				25,777	2,012	8.5%
	<b>(126,826)</b>				<b>(129,218)</b>	<b>(2,392)</b>	<b>(1.9)%</b>
<b>sub total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
	0						
<b><u>Children's Services - Non DSG</u></b>							
Education Early Years' Services	6,480	174	(435)	(1,391)	4,828	(1,652)	(25.5)%
Children's Social Services	15,457	1,570	(200)	(180)	16,647	1,190	7.7%
Children with Complex & Additional Needs	1,943	191	(100)	0	2,034	91	4.7%
Commissioning	1,778	59	(100)	(15)	1,722	(56)	(3.1)%
Multi Agency Referral & Assessment Service (MARAS)	1,520	31	0	0	1,551	31	2.0%
Youth Service	1,336	179	0	(870)	645	(691)	(51.7)%
Youth Offending Service	363	7	0	(130)	240	(123)	(33.9)%
Children's Centres	1,933	62	0	(1,124)	871	(1,062)	(54.9)%
<b>sub total</b>	<b>30,810</b>	<b>2,273</b>	<b>(835)</b>	<b>(3,710)</b>	<b>28,538</b>	<b>(2,272)</b>	<b>(7.4)%</b>



Service	Revised Budget 2014/15 (£000's)	Growth / Pressures 2015/16 (£000's)	Efficiency & Income 2015/16 (£000's)	Policy Choice 2015/16 (£000's)	Proposed Budget 2015/16 (£000's)	Change (£000's)	Change %
<b>Adult Social Services</b>							
Older People	19,054	3,370	(3,700)	(3,151)	15,573	(3,481)	(18.3)%
Physical Disabilities	4,232	622	(116)	(178)	4,560	328	7.8%
Equipment & Adaptations	801	209	0	0	1,010	209	26.1%
Learning Disabilities	20,838	3,895	(1,717)	(1,726)	21,290	452	2.2%
Mental Health	2,969	653	0	(234)	3,388	419	14.1%
Other Adult Services	680	551	0	(15)	1,216	536	78.8%
Strategic & Support Services	889	81	0	0	970	81	9.1%
Adaptations	(55)	55	0	0	0	55	100.0%
Housing Services	620	0	0	(230)	390	(230)	(37.1)%
Community Services	222	6	0	0	228	6	2.7%
Equality & Diversity	184	(32)	0	0	152	(32)	(17.4)%
<b>sub total</b>	<b>50,434</b>	<b>9,410</b>	<b>(5,533)</b>	<b>(5,534)</b>	<b>48,777</b>	<b>(1,657)</b>	<b>(3.3)%</b>
<b>Public Health</b>							
Public Health	(868)				(868)	0	0.0%
<b>sub total</b>	<b>(868)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(868)</b>	<b>0</b>	<b>0.0%</b>
<b>Total Children, Families &amp; Wellbeing</b>	<b>80,376</b>	<b>11,683</b>	<b>(6,368)</b>	<b>(9,244)</b>	<b>76,447</b>	<b>(3,929)</b>	<b>(4.9)%</b>

Service	Revised Budget 2014/15 (£000's)	Growth / Pressures 2015/16 (£000's)	Efficiency & Income 2015/16 (£000's)	Policy Choice 2015/16 (£000's)	Proposed Budget 2015/16 (£000's)	Change (£000's)	Change %
<b>Economic Growth, Environment &amp; Infrastructure</b>							
<b><u>Technical &amp; Environment Services</u></b>							
Highways & Network Management, incl. Traffic & Transportation	4,910	281	(50)	(40)	5,100	191	3.9%
Property & Development	2,673	168	(100)		2,741	68	2.6%
Groundforce	4,144	108			4,252	108	2.6%
Sustainability & Greenspace	359	8	(15)		352	(7)	(1.9)%
Bereavement Services	(1,090)	13	(50)		(1,127)	(37)	(3.4)%
Waste Management (excl. WDA Levy)	5,113	240			5,353	240	4.7%
Waste Levy	13,866	343			14,209	343	2.5%
School Crossing Patrols	509	7		(114)	403	(107)	(20.9)%
Directorate Strategy & Business Support	959	50	(86)		923	(36)	(3.8)%
Joint Venture Contract		0	(2,100)		(2,100)	(2,100)	0.0%
<b>sub total</b>	<b>31,442</b>	<b>1,218</b>	<b>(2,401)</b>	<b>(154)</b>	<b>30,105</b>	<b>(1,337)</b>	<b>(4.3)%</b>
<b><u>Operational Services for Education (Catering, Cleaning, Transport)</u></b>	<b>(72)</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>59</b>	<b>131</b>	<b>181.0%</b>

Service	Revised Budget 2014/15 (£000's)	Growth / Pressures 2015/16 (£000's)	Efficiency & Income 2015/16 (£000's)	Policy Choice 2015/16 (£000's)	Proposed Budget 2015/16 (£000's)	Change (£000's)	Change %
<b><u>Growth &amp; Regulatory Services</u></b>							
Economic Growth	724	27			751	27	3.7%
Housing Strategy	595	61			656	61	10.2%
Strategic Planning & Development	533	9			542	9	1.7%
Planning & Building Control	(119)	42			(78)	42	35.0%
Public Protection & Enforcement	602	23	(28)		597	(5)	(0.8)%
Parking Services	(248)	35	(231)		(443)	(196)	(79.0)%
<b>sub total</b>	<b>2,087</b>	<b>197</b>	<b>(259)</b>	<b>0</b>	<b>2,025</b>	<b>(62)</b>	<b>(3.0)%</b>
<b>Total Economic Growth, Environment &amp; Infrastructure</b>	<b>33,457</b>	<b>1,546</b>	<b>(2,660)</b>	<b>(154)</b>	<b>32,189</b>	<b>(1,268)</b>	<b>(3.8)%</b>
<b><u>Transformation and Resources</u></b>							
Legal & Democratic	2,491	292	(15)	(237)	2,531	40	1.6%
Communication & Customer Services	5,837	258	(47)	(1,228)	4,820	(1,017)	(17.4)%
Strategic Human Resources	2,068	59	(15)	0	2,112	44	2.1%
Corporate Leadership & Support	368	6	(1)	0	373	5	1.4%
<b>Corporate Landlord (EGEI)</b>				(230)	(230)	(230)	0.0%
<b>sub total</b>	<b>10,764</b>	<b>615</b>	<b>(78)</b>	<b>(1,695)</b>	<b>9,606</b>	<b>(1,158)</b>	<b>(10.8)%</b>

Service	Revised Budget 2014/15 (£000's)	Growth / Pressures 2015/16 (£000's)	Efficiency & Income 2015/16 (£000's)	Policy Choice 2015/16 (£000's)	Proposed Budget 2015/16 (£000's)	Change (£000's)	Change %
<b>Communities &amp; Partnerships</b>							
Partnerships & Communities	1,563	43	(67)	0	1,539	(24)	(1.5)%
Culture & Sport	1,619	45	(53)	(451)	1,160	(459)	(28.4)%
<b>sub total</b>	<b>3,182</b>	<b>88</b>	<b>(120)</b>	<b>(451)</b>	<b>2,699</b>	<b>(483)</b>	<b>(15.2)%</b>
<b>Finance</b>							
Finance Services	3,614	956	(29)	(475)	4,066	452	12.5%
Precepts, Levies & Subscriptions	17,866	(172)			17,694	(172)	(1.0)%
Provisions	1,642	1,778			3,420	1,778	108.3%
Treasury Management	8,386	(467)			7,919	(467)	(5.6)%
Insurance	775	100			875	100	12.9%
Members Expenses	926	13		(35)	904	(22)	(2.4)%
Other Centrally held budgets	245	152	(207)		190	(55)	(22.4)%
Specific Grants	(6,804)	(346)			(7,150)	(346)	(5.1)%
Unallocated T&C's	123		(68)		55	(68)	55.3%
<b>sub total</b>	<b>26,773</b>	<b>2,014</b>	<b>(304)</b>	<b>(510)</b>	<b>27,973</b>	<b>1,200</b>	<b>4.5%</b>
<b>Total All Services</b>	<b>154,552</b>	<b>15,946</b>	<b>(9,530)</b>	<b>(12,054)</b>	<b>148,914</b>	<b>(5,638)</b>	<b>(3.6)%</b>

**Children, Families and Wellbeing**

The Directorate was established in April 2013 from the amalgamation of Children's, Adults and Public Health services and has the responsibility for a wide range of services across Education, Health and Social Care.

The Directorate has developed a strong universal identity which aims to deliver high quality services and offer excellent value for money to its customers, based on an integrated partnership approach. The budget proposals described for 2015-16 form the starting point of a major reshaping of the Directorate over the next three years underpinned by the following key principles:

- Integration and Partnership Working
- Safeguarding
- Market Management and Quality Assurance
- Management of Demand
- Individual Support for Vulnerable Groups
- Promotion of Independence

We are exceptionally proud of the quality of our children's and adult's services. Below are some notable achievements and performance indicators which demonstrate this:

**Children's Services**

- Trafford has the only fully integrated Children's Services in the North West and this has led to improved outcomes across all aspects of Education, Health and Social Care and excellent value for money.
- 93.4% of Trafford pupils attend good or outstanding school, which is the sixth highest rate in the country and the best outside of London.
- Trafford Primary Schools have the joint best Key Stage 2 performance nationally with 87% of children achieving Level 4+ in Reading, Writing and Maths in 2014.
- Trafford Secondary Schools also have outstanding performance with 74% achieving five A\*-C including English and Mathematics. This improved by 3.5% against a national and regional trend of falling performance and is likely to place Trafford amongst the best performing Local Authorities in the country.
- Trafford has the highest proportion of 16-18 year olds in employment, education or training in Greater Manchester.
- Outcomes for Children in Care are excellent with amongst the highest rates of placement stability, educational attainment, and engagement with health services nationally. This is supported by access to high quality local family placements following investment in Trafford Foster Carers.
- Children with complex and additional needs are now accessing personalised packages of care enabling families to shape support to meet identified need in a more flexible way.
- 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. Our MST project has won a number of national and international awards.

- Health outcomes for children and young people including breastfeeding rates, obesity in reception year, and teenage pregnancy rates are the best in the region.
- Collaboration has taken place with Stockport, Tameside and Cheshire East adoption services to increase the number of adopters to meet the diverse needs of our children in care. Four4Adoption allows potential adopters locally, regionally and nationally to access information and there is a revised application process.

### **Adult Social Care**

- Trafford Council's Adult Services supports between 5,000-6,000 clients at any point in time.
- The number of adult safeguarding referrals has increased by 378% over the last five years.
- The number of people over 85 in Trafford is expected to increase by nearly a quarter by 2020.
- In 2013/14, Trafford Council provided services to 8,500 users and carers. In 2013/14, 3,020 carers received services or advice and information which is an increase of 30% since 2012/3. The number of people over 65 in Trafford is expected to increase by 30% and the number of people over 85 is expected to increase by 70% by 2030.
- In 2013/14, Trafford Council provided over 665,000 hours of external home care support.

For people successfully completing a period of community reablement:

- There was a 63% reduction in service hours provided from the start to the end of the reablement service following intensive support to regain skills and independence and 50% of people required no further support
- In 2013/14, 85.5 % of people aged 65+ who were discharged from hospital to reablement service were still at home 91 days after reablement started. This is an improvement from 76% in 2012/13.
- In 2013/14, 43% of people accessing the residential assessment unit returned home and were diverted from requiring long term provision.
- 12.4% of people with Learning Disabilities known to the Council have been assisted into paid employment. This is one of the highest rates in the country.
- In 2013/14, 2,400 people received telecare services in year – a 100% increase since 2010/11.
- In 2013/14, Trafford Council delivered 15,800 items of equipment – a 46% increase since 2010/11.

### **Public Health**

This area of the CFW's core business represents approximately £10.8m 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.

Public Health has continued its successful transition into Trafford Council and has developed closer links with other directorates in the Council to enhance the improvement of public health outcomes in Trafford. A comprehensive Public Health Delivery Plan for 14/15 is in place. Progress on this is overseen by the Public Health Delivery group. We will continue to work closely with the Trafford Clinical Commissioning Group through our core offer of public health support to the healthcare agenda 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.

A robust framework to ensure optimal use of the Public health transitional grant has been adopted to ensure public health schemes are agreed in line with best practice, evidence and potential to improve outcomes

### **Approach to Budget**

The directorate has needed to manage a number of issues and challenges this year whilst still delivering high performing front line services that meet the needs of residents and businesses in the borough.

Our savings proposals are aligned to the aims of our Reshaping Trafford Council Programme, and are outline below.

### **Managing budget pressures**

#### **Home to School Transport £300k**

This saving will be achieved through implementation of recommendations from a review of the operational arrangements for transport provision including contracts with

providers, allocation of passenger assistants alongside further development of independent travel options.

A revised service is being developed within CFW to manage all aspects of School Transport provision ensuring consistency of approach and access to a wide range of specialist resources.

### **Education and Early Years £377k**

This proposal includes a restructure of the Early Years and Childcare service and the resource available to support private, voluntary and independent sector Early Years providers. We are also proposing to cease the holiday play scheme provision currently organised by the Early Years team and phase out the Graduate Leader Fund which subsidises the training of managers within the Early Years sector.

### **Expansion of Children's Home from 2 to 3 Beds £100k**

It is proposed to expand a Council run 2 bed Children's home to reduce the unit cost of placements and increase capacity locally avoiding more expensive independent places. The proposal includes investment in our in house foster care provision in order to reduce demand on more expensive agency provision.

### **Restructure the In-house Reablement Service Delivery £700k**

This proposal involves the restructure of the In House Reablement Service. This will mean refocusing reablement on people who have high level needs and the greatest potential to regain skills following a period of reablement and directing those who would not benefit from reablement straight to home care. The current reablement service will be reduced to maintain an enhanced service with the private market being to offer a reablement function within homecare.

### **Building Based Day Support £71k**

This involves tendering of the Pathways (Day Centre). The service currently provides 30 places a week for older people and people with a learning disability. The same level of service will be re-provided in conjunction with partners. In the short term this saving will be achieved through the deletion of vacant posts.

### **Supported Accommodation £206k**

This involves tendering the in house supported accommodation service (eight properties supporting 26 people) and re-providing the same level of support with the external market. In the short term this saving will be achieved through the deletion of vacant posts and a reduction in the in-house stock.

### **Telecare £116k**

The proposal is to outsource the Telecare Programme, reducing cost to the Council including management costs, installation, monitoring, and call outs. This option protects the current level of funding of the preventative technology.

### **Voluntary and Community Sector £97k**

This proposal is to cease funding to a number of voluntary and community sector organisations and to remodel services as part of the Early Help and Integration programme giving a single cohesive, collaborative, holistic, ageless model to manage demand pressures across all care budgets in the future. This programme of work is part of the Reshaping Trafford transformation programme and forms an essential part of the Better Care Fund, with its intentions to release money from the acute sector into community support.



## **Trading/income generation**

### **Education Income £135k**

It is proposed to further develop income generation from services to schools including Education, Psychology, Music Service and Governor Services by expanding their offer and the level of buy-back.

## **Collaboration/working in partnership**

### **CAMHS £126k**

This will present in a reduction of the local authority contribution to the CAMHS service commissioned from Pennine Care Foundation Trust as part of the integrated service. All authorities received a CAMHS grant that was ring fenced until 2011 when it was mainstreamed into revenue budgets. Trafford has sustained funding for CAMHS as part of a joint commissioning arrangement and the saving will need to be considered in the context of the whole-service review, which is in progress. Consultation with both Pennine Care Foundation Trust and Trafford CCG is required to effectively manage this proposal and it will be subject to due process in relation to the contractual arrangements.

### **Youth Offending Service £130k**

This will include a fundamental review of the Youth Offending Service in conjunction with counterparts across Greater Manchester to identify opportunities for collaboration and efficiency. A staffing restructure will be undertaken to realise savings, the impact of which will be mitigated by collaboration and partnership working.

### **Better Care Fund (BCF) £2.0m**

The Trafford BCF for 2015/16 is £15.5m and requires a shared approach to delivering services and setting priorities across health and social care. The £2.0m identified in 15/16 to support the adult social care savings programme will prevent further reductions in adult social care services and therefore allow social care to deal with the demographic pressures and increased demand it faces as the activity shifts from secondary to community based care. In turn this will protect health and social care community and preventative services.

It is important to note that the BCF is not in itself additional funding but a requirement for the re-deploy funds from existing NHS services within the context of the financial settlement for health. This is a challenging requirement.

## **Managing demand/need for services**

### **CAN Personalisation £100k**

Personalisation was introduced for children with complex additional needs in April 2013 to ensure an equitable and effective use of resources to meet assessed needs. The model is now well established and continues to evolve to give families far greater flexibility and control of the support they receive. Savings are part of the ongoing impact of personalisation and will not involve any further changes.

### **Early Help Delivery Model £3.077m**

A transformational approach to delivering early help for children and young people moving to a more flexible activity based way of delivering services. It is proposed to have two hubs for delivery of services for 0-11 year olds in Stretford and Partington, and

a borough-wide base for 11-18 year olds in Sale. Existing building-based provision of Children's Centres and Youth Centres will cease, with the exception of the Hubs, and we will work with partners and the community to explore options for alternative use of sites through community asset transfer or other models. This means the closure, from April 2015 of the following Local Authority provision, although alternative options are being developed to mitigate the impact:

**Youth Centres:**

- Partington
- Davyhulme
- Lostock
- Sale West
- Broomwood
- Old Trafford
- Gorse Hill Studio's
- Duke of Edinburgh Award Centre
- Outdoor Education Team
- Street based Youth Work Teams

**Children's Centres:**

- Urmston
- Altrincham
- Sale
- Old Trafford

In addition only the minimum statutory duty will be met for Connexions and Education Welfare services. It is also planned to decommission current Early Help Framework provision to form part of a broader commissioning of activity which will be delivered from the hubs on an outreach model. We would like to enhance this commissioning activity on a partnership basis to give a place-based model that a range of partners can join.

Proposals for the future offer will set out a graduated model including;

- Development of a Trafford Youth Trust to co-ordinate universal youth provision
- Community asset transfer of Gorse Hill Studios to create a new community interest company that will operate as a registered charity
- Retaining the community led model at Broomwood Youth Centre managed by BlueSci
- Commissioning of targeted services against priorities identified in the Early Help Needs assessment

**Mental Health £100k**

We will review packages of care and out of borough placements for people with a mental health issue and support the return to the Borough as well as ensuring value for money. We will also review provision to refocus on a reablement type approach and review Dementia in reach service and Section 117 After Care.

**Supporting People and Homelessness £230k**

This will include ending contract arrangements (which expire on 31<sup>st</sup> March 2015) of the budget for supporting people which currently funds services that prevent or meet the needs of single homeless people.

This service is a generic floating support service that supports the wellbeing of vulnerable people in the community to enable them to maintain independent accommodation and prevent homelessness. The current cost of the service is £230K and the contract expires at the end of March 2015. This is a discretionary preventative service.

### **Reshaping our Social Care Offer £1.1m**

A change of policy in the way we meet eligible needs. Trafford Council will promote independence, resilience and maximise personal ability and assets. We will maximise public funding after the use of local community services, adaptations, equipment and technology has been explored to the fullest potential. The Council will only provide the most cost effective solution to meet eligible social care needs in Trafford. This will redefine the behaviour of staff and the service users. Local residents will be expected to use all benefits (Attendance Allowance Mobility, Disability Living Allowance) before public resources are assigned. The Council will support people to use local independent supplies for domestic services, cleaning, meal preparation and shopping and will no longer resource these non-eligible services unless no viable alternative can be found.

### **All-age Integrated Health and Social Care Delivery £500k**

We propose to develop an all age, integrated and locality based health and social care service in partnership with Trafford CCG and Pennine Care, the local NHS Trust commissioned by the CCG to provide community health services in Trafford. The integrated service will be organised to work as four multi-disciplinary teams serving one of the four Trafford Locality partnership areas. The service will be supported by a network of Early Help Hubs and a new all age integrated “front door” to ensure speedy and effective access to key services. The new service will be all-age and have a greater emphasis on prevention to ensure that individuals retain good health and independence for as long as possible. Social care and community health will be fully integrated as part of this model and there will be seamless joint working between professionals to meet the needs of individuals in partnership with the community and voluntary sector and private providers.

The council is proposing to take a phased approach to the development and implementation of the service delivery model. The established section 75 partnership agreement between Trafford Council and Pennine Care provides a strong foundation from which to evolve a new health and social care delivery vehicle. Work is already underway to implement integrated adult health and social care teams within a four neighbourhood model and this will continue as Phase I, in accordance with the current consultation process. This will provide invaluable learning in respect of the benefits that integration can bring and ensure that we identify best practice for future phases. It is proposed that Phase II will develop the integration programme a step further, and deliver greater service efficiencies, by moving to the new all-age service and the creation of a new service delivery model and governance structure. Both phases will function with a centralised point of access providing a ‘front door’ to all of the health and social care services being provided.

It is acknowledged that the integration of health and social care alone will not be sufficient to provide a completely holistic, integrated and affordable model of service that meets all of the requirements of the neighbourhoods that we serve. Further work will be required, in collaboration with relevant partners (statutory, private and third sector) that should form part of a wider partnership offer to the people of Trafford.

### **All-age Integrated Commissioning £830k**

A restructure of all commissioning activity for education, social care, health and public health to create an integrated structure to operate on all age basis. The revised structure will enable the effective commissioning of services to ensure value for money and quality across all aspects of CFW's work as well as making a substantial direct saving from reduction in staffing. There are significant opportunities from working on all age basis and resource will be targeted against priorities based on a number of key workstreams. The new structure will also ensure that the service is fit for purpose to meet the challenges of new legislation such as the Children and Families Act 2014 and the Care Act 2014.

### **Market Management £1.2m**

The Council will enter into discussions with providers across a number of client groups to identify the level of fee increases that will be agreed for 2015/16. A project will be undertaken to determine the 'Fair Price for Care' in Trafford. This will be based upon provider engagement in the process, current market pressures and what the Council can reasonably afford. A similar exercise has been carried out in the last three years which have informed Trafford's fee setting. This initiative will require due consideration from the legal perspective.

### **Learning Disabilities £2.617m**

This area was approved as part of the 2014-15 budget recovery plan and has commenced. A series of contract negotiations will take place with all existing providers, including supported living, residential and domiciliary care, day care, direct payments, commissioned and personal budget, to reduce the cost of current contracts. Trafford Council will accelerate of number of Tenders to create savings in year. A project will be undertaken with regard to determining 'Ordinary Residence' with a number of Individuals living out of area potentially being made ordinarily resident in that area, reallocating funding to the Authority where they are residing. In addition a further project will review individuals living out of area in residential or nursing care where a supported living model is the assessed need to review their Ordinary residence status. A review of high cost Care Packages, using the Just Enough Support approach will be undertaken to release efficiencies. Trafford will cease spend against the Learning Disability Development Fund. In order to avoid attributing spend against voids a greater emphasis will developed on the use of these placements, where voids are not fit for purpose, negotiations will take place with Housing Associations to restructure rents. The Council will negotiate with the CCG in relation to their contribution in relation to their contribution to the Pooled Budget.

### **Commissioning Review of Non Mandatory Services £1.5m**

It is proposed to undertake a review of all non-mandatory services commissioned by CFW including those funded through the Public Health Grant. An exercise will be undertaken to map current activity against priorities and agree our commissioning intentions for the future. The majority of services covered by the review are delivered by Voluntary and Community Sector providers so we will engage with the market to identify risks and look at any sustainability issues. Contracts for mandated services will also be reviewed to identify any opportunities for efficiency.

The review will also look at decision making processes and governance arrangements including the Health and Wellbeing Board to ensure they are fit for purpose.

## **Public Health**

Public Health has a budget of £10.8m 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 implement a Public Health plan for Trafford working with our partners to maximise use of resources to address the needs of the population of Trafford.
- To continue to performance manage the Locally Commissioned services to ensure best use of resources for delivery of public health outcomes.
- To continue to prioritise public health projects with locally agreed criteria

## Budget Movement Summary 2015/16

The following summary table categorises the movement in the Directorate's budget for 2015/16. The Savings are also cross referenced to the Savings Schedules below.

Children's Services	2015/16 (£000's)	Savings Schedule Reference(s)
Budget Brought Forward	30,810	
Additional Resources to meet Pressures:		
- Pay Related Inflation	384	
- Contract Related Inflation	305	
- Specific Grant Reductions		
- New or Increased Specific Grants	432	
- New Statutory Responsibilities	318	
- Service Improvement	100	
- Demography	734	
<b>Total new resources allocated</b>	<b>2,273</b>	
Resource Reallocations through:		
- Efficiencies	(700)	
- New or Increased Income	(135)	
- Policy Choices	(3,710)	
<b>Total new resources allocated</b>	<b>(4,545)</b>	
Net Year-On-Year Change	<b>(2,272)</b> <b>(7.4)%</b>	
<b>Net Budget Proposal</b>	<b>28,538</b>	

## Budget Movement Summary 2015/16

The following summary table categorises the movement in the Directorate's budget for 2015/16. The Savings are also cross referenced to the Savings Schedules below.

<b>Adult Services</b>	<b>2015/16 (£000's)</b>	<b>Savings Schedule Reference(s)</b>
Budget Brought Forward	<b>49,566</b>	
Additional Resources to meet Pressures:		
- Pay Related Inflation	192	
- Contract Related Inflation	751	
- Specific Grant Reductions	-	
- New or Increased Specific Grants	<b>(370)</b>	
- New Statutory Responsibilities	-	
- Demography	1,400	
- Other	7,266	
<b>Total new resources allocated</b>	<b>9,239</b>	
Resource Reallocations through:		
- Efficiencies	<b>(3,112)</b>	
- New or Increased Income	<b>(2,421)</b>	
- Policy Choices	<b>(5,534)</b>	
<b>Total new resources allocated</b>	<b>(11,067)</b>	
Net Year-On-Year Change	<b>(1,828)</b> <b>(3.7%)</b>	
<b>Net Budget Proposal</b>	<b>47,909</b>	

## CFW – Schedule of Savings

Some of the following savings are the full year effect of decisions that have already been taken and reported to the Executive on 1 September 2014 as part of the additional measures to address the shortfall in the 2014/15 budget. Such savings have been brought to the front of each respective section (efficiency, income, policy choice), highlighted in grey and put in italics. Other savings, the majority, are new proposals and subject to post-consultation approval

Dir'	Port-folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	CS	1	Children with Complex and Additional Needs	Increased the use of personalisation to provide support.	Efficiency	(100)	Personalisation was implemented in April 2013 following a pilot process and subject to consultation and EIA at that stage. Savings will be achieved as a consequence of the proposals already implemented and no further impact has been identified.
CFW	CS	2	Children in Care	Expansion of Childrens Home		(100)	Increase in in house provision to save on more expensive independent fees.
CFW	CS	3	Home To School Transport	Review of operational arrangements to provide transport for pupils with SEN	Efficiency	(300)	This saving will be achieved through implementation of recommendations from a review of the operational arrangements for transport provision including contracts with providers, allocation of passenger assistants alongside further development of independent travel options. There have been no changes to policy or eligibility criteria and both Trafford's policy and legislation is clear that whilst a pupil may be eligible for transport, how that is provided is an operational decision for the council.



Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	CS	4	Market Management	Renegotiation of Contracts	Efficiency	(200)	Negotiation with providers at a local level and through regional frameworks to manage inflationary increases. Any exceptional factors will be considered on an individual basis in discussion with providers.
<b>Efficiency sub-total</b>						<b>(700)</b>	
CFW	CS	5	<i>Music Service</i>	<i>Raise additional Income</i>	<i>Income</i>	<i>(30)</i>	<i>As part of the Trafford Services to Education workstream of Reshaping Trafford further expansion of the service will enable opportunities to increase income. This will be achieved by maximising the use of the Claremont Centre which houses the service from September 2014 and providing an increased service offer to schools and families. Proposals expand the service and the opportunities it provides to children in Trafford to access music tuition.</i>
CFW	CS	6	<i>Educational Psychology</i>	<i>Increase Income Budget to Match what is Being Achieved.</i>	<i>Income</i>	<i>(100)</i>	<i>As part of the Trafford Services to Education workstream of Reshaping Trafford further expansion of the service is planned. Additional income will be achieved from increasing the level of buyback from schools from September 2014.</i>
CFW	CS	7	<i>Governor Services</i>	<i>Increase Income Budget to Match what is Being Achieved.</i>	<i>Income</i>	<i>(5)</i>	<i>Service is fully funded from Schools buyback and has become part of Trafford Services to Education from October 2014. This will enable marketing of additional activity to increase income for the service.</i>
<b>Income sub-total</b>						<b>(135)</b>	

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
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CFW	CS	8	CAMHS Commissioning	Reduction in Multi Agency Contracts	Policy Choice	(126)	This will present in a reduction of the local authority contribution to the CAMHS service commissioned from Pennine Care Foundation Trust as part of the integrated service. All authorities received a CAMHS grant that was ring fenced until 2011 when it was mainstreamed into revenue budgets. Trafford has sustained funding for CAMHS as part of a joint commissioning arrangement and the saving will need to be considered in the context of the whole-service review, which is in progress. This may lead to a reduction in availability of CAMHS services and opportunities to mitigate the impact considered as part of a service review.
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Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	CS	9	Early Help Delivery Model	Transformation of Early Help support	Policy Choice	(3,077)	<p>Proposal is to establish a more flexible activity based way of delivering services. It is proposed to have two hubs for delivery of services for 0-11 year olds in Stretford and Partington, and a borough-wide base for 11-18 year olds in Sale. Existing building-based provision of Children's Centres and Youth Centres will cease, with the exception of the Hubs, and we will work with partners and the community to explore options for alternative use of sites through community asset transfer or other models. This means the closure, from April 2015 of the following unless any partners step forward to take on board the running and delivery costs:</p> <p><b>Youth Centres:</b> Partington, Davyhulme, Lostock, Sale West, Broomwood, Old Trafford, Gorse Hill Studios, Duke of Edinburgh Award Centre, Outdoor Education Team and Street based Youth Work Teams</p> <p><b>Children's Centres:</b> Urmston, Altrincham, Sale, and Old Trafford</p> <p>In addition only the minimum statutory duty will be met for Connexions and Education Welfare services. It is also planned to decommission current Early Help Framework provision and establishing a commissioning fund for activity which will be delivered from the hubs on an outreach model. We hope to enhance this commissioning activity on a partnership basis to give a place-based model that a range of partners can join.</p>

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	CS	10	Education Early Years	Re-organisation of Service	Policy Choice	(377)	There will be a restructure of the Early Years and Childcare service reducing to a minimum the resource available to support private, voluntary and independent (PVI) sector Early Years providers. We will also cease holiday play scheme provision currently organised by the Early Years team and phase out the Graduate Leader Fund which subsidises the training of managers in PVI Early Years settings.
CFW	CS	11	Youth Offending Service	Re-organisation of Service	Policy Choice	(130)	There is a fundamental review of the Youth Offending Service being undertaken in conjunction with counterparts across Greater Manchester to identify opportunities for collaboration and efficiency. A staffing restructure will realise savings and we are exploring how the impact can be mitigated by collaboration and partnership working.
<b>Policy Choice sub-total</b>						<b>(3,710)</b>	.
<b>Total All Proposals Children's Services</b>						<b>(4,545)</b>	

Page 88

**Portfolio Key**

**CS:** Children's Services Portfolio

**ASS:** Adult Social Services Portfolio

**CWB:** Community & Wellbeing Portfolio

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	12	Learning Disability	Renegotiation of existing contracts	Efficiency	(300)	This proposal involves renegotiating current contracts on spot placements, direct payment and personal budget services and as such there will no impact upon service delivery. Part of the 2014-15 Recovery plan.
CFW	ASS	13	Learning Disability	Acceleration of contract retendering	Efficiency	(790)	This involves accelerating the planned tender programme to create in year reductions which will involve the replacement of the service at a reduced cost. Part of the 2014-15 Recovery plan.
CFW	ASS	14	Older People	Externalisation of Reablement - to carry out a procurement exercise to provide re-ablement with the external market	Efficiency	(700)	This proposal involves completing a procurement exercise with the external market to provide reablement, still protecting the same level of hours provided each week. This will include the TUPE arrangements for all our current reablement staff into the new providers and embed the delivery in each of the new neighbourhood services to ensure a local understanding of community assets and resources is maintained. Initially a refocusing exercise to be completed internally and external market preparation to occur.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	15	Learning Disability	Externalise supported living network	Efficiency	(206)	This involves tendering the in house supported accommodation service (eight properties supporting 26 people) and re-providing the same level of support with the external market. Internal reduction in property portfolio and staffing is proposed before externalisation.
CFW	ASS	16	Physical Disability	Telecare - to outsource the Telecare Programme to Trafford Housing.	Efficiency	(116)	The proposal is to outsource the Tele Care Programme, reducing cost to the council including management costs, installation, monitoring, and call outs. This option protects the current level of funding of the preventative technology. A soft market testing exercise is being undertaken.
CFW	ASS	17	All services	Market Management - Inflation management through negotiation with providers	Efficiency	(1,000)	The Council will enter into discussions with providers to identify the level of fee increases that will be agreed for 2015/16. This will be based upon provider engagement in the process, current market pressures and what the Council can reasonably afford.
<b>Efficiency sub-total</b>						<b>(3,112)</b>	

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
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CFW	ASS	18	Learning Disability	Void management	Income	(32)	This will involve making more referrals to voids or restructuring rents, there will be no negative impact on current services or individuals.
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Dir'	Port-folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	19	All adult services	Negotiated use of Better Care Fund to support current spend and protection of Social Care.	Income	(2,000)	The Trafford BCF for 2015/16 is £15.5m and requires a shared approach to delivering services and setting priorities across health and social care. The additional £2m identified to support the adult social care savings programme will prevent further reductions in adult social care services and therefore allow social care to deal with the demographic pressures and increased demand it faces. In turn this will protect health and social care community and preventative services. Reablement and Ascot House Residential Assessment service will be incorporated within the review of Intermediate Care. It is important to note that the BCF is not in itself additional funding but a requirement to re-deploy funds from existing NHS services within the context of the financial settlement for health. This is a challenging requirement.
CFW	ASS	21	All adult services	Continuing Healthcare	Income	(389)	This will involve identifying cases that are eligible for the CHC funding stream, this will not negatively impact individuals in receipt of services.
<b>Income sub-total</b>						<b>(2,421)</b>	



Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	22	All Services	Voluntary and Community Sector - Reductions across a range of contracts with the VCS providing respite, carers and advocacy services	Policy choice	(97)	This proposal is to cease funding to a number of voluntary and community sector organisations and to remodel services as part of the Early Help and Integration programme giving a single cohesive, collaborative, holistic, all age model.
CFW	ASS	23	Learning Disability	Review of ordinary residence arrangements	Policy choice	(1,066)	This involves identifying individuals who wish to remain in supported living services out of area, making them ordinarily resident in that area and transferring funding responsibility.
CFW	ASS	26	Learning Disability	Reduce Development Fund	Policy choice	(40)	This involves ceasing funding for activity through the Learning Disability Development Fund, this will effect subscriptions to the National Autistic Society and the North West Training and Development Team and funding for the Housing Broker
CFW	ASS	27	Learning Disability	Review of Building based Day Support	Policy choice	(71)	This involves tendering of the Pathways (Day Centre). The service currently provides 30 places a week for older people and people with a learning disability. The same level of service will be re-provided with partners.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	28	Homelessness	End contracts for Generic Floating Support Service	Policy choice	(230)	<p>This currently funds services that prevent or meet the needs of single homeless people.</p> <p>It is a generic floating support service that supports the wellbeing of vulnerable people in the community to enable them to maintain independent accommodation and prevent homelessness. The current cost of the service is 230K and the contract expires at the end of March 2015. This is a discretionary preventative service. The ceasing of the current service will be a reduction in the support offered to people at risk of losing their home.</p>

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	29	All services	<p>Reshaping Trafford's Offer, a policy change in the way we meet eligible needs. We will:</p> <ul style="list-style-type: none"> <li>• Only fund the best value option to meet people's needs.</li> <li>• Use all benefits (Attendance Allowance Mobility, Disability Living Allowance) before public resources assigned.</li> <li>• Stop paying for Domestic Services, cleaning, meal preparation and shopping unless no viable alternative is available</li> <li>• Source alternative solutions to meet low level eligible needs.</li> </ul>	Policy choice	(1,100)	A change of policy in the way we meet eligible needs. Trafford Council will promote independence, resilience and maximise personal ability and assets. We will maximise public funding after the use of local community services, adaptations, equipment and technology has been explored to the fullest potential. The Council will source the most cost effective solution to meet the needs in Trafford. This will redefine the behaviour of staff and the service users. Local residents will be expected to use all benefits (Attendance Allowance Mobility, Disability Living Allowance) before public resources are assigned. The Council will support people to use local independent supplies for domestic services, cleaning, meal preparation and shopping and will no longer resource these non-eligible services unless no viable alternative is available.

Dir'	Port-folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	30	Mental health	Review of packages of care and out of borough placements.	Policy choice	(100)	A review of packages of care and out of borough placements for people with a mental health issue and support their return to the Borough as well as ensuring value for money. We will also review provision to refocus on a reablement type approach and review Dementia in reach service and section 117 After care.
CFW	ASS	31	All services	All age integrated health and social care - establish an integrated education, health and care commissioning service on an all age basis.	Policy choice	(500)	It is proposed to develop an all age, integrated and locality based health and social care service in partnership Trafford CCG and Pennine Care, the local NHS trust commissioned by the CCG to provide community health services in Trafford. The integrated service will be organised to work as four multi-disciplinary teams serving one of the four Trafford Locality partnership areas. It is proposed that the service will be supported by a network of Early Help Hubs and a new all age integrated "front door" to ensure speedy and effective access to key services. The new service will be all-age and have a greater emphasis on prevention to ensure that individuals retain good health and independence for as long as possible. Following transition we expect there to be a positive impact in line with research on integrated provision and Trafford's own experience in CYPS.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
CFW	ASS	32	All services	All age commissioning - to develop a new delivery Model with a partner to deliver Integrated Health and Social Care in Trafford at a reduced cost.	Policy choice	(830)	A restructure of all commissioning activity for education, social care, health and public health to create an integrated structure to operate on all age basis. The revised structure will enable the effective commissioning of services to ensure value for money and quality across all aspects of CFW's work as well as making a substantial direct saving from reduction in staffing. The impact of the reduction in capacity will need to be mitigated from efficiencies in working on all age basis and resource will be targeted against priorities based on a number of key workstreams.
CFW	ASS		All services	Commissioning review of non-mandatory services.	Policy choice	(1,500)	It is proposed to undertake a review of all non-mandatory services commissioned by CFW including those funded through the Public Health Grant. An exercise will be undertaken to map current activity against priorities and agree our commissioning intentions for the future. The majority of services covered by the review are delivered by Voluntary and Community Sector providers so we will engage with the market to identify risks and look at any sustainability issues. Contracts for mandated services will also be reviewed to identify any opportunities for efficiency.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
Policy Choice sub-total						(5,534)	
Total All Proposals Adults Services						(11,067)	
Total All Proposals CFW Service						(15,612)	

**Portfolio Key**

*CH&W: Community Health and Wellbeing Portfolio*

*ASS: Adult Social Services Portfolio*

*SCF: Supporting Children and Families Portfolio#*

*E: Education Portfolio*

## **Economic Growth, Environment and Infrastructure**

The directorate delivers the following services: environmental services, including waste collection, grounds maintenance and Greenspace and street cleaning; development control and strategic planning, economic growth and housing, highways, street lighting and flood risk management, regulatory services including environmental health, public protection, parking and building control, and property services, including managing council buildings and commercial properties.

Collectively the directorate is responsible for managing critical infrastructure and green spaces in the Borough, land use planning, ensuring and promoting community and public safety and attracting investment into the Borough to support economic growth, employment and opportunities.

### **Service Performance**

The Economic Growth, Environment and Infrastructure 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:

- Clean 2,000 linear miles of highway channels and footways at least once every 8 weeks;
- Remove approximately 6,000 tonnes of street sweepings per annum and 500 tonnes of litter from approximately 1,200 waste and litter bins (streets and parks);
- Remove approximately 1,750 tonnes of fly-tipping per year;
- Respond to more than 450 incidences of graffiti per year;
- Maintain 40 public parks covering 243 hectares, with 6 Green Flag parks and 30 Friends of Parks groups;
- In 2014/15 will serve 2.7 million school meals, an increase of 400,000 from the previous year following the introduction of Universal Infant Free School Meals in September 2014;
- Supported 38 Partington residents into employment through the innovative Partington Pledge, matching young unemployed people with local employers;
- Supported 51 new businesses to start trading through our Business Start Up programme, delivered in partnership with Blue Orchid;
- 182 new affordable homes delivered by our housing association partners in 2013/14;

- The first authority in Greater Manchester to introduce the Community Infrastructure Levy, a charge on development to support planned growth and investment in critical infrastructure;
- In 2013/14 the Planning Service received 2,563 planning applications – a 36% increase on 2012/13;
- The planning service determined 66.7% of all decisions on major planning applications within 13 weeks, 67.1% of all minor planning applications within 8 weeks and 86% of ‘Other’ planning applications within 8 weeks;
- 13 surplus sites were disposed of by the Council with a value of £3.1m in the financial year 2013/14, with a further £4.7m of receipts anticipated from disposals in 2014/15. Further sites with an estimated value of £6.1m have been identified for disposal from 2015/16;
- The Council empty over 30,000 domestic wheeled bins per day;
- 58% of domestic waste was recycled in Trafford in 2013/14, one of the best performances of all Greater Manchester authorities;
- The Council is now collecting more food/garden waste than we have ever done before;
- Support and regulate over 5,000 premises for food, health and safety, trading standards, pollution and licensing and maintain other health and safety initiatives;
- Manage on street and off street parking across the borough, 1,700 spaces and 22 off street car parks. Eleven Council car parks have been awarded Park Mark awards for providing safe parking;
- Licence and regulate 2,400 premises, people and taxis within the Borough;
- Carry out 4,600 pest control treatments in homes, schools and businesses across the borough.

### **Approach to Budget**

The directorate is looking to develop new and innovative approaches to delivering services, including working with a range of private, public and third sector partners. These approaches are based on improving the efficiency of the service and looking at opportunities to increase income where this is appropriate and proportionate. Service standards will be maintained as far as practicable, and where reduced will be in line with national guidelines.

### **Joint venture contract**

We are proposing to work with a private sector partner to deliver a range of environmental, highways, street lighting and property services on a long term contract, improving the efficiency of the services, increasing income and making best use of council assets.



## **Senior Management Restructure**

There will be a rationalisation of Senior Management structure to ensure the new single directorate will be appropriately aligned in terms of adopting new models of service delivery.

## **Managing the Budget pressures**

### **Schools Crossing Patrols**

We have reviewed our arrangements for School Crossing Patrols. The proposal is to:

- Provide a sustainable, reliable School Crossing Patrol Service which operates in line with national guidance;
- Implement the RoSPA/RSGB guidelines (Royal Society for the Prevention of Accidents and the Road Safety Great Britain);
- Following independent review, remove selected crossing points which do not meet the National Guidelines, resulting in a reduction of 26 crossing points from the current 97 points, with one additional crossing point (No. 103) retained for a further 12 months;
- Implement the RoSPA/RSGB guidelines for assessment of any new crossing point proposals.

Schools affected by any proposed changes will be given the opportunity to fund a particular crossing point from their own resources or those of a third party sourced by the school/community.

### **Festive Lights**

The proposal is for illuminated Christmas decorations to only be erected where these are paid for by external financial contributions, such as from local businesses.

### **Parking Fees**

It is proposed that the parking fees in Trafford are 10p, 30p and 70p for stays of 1 hour, 2 hours, 3 hours. We are proposing to increase charges to: 20p, 60p and £1 for stays of 1 hour, 2 hours and 3 hours respectively.

### **Allotment Fees**

Allotment fees will be increased from £1.50 to £2.00 per week, as approved by Council in February 2014.

### **Fees and Charges**

These will be increased by an average of 5% to better recover costs, and will take into account comparisons with similar providers and potential effects on demand, as appropriate.

## **Collaboration/working in partnership**

### **Gas safety checks**

We will review our arrangement for working in Partnership with Trafford Housing Trust to support compliance of gas safety requirements.

## Budget Movement Summary 2015/16

The following summary table categorises the movement in the Directorate's budget for 2015/16. The Savings are also cross referenced to the Savings Schedules below.

<b>Economic Growth, Environment &amp; Infrastructure</b>	<b>2015/16 (£000's)</b>	<b>Savings Schedule Reference(s).</b>
Budget Brought Forward	33,457	
Additional Resources to meet Pressures:		
- Pay Related Inflation	316	
- Contract Related Inflation	558	
- Energy costs	230	
- Business Rates	33	
- Waste Disposal Authority Levy	343	
- Non sustainable savings from 14/15	66	
<b>Total New Resources Allocated</b>	<b>1,546</b>	
Resource Reallocations Through:		
- Efficiencies	(2,336)	E1,2
- New or Increased Income	(324)	E3,4,5,6
- Policy Choices	(154)	E7,8
<b>Total Resources Reallocated</b>	<b>(2,814)</b>	
Net Year-On-Year Change	(1,268) (3.8)%	
<b>Net Budget Proposal</b>	<b>32,189</b>	

## Economic Growth, Environment & Infrastructure – Schedule of Savings

Dir.	Portfolio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2015/16 £000's	Impact of Saving (e.g. service, equality, other)
EGEI	O&E/EGP	E1	EGEI Joint Venture/ Contract (JVC) lots	Joint Venture Contract for Environmental, Highways, Street Lighting and Property Services	Efficiency	(2,250)	Total to be saved through JV contract procurement, to commence on 1st July 2015, subject to approval by Executive in March 2015.
EGEI	O&E/EGP	E2	Across EGEI	Senior Management Restructure	Efficiency	(86)	Rationalisation of Senior Management structure to ensure the new single directorate will be appropriately aligned in terms of adopting new models of service delivery.
<b>Efficiency sub-total</b>						<b>(2,336)</b>	
EGEI	O&E	E3	Parking	Parking Fees	Income	(231)	Increase in fees from 10p, 30p, and 70p to 20p, 60p, and £1 for stays of 1 hour, 2 hours and 3 hours respectively. Assumes no change in customer parking behaviour.
EGEI	O&E	E4	Public Protection	SLA income from THT re: gas safety	Income	(28)	Working in Partnership with Trafford Housing Trust to support compliance of gas safety requirements. Service agreement has been implemented.
EGEI	O&E	E5	Sustainability & Greenspace	Allotments	Income	(15)	Increase in fees from £1.50 to £2 per week approved by Council in February 2014.

Dir.	Portfolio	Ref	Service Area	Description of Saving	Category of Saving	Value of saving (net) 2015/16 £000's	Impact of Saving (e.g. service, equality, other)
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EGEI	O&E/ EGP	E6	Cross-Directorate	Fees and Charges	Income	(50)	Fees and charges – average 5% increase to better recover costs.
<b>New Income sub-total</b>						<b>(324)</b>	
EGEI	O&E	E7	Highways	All festive lights externally funded	Policy Choice	(40)	All festive lights to be fully funded by external contributions from partners from 2015.
EGEI	O&E	E8	Education Services	School Crossing Patrols – implementation of RoSPA Guidelines	Policy Choice	(114)	Reduction of 26 school crossing patrol points
<b>Policy Choice sub-total</b>						<b>(154)</b>	
<b>Total All Proposals</b>						<b>(2,814)</b>	

**Portfolio Key**

**O&E:** Operations & Environment Portfolio

**EGP:** Economic Growth & Planning Portfolio

**Transformation & Resources (T&R)****Service Description**

The Transformation & Resources Directorate provides both corporate support and frontline services, which work together to act as a catalyst for transformation and innovation to respond to the increasing pace and scale of change required to reshape Trafford Council for the future. Critical to this is the support we provide to ensure our workforce is well-motivated and skilled to enable them to provide excellent services to residents. We will continue to lead on driving corporate improvement by providing good governance, financial, legal and HR probity and strengthening our strategic and local partnerships to develop resilient and safe communities.

The Directorate has a diverse range of services and an extensive customer base. It provides a large number of customer facing services such as Access Trafford (our customer service centre), housing benefits, collection of Council Tax and Business Rates, 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; Trafford is also sharing office accommodation at Sale Police Station. This 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 which deliver services to other directorates as well as offering services to a number of external organisations. Our back office services include; financial management, audit, procurement, legal, human resources, ICT, transformation, performance and communications and marketing. These services have been centralised to reduce costs, reduce risks, and provide consistently high professional standards.

The Procurement Service is known as STaR and is hosted in Trafford and jointly owned by Stockport, Trafford and Rochdale Councils. The directorate is also responsible for delivering Trafford Services for Education; this is a service, which supports schools and academies with key needs such as HR, Finance and Governor Services. 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:

## **Low Council Tax and Value for Money**

- The Council collects over 97% of Council Tax which supports the Council's financial resources.
- Trafford Library Service has implemented many changes over the last five years which has led to more efficient ways of working and enabled savings whilst still maintaining all libraries. These have included;
  - Introducing self-service (RFID) in 2008 which is now integral to service delivery. It enabled library staff to offer enhanced options for users by dealing with a range of council enquiries covering areas such as council tax and benefits, waste and recycling, pest control, blue badges and free school meals. Trafford's was one of the first library services in the country to train staff to fully deal with this.
  - The introduction of volunteers, first as a pilot in two libraries and later expanded to cover all libraries.
  - Investing in a new library management system which as well as being cheaper will also have benefits for customers across Greater Manchester as seven of the ten authorities will be using the same system.
- The Council's Customer Contact Centre deals with over 330,000 telephone enquiries per year. In 2014/15, the Contact Centre target is to answer 80% of telephone calls within 20 seconds. Cost savings have been made in staffing as the online services increase and this has reduced the cost per call from £3.04 to £2.50.
- The time to process new benefit claims is 14 working days which is an improvement on previous performance.
- Action to reduce fraud has resulted in £890,000 of fraudulent benefit overpayments in 2013/14 being identified and 62 prosecutions. A further £560k of overpayments had been identified since April 2014.
- Health and well-being events have been provided to residents, offering free health checks, such as blood pressure and diabetes, together with advice on smoking cessation and alcohol awareness.
- Services to register births, deaths and marriages have improved with joint services with Manchester Register Office so that we register births for Trafford residents who have given birth in Manchester hospitals. We also offer the enhanced "Tell Us Once" service for both births and deaths and offer appointments through lunchtime to assist residents who are working.

### **Safe place to live - fighting crime**

- Trafford continues to be the safest area in Greater Manchester, with the lowest crime rate per person. Crime has fallen by 54% in the last 7 years.
- The number of Anti-Social Behaviour incidents has fallen due to significant reductions in malicious and nuisance communications and hoax calls to emergency services. There have been notable improvements in Partington, reflecting the successful work of the Trafford Partnership in tackling perpetrators.

### **Economic Growth and Development**

- The Council has more than doubled the amount of retail rate relief awarded to eligible businesses. We have already achieved that with awards totalling £732,000 which is an additional £500,000 since the uptake started.
- We pay 96.5% of invoices within 30 days which supports business.
- 82 apprenticeships have been created and of these, 52 have completed their apprenticeship with 44 that have gone on to secure jobs internally and externally. There are 18 apprentices currently on the programme.
- Through its business engagement activity, the Council has contacted over 1000 Trafford businesses to provide advice, support and encouragement to recruit apprentices. 120 opportunities have been created to-date.
- In 2013/14, Waterside Arts Centre had over 110,000 visitors, selling 40,000 tickets and levels of satisfaction continue to be high.

### **Services focussed on the most vulnerable people**

- Trafford Assist, a partnership of the Council, Citizens Advice Bureau, Trafford Housing Trust and others, was launched to provide crisis support to residents. To date there have been over 3,800 applications processed, with 75% of applicants successful.
- Trafford Partnership supported young people to enter an activity agreement, where one-to-one support was provided with training and skills, alongside work with the family and carers to reduce the risk of homelessness. The project has been very successful and 85% of participants have moved into education, employment and training, and homelessness has been reduced in the borough.
- Trafford is providing work experience placements, life skills training and employment and mentoring opportunities to vulnerable young people, including our Looked After Children and young people with learning difficulties.

- South Trafford Partnership – isolation of older people. The Partnership has successfully bid for funding from Our Place to develop a project, which brings together a range of partners to work innovatively to tackle this key local issue.

### **Other Service Achievements**

- We have supported a range of sporting and leisure activities in the borough including the Greater Manchester Marathon, the Ashes and the Rugby League World Cup Final
- The Council's website has been improved so that people can get information easier. Webcasting of Council meetings was introduced in June to open up democracy for local people.
- The 2014-15 Voluntary Sector Grant scheme funded 36 projects across all Locality Partnership areas, allocating £103,008.74 in grant funding.

### **Approach to Budget**

The directorate has again needed to manage a number of issues and challenges as part of this budget process and still deliver high performing front line services that meet the needs of residents and businesses in the borough. Whilst every effort has been made to exploit technology, implement cost efficiencies and identify innovative delivery models therefore the savings proposals are aligned to the aims of our Reshaping Trafford Council Programme. The budget for 2015/16 has reduced by £1.2m (6.8%), comprising unavoidable pressures of £1.7m. These pressures include for the continuation of the Trafford Assist scheme at a cost of £0.554m despite the grant support ceasing in 2015/16. The additional expenditure is offset by £2.8m of savings with details included in the schedule.

### **Budget Movement Summary 2015/16**

The following summary table categorises the movement in the Directorate's budget for 2015/16. The Savings are also cross referenced to the Savings Schedules below.



<b>Transformation &amp; Resources</b>	<b>2015/16 (£000's)</b>	<b>Savings Schedule Reference(s)</b>
Budget Brought Forward	17,560	
Additional Resources to meet Pressures:		
- Pay Related Inflation	373	
- General Price Inflation	147	
- Contract Related Inflation	16	
- Specific Grant Reductions	797	
- Demographic	180	
- Other	40	
- 2014/15 Budget Realignment	106	
<b>Total new resources allocated</b>	<b>1,659</b>	
Resource Reallocations through:		
- Efficiencies	(201)	T&R 1-2
- New or Increased Income	(26)	T&R 3
- Policy Choices	(2,621)	T&R 4-6
- EGEI Corporate Landlord	(0)	T&R 6
<b>Total new resources allocated</b>	<b>(2,848)</b>	
Net Year-On-Year Change	(1,189) (6.8)%	
<b>Net Budget Proposal</b>	<b>16,371</b>	

## Transformation & Resources – Schedule of Savings

Dir'	Portfolio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	1	Directorate-wide	Mitigation of inflationary pressure	Efficiency	(147)	Most running cost budgets will be maintained at their current level. Savings will be achieved by reducing usage and existing procurement procedures.
T&R	C&P	2	Partnerships & Communities	CCTV	Efficiency	(54)	This will be achieved through the implementation of new working patterns and a review of our existing camera stock to ensure that it is being utilised effectively. A soft market testing exercise will also be carried out to determine the most appropriate model for the service in the future in order to reduce the costs of providing the public realm cameras.
<b>Efficiency sub-total</b>						<b>(201)</b>	
T&R	C&P	3	Culture & Sport	Waterside Arts Centre income	Income	(26)	As a result of the implementation of a new staffing structure, improvements undertaken to the front of house & box office and the relocation of the bar, Waterside Arts Centre will continue to develop and improve the service with a view to increasing income by £26k in 2015/16. This will be achieved in a number of ways including an increase in activity and sales and a review of fees & charges.
<b>Income sub-total</b>						<b>(26)</b>	

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	4	Directorate-wide	<p>Trafford Support Services (<b>indicative savings shown below</b>)</p> <p>There is a further £(348)k of T&amp;R support service budget reductions associated with the Joint Venture Contract (JVC). The part year impact in 2015/16 is £261k This is in addition to the overall savings detailed in this annex.</p>	Policy Choice	(1,620)	<p>Work undertaken to :</p> <ul style="list-style-type: none"> <li>establish unit costs and benchmarking</li> <li>Look at potential demand for support services going forward</li> <li>Develop delivery models which are commission/customer focused and that flex according to customer demand and budget. Specialist skills are retained and additional capacity brought in.</li> </ul> <p>This work has been carried out to develop new structures which will be fit for purpose for 2015/16 with resilience to support the business, capability to develop commercial opportunities and provide services that are attractive to existing customer and new partners.</p> <p>Budget reduction in respect of the JV will be achieved by staff transfers under TUPE regulations or further savings measures.</p>
T&R	T&R	4a	Audit	Trafford Support Services ( <b>£37k</b> )			Amend structure based on a "fit for purpose" service that will deliver savings

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	4b	Communication	Trafford Support Services (£158k)			New structure with new job roles will be implemented with a focus on proactive PR

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	4c	Finance Services	Trafford Support Services (£595k), (£438k in 2015/16)			<p>The savings will come from 4 sources:-</p> <p><b>a) Financial Management team £300k</b> - New operating model and structure centred on a commercial business partner approach leading to a reduction in staff from 53 to 39 FTEs. At this stage it is estimate that the impact in 2015/16 will be £157k lower than planned due to transitional arrangements that will be required until the new structure is bedded in.</p> <p><b>b) Exchequer Services £255k</b> - Review of transactional services arising from the introduction of Risk Based Verification earlier this year and the merging of the Financial Services team within CFW with Revenues and Benefits and a reduction in numbers from 116 to 99 FTEs.</p> <p><b>c) External Audit Fees £55k</b> – reduction in fees from Grant Thornton the external auditor who can continue to rely on internal audit and financial management assurances on main systems. This is adjusted in the Council-wide budget.</p> <p><b>d) Other savings £40k</b> – Includes savings in internal audit costs, banking contract and additional capitalisation of fees..</p>

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	4d	ICT	Trafford Support Services (£750k)			These savings will be made through a rationalisation of roles, reduction in development and operational capability in line with demand and a review of existing contracts and software.
T&R	T&R	4e	Legal	Trafford Support Services (£120k)			New structure with new job roles will be implemented which will focus on retaining specialist skills and managing demand
T&R	T&R	4f	Performance	Trafford Support Services (£117k)			High risk corporate and service information to be prioritised. The service will develop an online management toolkit to allow manager access to information to reduce demand on the service. Reductions to the existing structure will be implemented to achieve the savings.
T&R	C&P	5	Culture & Sport	Trafford Community Leisure Trust	Policy Choice	(451)	On-going discussions are taking place with the Council and Trafford Community Leisure Trust to finalise proposals.

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
T&R	T&R	6	Access Trafford	Library Review	Policy Choice	(550)	Although the provision of a library service is a statutory obligation, in Trafford there is considerable overlap between virtually all of Trafford's libraries. The consultation on libraries is in two phases, the first was completed in December 2014 (which gathered public views on how the savings could be achieved). The second will end on 27 February 2015. At this stage the full year impact of the savings is still estimated at £700k with a part year impact in 2015/16 of £550k. These figures are still subject to the outcome of this consultation which will be reported back to the Executive on 16 March 2015.
<b>Policy Choice sub-total</b>						<b>(2,621)</b>	
<b>Total All Proposals</b>						<b>(2,848)</b>	

**Portfolio Key** T&R: Transformation and Resources Portfolio F: Finance Portfolio, C&P: Communities & Partnerships

## Council-Wide Budgets

### Service Description

There are a number of budgets that relate to the Council as a whole and/or affect all services. Finance Services, within the Transformation & Resources Directorate manage the expenditure and income for these areas.

The current 2014/15 net budget is £23.2m, 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 2015/16 by gross expenditure and gross income is shown below;

Council-wide Budgets	2015/16			2014/15	Change
	Gross Exp (£000's)	Gross Income (£000's)	Net (£000's)	Net (£000's)	
Housing Benefit Subsidy GM Combined Authority	68,069	(68,007)	62	(88)	150
Transport Levy	16,543	0	16,543	16,748	(205)
Other Levies	1,178	(27)	1,151	1,118	33
Treasury Management	11,164	(3,245)	7,919	8,386	(467)
Non-ringfenced Grants	0	(8,308)	(8,308)	(6,804)	(1,504)
Insurances	1,826	(951)	875	775	100
Additional Pension Allowances	1,037	0	1,037	1,179	(142)
Contingencies and Provisions	1,583	0	1,583	586	797
Members Expenses	904	0	904	926	(22)
Business Rates	2,592	(579)	2,013		2,013
External Audit	130	(4)	126	181	(55)
Discretionary Rate Relief	0	0	0	152	(152)
Other	4	(2)	2		2
<b>Total Budget</b>	<b>105,030</b>	<b>(81,123)</b>	<b>23,907</b>	<b>23,159</b>	<b>748</b>

The 2015/16 budget is proposed to increase by £0.748m. The salient features of each budget line is set out below.

### Housing Benefit Subsidy and Discretionary Housing Payments

The budget for Housing Benefit payments and subsidy, plus Discretionary Housing Payments, are effectively administered on behalf of the Government. The budget has remained static for two financial years, however recent improvements in real time information (RTI) from HMRC has resulted in an increase in the number of



overpayments being identified. The Council subsequently receives a lower benefit subsidy payment which has caused an in-year budget pressure. The Council is entitled to keep any recovery of overpayments, however the budget has been increased in 2015/16 by £150k until there is certainty that overpayment can be collected from individuals.

### **Precept & Levies**

The Council's contribution to the GMCA for the transport levy for 2015/16 has been confirmed at £16.543m, a reduction of £(0.205)m compared to 2014/15.

The Council also has the legal responsibility to contribute to a number of other agencies that provide services on behalf of all or a number of Greater Manchester Authorities; details are :-

<b>Other Levies &amp; contributions</b>	<b>Net 2014/15 £000</b>	<b>Net 2015/16 £000</b>	<b>Change £000</b>
Coroner's and Mortuary fees (South Manchester Coronal District)	504	534	30
Flood Defence levy (Environment Agency)	141	144	3
Association of Greater Manchester Authorities (AGMA).	331	331	-
Other (LGA Subs, Probation, Parish Council Grants)	142	142	-
<b>Total Other Levies</b>	<b>1,118</b>	<b>1,151</b>	<b>33</b>

Changes in population estimates have increased the relative share of the costs of the Coroner's service between the Council, Stockport (lead Authority) and Tameside Council. Trafford's contribution is estimated to increase by £0.030m in 2015/16.

An estimated provision of 2% increase has been made for the costs of the Flood Defence levy.

### **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.

A reduction in debt costs in 2015/16 reflecting repayment of maturing debt and additional investment income has generated savings of £(0.5)m.

## Non-ringfenced Grants

The proposed Council-wide budget holds £(8.308)m of non-ringfenced grants.

Grant	2014/15 (£000's)	2015/16 (£000's)	Change (£000's)
New Homes Bonus	(1,881)	(2,453)	(572)
Childrens Service Adoption Grant	(197)	0	197
Council Tax Freeze Grant 14/15 (note a)	(894)	0	894
Council Tax Freeze Grant 15/16		(903)	(903)
Local Service Support Grant	(25)	(17)	8
Business Rates Compensation Grants (note b)	(344)	(2,143)	(1,799)
Council Tax Annex Grant	(10)	(10)	0
Education Services Support Grant	(3,453)	(2,782)	671
<b>Total</b>	<b>(6,804)</b>	<b>(8,308)</b>	<b>(1,504)</b>

### Notes

- a) The Freeze grant for 2014/15 is now included in the settlement funding assessment.
- b) Business Rate Compensation Grants are to reimburse the Council for Small Business Rate Retention, Retail Rate Relief and Business Rates inflation Cap; these have been features of the previous two autumn statements announced by the Chancellor of the Exchequer.

## Business Rates Pooling

The Council will be in a business rates pool with the other nine Greater Manchester Councils and Cheshire East Council. The advantage of the pooling arrangement is that any levy paid by the Council on business rate growth will be retained in the pool. An agreement has been negotiated with the other AGMA authorities that Trafford can retain for its own use one third of the levy that it would otherwise have paid to the Government.

The expenditure budget in Council Wide represents the forecast levy payable on business rates growth. The estimated growth in business rates in 2015/16 is £(3.7)m of which Trafford's share (49%) is £(1.81)m, the full levy payable to the pool is £1.74m. In addition, a levy in the sum of £0.855m is anticipated to be payable in 2014/15 for growth in that year. This will be accounted for in the 2015/16 budget to be consistent with the recording of that year's growth in the Council's accounts. It should be noted that the additional income from business rates growth is treated as 'funding' ie is similar to how council tax is used to pay for the budget. The budget includes the one third retained levy which is worth £(0.578)m.

### **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.

### **Contingencies and Provisions**

This budget includes provision, on behalf of the Council overall, for a number of expense items that are uncertain in value and for which individual services would have difficulty in meeting. The largest component is an allowance for redundancy costs, which has been increased to £0.413m; this has partly been financed from a reduction in historic pension costs (see below).

A further allowance of £0.7m has been made as a prudent general contingency to cushion against possible slippage in the delivery of the significant savings programme in 2015/16.

A central allowance for bad and doubtful debts has always been included in Council Wide. This amounts to £0.315m and compares to the £17m of invoiced income that the Council raises each year. The budget provision has been steadily reduced over the recent years.

### **Additional Pension Allowances**

This budget is to pay for past decisions to augment pensions for members of staff who left the employment of the Council. These decisions date back a considerable period of time; no augmentation to pensions have been awarded to Council staff in the past 10 years. The budget is adjusted each year for pensions falling out of payment and for inflation on the remaining pensions.

### **Members Expenses**

The costs of Councillors' allowances and associated running costs, including communications and ICT equipment costs. The proposed budget for 2015/16 includes £0.013m for pay and running costs inflation and a saving of £(0.035)m on allowances following a recent change to the Members' Allowances Scheme following an Independent Remuneration Panel review.

### **External Audit Fees**

External Audit Fees covers the standard fee and grant work totalling £0.126m; this has been reduced by £(0.055)m for 2015/16 as a result of efficiency savings passed on by our new auditor, Grant Thornton, and their continued confidence in the core system controls which helps to reduce the resources committed to the audit.

### Discretionary Rate Relief

The Discretionary Rate Relief budget in the Council's General Fund is no longer required as the cost is now accounted for in the Collection Fund as a consequence of the new business rates retention scheme. This has generated a reduced budget requirement of £0.152m.

### Budget Movement Summary 2015/16

The following summary table categorises the movement in the Directorate's budget for 2015/16. The Savings are also cross referenced to the Savings Schedules below.

Council-wide Budgets	2015/16 (£000's)	Savings Reference(s)
<b>Budget Brought Forward</b>	<b>23,159</b>	
Housing Benefit Subsidy	150	
Passenger Transport Levy	(205)	
Other Levies	33	
Net changes in Treasury Management	(467)	
Ringfenced Grants	(1,504)	
Reducing reserve support to Insurance budgets	100	
Contingencies and Provisions	923	
Inflation	14	
Business Rates	2,013	
Other Budgets	1	
<b>Total new resources allocated</b>	<b>1,058</b>	
Resource Reallocations through:		
- Efficiencies	(275)	C-W1, 2, 4
- New or Increased Income	-	
- Policy Choices	(35)	C-W3
<b>Total Savings</b>	<b>(310)</b>	
Net Year-On-Year Change	<b>748</b> 3.2%	
<b>Net Budget Proposal</b>	<b>23,907</b>	

## Council-wide Budgets – Schedule of Savings

Dir'	Port- folio	Ref.	Service Area	Description of Saving	Category of Saving	2015/16 £000's	Impact of Saving (e.g. service, equality, other)
C-W	F	C-W1	Terms & conditions	Old Car Lease Scheme	Efficiency	(68)	
C-W	F	C-W2	NDR	Discretionary rate Relief to Collection Fund	Efficiency	(152)	
C-W	F	C-W4	External Audit	Reduction in statutory audit fees	Policy Choice	(55)	
<b>Efficiency sub-total</b>						<b>(275)</b>	
C-W	F	C-W3	Members	Member's Allowances budget	Policy Choice	(35)	
<b>Policy Choice sub-total</b>						<b>(35)</b>	
<b>Total All Proposals</b>						<b>(310)</b>	

Page 121

**Portfolio Key**  
F: Finance Portfolio

**REPORT of the DIRECTOR OF FINANCE  
to the COUNCIL 18 FEBRUARY 2015**

**ROBUSTNESS of the 2015/16 PROPOSED BUDGET ESTIMATES  
(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 8.

**2. BACKGROUND**

- 2.1 For the past 12 years I have reported to Members of the Council about the robustness of the budget plans. In these years it may have appeared to be a routine report but the importance of it, and indeed its limitations, were brought into sharp focus when it became apparent in April 2014 that the Council's forecast financial position had been understated. Therefore it is worth restating how the robustness assessment is undertaken.
- 2.2 With the support of the senior Finance staff within the Transformation & Resources directorate, I review the Executive's budget proposals at varying levels of detail and as far as possible take account of known factors that will have a significant bearing on the conduct of the Council's business in 2015/16 and the medium term. Importantly it includes discussion, information and assurances supplied by Directors and other senior staff. The statement is not a guarantee that expenditure will be contained within each budget line as the nature of the Council's business means that some services will be placed under financial pressure at various times throughout the year. Therefore it is an assessment of the overall budget package and whether there is a reasonable expectation that the budget overall will not be breached.
- 2.3 I also take account of how the Council is likely to react if an adverse financial situation was to arise during the year. This helps in assessing the adequacy of reserves. The Council acted positively in 2014 when faced with an unexpected financial difficulty which has led me to the view that despite an

increasingly challenging financial environment the minimum level of reserve can remain at the current level of £6m as a reasonable amount to cover for unforeseen circumstances not included in the detailed budget proposals.(See Section 5 of the main report).

- 2.4 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 2015/16 contains for savings proposals of £(21.5)m, which is the highest level of savings required since austerity started in 2010, and there is a specific risk that savings will not be sufficiently realised or are not realised quickly enough.
- 2.5 At a detailed level budgets are based on forecasted activity and have been subject to appropriate challenge, sensitivity analysis and that they reasonably allow for a degree of error. Risks can be mitigated through a variety of management actions and the Corporate Management Team has ensured that in higher risk areas additional capacity and rigour has been put in place to ensure forecast savings are robust and are capable of being delivered during the year. As part of this review a lower savings target has been included in the proposed budget. Savings will continue to be monitored through the CMT Transformation Board, the CFW Programme Board as well as the established monthly financial monitoring of all Council activity on an outturn basis from June each year. A risk based approach to budget monitoring will be introduced during the year to reflect reduced capacity in support services.
- 2.6 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.

- 2.7 The following sections outline the assessment of expenditure and income, and the determination of an appropriate reserve level for the 2015/16 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 Schools 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;
  - As a consequence of funding pressures on the Council 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 pupil numbers which will reduce funding, and there is a stepped nature to the costs for Schools experiencing either increasing or decreasing rolls.
- 3.3 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 is distributed to primary schools (£1,300 per pupil) and secondary schools (£935 per pupil).
- 3.4 Schools set their own budgets and are aware of their responsibilities and the Scheme for Financing Schools. There is a framework whereby those 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.

3.5 The level of schools balances overall is healthy, however, if an individual school 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. Assisting schools in financial difficulty is a statutory function of the Council and any intervention is always done in proportion to the risks involved.

3.6 There are pressures on the high needs funding

- Demographic increases in the numbers of pupils with statements of special educational needs.
- Historical volatile pressures on SEN out-of-Borough placements
- The protection factor for special schools
- Inflationary pressures

3.7 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 brought forward DSG reserve of £2.777m.

#### **Employee costs (non-schools)**

3.8 This is a significant area of spend and the potential risks tend to be estimating the size of the national pay award (if any), national insurance and pension changes. For 2015/16 these changes are known in advance and provision has made in the budget.

3.9 Most budgets include a vacancy factor i.e. a reduction in budget, to reflect that it is usual across a directorate for vacancies to exist at any point in time whilst recruitment is underway for replacement staff. Directorates' senior management teams need to keep this under review when approving the filling of vacancies.

### **Agency Staff**

- 3.10 Agency and contract costs have been closely managed 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 arising from organisational change. In 2015/16 more staff will be leaving the Council than in previous years which will lead to increased, albeit one-off, costs. A forecast of the possible cost over the medium term has been carried out and an increase in this reserve is recommended (see section 5).

### **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 STaR shared procurement service and the AGMA procurement team, both hosted by the Council, 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 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 £50m providing support for over 8,300 adults in residential and community care. A consultation process and market review of charges, with older peoples' residential and home care providers is currently underway. As the consultation is not yet complete this poses a risk for the Council and this is commented upon further in para 3.30.

### **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, £2m 2015/16, for additional placement costs and demographic pressure in both adults and children's

service using forecasts of future demands. Management controls have been strengthened in 2014, including:

- a revised Resource Allocation model, which now includes a weekly **Resource Panel** with wider representation including Directors. The aim of the revised model is to ensure that the amount of funding allocated is based on “Just Enough” support principles, to minimise cases agreed outside the Resource Panel and to ensure that the process for agreeing funding for individual packages of care is strengthened, ensuring that both senior operational managers and commissioners scrutinise each case and make best use of available resources, voids, contracts etc. In addition a further panel has been established to exercise the same level of scrutiny on cases coming out of the internal and external reablement services;
  
- The internal **Business Delivery Programme Board** has recently refreshed the way it works, splitting into three key elements:
  - Core Business;
  - Financial Business;
  - Learning Disability Business.

This new approach ensures Directors, lead commissioners, Finance Managers and Heads of Operational Services maintain oversight of activity linked to the budget and address key issues relating to financial monitoring reports, monitoring of savings targets, and other budget recovery action taken. A revised approach to escalating issues arising to the CFW Senior Leadership Team has also been agreed;

- **Financial Tracking and Monitoring:** an overarching Activity Plan has been developed which details all areas of activity linked to the Learning Disability Pooled Budget, including previous Recovery Plans and Business Cases in respect of 2014/15 and 2015/16 savings proposals. In addition a financial spread sheet has been created to allow reductions to be quantified based on “real time” information. The spread sheet highlights the starting position, reductions projected based on Business Case plans and actual reductions achieved once actions have been implemented and savings realised. The introduction of the facility to track financial changes will support the programme of work and highlight where savings have been achieved and also where there may be areas at risk.

## **Benefit Payments**

- 3.17 In 2015/16 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 grant 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 2015/16, and the associated potential for reduced performance in the accurate awarding of benefit. In October 2014 DWP/HMRC introduced real time information (RTI) on an individual's earnings so that an accurate award of benefit can be made. However this has led to overpayments of Benefit being identified which in turn leads to a reduction in government subsidy. This additional financial pressure has been reflected in the budget and action to recover overpaid benefits will continue. Also, the very gradual roll out of Universal Credit has seen no noticeable impact yet on the cost or administration of Housing Benefit.
- 3.19 In 2013/14 the Government abolished the national council tax benefit scheme and introduced a local council tax support scheme (CTSS, and 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 financial risks to the Council from the CTSS are two-fold. The first is the number of claimants entitled to council tax support being higher than forecast, as any increase in this number has to be met from the Council's own budget (previously it was the Government's responsibility). Every 1% change could result in a cost of £100k. The second risk is that some households have to pay more in council tax and some will be paying for the first time. After two years the evidence is that there are fewer claimants and that there has been no noticeable impact on overall council tax collection performance. Nevertheless there remains an underlying risk given the current economic climate. Trafford has a strong local economy compared to many other authorities and is in a better position to deal with downturns; however if there was a rise in claimants this would have to be met from reserves in the immediate short term as changes in the scheme are not permitted mid-year.

## **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. Having said that, there are examples of additional business being won from other public sector organisations; these are relatively small scale at present but provide an indication that the Council can generate additional income through trading.

### **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 2015/16, 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.
- 3.23 Risks are influenced by external factors relating to the overall economy, which at the present time continue to be difficult to predict and may have uncertain effects.
- 3.24 The primary Treasury Management risks are: movements in the cash flow cycle and; interest rate changes for either debt or investments. Investment rates are expected to continue at their current low levels and this is factored into our forecasts. 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.
- 3.25 The sums and risks involved in these areas can be considerable, therefore special attention has been given in the assessment of the minimum reserve calculation.

### **Levy payments**

- 3.26 The risks associated with levy payments for GM Combined Authority (£16.5m) and Flood Defence (£0.1m) 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.

## **Savings**

- 3.27 The 2015/16 budget is based on achieving savings totalling £21.5m, the highest target in the Council's history. The Council has now built up considerable expertise in efficiency programming, monitoring, delivery and benefit realisation, and a tradition of successfully delivering significant savings.
- 3.28 Each of the savings proposals is subject to milestone and contingency planning, backed up by a delivery plan. However, the generation of savings is becoming harder, taking more effort and time to deliver; there has been evidence of this during 2014/15 where for the first time a number of savings measures have not been achieved fully. The majority of the savings are to be found within the CFW directorate and therefore represents the greatest risk. Additional resources have been identified in 2014/15 to assist in identifying and helping deliver savings over the two years 2015-17. Also a reassessment has been carried out and a lower target compared to the draft (October 2014) proposals is included in the recommended budget.
- 3.29 In EGEI the main area of saving is expected from the Joint Venture procurement exercise. At the time of writing the exercise is not yet completed and as such there is a risk that the budget assumption will not be realised. In mitigation, bidders have known from the outset that minimum savings of 20% are required; in addition further savings may be possible by the use of prudential borrowing in place of bidders' higher borrowing costs, although this will require discussion after the contract has been awarded.
- 3.30 The Council has carried out a public consultation on a number of customer facing savings proposals. The Council believes its consultation has been thorough but an application for Judicial Review proceedings were brought to challenge the Council's approach. A challenge to the budget consultation has been brought in the High Court. The Claimant has alleged that the Council's consultation process was unfair in that it did not set out alternative proposals such as the possibility of raising Council Tax to offset the proposed savings, or the use of reserves to the same end. The Claimant seeks a declaration that the consultation was unlawful and an order quashing the consultation which has taken place. The application for Judicial Review is contested by the Council and a full hearing of the claim will take place on 16 February 2015. A report to update the Executive with regard to the proceedings will be made available for 18 February 2015. Nevertheless it does highlight that there is an increasing risk of legal challenge as the Council strives to find ways to stay within its resource availability. In the event of any delay in achieving savings as a result of legal proceedings there will be a requirement to find alternative

means of staying within budget; the one-off use of reserves to bridge any temporary saving shortfall would have to be considered at that time and the ability to do so will depend on the scale of the financial gap.

- 3.31 There are three service areas that have an on-going public consultation, the library service, school crossing patrol service and care home provision. The budget will be set before the final decisions are taken in these areas. Therefore the budgets for the directorates in which these services reside are indicative. At the time the Executive considers the feedback from consultation and makes its final decision it will be free to consider whether it wishes to amend the allocation of resources in those directorates. It would also be able to use reserves on a temporary basis if it wished to vary its proposals but this would not be a sustainable position and therefore alternative proposals to provide a permanent budget solution would have to be identified as a priority.

## **4. INCOME ANALYSIS**

### **Government Grants**

- 4.1 The main source of funding remains Government grants. The proposed 2015/16 budget is based on the level of general and specific grants as notified by the Government. Provisional estimates have been included in the MTFP for government grants yet to be declared; these grants total £(2.8)m as at 23<sup>rd</sup> January 2015. Of these grants £(1.1)m of expenditure would reduce proportionate to the grant, leaving a net risk in shortfall of income of £(1.7)m. The majority of this £(1.6)m relates to Section 31 Grants to compensate the Council for the Government's decision to extend the small business rate relief. 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 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. Since the Group was restructured with a new equity investment partner and the acquisition of Stansted airport, the business has flourished. An interim dividend was paid for the first time, in 2014, and will be used in support of 2015/16 budget. However it is too early to say whether this will be a recurring level of dividend in the future and therefore the inclusion of the amount in the budget is being treated as a one-off i.e. similar to a reserve.
- 4.6 The prospects of a global economic recovery remain fragile and Europe in particular continues to face very challenging times. Forecasters are now downplaying a rise in interest rates and the budget forecasts have been adjusted accordingly. 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 continue to be received by the Valuation Office. Unlike business rates, there is no cut-off date by which appeals must be made; the Council has no control over these appeals or their outcome.
  - It is possible that future discounts and exemptions exceed expected levels. In mitigation the Council is currently carrying out a Single Person Discount review which is expected to identify a number of households that are not entitled to this discount.
- 4.8 The service has a track record of good collection performance and the highest in Greater Manchester.

### **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 authorities to retain an element (24.5% in Trafford's case) of the growth in their business rates. However, the opposite is also true in that the Council is liable for a proportion (49%) of reductions in business rates, subject to cap on the Council's liability.



- 4.10 Considerable uncertainty exists over the likely financial impact of outstanding appeals against rateable values (RV) lodged with the Valuation Office. This posed a considerable risk to the Council but in 2013/14 it was able to set aside a provision in its accounts to help deal with the risk of costly backdated appeals.
- 4.11 As a result of this prudent step the Council is now forecasting a growth in business rates income in 2014/15. Furthermore it has agreed to join a business rates pool in 2015/16 and has successfully negotiated with AGMA Leaders that a share of any retained levy will be paid to Trafford. Further details are included in section 4 of the budget report.

## **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 2014/15 budget monitoring process and planning process review have been addressed in the 2015/16 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 agree their budget working papers and are therefore aware of their proposed budget for 2015/16, 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 placed on 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;
- The scale of savings required, over and above that delivered in the previous five austerity budgets, and in particular the CFW directorate, will be demanding on the capacity of managers and staff;
  - A number of savings are still be agreed, including those subject to consultation;
  - The outcome of the current Joint Venture procurement contract will not be known until after the budget has been agreed;
  - The Council could face legal challenge in the decisions it makes, and whilst every effort has been made to guard against the likelihood of successful challenge, the costs of defending any such proceedings could be significant;
  - The uncertainty that exists on demand led services;
  - The reliance that the Council has, for the first time, on business rates growth to support its spending plans.



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## TRAFFORD COUNCIL

**Report to:** Executive and Council

**Date:** 18 February 2015

**Report for:** Decision

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

### Report Title

**CAPITAL PROGRAMME & PRUDENTIAL INDICATORS 2015/18**

### Summary

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

**Capital 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 2015/18 is £79.2m.

New schemes with a value of £9.6m are recommended for approval. If agreed this would result in a total Capital Programme for 2015/18 of £79.7m (see Appendix 2).

There may be further additions to the capital programme arising from the Joint Venture procurement exercise and also discussions with Trafford Community Leisure Trust, both currently on-going. These will be the subject of further reports.

**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

That the Executive :

- 1) approve the Capital Programme as detailed in the report.
- 2) notes that additional schemes may be added to the Capital Programme following the Joint Venture procurement exercise.
- 3) recommends the Council to approve the Capital Programme in the sum of £79.7m for the period 2015-18.
- 4) 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: Mark Hughes

Extension: 2072

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial Implications	Planned capital expenditure over the next three year period will be contained within available capital resources.
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 2015/18.
Risk Management Implications	Not Applicable
Health and Safety Implications	A number of schemes are being undertaken in 2015/18 on the grounds of health and safety.

## INTRODUCTION

1. Annually the Council sets a three year Capital Programme and the purpose of this report is to :
  - review the decisions taken in February 2014 with regard to the 2015/2016 and 2016/2017 budgets in light of any new priorities and bids for capital support
  - to amend 2015/16 and 2016/17 budgets for any updated central government grant allocations
  - propose an indicative 2015/18 Capital Programme taking into account the issues reported above and
  - ensure that there are adequate levels of resources available to finance the three year Capital Programme.

## STRATEGIC CONTEXT

2. The Capital Strategy outlines the Council's approach to capital investment with the purpose of providing clear direction for the Council's capital investment plans in order to ensure that capital investment assists in achieving its priorities.
3. The Council, along with its partners in the Local Strategic Partnership (LSP) is focused on ensuring Trafford is a  
**"Great place for everyone to live, learn, work and relax."**
4. To achieve this overall aim the LSP has developed a Community Strategy, "Trafford 2021 – a blueprint", that has a number of objectives to realise this vision. The Council's contribution to each of those objectives is contained within the Corporate Plan and is something the Council has consulted on widely in order to develop the following priority areas for medium term planning.
5. The aim of the Capital Strategy is to:-  
**Link capital investment to Council priorities** by ensuring resources are allocated to schemes using a transparent prioritisation process.  
**Achieve value for money from available capital resources by using** options appraisal techniques for all new projects and adopting the Council's Procurement Policies for managing capital projects.

**Develop an affordable Capital Programme by:-**

- Adopting a robust budget preparation and challenge process
- Ensuring compliance with the CIPFA Prudential Code to ensure spending plans are prudent, affordable and sustainable
- Considering the full extent of revenue implications in the Medium Term Financial Plan
- Optimising the level of capital receipts from asset disposals
- Maximising the use of external support towards capital projects

**Manage the Capital Programme effectively** with projects completed on time and within budget by:-

- Effective budget monitoring and reporting, including milestone monitoring
- Effective project management methods
- Identifying and managing risks; and implementing measures to mitigate them

**CURRENT CAPITAL PROGRAMME 2014-17**

6. The current forecasted expenditure for 2014/15 to 2016/17 is £96.7m with estimated resources available to support this programme of £97.6m, summarised below

<b>2014-17 Capital Programme &amp; Resourcing</b>	<b>2014/15 £'000</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>Total £'000</b>
<b>Service Area</b>				
• Children, Families & Wellbeing	23,341	20,107	9,255	52,703
• Economic Growth, Environment & Infrastructure	15,270	15,857	8,350	39,477
• Transformation & Resources	4,338	135		4,473
<b>Capital Programme total</b>	<b>42,949</b>	<b>36,099</b>	<b>17,605</b>	<b>96,653</b>
<b>Resourcing</b>				
• Capital Grants	27,049	21,619	10,005	58,673
• External contributions	2,625	2,806	250	5,681
<b>External Resources</b>	<b>29,674</b>	<b>24,425</b>	<b>10,255</b>	<b>64,354</b>
• Capital Receipts	7,732	5,777		13,509
• Borrowing	1,208	4,700	4,600	10,508
• LSVT VAT Income	7,717			7,717
• Revenue & Reserves	1,279	185		1,464
<b>Internal Resources</b>	<b>17,936</b>	<b>10,662</b>	<b>4,600</b>	<b>33,198</b>
<b>Resourcing total</b>	<b>47,610</b>	<b>35,087</b>	<b>14,855</b>	<b>97,552</b>
<b>(Surplus) / Deficit</b>	<b>(4,661)</b>	<b>1,012</b>	<b>2,750</b>	<b>(899)</b>

7. 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.

8. The 2014/15 programme of £42.9m includes the delivery of a number of key projects including:-
  - Schools additional places and improvement programmes - £18.6m
  - Highways Improvements - £9.1m: includes road safety, street lighting and structural maintenance.
  - Housing Grants – £2.2m: Includes Disabled Facilities Grants and grants to home owners & programmes to bring neglected properties up to decency standards.
  - ICT Programmes - £4.2m: including CRM at £2.4m EDRMS at £0.6m Web Strategy & CMS at £0.4m and superfast broadband at £0.3m.
  - Adult Social Care - £2.7m – Includes Telecare, integrated adult social care ICT system and support for Extra Care Housing for the elderly.
  - Environmental Programmes - £1.6m: includes Parks & Open Space, Waste Management & Bereavement Services
  - Corporate Landlord & Asset Management - £2.3m : a range of works including mechanical, electrical, DDA and other improvements to council facilities.
  - Altrincham Town Centre Regeneration and Altair land assembly costs - £2.0m
9. The current 2014/15 programme is funded from external grants and contributions of £29.7m, 69% of the overall budget. The balance £13.2m being internally resourced, including borrowing, reserves, LSVT VAT income and receipts from the sale of assets.

#### **EXTERNAL RESOURCE AVAILABILITY 2015/16 to 2017/18 - £56.8m**

10. External resources available to support the Capital Programme are received from a number of sources. Grants from central government departments and agencies, developer contributions in the form of S.106 agreements and contributions from bodies interested in specific projects.
11. Government grants are awarded for specific schemes, for example school building improvements, provision of additional school places or highway structural maintenance and are notified annually. In order to propose a 3 year investment programme, assumptions are made on the level of support in later years. We have now been advised of the grants we will receive in 2015/16 and 2016/17 and budgets in those years have been amended accordingly. In line with these notifications budgets have also been built in to 2017/18 resulting in a total increase of £9.9m across the 3 years.
12. As well as the government department grant awards we have also been notified of £1.6m of grants from Transport for Greater Manchester to support works in Altrincham Town Centre and the Trans Pennine Trail.
13. In December 2014 it was agreed the Council would contribute £20m over the next 5 years towards the Metrolink extension through Trafford Park to the Trafford Centre. The contribution is to be financed primarily from S.106 agreement receipts, will be released in stages and £7.0m has been added to the 2015-18 Capital Programme. The balance is payable in 2018-19 and 2019-20
14. Altrincham and Stretford town centres are undergoing major re-development financed by developer contributions, TfGM grants and internal resources. In addition to the resources already included in the Capital Programme a further



£1.9m of S106 contributions and £1.8m of TfGM grant are to be included in 2016/17.

15. The table below provides a breakdown of the £22.1m of updated and new resources to be added to the Capital Programme.

<b>Additional Grants &amp; External Contributions</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>
<b>Government Grants</b>			
• Schools Basic Need			4,200
• Schools Devolved Formula			390
• Schools Maintenance			1,929
• Adult Social Care			500
• Disabled Facility			750
• Highways Structural Maintenance	150*	(47)*	2,069
<b>Sub-total</b>	<b>150</b>	<b>(47)</b>	<b>9,838</b>
<b>Other Grants</b>			
• Transport for Greater Manchester	1,625	1,750	
• Veolia – Longford Park, Stretford	50		
<b>Sub-total</b>	<b>1,675</b>	<b>1,750</b>	
<b>Developer Contributions</b>			
• S.106 – Metrolink extension	3,000	2,000	2,000
• S.106 – Water Taxi Project **	(114)		
• S.106 – Altrincham Town Centre		1,850	
<b>Sub-total</b>	<b>2,886</b>	<b>3,850</b>	<b>2,000</b>
<b>Total</b>	<b>4,711</b>	<b>5,553</b>	<b>11,838</b>

\*Amendments to grants already included in the Capital Programme

\*\* Scheme no-longer going ahead.

16. As a result of the additional resources reported above estimated external resources total £56.8m are available across the three year programme. A breakdown across years is shown in below.

<b>External Resources</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>Total £'000</b>
<b>Current Resources</b>				
Capital Grants				
• Schools	16,857	6,755		23,612
• Adult Social Services	1,441	1,250		2,691
• Highways	3,321	2,000		5,321
<b>Sub-total</b>	<b>21,619</b>	<b>10,005</b>		<b>31,624</b>
External contributions	841	250		1,091
S.106 contributions	1,965			1,865
<b>Sub-total</b>	<b>2,806</b>	<b>250</b>		<b>3,056</b>
<b>Total current resources</b>	<b>24,425</b>	<b>10,255</b>		<b>34,680</b>
<b>Additional Resources</b>				
Government Grants	150	(47)	9,838	9,941
Other Grants	1,675	1,750		3,425
Developer Contributions	2,886	3,850	2,000	8,736
<b>Total additional resources</b>	<b>4,711</b>	<b>5,553</b>	<b>11,838</b>	<b>22,102</b>
<b>Total External Resources</b>	<b>29,136</b>	<b>15,808</b>	<b>11,838</b>	<b>56,782</b>

## INTERNAL RESOURCE AVAILABILITY 2015/16 to 2017/18 - £22.4m

17. Internal resources mainly comprise of capital receipts from the disposal of surplus assets, LSVT VAT receipts and borrowing. The 2014/17 programme is fully funded and there is currently a £0.9m surplus of internal resources.
18. The latest estimate of capital receipts from the disposal of surplus assets is £9.8m (which is net of any adjustment for disposal costs and £0.6m use of receipts to support the cost of the PFI scheme at Sale Waterside). At this stage no estimate has been made on levels of capital receipts beyond 2015/16. The majority of the proceeds are already committed to support existing capital priorities such as the disabled facilities grants, integrated transport schemes and schemes to protect assets.
19. In addition other resources are expected to be available to support future years investment:-
- The Local Authority Mortgage Scheme (LAMS) was first included in the Capital Programme in 2012/13 and we are due to receive a £1.5m repayment of our 1<sup>st</sup> tranche of investment in 2017/18.
  - The Old Trafford Masterplan has identified sites which can be released for sale. Receipts of £1.0m are expected to be realised in later years.
20. The receipt of LSVT VAT shelter receipts from Trafford Housing Trust ceases in 2014/15 and the majority has now been applied to schemes in the 2014/15 capital programme. There is however a small balance of £600k remaining and this is to be applied to support new projects.
21. Borrowing of £9.3m to support major investment in LED street lighting is included in the current capital programme. This is expected to achieve savings in energy and running costs sufficient to repay the borrowing costs and provide for additional savings to the revenue budget. A final decision is still to be taken on this, likely to be in March as part of the Joint Venture procurement process.
22. The table below provides a breakdown of the internal resources available to support to the Capital Programme:

<b>Internal Resources</b>	<b>2015/16</b> £000	<b>2016/17</b> £000	<b>2017/18</b> £000	<b>Total</b> £000
<b>Current Resources</b>				
Capital Receipts	9,829			9,829
Prudential Borrowing	4,700	4,600		9,300
Revenue & Reserves	185			185
<b>Total current resources</b>	<b>14,714</b>	<b>4,600</b>		<b>19,314</b>
<b>New Resources</b>				
Capital Receipts (para 19)			2,500	2,500
LSVT VAT Income	600			600
Revenue & Reserves	33	10	10	53
<b>Total new resources</b>	<b>633</b>	<b>10</b>	<b>2,510</b>	<b>3,153</b>
<b>Total Internal Resources</b>	<b>15,347</b>	<b>4,610</b>	<b>2,510</b>	<b>22,467</b>

23. The overall resources available for investment totals £79.2m as summarised below. The vast majority of which is already committed to schemes or ring-fenced for specific use.

<b>Total Resource Availability</b>	<b>2015/16</b> £000	<b>2016/17</b> £000	<b>2017/18</b> £000	<b>Total</b> £000
<b>External Resources</b>				
Capital Grants	23,344	11,708	9,838	44,890
External Contributions	5,792	4,100	2,000	11,892
<b>Sub-total</b>	<b>29,136</b>	<b>15,808</b>	<b>11,838</b>	<b>56,782</b>
<b>Internal Resources</b>				
Capital Receipts	9,829		2,500	12,329
Prudential Borrowing	4,700	4,600		9,300
LSVT VAT Income	600			600
Revenue & Reserves	218	10	10	238
<b>Sub-total</b>	<b>15,347</b>	<b>4,610</b>	<b>2,510</b>	<b>22,467</b>
<b>Total Resources</b>	<b>44,483</b>	<b>20,418</b>	<b>14,348</b>	<b>79,249</b>

## NEW START PROPOSALS

24. It is important to ensure 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. These 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

25. There are a number of budgets included in the current 2015/16 and 2016/17 programme, resourced internally, that have yet to be committed to specific projects (see appendix 1). These resources totalling £5.8m could be redirected in support of new priorities and have been reviewed in light of new bids coming forward, requirements for the 2017/18 programme and estimates of the level of future resources. Details are included below :

<b>Amount Available to Support New Projects</b>	<b>Total</b>
	<b>£000</b>
Capital Receipts Surplus (see para 17)	899
Set aside to offset the cost of Sale PFI (3 years)	(609)
Add resources supporting schemes not yet committed (appendix 1)	5,775
Add income from LAMS & Old Trafford Masterplan (see para 19)	2,500
LSVT VAT Receipts (see para 20)	600
<b>Total Available</b>	<b>9,165</b>

26. The value of new bids to be financed from internal resources is £9.6m which are summarised below. Appendix 1 provides a breakdown of the current internally funded schemes and a proposal of the budgets for inclusion in the 2015/18 Capital Programme.

Summary of New Start Proposals 2015/18	Total
	<b>£000</b>
Schemes of a mandatory nature	3,000
Invest to save schemes	0
Schemes that protect the asset base	3,700
Council Priorities	2,858
Other Priorities	90
<b>Total</b>	<b>9,648</b>

27. The capital bids summarised above and detailed in Appendix 1 exceed the resources available by £0.5m but on the basis that the Land sales Programme beyond 2015-16 has not yet been determined this is a position that is low risk and will be kept under review during the normal monitoring cycle.

## 2015/18 INDICATIVE PROGRAMME

28. The value of the indicative three year Capital Programme is £79.7m and is detailed in Appendix 2 with a summary shown in the table below. At this stage the figures for 2015/16 are known in detail, whereas the resource position for 2016/17 and 2017/18 is less certain, which means that the programme we are aware of for those two years is at a lower level than in 2015/16, but may increase as additional resources are confirmed.

<b>Capital Programme 2015/18 : Analysis by Priority</b>	<b>Budget 2015/16</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Protecting the Asset Base	1,962	1,600	925	4,487
Supporting Service Provision	18,645	7,384	7,079	33,108
Supporting the Local Economy	6,781	4,650	1,750	13,181
Investing in New Technology	1,108			1,108
Investing in Major Infrastructure	13,345	9,934	4,569	27,848
<b>Total Investment</b>	<b>41,841</b>	<b>23,568</b>	<b>14,323</b>	<b>79,732</b>

**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 1,750 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.

## **FURTHER POSSIBLE CALLS ON THE CAPITAL PROGRAMME**

29. The Council is nearing the conclusion of its Joint Venture procurement exercise for “street scene” activities, property management and technical services. Some of the tenderers have indicated that additional savings may be possible if the Council was prepared to use its borrowing powers to secure lower rates of interest. These options will not be taken in account in the award of the contract(s) but may be the subject of further negotiations following the award of the contract. If it is considered to be of financial benefit to the Council then this would be the subject of a further report.
30. There are active discussions with Trafford Community Leisure Trust and the annual fee payable to them. As with all revenue expenditure the Council is exploring how we can reduce the cost of leisure provision and revised arrangements could involve a capital contribution but this will be the subject to a future report.

## **PRUDENTIAL INDICATORS**

31. 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). 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.
32. All the indicators take account of the proposals in this report and a list of Prudential Indicators is included at Appendix 3.

## **RECOMMENDATIONS**

33. That the Executive:-
- approve the Capital Programme as detailed in the report.
  - recommend the Council approve the Capital Programme in the sum of £79.7m for the period 2015-18.
  - 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. Based on the level of receipts available this could save approximately £825k per annum. However, the proposed application of the capital receipts are to schemes with mandatory requirements or schemes to protect the long-term viability of the Council's assets; enabling efficient and effective service delivery and avoiding potential increases in maintenance costs in future years, the benefits of which are greater than just using the receipts to repay debt.

**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 2015/18.

**Reasons for the Recommendation**

The Authority is regularly assessed on the performance of its Capital 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** .....

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

2015/2018 NEW START PROPOSALS									
	CURRENT PROGRAMME					2015/18 PROGRAMME PROPOSALS			
	2015/16	2016/17	2017/18	Total		2015/16	2016/17	2017/18	Total
	£000	£000	£000	£000		£000	£000	£000	£000
Asbestos Management	50	50		100		50	50	50	150
Legionella Control Remedial Works	50	50		100		50	50	50	150
Energy Efficiency & Sustainability Schemes	50	50		100		50	50	25	125
DDA Compliance	100	100		200		100	100	100	300
Mechanical & Electrical Works	200	200		400		200	200	200	600
Public Building Repairs	300	300		600		300	300	300	900
Community Asset Transfer	500			500			500		500
Allotments - Welfare & Security Works	50	50		100		50	50		100
Countryside Infrastructure	75	75		150		75	75		150
Parks Infrastructure		225		225			225	200	425
Assistance to Owner Occupiers	50	50		100		50	50	50	150
Housing Standards / Empty Property Initiatives	100	100		200		100			100
Disabled Facility Grants	1,000	1,000		2,000		1,000	1,000	1,000	3,000
Integrated Transport Schemes	500	500		1,000		500	500	500	1,500
Assistive Technology – Care Support						300			300
Cecil Road, Hale - Residents parking scheme						90			90
GM Broadband Contribution						65			65
<b>ICT Projects :</b>									
Disaster Recovery Firewall						16			16
VMware ESX Memory Capacity Upgrade						25			25
SAP SRM Upgrade						40			40
System Disaster Recovery						102			102
CRM Upgrade & Project Team						660			660
SAP Development						200			200
<b>TOTAL CAPITAL PROGRAMME</b>	<b>3,025</b>	<b>2,750</b>	<b>0</b>	<b>5,775</b>		<b>4,023</b>	<b>3,150</b>	<b>2,475</b>	<b>9,648</b>

<b>2015/2018 INDICATIVE CAPITAL PROGRAMME</b>			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>DESCRIPTION</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Children's</b>			
Basic Need : School Places & Condition Issues	14,067	4,505	4,200
Devolved Formula Capital	894	390	390
Capital Maintenance Grant	2,429	1,929	1,929
Schools Access Initiative Programme	99	0	0
Youth Offending Service – Case Management System	33	10	10
<b>Sub-total</b>	<b>17,522</b>	<b>6,834</b>	<b>6,529</b>
<b>Adults</b>			
Adult Personal Social Care - Community Capacity Grant	527	500	500
Assistive Technology – Care Support	300		
Disabled Facility Grants	1,914	1,750	1,750
<b>Sub-total</b>	<b>2,741</b>	<b>2,250</b>	<b>2,250</b>
<b>Economic Growth, Environment &amp; Infrastructure</b>			
Mechanical & Electrical Works	200	200	200
Asbestos Management	50	50	50
Legionella Control Remedial Works	50	50	50
Energy Efficiency & Sustainability Schemes	50	50	25
DDA Compliance	100	100	100
Public Building Repairs	300	300	300
Community Asset Transfer		500	
Cecil Road, Hale - Residents parking scheme	90		
Altrincham Town Centre – Public Realm	1,700	1,150	
Stretford Town Centre – Public Realm		1,750	
Altrincham : Library / Community Facility	1,984		
Altair Development, Altrincham	998		
Bringing Town Centres Alive	50		
Assistance to Owner Occupiers	50	50	50
Housing Standards / Empty Property Initiatives	246		
Integrated Transport Schemes	500	500	500



	2015/16	2016/17	2017/18
DESCRIPTION	£000	£000	£000
Congestion Performance Works	78		
Altrincham Interchange	150	700	
Bridgewater Way Improvements	213		
Junction Improvement – A56 / Davyhulme Rd East, Stretford	50		
Cycle City Ambition Grant	300		
Trans Pennine Trail – Urmston to Ashton-on-Mersey	140		
Altrincham Town Centre – Cycle Link	535		
Public Transport - S106s Projects	103		
Trafford Park Metrolink - S106 Contribution	3,000	2,000	2,000
Highways Structural Maintenance	2,228	2,134	2,069
Street Lighting – LED Programme	4,694	4,600	
Bridge Assessments & Strengthening	99		
A56 / West Timperley - Improvements	1,255		
Additional Burial Land	300		
Altrincham Crematorium - Cremators	150		
Parks Infrastructure	404	225	200
Countryside Infrastructure	75	75	
Allotments - Welfare & Security Works	50	50	
Parks, Open Space & RRF - S.106 Projects	143		
<b>Sub-total</b>	<b>20,335</b>	<b>14,484</b>	<b>5,544</b>
<b>Transformation &amp; Resources</b>			
Timperley Sports Club – Artificial Pitch	135		
Greater Manchester Broadband Contribution	65		
CRM Upgrade & Project Team	660		
SAP Development	200		
System Disaster Recovery	102		
Disaster Recovery Firewall	16		
SAP SRM Upgrade	40		
VMWare EXS Memory Capacity Upgrade	25		
<b>Sub-total</b>	<b>1,243</b>		
<b>TOTAL</b>	<b>41,841</b>	<b>23,568</b>	<b>14,323</b>

## Prudential Indicators – Estimates 2015/18

Capital Prudential Indicators	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate
<b>Capital Expenditure</b>	<b>42.9</b>	<b>41.8</b>	<b>23.6</b>	<b>14.3</b>
<b>Capital expenditure</b> - the table above shows the estimated capital expenditure to be incurred for 2014/15 and the following three years.				
<b>Capital Financing Requirement as at 31 March</b>	<b>139.7</b>	<b>138.4</b>	<b>138.3</b>	<b>133.6</b>
<b>Capital Financing Requirement (CFR)</b> - 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).				
<b>Financing Cost to Net Revenue Stream</b>	<b>7.0%</b>	<b>7.3%</b>	<b>7.1%</b>	<b>7.0%</b>
<b>Financing costs to net revenue stream</b> - 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.				
<b>Incremental Impact on Band D Council Tax (£)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Incremental impact on band D council tax</b> – 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 10 February 2015  
Executive & Council Meetings 18 February 2015  
**Report for:** Decision  
**Report of:** The Executive Member for Finance and Director of Finance

### Report Title

**TREASURY MANAGEMENT STRATEGY 2015/16 – 2017/18**

### Summary

This report outlines the:-

- strategy to be followed during this period for investments and borrowing,
- outlook for interest rates,
- management of associated risks,
- policy to be adopted on Minimum Revenue Provision and
- Prudential Indicators for 2015/16 – 2017/18.

### Recommendations

That the Accounts & Audit Committee & Executive recommend to Council for approval the:

- policy on debt strategy for 2015/16 to 2017/18 as set out in section 3;
- investment strategy for 2015/16 to 2017/18 and amendments to the credit criteria 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 3.

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, CLG Guidance, CIPFA Prudential Code and CIPFA Treasury Management Code of Practice.
Equality/Diversity Implications	Not applicable
Sustainability Implications	Not applicable
Resources Implications e.g. Staffing/ICT/Assets	Not applicable
Risk Management Implications	The monitoring and control of risk underpins all treasury management activities and these factors have been incorporated into the treasury management systems and procedures which are independently tested on a regular basis. The Council's in-house treasury management team continually monitor to ensure that the main risks associated with this function of adverse or unforeseen fluctuations in interest rates are avoided and security of capital sums are maintained at all times.
Health & Wellbeing Implications	Not applicable
Health and Safety Implications	Not applicable

## **Treasury Management Strategy 2015/16 - 2017/18– Summary of Key Points**

This report outlines the expected treasury activities for the forthcoming three 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 2)**

The global economic recovery which commenced in the second half of 2013, did not continue as forecasted during 2014 with only the UK and US showing any continuing positive signs of growth.

Main economic headlines were:

- UK reported positive growth throughout 2014 with unemployment falling from 2.1m April 2014 (6.6%) to 1.96m September 2014 (6.0%);
- The Eurozone continues to give cause for concern with increasing risk of deflation and weak growth;
- US sustained its recovery despite posting depressed quarter1 growth figures as a result of exceptional bad weather and
- Japan returned negative growth in quarter2 which the Japanese Government is hoping is only a temporary blip.

### **Debt (Section 3)**

In line with previous years practice, no external loans are planned to be taken to finance the Council's capital investment requirement apart from those required for the proposed L.E.D. Street Lighting scheme if this is progressed following the Joint Venture procurement process. As a consequence of this action, the internal borrowing position (i.e. cash backed reserves, balances and cash flow being used rather than taking on new debt) will be at £44.7m by 31 March 2015 and generate a saving in loan interest payable of £1.3m. 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 3)**

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 3. *The only recommended change to that previously agreed by Council in February 2014 relates to the Rating Agencies decision to review the Viability and Financial Strength ratings and it is requested that these are removed from the Council's minimum credit criteria.*

*The removal of these 2 rating indicators will not affect the creditworthiness of any of the institutions included on the Council's lending list.*

### **Prudential Indicators and limits (Section 7 and Appendix 3)**

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 3 for Member approval.

Please note a glossary of all abbreviations appears at Appendix 7 for reference.

## 1. Background

- 1.1 The main task of the treasury management function 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. Temporary surplus monies which become available during the year resulting from the receipt of funding ahead of requirement are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity before considering investment return.
- 1.2 Another function of the treasury management service is to arrange the funding of the Council's capital investment programme. This is longer term cash flow planning to ensure the Council can meet its capital spending obligations and may involve arranging long or short term loans.
- 1.3 All transactions undertaken as part of the treasury management operation comply with all the statutory requirements together with the CLG Guidance, CIPFA Treasury Management Code of Practice which the Council has adopted and a brief outline of these has been provided at Appendix 1.
- 1.4 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).
- 1.5 The Council uses Capita Asset Services as its treasury management advisors who provide a range of services on all treasury matters from the supply of credit ratings to technical support and this service is subject to regular review.
- 1.6 Whilst the advisors provide support to the internal treasury management team, the Council recognises that the final decision on all treasury management matters remains with the organisation at all times.
- 1.7 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 and
  - Officers will attend courses / seminars presented by CIPFA, LGC, Advisors & any other suitable professional organisation, in accordance with Council policy on this issue.
- 1.8 Excluded from this report are the activities carried out by the Council's schools, which operate within a 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 The Worldwide economic situation, despite showing signs in late 2013 of recovering, continues to remain in a fragile condition with only the UK and US reporting positive signs of a recovery in 2014.
- 2.2 Further details on the major economic events which occurred in 2014 and forecasts for 2015/16 are outlined at Appendix 2 for reference.
- 2.3 Capita, the Council's external treasury management advisors, has produced a set of interest rate forecasts up to March 2018 and these are highlighted in the table below;

Annual Average	Bank Rate (%)	Investment Rates (%)		Borrowing Rates (%)	
		3 month LIBID	1 year LIBID	5 year	25 year
2014/15	0.50	0.50	0.90	2.10	3.35
2015/16	0.63	0.70	1.20	2.40	3.75
2016/17	1.12	1.23	1.70	3.00	4.35
2017/18	1.75	1.83	2.33	3.45	4.70

- 2.4 The Council's advisors have stated that the economic situation and outlook is uncertain and as a result of this the Council will therefore continue to take a cautious approach to its treasury strategy during this period.

## 3. Debt Strategy 2015/16 – 2017/18

- 3.1 The Council has the powers to borrow new funds from either the Public Works Loan Board, part of the Government's Debt Management Office, or from the money market providing it is to assist cash flow in the short term or finance capital investment over the longer term.
- 3.2 The Council currently maintains an under-borrowed position resulting from the decisions not to finance capital spending from new external loans. Instead cash supporting the Council's reserves, balances and cash flow has been used to finance this requirement and this approach continues to be widely adopted by councils as a result of low investment returns and investment institution risk.
- 3.3 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.

	2014/15	2015/16	2016/17	2017/18
	Estimate £000	Estimate £000	Estimate £000	Estimate £000
Debt at 1 April	97,417	94,992	97,922	98,775
Debt maturing	(2,425)	(1,770)	(3,747)	(2,684)
New Debt	0	4,700	4,600	0
Debt at 31 March	94,992	97,922	98,775	96,091
Capital Financing Requirement at 31 March	139,721	138,389	138,325	133,596
Under borrow at 31 March	44,729	40,467	39,550	37,505

- 3.4 In the current economic climate of investment rates being below long term borrowing rates, the existing strategy of not undertaking any borrowing to replace the funds previously used, totalling £44.7m as at 31 March 2015, is proposed in the main to continue saving the Council £1.3m in loan interest payable (£44.7m x 3.0%).
- 3.5 It is currently forecasted any new borrowing will only be taken, commencing in 2015/16, regarding the Council's L.E.D. street lighting replacement programme totalling £9.3m if Members approve the implementation of this scheme. These loans will be taken in line with forecasted spend profile for this scheme with all debt costs being met from savings generated from reduced maintenance and energy costs.
- 3.6 In addition to the borrowing undertaken directly, the Council is also responsible for a further £0.9m which is administered by Tameside Borough Council. This follows the conversion in February 2010 of loans previously held on behalf of Manchester International Airport into an equity rated instrument.
- 3.7 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.
- 3.8 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 2015 is provided at Appendix 4 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.
- 3.11 The Council is required to approve;
- the above debt strategy and
  - as part of the Prudential Indicators and Limits requirement, the limits for external debt 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 3 for Council approval.

#### **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 The Council is required, in accordance with C.L.G. regulations, to approve an MRP Policy in advance of each year and for which a variety of options are provided to councils so long as there is a prudent provision. The Council as part of the Prudential Indicators and Limits requirement is requested to approve the MRP statement as detailed at Appendix 3.

## **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 Council's investment criteria remains as that of previous years i.e. security of capital first, liquidity of its investments and then yield.

5.3 In order to ensure that investments are only placed with strong creditworthy institutions, the Council creates a counterparty list based on credit ratings issued by all three of the main rating agencies (Fitch, Moody's and Standard and Poor's) and uses the lowest common denominator approach which defaults to the lowest equivalent rating. For instance if an institution whose rating issued by one of the credit rating agencies does not meet the minimum criteria stipulated, it will not be included in the approved list of institutions to whom the Council can lend monies to.

5.4 This approach uses real time credit rating information provided by the Council's advisers Capita and enables an institution to be included on this list, using the latest ratings.

5.5 Any institution featuring on the Council's approved list which incurs a negative rating change taking it below the minimum credit criteria required, will immediately be suspended from use and removed from the authorised list.

5.6 Whilst investment risk cannot entirely be eliminated it can be minimised and in order to reduce the risk of an institution defaulting, the Director of Finance has previously recommended the minimum acceptable credit quality for inclusion on the Council's lending list be as follows;

- Short Term – Fitch F1 or equivalent
- Long Term – Fitch A- or equivalent
- Viability / Financial Strength – C (Fitch / Moody's only)
- Support – 3 (Fitch only).

5.7 During the financial crisis, the credit rating agencies provided some institutions with a ratings "uplift" due to implied levels of sovereign support. In response to a recent review of this situation by the agencies, they have announced that these "uplifts" in ratings are now to be removed as a result of sovereign governments moving away from a bail out role. Whilst the actual timing of this change is still currently unknown, it is anticipated that this could occur shortly therefore changes to the credit methodology are required.

5.8 Both Fitch and Moody's provide "standalone" credit ratings for financial institutions; for Fitch, it is the Viability Rating, while Moody's has the Financial Strength Rating. Due to the pending removal of the sovereign support element currently built into each institution assessment, both agencies have suggested that those ratings would duplicate their respective Long Term ratings thereby removing the need for these separate standalone ratings.

5.9 As a result of these pending changes, it is the Council's proposal that the credit criteria will focus solely on the Short and Long Term ratings of an institution at the

minimum levels outlined at paragraph 5.6, with Rating Watch's and Outlook information continuing to be assessed where it relates to these categories.

- 5.10 *It is important to stress that the rating agency amendments do not reflect changes in the underlying status of the institution, merely the removal of that element which has previously been built into the rating for implied Government support. The removal of these 2 elements of credit methodology will not in any way devalue the credit worthiness of any of the institutions the Council uses for the placement of its funds.*
- 5.11 A full explanation of the credit ratings determining the institutions which the Council will use can be found at Appendix 5.
- 5.12 The criteria for choosing institutions as set out in more detail at Appendix 3 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 institutions 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 may be restricted.
- 5.13 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 institution taking into account market opinions, financial press, equity & credit default swap prices. This additional market information is detailed for Members' reference at Appendix 5.
- 5.14 Further to the Council's list of high quality investment institutions, additional factors will also be used in order to reduce any potential exposure of its investments including how much in total can be placed in non-UK institutions, Groups and Sectors and these are explained in more detail at Appendix 5 together with time and value limits.
- 5.15 Investments will continue to be placed into three categories as follows;
- Short-term – cash required to meet known cash outflows in the next month, plus a contingency to cover unexpected cash flows over the same period with bank call accounts, money market funds and certificates of deposits being the main methods used for this purpose.
  - Medium-term – cash required to manage the annual seasonal cash flow cycle covering the next 12 months and will generally be in the form of fixed term deposits and enhanced money market funds.
  - Long-term – cash not required to meet any forthcoming cash flow requirements which can be used primarily to generate investment income by using fixed or structured term deposits, certificates of deposits or government bonds, after taking into consideration the forecasted interest rate yield curve.
- 5.16 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 3.
- 5.17 A breakdown of the Council's investments as at 31 December 2014 is provided for reference at Appendix 6.

- 5.18 The Council is requested to approve;
- the above Investment strategy to be adopted and
  - the minimum criteria for providing a list of high quality investment institutions, instruments and limits to be applied are highlighted at Appendix 3.

## 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 5.

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 institution 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 2015/16 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 Council's treasury management activities as detailed at Appendix 3.

## 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 2015/16 to 2017/18 as set out in section 3;
- the investment strategy for 2015/16 to 2017/18 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 3.

### 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 2015/16 to 2017/18, 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 2015  
This is a key decision currently on the Forward Plan: Yes

**Finance Officer Clearance** .....GB.....

**Legal Officer Clearance** ... JL.....

**Director of Finance Signature** .....

## 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 3).

### 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

CLG. 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.

## MAIN ECONOMIC HEADLINES DURING 2014/15

- **UK economy-**
  - Annualised GDP growth of 3.1% was encountered making it the strongest reported rate of growth for any G7 country – this was despite a weakening in the manufacturing sector and exports as a consequence of poor growth in the Eurozone;
  - Consumer Price Index (CPI) fell to 0.5% in December 2014, its lowest level since May 2000;
  - Wage inflation continues to remain significantly below Consumer Price Index Inflation;
  - MPC left both the Bank Rate and Quantative Easing levels unchanged at 0.5% and £375bn respectively;
  - The level of unemployment benefit claimants fell to 6% in September 2014, its lowest in 5 years and remained at this level in October 2014.
  
- **Eurozone –**
  - Concerns over the economy remain as a result of a downturn in growth, increasing risks of deflation and worries over the Ukraine situation;
  - CPI fell to a low of 0.3% in September 2014 however this is an average for all Eurozone countries and includes some countries with negative rate (deflation);
  - Unemployment rate continues to be a problem at 11.50%;
  - Italy continues to have the third biggest level of debt in the world behind Japan & US;
  - Greece remains vulnerable but continues to make good progress in reducing its annual deficit however this trend is now expected to be modified due to the recent change of government to the anti- austerity party Syriza who wants to renegotiate the terms of its sizeable bailout;
  - European Central Bank reduced its central policy rate from 0.25% to 0.05% and started a programme to purchase corporate debt in September 2014.
  
- **US –**
  - Despite the first quarter GDP figure being depressed by exceptionally bad winter weather, annualised growth is set to be 2.4%;
  - The Federal Reserve left the Bank rate unchanged at 0.25% and ended its monthly asset purchases (QE) in October 2014 signalling that the economic recovery was on track;
  - Unemployment levels fall to 5.8% in November 2014;
  - CPI 1.30% in November 2014.

**Other –**

- China's economy appears to be growing by the target rate of 7.5% following the Government's action to stimulate it;
- Japan's economy is giving cause for concern as negative growth in quarter 2 was reported however the Government is hoping that this is a temporary blip.

**MAIN ECONOMIC FORECASTS FOR 2015/16**

Economic forecasting continues to remain difficult, particularly with many so external influences affecting not only the UK but the Worldwide economy as well and forecasters are currently predicting the following levels of activity;

<b>Indicator</b>	<b>UK</b>	<b>Eurozone</b>	<b>US</b>	<b>China</b>	<b>Japan</b>
<b>Growth Domestic Product</b>	2.7%	1.5%	3.0%	7.1%	1.1%
<b>Consumer Price Index</b>	1.8%	1.1%	2.0%	2.6%	1.6%
<b>Unemployment Rate</b>	5.3%	11.2%	5.9%	7.0%	3.7%
<b>Bank Rate</b>	1.0%	0.1%	2.4%	N/A	0.1%

**ELEMENTS FOR COUNCIL APPROVAL**  
**(including Prudential and Treasury 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 2015/16 – 2017/18 as detailed below.**

**PRUDENTIAL AND TREASURY 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;

<b>Prudential Indicators</b>	<b>2014/15 estimate £m</b>	<b>2015/16 estimate £m</b>	<b>2016/17 estimate £m</b>	<b>2017/18 estimate £m</b>
<b>(1) Upper Limits – Fixed interest rate exposure</b> (interest costs)	<b>3.2</b>	<b>3.0</b>	<b>2.8</b>	<b>2.4</b>
<b>(2) Upper Limits – Variable interest rate exposure</b> (interest costs)	<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.3</b>
<b>Upper Interest Limits</b> – 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).				
<b>(3) Authorised Limit for External debt</b>				
- External debt (01.04)	120	120	120	120
-Other long term Liabilities (PFI)	7	6	6	6
<b>Total</b>	<b>127</b>	<b>126</b>	<b>126</b>	<b>126</b>
<b>Authorised external debt limit</b> - 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.				
<b>(4) Operational Boundary Limit for External debt</b>				
- External debt (01.04)	100	100	100	100
-Other long term Liabilities (PFI)	7	6	6	6
<b>Total</b>	<b>107</b>	<b>106</b>	<b>106</b>	<b>106</b>



<b>Prudential Indicators</b>	<b>2014/15 estimate £m</b>	<b>2015/16 estimate £m</b>	<b>2016/17 estimate £m</b>	<b>2017/18 estimate £m</b>
<b>Operational boundary</b> - 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.				
<b>(5) Upper limit for sums invested over 364 days</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>50</b>
<b>Upper Limit for sums invested for over 364 days</b> – these limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment.				
<b>(6) Gross debt and Capital Financing Requirement</b>				
-External debt (01.04)	100	100	100	100
-Other long term Liabilities (PFI)	7	6	6	6
Gross debt	107	106	106	106
-C.F.R.	140	138	138	134
<b>Excess C.F.R.</b>	<b>33</b>	<b>32</b>	<b>32</b>	<b>28</b>
<b>Gross Debt and the Capital Financing Requirement</b> – 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.				

<b>MATURITY STRUCTURE of BORROWING 2015/16 to 2017/18</b>		
	<b>Lower limit %</b>	<b>Upper limit %</b>
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
<b>Maturity Structure of Borrowing</b> – 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 and treasury 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 CLG 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.
- In instances where the Council incurs borrowing and a third party is obliged to repay the principal (serviced debt arrangements), then the Council will not charge MRP to the revenue account. An example of such an instance can be demonstrated when 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 C.F.R. 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.

## **INVESTMENT CRITERIA – (recommended changes as highlighted)**

### Counterparty Selection

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 (maximum period 1Year &) and Non-specified investments (maximum period 3 Years);

	<b>Fitch (or equivalent) – Long Term</b>	<b>Maximum Group Limit</b>	<b>Maximum Time Limit</b>
<p><b>Category 1 –</b> All UK or Non UK banks and building societies domiciled in a non-UK country which has a minimum Sovereign long term rating of AA and individual credit rating issued by Fitch, Moody's and Standard and Poor's of:</p> <ul style="list-style-type: none"> <li>• Short Term – Fitch F1 or equivalent</li> <li>• Long Term – Fitch A- or equivalent</li> <li>• The use of Viability &amp; Financial Strength ratings are no longer to be applied to the criteria following a review by the Rating Agencies of their relevance. See Para 5.7-5.10 for details</li> </ul>	<p>AA- To AAA A- to A+</p>	<p>£20m £5m</p>	<p>3yrs 1yr</p>
<p><b>Category 2 –</b> UK Banks part nationalised - Lloyds Bank and Royal Bank of Scotland. These banks can be included if they continue to be part nationalised or they meet the ratings in category1 above.</p>	-	£20m	1yr (current limit 3yr)
<p><b>Category 3 –</b> The Council's own banker if the bank falls below the above criteria for transactional purposes only.</p>	-	n/a	1day
<p><b>Category 4 –</b></p> <ul style="list-style-type: none"> <li>• Money Market Funds – must be AAA credit rated</li> <li>• Enhanced Money Market Funds – must be AAA credit rated</li> <li>• UK Government (including treasury bills, gilts and the DMO)</li> <li>• Local Authorities</li> <li>• Supranational Institutions</li> <li>• Corporate bonds (Manchester International Airport only)</li> </ul>	-	£20m	3yrs

### **Specified and Non Specified Investments – (no changes)**

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 3 including Manchester Airport Shares at 31 March 2014 of £36.7m 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.

### Instruments & Maximum period

All Investments will be undertaken in Sterling in the form of Term Deposits, Money Market Funds, Treasury Bills, Gilts or Certificates of Deposits unless otherwise stated below.

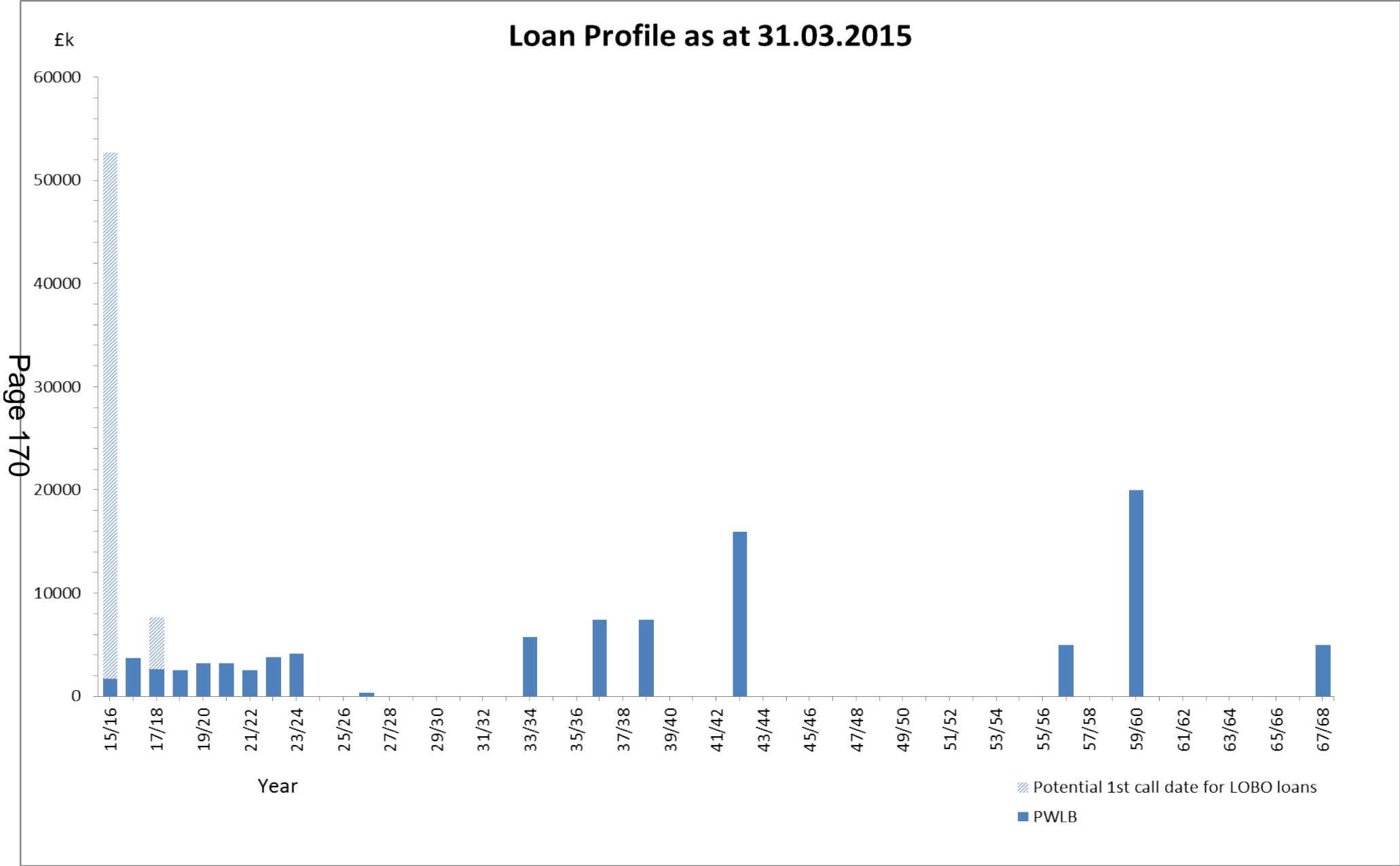
#### Specified Investments

Investment	Maximum Maturity
<b>The UK Government</b> including Local Authorities and Debt Management Office.	1 Year
<b>Supranational bonds</b> of less than one year duration	1 Year
<b>Pooled investment vehicles</b> that have been awarded a AAA credit rating by Fitch, a credit rating agency, such as money market funds	1 Year
<b>An institution</b> 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><b>Multilateral development bank bonds</b> - 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

<b>Gilt edged securities</b> 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
<b>The Council's own bank</b> if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	1 Day
<b>UK Banks which have significant Government holdings</b>	1 Year
<b>Any bank or building society</b> which meets the minimum long term credit criteria detailed in Appendix 1, for deposits with a maturity of greater than one year.	3 Years
<b>The UK Government</b> including Local Authorities and Debt Management Office.	3 Years
<b>Share capital or loan capital</b> 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 Airport share-holding which the Council holds at a historical value of £36.7m as reported in the 2013/14 statement of accounts. It is not envisaged that this type of investment will be undertaken in the future.	Unspecified
<b>Manchester Airport Group</b> – This is in response to the restructuring of the airports existing debt and is included for clarity and transparency purposes only.	Term of loans



**INVESTMENT CREDIT AND INSTITUTION RISK MANAGEMENT**

The Council receives credit rating advice from its treasury management advisers, as and when ratings change and institutions 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 institution 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 institutions 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 <b>F1+</b> , <b>F2 A to D</b> )	P1  (Range <b>P1</b> to <b>P3</b> )	A1  (Range <b>A-1</b> , to <b>C</b> )
Long Term	Ensures that an institution is able to meet its financial obligations greater than 12 months	A-  (Range <b>AAA</b> to <b>D</b> )	A3  (Range <b>AAA</b> to <b>C</b> )	A-  (Range <b>AAA</b> to <b>CC</b> )

**Investment Institution information.**

Whilst the Council’s Investment institutions 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 institution in question is in difficulty.
- Interest rates being paid - If an institution 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 is 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 & institutions 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;

- **Country** – this 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;
- **Group** – this will apply where a number of financial institutions are under one ownership (e.g. Royal Bank of Scotland / Nat West) and the Group limit will be the same as the individual limit for any one institution within that group;
- **Sector** limits will be monitored regularly for appropriateness.

## Investment Risk benchmarking

Security and liquidity benchmarks are central to the approved treasury strategy through the institution 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
<b>AAA</b>	<b>0.00%</b>	<b>0.02%</b>	<b>0.06%</b>	<b>0.09%</b>	<b>0.13%</b>
<b>AA</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.14%</b>	<b>0.28%</b>	<b>0.36%</b>
<b>A</b>	<b>0.09%</b>	<b>0.25%</b>	<b>0.43%</b>	<b>0.60%</b>	<b>0.79%</b>
<b>BBB</b>	<b>0.23%</b>	<b>0.65%</b>	<b>1.13%</b>	<b>1.70%</b>	<b>2.22%</b>
<b>BB</b>	<b>0.93%</b>	<b>2.47%</b>	<b>4.21%</b>	<b>5.81%</b>	<b>7.05%</b>
<b>B</b>	<b>3.31%</b>	<b>7.89%</b>	<b>12.14%</b>	<b>15.50%</b>	<b>17.73%</b>
<b>C</b>	<b>23.15%</b>	<b>32.88%</b>	<b>39.50%</b>	<b>42.58%</b>	<b>45.48%</b>

The Council's minimum long term rating criteria is currently "A", meaning the average expectation of default for a one year investment in an institution 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 institution 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).



## INVESTMENT &amp; EXTERNAL DEBT PORTFOLIO AS AT 31.01.2015

	Principal £m	Average Rate %
<b>DEBT</b>		
<b>Fixed rate:</b>		
- PWLB	39.2	6.99
- Market	5.0	4.41
<b>Sub-total</b>	<b>44.2</b>	<b>6.69</b>
<b>Variable rate:</b>		
- PWLB	0.0	0.0
- Market	51.0	5.47
<b>Sub-total</b>	<b>51.0</b>	<b>5.47</b>
<b>Total debt</b>	<b>95.2</b>	<b>6.03</b>
<b>INVESTMENTS</b>		
- Fixed rate	(40.1)	0.88
- Variable rate	(29.4)	0.49
<b>Total Investments</b>	<b>(69.5)</b>	<b>0.74</b>
<b>NET ACTUAL DEBT</b>	<b>25.7</b>	

**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
PFI	Private Finance Initiative – private sector source of funding
PWLB	Public Works Loan Board
VRP	Voluntary Revenue Provision – identical to MRP but on a voluntary basis
WAL	Weighted Average Life – benchmark indicating average life of investments

## RAFFORD COUNCIL

**Report to:** Executive  
**Date:** 18 February 2015  
**Report for:** Decision  
**Report of:** The Executive Members for:

- **Adult Social Services and Community Wellbeing**
- **Children's Services**
- **Economic Growth and Planning**
- **Environment and Operations**

### Report Title

Consultation Outcomes and Budget Proposals

### Summary

The purpose of the report is to set out the approach taken to consultation, the subsequent outcomes and the revised recommendations which are now put forward for members to consider regarding the following proposals:

#### Children, Families and Wellbeing (CFW) Directorate

##### *Adult Services*

- Reshaping Social Care
- Supported Accommodation
- Building Based Day Support
- Telecare
- Market Management
- Supporting People
- Voluntary & Community Sector
- Mental Health
- All Age Integrated Health and Social Care
- All Age Commissioning
- Learning Disabilities
- Review of CFW Commissioned Services (new proposal)

##### *Children's Services*

- Early Help
- Education and Early Years

#### Economic Growth, Infrastructure and Environment (EGEI) Directorate

- School Crossing Patrols
- Car Parking Fees
- Festive Lights

It highlights the consultation process and outcome by individual directorate which was undertaken in addition to but as an integral part of the overarching budget consultation. Under each directorates section, the approach taken to consultation is set out alongside the general issues and a summary of the feedback received. It lists the original proposal, the specific feedback on that proposal and a recommendation in response to the feedback.

This report does not contain the detail of the general approach taken to the council's budget consultation and the outcome of that; that information is contained in a separate report which was considered by the Executive on 26 January 2015.

### **Recommendation(s)**

It is recommended that the Executive note:

- The extensive Consultation in relation to the CFW and EGEI budget proposals 2015/16, including the methodology and approach used.
- The final proposals and consultation outcomes.
- The Equality Impact Assessments in relation to the budget proposals and the Public Sector Equality duty

It is recommended that the Executive agree the recommendations in relation to individual budget proposals, as set out in Appendix A.

### **Contact person for access to background papers and further information:**

Name: Sarah Maynard  
Extension: x1222

Relationship to Policy Framework/Corporate Priorities	<p>This report relates to the following Corporate Priorities:</p> <ul style="list-style-type: none"> <li>• Low Council Tax and Value for Money</li> <li>• Economic Growth and Development</li> <li>• Services Focused on the most vulnerable people</li> <li>• Reshaping Trafford Council</li> </ul>
Financial Implications	<p>If the recommendations in the report are accepted there will be a reduction in the level of savings which will be made in 2015/16 from £23.7m to £21.5m.</p> <p>It is possible to contain this change in the revenue budget due to additional resources being available to the Council, mainly from Business Rates and a dividend from Manchester Airport Group (MAG).</p>
Legal Implications:	The legal implications are set out in the body of this report.
Equality/Diversity Implications	Equality implications are included in the main body of the report at Section 7 and in the Equality Impact Assessments at Appendix E.
Sustainability Implications	No direct implications
Staffing/E-Government/Asset Management Implications	<p>No direct implications for E-Government</p> <p>A number of the budget proposals have a direct impact on staffing. Given the number of staff affected, statutory processes have and are being followed, in line with collective consultation requirements. In addition, upon implementation of the proposals, consultation will be undertaken at a local level, in line with Council procedures.</p> <p>Asset transfer implications are being managed by Corporate Landlord and a working group linking with Early Help Project Board has been set up to ensure a plan for asset management is considered for each centre within the Early Help proposals. Impact of centres closing has been highlighted in the Equality Impact Assessment for Early Help.</p>
Risk Management Implications	No direct implications
Public Health Implications	No direct implications
Health and Safety Implications	No direct implications as proposals are in accordance with national guidelines.

## 1.0 Introduction

1.1 The purpose of the report is to set out the approach taken to the consultation, the subsequent outcomes and the amended recommendations where appropriate, which are now put forward for members to consider regarding the following proposals:

### 1.2 Proposals within the Children, Families and Wellbeing (CFW) Directorate

#### *Adult Services*

- Reshaping Social Care
- Supported Accommodation
- Building Based Day Support
- Telecare
- Market Management
- Supporting People
- Voluntary & Community Sector
- Mental Health
- All Age IHSC
- All Age Commissioning
- Learning Disabilities
- Review of CFW Commissioned Services (new proposal)

#### *Children's Services*

- Early Help
- Education and Early Years

### 1.3 Proposals within the Economic Growth, Infrastructure and Environment (EGEI) Directorate

- School Crossing Patrols
- Car Parking Fees
- Festive Lights

1.4 The report sets out the consultation process and outcome by Directorate which was undertaken in addition to but as an integral part of the overarching budget consultation. The report then presents each of the original proposals, the specific feedback on that proposal and a recommendation in response to the feedback. A summary of this information is also provided. For some proposals, alternative and new options have been put forward and/or the proposal is recommended with some additional requirements.

1.5 This report does not contain the detail of the general approach taken to the Council's overarching budget consultation and the outcome of that; that information was contained in a separate report considered by the Executive on 26 January 2015.

1.6 The Executive is asked to note the consultation process, the subsequent outcomes and to agree the recommendations which are set out in detail in Appendix A, for the reasons set out in this report.

## **2.0 Children, Families and Wellbeing (CFW)**

2.0.1 This section of the report presents the consultation process and outcome for CFW. The approach taken to consultation is set out alongside the general issues and feedback received. The report then presents each of the original proposals, the specific feedback on that proposal and a recommendation in response to the feedback. A summary of this information is also provided. For some proposals, alternative and new options have been put forward and/or the proposal is recommended with some additional conditions.

### **2.1 CFW Consultation Approach**

2.1.1 In addition to the Council wide consultation, targeted activities were undertaken over a 6 week period between 3<sup>rd</sup> November 2014 and 12<sup>th</sup> December 2014 using a range of methodologies.

2.1.2 Indigo Consulting were commissioned to undertake additional consultation activity on behalf of CFW due to the scale and potential impact of the options put forward for consultation and to ensure that the consultation was clear as to the Council's proposals and accessible in order to encourage engagement from all potentially affected groups/individuals. A detailed technical report outlining all aspects of the consultation and responses received has been produced and an Executive Summary which highlights the main findings is available at Appendix B.

2.1.3 A mixed method approach was undertaken in order to ensure that as many people living in Trafford took part in the consultation process as possible. In that respect, different elements of the consultation process were developed to capture and solicit the opinions of the maximum number of people and encourage them to participate in the consultation process. These included surveys, street surveys, drop-in sessions, focus groups, emails, telephone calls, and Council-run consultation events.

2.1.4 All these events were advertised on the consultation website linked to the Council website. In addition, the information was disseminated via a range of 66 forums and services. Furthermore, the organisers, leaders and managers of these forums committed to circulating the information to their service users.

2.1.5 The following sections outline the methods used during the consultation process by Indigo Consulting on behalf of the Council.

### **2.2 Surveys**

2.2.1 Surveys were developed for existing service users of Adult Social Care (ASC) in both electronic and hard copy format. The directorate posted a hard copy survey to 5394 service users with a stamped self-addressed return envelope to encourage participation. These included an easier to read version of the survey. 487 of the total 5394 surveys were returned. A survey was also developed for the Early Help proposal in electronic and hard copy format and circulated via Children's Centres, Youth Centres and other key access points. The electronic surveys were accessible from a consultation website linked to Trafford Council's website and publicised throughout the consultation events.

## **2.3 Street Surveys**

2.3.1 Street surveys were designed to reach a range of service users and non-service users who may not have been able to travel to a drop-in consultation or complete a survey. Half a day (3 hours) was spent at a location in each of the North, South, Central and West areas of Trafford.

- North – Entrances to Stretford Mall
- South – The Stamford Quarter, Altrincham
- Central – The Square Shopping Centre, Hale
- West – Railway Street, Urmston

## **2.4 Drop in Consultation Sessions**

2.4.1 Drop in consultation sessions gave informal opportunities for the public to speak to Indigo representatives – service users and non-service users alike. The sessions were set up with three tables manned by a consultant each and an interpreter (Bengali, Punjabi and Polish). Each table had a suite of explanatory information which was duplicated on wall posters, along with a range of materials to write feedback on, survey forms and demographic forms.

2.4.2 There was one drop in session in each of the four localities of Trafford including one in Partington. The venues were:

- Gorse Hill Studios
- Hale Library
- Urmston Library
- The Talkshop, Sale
- The Bluelife Centre, Partington

## **2.5 Focus Groups**

2.5.1 The focus groups were planned to run alongside the drop in sessions in the venues listed above. Focus groups were advertised via the website and that members of the public could book onto them. They were also advertised via the network of 66 forums and meeting groups.

2.5.2 In addition two focus groups were organised and facilitated by Indigo in Trafford College for students with learning difficulties.

2.5.3 A Conference for secondary age young people was held at the Life Centre in Sale on 29<sup>th</sup> November 2014. This included a workshop session on the budget proposals facilitated by the Children's Rights Service and Youth Parliament with 66 feedback cards submitted by young people following the session. There was also a Q and A Panel session with elected members and senior officer including the Leader of the Council at which young people were able to question the proposal.

## **2.6 Emails and letter**

2.6.1 The consultation website also provided people with an email address and an electronic comment box so that they could submit long individual messages if they



wanted to. This would provide individuals with a means of communicating with the consultation team without having to attend an event.

## **2.7 Council Consultations**

2.7.1 The Council wide public consultation events took place in Sale, Partington, Altrincham, Old Trafford, Urmston and the Youth Cabinet. Each of these events comprised a presentation by the Council followed by round table discussion and feedback. These sessions generated substantial interest in the CFW proposals with feedback cards forwarded to Indigo for inclusion in the consultation report.

## **2.8 Advisory Board and other Meetings**

2.8.1 There were also a further 24 meetings; half of these were focussed on Early Help and half on ASC; the minutes of which were forwarded to the research team. From this it was possible to see that there was an average of 10 people attending each meeting. This gives an approximate total of 120 participants in the meetings for Early Help and ASC.

## **2.9 Telephone Calls**

2.9.1 The public were also invited to telephone the research team to give their views in person by telephone enabling them to contribute if they were, for example not able to leave the house and/or were not able to access ICT technology. Independent groups i.e. Carers Centre also provided a route for people to speak to and get support in completing the survey. There were 10 telephone calls, mostly to comment about the process or the surveys.

2.9.2 Support from independent groups was also made available if help was needed to fill in forms or seek clarity on any aspects of the surveys.

## **2.10 Issues raised with the consultation process and how they were addressed**

2.10.1 Of the 510 respondents, 320 (62.7%) said that they understood the survey and 306 (60%) said that they understood the proposals.

2.10.2 Attempts were made to address concerns about the process as they were raised. For example, easier to read versions of the documents were produced to aid comprehension and people were directed to them.

2.10.3 Efforts were also made to ensure that invitations to events were targeted to particular groups and additional focus groups were arranged to ensure the views of young people with learning disabilities were included in the consultation.

2.10.4 Some concerns were raised early on about the promotion of the consultation events. To address this, the council sent out a press release notifying the public of the events.

## **2.11 Petitions received**

2.11.1 There were 2 petitions submitted in response to the CFW consultation.

2.11.2 'Trafford Residents Against the Cuts' (T.R.A.C) formed in response to the Council's budget proposals. They submitted a petition which had received 2468 signatures. Their petition was headed with the following information:

2.11.3 *'T.R.A.C formed in response to TMBC's budget proposals slashing £24m this year alone (with more to come). The cost savings are mainly coming from Children Families and Wellbeing budgets. Affected services are those supporting people with learning disabilities, libraries, school crossing guards, youth offending, day to day support for the vulnerable elderly and those with disabilities and respite care. Youth centres and Surestart centres will close. Leisure centres will be handed to Trafford Leisure Trust, mental health services and re-ablement (supporting people leaving hospital) are being out-sources- 200 jobs WILL be lost. We say 'enough is enough'.*

2.11.4 In addition, there are 900 signatures on a petition which is about the Early Help proposals; this is headed with the following information:

*Dear Trafford Metropolitan Borough Council,  
Stop Trafford Council closing all Trafford Youth Centres!  
Sincerely,*

2.11.5 The petitions have been acknowledged and considered as part of the budget consultation process.

## **2.12 Alternative suggestions put forward**

2.12.1 There were five common, alternative suggestions to the proposals put forward during the CFW consultation process. In order of frequency they were:

1. Raising money through other means, e.g. corporate social responsibility
2. Council spending could be reduced in other areas to protect Adult Social Care
3. Council wage cuts
4. Government issues, e.g. reduce foreign aid
5. Increase Council Tax

2.12.2 These issues are also being considered as part of the overall Council budget setting process and will be addressed in the council's overall Budget Report to the Executive on 18<sup>th</sup> Feb 2015.

## **2.13 Judicial Review of the Council's proposals for Adult Social Care**

2.13.1 A challenge to the budget consultation has been brought in the High Court. The Claimant has alleged that the Council's consultation process was unfair in that it did not set out alternative proposals such as the possibility of raising Council Tax to offset the proposed savings, or the use of reserves to the same end. The Claimant seeks a declaration that the consultation was unlawful and an order quashing the consultation which has taken place.

2.13.2 The application for Judicial Review is contested by the Council and a full hearing of the claim will take place on 16 February 2015. A report to update the Executive with regard to the proceedings will be made available for 18 February 2015.

## 2.13 Outcome of the Consultation Process: Adult Social Care (ASC)

### 2.13.1 Summary:

Original Proposal Title and Summary (As set out in the Draft Budget Report of 20 October 2014)	Original Saving	Overall consultation feedback	Recommendation	Adjusted saving
<i>Reshaping Social Care</i> To change the way the Council meets eligible needs.	<b>£2.1m</b>	Concerns raised by those in receipt of social care re potential for increased levels of isolation, costs of care and the availability of information to help make decisions re care needs	To endorse the proposal, but noting the requirements set out in section 2.14.3 of the report.	Saving reduced to <b>£1.1m</b> in 2015/16 to reflect updated delivery timetable and mitigate risk of potential overlaps with other proposals.
<i>Reablement</i> To complete a procurement exercise with the external market to provide this function.	<b>£1.002m</b>	Concerns were raised re the impact of privatisation on cost and quality of care	That a soft market testing process is undertaken alongside a more in depth review of the service, to help refocus the service objectives and activity. This will be completed prior to the proposed procurement exercise.	Saving reduced to <b>£700k</b> in 2015/16 to reflect the recommendation to carry out an in depth review of the service.
<i>Supported Accommodation</i> To tender the in house service and provide the same level of support through the external market.	<b>£170k</b>		To undertake a more in depth service review involving staff, service users, carers and their families, prior to the proposed procurement exercise.	Saving increased to <b>£206k</b> based on the deletion of posts currently held vacant.
<i>Building Based Day Support</i> To tender Pathways (day centre).	<b>£50k</b>		To retain this service in house and reshape it with Trafford Clinical Commissioning Group (CCG), in line with the Winterbourne programme of work.	Saving increased to <b>£71k</b> based on the deletion of posts currently held vacant.

<p><i>Telecare</i></p> <p>To outsource the service</p>	<p><b>£116k</b></p>	<p>No key issues were raised regarding these proposals</p>	<p>To undertake a soft market testing process and a pilot phase to test a range of assistive technology, to comprehensively inform the procurement process, prior to progressing the original proposal to outsource this service.</p>	<p><b>£116k</b></p>
<p><i>Market Management</i></p> <p>To enter into discussions with providers across a number of client groups to identify the level of fee increases that would be appropriate for 2015/16.</p>	<p><b>(up to) £1.2m</b></p>		<p>To progress the original proposal.</p> <p>It is noted that a further report on the final proposal on market rates for 2015-2016 will be brought to the Executive meeting in March.</p>	<p><b>£1.2m</b></p>
<p><i>Supporting People &amp; Homelessness</i></p> <p>To end existing contract for supporting people and which currently provides services that prevent homelessness or meet the needs of single homeless people.</p>	<p><b>£230k</b></p>		<p>To progress with the original proposals.</p>	<p><b>£230k</b></p>
<p><i>Voluntary &amp; Community Sector</i></p> <p>To cease funding to a number of voluntary and community sector organisations and to remodel services as part of the Early Help and Integration programmes.</p>	<p><b>£97k</b></p>			<p><b>£97k</b></p>

<p><i>Mental Health</i></p> <p>To review packages of care and out of borough placements for people with a mental health issue and support their return to the Borough as well as ensure value for money.</p>	<p><b>£100k</b></p>		<p>To progress with the original proposals.</p>	<p><b>£100k</b></p>
<p><i>All Age Integrated Health and Social Care</i></p> <p>To develop an all age, integrated and locality based health and social care service in partnership with Trafford CCG and Pennine Care.</p>	<p><b>£500k</b></p>			<p><b>£500k</b></p>
<p><i>All age commissioning</i></p> <p>To bring the planning of education, health and care services together to save money. To also propose that these services are planned for people of all ages rather than there being separate services for people of different ages.</p>	<p><b>£830k</b></p>			<p><b>£830k</b></p>

Page 15

<p><i>Learning Disabilities</i></p> <ul style="list-style-type: none"> <li>To undertake a series of contract re-negotiations with all existing providers to reduce the cost of current contracts.</li> <li>To accelerate a number of Tenders to create savings in year.</li> <li>To determine 'Ordinary Residence' with a number of Individuals living out of area, including individuals living out of area in residential or nursing care.</li> </ul> <p>To review high cost Care Packages. To cease spend against the Learning Disability Development Fund. To review placement voids.</p>	<b>£3.714m</b>		To progress with the original proposals.	Saving reduced to <b>£2.617m</b> to reflect a reduction in anticipated retendering savings. This is offset by an increase in the forecast savings through applying ordinary residence.
<b>New proposal to account for savings adjustments</b>				
<p><i>Review of CFW Commissioned Services</i></p> <p>To review all non-statutory services commissioned by CFW for adults and children, including those funded from the Public Health Grant. This will include a review of the Health and Wellbeing Board to ensure that it is having an impact on population health and well-being improvements.</p>	See section 2.20	Consultation will be undertaken as deemed necessary following the review process	To undertake a 'root and branch' review of all CFW commissioned services to ensure that the discretionary services are value for money with clear links to strategic priorities and national guidance.	<b>£1.5m</b>

2.13.2 The following sections provide the detail regarding each of the proposals subject to the consultation process.

**2.14 Adult Services: Reshaping Social Care**

*2.14.1 Original Proposal*

2.14.1.1 A change of policy in the way the council meets eligible needs was originally proposed. The Prioritising Needs Guidance issued by the Department of Health sets out four levels of risk to a person’s independence: critical, substantial, moderate and low. Each local authority must then set and apply its local eligibility threshold. Trafford Council currently, meet all eligible needs which are deemed to be substantial or critical. Trafford Council will promote independence, resilience and maximise personal ability and assets. The council will maximise public funding after the use of local community services, adaptations, equipment and technology has been explored to the fullest potential. The Council will only provide the most cost effective solution to meet eligible social care needs in Trafford. This will require a change in approach on the part of staff, and for service users’ expectations to be managed. Local residents will be expected to access all relevant available benefits (Attendance Allowance, Disability Living Allowance and Personal Independence Payments) before Council resources are assigned.

2.14.1.2 The council will support people to use local independent supplies for domestic services, cleaning, meal preparation and shopping and will no longer resource these non-eligible services unless no suitable viable alternative which satisfies the Council’s statutory duty can be found.

*2.14.2 Consultation Feedback*

2.14.2.1 Overall people who didn’t use social care did not think this would affect them. But where people used social care services they believed this would have a great effect upon them and their families.

<b>Feedback</b>	<b>Response</b>
There will be increasing social isolation.	<p>This is in itself a low level need under Fair Access to Care.</p> <p>The council currently funds a range of voluntary sector services that play a part in reducing social isolation.</p> <p>Trafford Council financially supports 19 voluntary sector organisations providing a range of support for people across Trafford. Examples include support for people with learning disabilities to gain employment, activities for people living with dementia and their carers and volunteering opportunities for people with mental health conditions.</p> <p>Trafford Council also commissions Thrive to provide a comprehensive range of support to</p>

	<p>voluntary and community organisations across Trafford including support with recruiting and developing volunteers, fundraising advice and administering voluntary sector grants.</p> <p>The care planning process is being changed to include the use of naturally occurring ways to meet non eligible and low level need i.e. voluntary groups, the use of friendship groups, visiting services befriending etc. All these services help reduce social isolation. There will be an expectation that families will play a part in reducing social isolation</p>
Lack of information about services and how needs will be met.	<p>The Council has made considerable efforts to ensure that the consultation would be fair and meaningful and has produced additional material during the course of the consultation in order to address some of the concerns which have been raised.</p> <p>Before any changes are made to an individual's care plan, the council must undertake a reassessment of needs in accordance with the NHS and Community care Act 1900 and from April 2015, under the Care Act 2014 to ensure that alternative support proposals will meet assessed needs.</p>
Lack of information about other options to support people with high level needs.	
More information needed about other models of support available.	
<b>Best value option</b>	
This would create a two tier model.	<p>There is already a system of 'top up' in place for people living within residential care. This provides people with the option of paying for more expensive care which goes beyond what is required to meet assessed needs if they and/or their family choose. This would be extended to all areas and is in line with the top ups referred to the Care Act</p>
Cheapest is not always best.	<p>The council will ensure quality services are provided by monitoring the services commissioned and taking action where quality isn't maintained to the required standards.</p>
Decreasing benefits will make increased costs unaffordable.	<p>Trafford Council continues to employ a team of welfare benefits specialists as well as funding the Citizens Advice Bureau in Trafford. This enables citizens of Trafford to access specialist support to maximise their income from the benefits system.</p>

### 2.14.3 Recommendation & Reason

2.14.3.1 Taking into account the feedback from the public consultation and consideration of the equality impact assessment it is recommended that the Council endorses the proposal and proceeds with the proposals, incorporating the proposed changes indicated above. In particular, it is noted that the following requirements apply in relation to any individual care package:



2.14.3.2 Before any changes are made to an individual's care plan, the Council must undertake a reassessment of needs in accordance with the NHS and Community Care Act 1990 and from April 2015, under the Care Act 2014. Following completion of the assessment and depending on the identified needs, the Council has a duty to meet the needs of the service user if they are assessed as coming over eligibility threshold. If there is more than one option available to meet the service user's eligible needs, the Council is only obliged to offer the cheapest. However, before doing so, the Council will satisfy itself that that option is genuinely capable of meeting the assessed, eligible needs. This is in keeping with the Council's proposals to source reasonable alternatives to current care packages where appropriate.

2.14.3.3 Councils across England have operated a system of 'top ups' for a number of years for residential care. This enables people to choose a more expensive option for care and pay the additional cost. The Council will continue with this policy, a policy supported within the Care Act 2014.

*"...a person must also be able to choose alternative options, including a more expensive setting, where a third party or in certain circumstances the resident is willing and able to pay the additional cost ('topup')."*

2.14.3.4 In consideration of the Care Act statutory guidance (page 138), the Council has reviewed its proposal in light of the consultation and reiterates its commitment to:

- a) Not changing anyone's care package without a full reassessment of need under the new policy.
- b) Not making changes to anyone's care plan without sourcing an alternative method to meet eligible needs
- c) Not making changes to a care plan without being able to source an alternative to meet a low level need i.e. shopping by internet, tele care or a volunteer etc.
- d) Sourcing a reasonable alternative before making changes.
- e) Reviewing any care plans changed at 6 – 8 weeks to ensure needs are being met in accordance with best practice.
- f) Consider each individual's circumstances when implementing this change and in accordance with the National Health Service and Community Care Act 1990, National Assistance Act 1948 and Care Act 2014.
- g) Fairly apply a top up policy to enable people to choose a more costly provision and to discuss this with people before they make final decisions.
- h) Continue to promote choice and control in line with the personalisation agenda.
- i) To develop a directory of local services available for shopping, cooking, cleaning and domestics and local support groups, self-help groups, all voluntary and third sector services, and equipment/ telecare available to meet needs.
- j) In addition, the Council when carrying out its functions under the Care Act 2014, will adhere to the wellbeing principle.

**2.15 Adult Services: Reablement Service Delivery**

*2.15.1 Original Proposal*

2.15.1.2 The original proposal involved completing a procurement exercise with the external market to provide reablement, still protecting the same level of hours provided each week. This would have included the TUPE transfer of all our current reablement staff into the new provider’s service.

*2.15.2 Consultation Feedback*

2.15.2.1 There was recognition within the consultation feedback of the valuable support available from reablement and that there was good provision.

<b>Feedback</b>	<b>Response</b>
Privatisation of services will mean a lower quality of care.	Trafford Council will continue to have a number of systems in place to ensure the quality of services delivered both internally and externally. These include: <ol style="list-style-type: none"> <li>1. A team of commissioners who will monitor the services provided internally and externally;</li> <li>2. A team of volunteers working alongside the commissioners who have an integral role in the monitoring process;</li> <li>3. A Dignity in care award scheme which providers can apply for and which involves achieving against a quality framework;</li> <li>4. Good working relationships with professionals within the Care Quality Commission, which is the national body responsible for registering and monitoring adult social care providers.</li> </ol>
People using services will lose valuable relationships with staff if privatisation goes ahead.	All staff will have the opportunity to transfer to the new organisation, with protected employment rights.
People are concerned that they will lose the support they are currently receiving.	Trafford Council is committed to ensuring that every individual has their needs assessed before any changes are made to the support provided.

*2.15.3 Recommendation & Reason*

2.15.3.1 Reablement is the key to supporting people to maintain their independence and wellbeing for as long as possible and provide care to those that need it, affordably.

2.15.3.2 The Council needs to develop an ethos of reablement and work with providers to establish greater capacity in the system with clearly evidenced outcomes and lower costs to the system.

2.15.3.3 The reablement market is still new within Trafford. We will put considerable resource in to developing the market with our service and commissioning partners. The Council wishes to ensure the external market is able to deliver a similar level of improved outcome for residents, as its internal service.

2.15.3.4 Therefore it is recommended that a soft market testing process is undertaken alongside a more in depth review of the service, to help refocus the service objectives and activity. This will be completed prior to the proposed procurement exercise. The Council will need to consult its staff regarding these changes and develop a new model of reablement in conjunction with colleagues within Trafford Clinical Commissioning Group.

2.15.3.5 Following this consultation, the Council will remain mindful of and adhere to the Community Care (Delayed Discharges etc.) Act (Qualifying Services) (England) Regulations 2003 together with the statutory guidance issued by the Department of Health called Halfway Home: updated guidance for the NHS and Local Authorities which prescribes intermediate care to be provided free of charge for the fixed six weeks of discharge from alternative settings.

**2.16 Adult Services: Supported Accommodation**

2.16.1 *Original Proposal*

2.16.1.2 Supported living is an arrangement whereby the Council secures a package of care together with accommodation for people with a learning disability. The original proposal involved tendering the in house supported accommodation service (eight properties supporting 26 people) and re-providing the same level of support through agreement with the external market.

2.16.2 *Consultation Feedback*

2.16.1.2 There was recognition within the consultation feedback of the good provision with the supported accommodation and that the proposal is acceptable if the quality is unaffected.

Issue	Response
Privatisation of services will mean a lower quality of care.	<p>Trafford Council will continue to have a number of systems in place to ensure the quality of services delivered both internally and externally. These include:</p> <ol style="list-style-type: none"> <li>1. A team of commissioners who will monitor the services provided internally and externally;</li> <li>2. A team of volunteers working alongside the commissioners who have an integral role in the monitoring process;</li> <li>3. A Dignity in care award scheme which providers can apply for and which involves achieving against a quality framework;</li> <li>4. Good working relationships with professionals within the Care Quality Commission, which is the national body responsible for registering and monitoring adult social care providers.</li> </ol>

Changes to services will lead to increased stress and anxiety for service users.	Where there is direct impact on individuals as a result of changes, such as outsourcing day support services, meetings will be held with individuals to discuss the proposals and provide support with alternatives.  The council is committed to ensuring that every individual has their needs assessed before any changes are made to the support provided. Trafford Council continues to fund five organisations to provide advocacy, a role which includes supporting service users and their carers through the assessment process.
People using services will lose valuable relationships with staff if privatisation goes ahead.	All staff will have the opportunity to transfer to the new organisation, with protected employment rights.
People are concerned that the impact will be increased cost to the service users.	There are no plans at this time to increase the price that people pay for using this service.

### 2.16.3 *Recommendation & Reason*

2.16.3.1 These properties are people's homes and ensuring the council can provide continuity of care is of paramount importance to the council. The feedback was again consistent with the other outsourcing proposals, People want continuity of care and the quality of care protected. There have been a few people that have left these properties during the consultation period and an increase in staff vacancies.

2.16.3.2 Having considered the feedback, the recommendation is to undertake a more in depth service review involving staff, service users, carers and their families, prior to the proposed procurement exercise. The proposal will result in a reduction of the property portfolio and staff. The time taken for the review will also allow time to ensure measures are in place for a handover of care that promotes the effective continuity of support and care to address concerns raised through the consultation. While in 2015/16 the Council will seek to reduce the property portfolio, no changes in relation to the provision of supported accommodation will be made until reassessment has been carried out of the individual service users' needs.

## 2.17 **Building Based Day Support**

### 2.17.1 *Original Proposal*

2.17.1.2 The original proposal was to tender the Pathways (Day Centre). The service currently provides 30 places a week for older people and people with a learning disability.

### 2.17.2 *Consultation Feedback*

2.17.2.1 There was recognition within the consultation feedback of the good provision from the day support service.

<b>Feedback</b>	<b>Response</b>
Privatisation of services will mean a lower quality of care.	<p>Trafford Council will continue to have a number of systems in place to ensure the quality of services delivered both internally and externally. These include:</p> <ol style="list-style-type: none"> <li>1. A team of commissioners who will monitor the services provided internally and externally;</li> <li>2. A team of volunteers working alongside the commissioners who have an integral role in the monitoring process;</li> <li>3. A Dignity in care award scheme which providers can apply for and which involves achieving against a quality framework;</li> <li>4. Good working relationships with professionals within the Care Quality Commission, which is the national body responsible for registering and monitoring adult social care providers.</li> </ol>
Changes to services will lead to increased stress and anxiety for service users.	<p>Where there is direct impact on individuals as a result of changes, such as outsourcing day support services, meetings will be held with individuals to discuss the proposals and provide support with alternatives.</p> <p>Trafford Council is committed to ensuring that every individual has their needs assessed before any changes are made to the support provided. Trafford Council continues to fund five organisations to provide advocacy, a role which includes supporting service users and their carers through the assessment process.</p>
People using services will lose valuable relationships with staff if privatisation goes ahead.	All staff will have the opportunity to transfer to the new organisation, with protected employment rights.
People are concerned that the impact will be increased cost. (It is not clear whether this relates to cost to the Council or to the service users.)	There are no plans at this time to increase the price that people pay for using this service.
There will be an impact on the routine for the people using this service.	The proposal does not include changes the opening hours of the service.

### 2.17.3 Recommendation & Reason

2.17.3.1 Following feedback from some partners and families using this service it is felt to be a better option to retain this service and reshape it with Trafford CCG to support people with high level needs within the Borough of Trafford. This would be in line with the Winterbourne programme of work to return people using out of borough services to the area and supports carers more which, was a strong feature in the consultation. This change addresses concerns raised about the prevention social isolation.

- 2.17.3.2 The service would concentrate on supporting people with a learning disability or complex mental health need.

## **2.18 Additional Adult Social Care Proposals**

- 2.18.1. A description of the original budget proposals which have been subject to public consultation can be found in Appendix B.
- 2.18.2. No significant issues were raised during the consultation process regarding the other Adults Social Care budget proposals.

## **2.19 Notable Revisions to CFW proposals**

- 2.19.1.1 With regard to Telecare, a process of soft market and pilot testing of the Telecare options will be undertaken to ensure any decision taken will deliver the best option for Trafford. Therefore the original proposal still stands but the Council reserves the right to go out to full tender should the soft market testing demonstrate that a better value option could exist.

- 2.19.1.2 With regards to Market Management, discussions with providers commenced in December 2014. Two sub-groups representing the residential and nursing market and the homecare market have been established and tasked with producing information which will be taken into consideration in the setting of 2015/16 fee levels. It is anticipated that this work will be completed during February 2015.

### *2.19.2 Recommendations*

- 2.19.2.1 With regards to telecare, to undertake a soft market testing process and a pilot phase to test a range of assistive technology, to comprehensively inform the procurement process, prior to progressing the original proposal to outsource this service.

- 2.19.2.2 With regards to market management, to progress the original proposal, noting that a further report on the final proposal on market rates for 2015-2016 will be brought to the Executive meeting in March.

## **2.20 New CFW Proposal**

- 2.20.1.1 As a result of adjustments to some of the savings proposals for 2015/16, a new proposal has been put forward from CFW.

- 2.20.1.2 It is proposed to undertake a review of all non-mandatory services commissioned by CFW including those funded through the Public Health Grant. An exercise will be undertaken to map current activity against priorities and agree our commissioning intentions for the future. The majority of services covered by the review are delivered by Voluntary and Community Sector providers so the Council will engage with the market to identify risks and look at any sustainability issues. Contracts for mandated services will also be reviewed to identify any opportunities for efficiency. The review will also look at decision making processes and governance arrangements including the Health and Wellbeing Board to ensure they are fit for purpose.

### *2.20.1.3 Recommendation & Reason*

2.20.1.4 It is recommended that Executive approve a 'root and branch' review of all CFW commissioned services that are discretionary to ensure value for money and links to strategic priorities and national guidance. The review will include extensive engagement with providers, the majority of whom are within the voluntary and community sector, and identify any risks and mitigation within the market. This proposal is expected to achieve savings in 2015-16 of £1.5m.

## 2.21 Outcome of the Consultation Process: Children's Services

### 2.21.1 Summary:

Original Proposal Title and Summary (As set out in the Draft Budget Report of 20 October 2014)	Original Saving	Overall consultation Feedback	Recommendation	Adjusted saving
<p><i>Early Help</i></p> <p>To have two hubs for delivery of services for 0-11 year olds in Stretford and Partington, and a borough-wide base for 11-18 year olds in Sale. Existing building-based provision of Children's Centres and Youth Centres will cease, with the exception of the Hubs, and we will work with partners and the community to explore options for alternative use of sites through community asset transfer or other models.</p>	<p><b>£3.289m</b></p>	<p>Concerns were raised regarding accessibility to the new Hubs, use of volunteers, loss of local services, the long term impact of the removal of early intervention services and whether the Council is meeting its statutory duties if it implements the proposed changes.</p>	<p>To progress with the original proposal.</p> <p>In addition, to develop a 'Youth Trust' model to coordinate a wide range of youth activity on a locality basis, investing £130k into the commissioning fund for youth service provision.</p> <p>And, to approve the future options for centres or services (presented in section 2.22.4.5) and that LA delivered or funded provision ceases at the following centres:</p> <ul style="list-style-type: none"> <li>• Youth Centres/Services: Partington, Davyhulme, Lostock, Sale West, Broomwood, Old Trafford, Gorse Hill Studios.</li> <li>• Children's Centres: Urmston, Altrincham, Sale, Old Trafford.</li> </ul>	<p>Saving reduced to <b>£3.077m</b> to remove one-off saving in 2014/15 which had been assumed to be on-going.</p>



<p><i>Education &amp; Early Years</i></p> <p>To restructure the Early Years and Childcare service and reduce the resource available to support private, voluntary and independent sector Early Years providers. To cease the holiday play scheme provision currently organised by the Early Years team and phase out the Graduate Leader Fund which subsidises the training of managers in private providers of early years services.</p>	<p><b>£377k</b></p>	<p>Concerns were raised regarding capacity to quality assure early years provision and to meet our existing commitments and duties.</p>	<p>To proceed with the original proposal, but noting the delay to the restructure of the Early Years Consultants structure until the end of the academic year.</p> <p>To undertake some additional targeted consultation activity with parents using the holiday play schemes and to defer a decision on that element until the outcome of that consultation.</p>	<p><b>£377k</b></p>
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## 2.22 Early Help

### 2.22.1 *Original Proposal*

2.22.1.1 A new partnership approach to delivering early help for children and young people moving to a more flexible activity based way of delivering services was proposed, with two hubs for delivery of services for 0-11 year olds in Stretford and Partington, and a borough-wide base for 11-18 year olds in Sale. Existing building-based provision of Children's Centres and Youth Centres will cease, with the exception of the Hubs, and the council will work with partners and the community to explore options for alternative use of sites through community asset transfer or other models. This means the closure, from April 2015 of the following unless any partners step forward to take on board the running and delivery costs:

2.22.1.2 **Youth Centres:** Partington, Davyhulme, Lostock, Sale West, Broomwood, Old Trafford, Gorse Hill Studios, Duke of Edinburgh Award Centre, Outdoor Education Team, Street based Youth Work Team

2.22.1.3 **Children's Centres:** Urmston, Altrincham, Sale, Old Trafford

2.22.1.4 In addition only the minimum statutory duty will be met for Connexions and Education Welfare services. The Council will also decommission current Early Help Framework provision to form part of a broader commissioning of activity which will be delivered from the hubs on an outreach model. The council would like to enhance this commissioning activity on a partnership basis to give a place-based model that a range of partners can join.

2.22.1.5 It should be noted that the Early Help proposal includes changes to Children's Centre provision for which there is a statutory duty to consult under Section 198 of the Apprenticeship, Skills, Children and Learning Act 2009.

2.22.1.6 Section 198 of the Apprenticeships, Skills, Children and Learning Act 2009 amends section 5D(c) of the Children's Act 2006 to require local authorities to conduct a consultation in the following circumstances:

1. Before making arrangements for the provision of a children's centre
2. Before any significant change is made in the services provided through a relevant children's centre
3. Before anything is done that would result in a relevant children's centre ceasing to be a children's centre.

2.22.1.7 Statutory guidance expands on the type of consultation that should take place and this is contained in the "Sure Start children's centres - statutory guidance for local authorities, commissioners of local health services and Jobcentre Plus" - Department for Education (April 2013)"

2.22.1.8 The Guidance states that Local authorities must ensure there is consultation before:

- Making a significant change to the range and nature of services provided through a children's centre and / or how they are delivered, including significant changes to services provided through linked sites; and

- Closing a children’s centre; or reducing the services provided to such an extent that it no longer meets the statutory definition of a Sure Start children’s centre.

## 2.22.2 Consultation Feedback

2.22.2.1 There was substantial feedback in relation to this proposal:

Medium	EH Respondents	ASC Respondents	Total
Surveys	328	510	838
Street Surveys	89	61	150
Drop in Sessions	73		73
Focus Groups	23	21	44
Emails and Letters	968	59	1027
Council Forum Feedback Cards	346	154	500
Advisory Boards & other meetings	12 meetings / 120 people		120
<b>Total</b>	<b>1947</b>	<b>998</b>	<b>2752</b>

2.22.2.2 A large number (97%) of responses received either strongly disagreed or disagreed with the proposal. The vast majority of those responding either accessed services affected or were employed within them. 66% of the 328 EH survey respondents were regular users of services and 42% staff within EH services.

2.22.2.3 The following key themes emerged from the feedback:

Accessibility of the Hubs	The two 0-11 hubs have been based on the opportunity to get the greatest reach into our most vulnerable communities building on the Children’s Centre outreach model that was established in 2013. A number of respondents identified travel to the hubs as a barrier, however the new model is based on delivering activities into localities using community buildings rather than the hubs being the delivery point for all communities. Commissioned activities will be targeted at vulnerable localities and the Youth Trust model gives the opportunity to harness a range of existing community and voluntary provision alongside that provided by larger organisations.
Loss of valuable services	Although the proposal outlines a significant reduction in services delivered or funded by the Council, it is trying to mitigate this by providing a sustainable model that includes; <ul style="list-style-type: none"> <li>• Services directly delivered by the Council through the Hubs or on an outreach basis</li> <li>• Services commissioned by the Council and partner agencies prioritised based on thorough needs analysis</li> <li>• Transfer of existing assets to community providers or development of alternative delivery model. Examples of this are Broomwood Youth Centre which is managed by BlueSci and has seen an increase in community activity and the proposed asset transfer of Gorse hill Studios</li> </ul>

	<p>are good examples of this.</p> <ul style="list-style-type: none"> <li>• Universal voluntary and community provision co-ordinated through the Locality Partnerships and emerging Youth Trust.</li> </ul>
Council not meeting its statutory duties	As part of the development of the proposal a detailed analysis was undertaken of the Council's statutory duties in these service areas. The Council will continue to meet its statutory duties. Whilst it is proposed that the Council will only meet our minimum statutory duty, we are clear that the proposed future offer will meet our statutory duties.
Long term impact of the removal of early intervention	The council recognise the important role of early intervention in preventing escalation of need to statutory or specialist services. The purpose of this proposal is to put early intervention activity in Trafford on a sustainable footing and ensure maximum impact through co-ordinating the total service offer available from all organisations in Trafford. We will monitor the impact of the new model and the outcomes achieved by it.
Volunteering	The majority of people agreed with the proposal for an enhanced volunteering infrastructure, although negative impacts were identified. The council needs to reassure the public that volunteers will be well trained, supervised and appropriately protected as part of the future offer. The main barriers to volunteering identified by respondents were working or responsibility for children.

### 2.22.3 *Other Options*

2.22.3.1 The majority of responses to the consultation that identified other options, either identified alternative areas of council expenditure to be reduced or ways of increasing income i.e. raising council tax. Alternative options put forward for each of the centres or services have been explored further and these are outlined in the table in section 2.22.4.5. All expressions of interest in taking on the running of centres have been explored and preferred options put forward.

### 2.22.4 *Recommendation & Reason*

2.22.4.1 To progress with the original proposal. In addition, to develop a 'Youth Trust' model to coordinate a wide range of youth activity on a locality basis and invest a further £130k into the commissioning fund for youth service provision.

2.22.4.2 To approve the future options for centres presented in section 2.22.4.5 and that LA delivered or funded provision ceases at the following centres:

- **Youth Centres/Services:** Partington, Davyhulme, Lostock, Sale West, Broomwood, Old Trafford and Gorse Hill Studios.
- **Children's Centres:** Urmston, Altrincham, Sale and Old Trafford.

- 2.22.4.3 The new model will provide a graduated response for children, young people and their parents with a particular focus on developing the community and partnership offer at a universal level. Although the overwhelming majority of responses did not agree with the proposal the reasons identified for concern can be addressed through the new model.
- 2.22.4.4 Through the consultation process communities and partner organisations have worked very constructively with us to look at options to mitigate the impact of removing local authority funding from these services. It is proposed to develop a 'Youth Trust' model with partners and community groups that will co-ordinate a wide range of youth activity on a locality basis.
- 2.22.4.5 Appendix D outlines the proposed service offer and gives a more detailed position statement in relation to each centre and the future service offer.
- 2.22.4.6 The following table summarises the proposals for future options in relation to each Centre or Services which Executive is recommended to approve as part of these proposals:

Partington Youth Centre*	Temporary provision operating from Moss View to cease with a programme of community activity for young people to be delivered by Partington Parish Council and Screaming Wheels from the 'Scout Hut' and by ROC from the Fuse.
Davyhulme Youth Centre*	Asset transfer on a long term lease to private day care provider. Targeted youth sessions for young people up to 25 with learning disabilities to be commissioned.
Lostock Youth Centre*	Council to work with Lostock College and Lostock Partnership to reach agreement on the Partnership delivering youth sessions from existing building.
Sale West Youth Centre*	Closure of existing building with community youth provision to be developed as part of a hub based at Coppice Library – linked to the outcome of Library consultation.
Broomwood Youth Centre*	Existing arrangement to be continued with BlueSCI commissioned to manage and expand community use. LA delivered sessions to cease.
Old Trafford Youth Centre*	The centre currently houses Old Trafford library on a temporary basis pending their move to the Shrewsbury Street development. It also shares facilities with the Sports Barn. Building to be retained but LA youth provision to cease with running costs to be allocated against ongoing usage. The Council have also been approached by a voluntary organisation to deliver services from the Centre and this is being explored further.
Gorse Hill Studios	It is proposed to undertake an asset transfer on a long term lease to a community interest company to be established as Gorse Hill Studios Creative Community. A business plan is in place that provides a viable and sustainable option for this resource.
Urmston Children's Centre **	Children's Centre to close in its current form and negotiations to be progressed with Dunham Trust who run the attached Acre Hall school about future early years provision from the site. We have also been approached by a private provider expressing an interest in delivering early years provision from the site.

Altrincham Children's Centre **	Children's Centre to close in its current form and alternative options to be reviewed with partner agencies operating services from the site. The centre is attached to Broadheath Primary school with whom the council will be exploring future options. We have also been approached by a private provider expressing an interest in delivering early years provision.
Sale Children's Centre **	Children's Centre to close in its current form. Centre is co-located with Coppice Library for which there is a proposal to develop a community hub within the Library consultation process. If this proceeds it could provide a basis for delivery of targeted commissioned services or outreach activity from remaining Early Help hubs.
Old Trafford Children's Centre**	There is not a permanent base in Old Trafford and the service delivers from a range of community buildings. It was originally planned to move to the Shrewsbury Street development in 2016 but this is no longer proposed. This service is temporarily located Old Trafford Youth Centre.

\*A universal offer will be co-ordinated via the Youth Trust and the council will commission additional services through that route.

\*\*It should be noted that 0-11 services will be commissioned on a targeted basis using the Early Help needs analysis and delivered from a range of community buildings.

## 2.23 Children's Services: Education and Early Years

### 2.23.1 Original Proposal

2.32.1.1 This proposal included a restructure of the Early Years and Childcare service and a reduction in the resource available to support private, voluntary and independent sector Early Years providers. It was also proposed to cease the holiday play scheme provision currently organised by the Early Years team and phase out the Graduate Leader Fund which subsidises the training of managers in private providers of early years services.

### 2.23.2 Consultation Feedback

2.23.2.1 In addition to the consultation mechanisms outlined in Section 2 of this report Headteachers, Governors, Early Years providers and parents of children attending holiday play schemes were directly informed of this proposal and how they could comment on the consultation. Feedback from Schools and Early Years settings was received which highlighted the following concerns:

Capacity within the current structure to support and quality assure Early Years provision	Early years providers have valued the support provided from the Early Years and Childcare team. However national policy has substantially changed the expectations of an LA role and this has been reflected in changes made by many LA's over the last 3 years. The service will be targeted at supporting providers rated as less than good by Ofsted and Trafford. The Council believe that given the high quality of providers in the borough, this prioritisation will enable sustainability of an effective service.
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Impact on schools of the reduction in primary advisor capacity	Reorganisation of the service will align the Early Years consultant function with the Primary School Improvement team to mitigate the impact for schools. National policy has redefined the LA role in relation to School Improvement and the council believe the proposal can continue to deliver a high quality service to schools.
How will the council meet existing commitments and duties in the Summer term if proposal takes effect from April?	It is proposed that the changes to the Early Years Consultant function do not take place until the end of the academic year to ensure delivery of existing commitments during the summer term.

### 2.23.3 *Other Options*

2.23.3.1 The only other option identified through the public consultation process was to extend the existing Early Years Consultant provision to the end of the academic year which is now recommended.

### 2.23.4 *Recommendation & Reason*

2.23.4.1 To proceed with the original proposal, but noting the delay to the restructure of the Early Years Consultants structure until the end of the academic year.

2.23.4.2 To undertake some additional targeted consultation activity with parents using the holiday play schemes and to defer a decision on that element until the outcome of that consultation.

### **3.0 Economic Growth, Infrastructure and Environment (EGEI)**

3.0.1 This section of the report presents the consultation process and outcome for EGEI. The approach taken to consultation is set out alongside the general issues and feedback received. The report then presents each of the original proposals, the specific feedback on that proposal and a recommendation in response to the feedback. A summary of this information is also provided. For some proposals, alternative options have been put forward and/or the recommendation is made with some additional considerations.

#### **3.1 Consultation Approach**

3.1.1 The consultation process used for the Economic Growth, Environment and Infrastructure budget proposals was as set out in the Budget Consultation report, presented to the Executive on the 26<sup>th</sup> January 2015, except for the School Crossing Patrol proposals which have been subject to extended consultation.

3.1.2 The extended consultation on School Crossing Patrols took place from the 19<sup>th</sup> January 2015 to the 6<sup>th</sup> February 2015. This involved leaflets being handed out at School Crossing Patrol locations serving 12 schools, in both the morning and afternoon. The locations selected for this extended consultation were those that had been the subject of the most comments from the first phase.

3.1.3 In total 298 responses were received regarding School Crossing Patrols, plus four petitions. The majority of the responses and all of the petitions related to five crossing points serving four schools. In addition, a total 51 responses were received regarding changes to car parking charges and 13 relating to festive lights.

#### **3.2 Outcome of the Consultation Process**

##### **3.2.1 Summary:**

<b>Original proposal</b>	<b>Original Saving</b>	<b>Overall consultation feedback</b>	<b>Recommendation</b>	<b>Adjusted Saving</b>
School Crossing Patrols	<b>£145k</b>  <b>(Adjusted to £136k when number of points was confirmed at 31 for consultation purposes).</b>	The majority of feedback was not in favour of the proposals, either in general or in relation to specific sites. There were 25 responses which were generally supportive.	That the RoSPA/RSGB guidelines for school crossing patrols be implemented and 26 School Crossing Patrol Points be dis-established (see Appendix F for details), with one School Crossing Point (No. 103) to be disestablished from 31/03/16, subject to a review of waiting and car parking restrictions.	<b>£114k</b>



Car Parking Fees	<b>£231k</b>	The majority of feedback was in support of these proposals.	To increase car parking fees to 20p, 60p and £1 for stays of 1,2 and 3 hours	<b>£231k</b>
Festive Lights	<b>£40k</b>		That the illuminations only be erected where they are funded by alternative means.	<b>£40k</b>

### 3.3 School Crossing Patrols

#### 3.3.1 Original Proposal

3.3.1.1 To carry out a review of arrangements for School Crossing Patrols to:

- Provide a sustainable, reliable School Crossing Patrol Service which operates in line with national guidance;
- Implement the RoSPA/RSGB guidelines (Royal Society for the Prevention of Accidents and the Road Safety Great Britain);
- Disestablish selected crossing points which do not meet the National Guidelines, which could result in a reduction of between 30 and 37 crossing points from the current 97 points;
- Implement the RoSPA/RSGB guidelines for assessment of any new crossing point proposals.

#### 3.3.2 Consultation Feedback

3.3.2.1 During the initial phase of consultation the majority of responses received related to a small number of schools and highlighted the importance attached to these particular patrol points. However, there were very few or no responses received regarding the majority of the school crossing patrols which were proposed to be disestablished. The extended period of consultation generated further responses, both of a general nature and in relation to the specific school crossing points covered. No responses were received in relation to 10 school crossing points, and a further 16 crossing points received 10 responses or fewer.

Feedback	Response
<p>Traffic dangers at crossing points due to:</p> <ul style="list-style-type: none"> <li>• poor visibility of oncoming traffic;</li> <li>• drivers' not complying with speed limits and Highway Code.</li> </ul>	<p>The independent survey of the crossing points considered a range of factors which included environmental issues, including visibility.</p> <p>Where there are enforcement issues Trafford Council will work with the Police and CPCSO to resolve them. It is not the purpose of a School Crossing Patrol to resolve poor driver behaviour.</p> <p>It is now proposed to retain School Crossing Point 103 (Northumberland Road/Lillian Street, Old Trafford, serving Seymour Park Primary School) for a period of 12 months to 31<sup>st</sup> March 2016. This is to enable a review to be completed of waiting and car parking restrictions to ease traffic flow and improve visibility.</p>

High traffic flow.	<p>Traffic flow is a major element considered when surveying a prospective crossing site. High traffic flow will usually result in approval/retention of a crossing patrol (unless pedestrian count is very low) or installation of Automatic Traffic Signals (ATS).</p> <p>School Crossing Points on the A56, which are currently staffed, are now proposed to be retained as the A56 is the strategic highway through the Borough and therefore justifies exceptional circumstances being applied (see below for details).</p>
Large vehicles using the road.	The independent survey of the crossing points considered a range of factors which included the frequency of large vehicles passing.
Emergency vehicles using the road.	Emergency vehicles have access to all parts of the road system and their drivers are trained to drive safely while responding to an emergency.
Putting safety and wellbeing of children at greater risk.	Trafford Council is applying the criteria provided by Road Safety GB (National Guidance) to categorise crossing sites. This ensures that any sites meeting the criteria will continue to have school crossing patrol provision in line with the National Guidance.
Children unable to walk to school unaccompanied without a crossing patrol.	Trafford Council is applying the criteria provided by Road Safety GB (National Guidance) to categorise crossing sites. This ensures that any sites meeting the criteria will continue to have school crossing patrol provision in line with the National Guidance. Parents are responsible for assessing when their children are ready to walk to school unaccompanied.
<p>Automated Traffic Signal Sites:</p> <ul style="list-style-type: none"> <li>• Drivers not complying with traffic signals and Box Junctions;</li> <li>• Lack of cameras to deter non-compliance with traffic signals</li> </ul>	<p>This is an enforcement issue which Trafford Council will work with the Police and CPCSO to resolve. It is not the purpose of a School Crossing Patrol to resolve poor driver behaviour.</p> <p>Trafford Council target road safety engineering measures based on available evidence, which the council assess annually.</p>
Difficulty for older people to cross with multiple young children.	The independent survey of the crossing points considered a range of factors which included the numbers of younger children using a crossing.
Increased vehicle traffic near schools at school drop-off times.	Trafford Council work closely with schools, Parking Services, Police / PCSOs in response to hazardous parking near schools.
Loss of positive role model that patrol person provides for Children.	This is acknowledged. However the council has to prioritise its resources to maximum effect to ensure the sites that meet the national requirements are funded.

There have been accidents involving child pedestrians in the vicinity of the crossing.	The independent survey of the crossing points considered a range of factors which included accident statistics within 50m of the crossing site.
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### 3.3.3 Petitions Received

3.3.3.1 The following petitions have been received by the Council in relation to specific Crossing points

- 120,140,143 (all serving Moss Park Infant and Junior School, Stretford) – 141 signatures;
- 120,140,143 – 134 Letters and drawing from pupils at Moss Park Infant School and Moss Park Junior School;
- 217 (Tyntesfield Primary, Broadheath) – 746 signatures;
- 103 (Seymour Park Primary) – 1285 Signatures.

3.3.3.2 The petitions have been acknowledged and considered as part of the budget consultation process.

### 3.3.4 Other Options

3.3.4.1 Consideration has been given as to whether exceptional circumstances apply to any of the school crossing points which were proposed to be dis-established in light of the consultation proposals. Exceptional circumstances are deemed appropriate for the crossing points set out in the table below, either due to specific considerations at that location which could be resolved through road improvements (Point 103) or due to the role of the A56 as a strategic highway through the Borough (currently staffed crossing points 112, 113, 148 and 217):

Point No.	Schools served	Location	Proposal
103	Seymour Park Primary	Northumberland Road/Lillian Street, Old Trafford	That this be retained for a further 12 months, to 31/03/2016. This is to enable a review to be completed of waiting and car parking restrictions to ease traffic flow and improve visibility at the crossing.
112	Gorse Hill Primary/Stretford High	Chester Road/Taylor's Road, Gorse Hill	Currently staffed School Crossing Point on the A56 strategic highway to be retained.
113	St. Ann's RC Primary/Victoria Park Infant and Junior	Chester Road/Davyhulme Road East, Stretford	Currently staffed School Crossing Point on the A56 strategic highway to be retained.
148	St. Matthews	Chester Road/Green Street, Stretford	Currently staffed School Crossing Point on the A56 strategic highway to be retained.
217	Tyntesfield Primary	Washway Road/Eastway, Sale	Currently staffed School Crossing Point on the A56 strategic highway to be retained.

### 3.3.5 Recommendation & Reason

3.3.5.1 It is recommended that the RoSPA/RSGB guidelines for school crossing patrols be implemented and 26 School Crossing Patrol Points be dis-established (see Appendix F for details), with one School Crossing Point (No. 103) to be disestablished from 31/03/16, subject to a review of waiting and car parking restrictions. This will provide a safe, sustainable, school crossing patrol service which operates in accordance with national guidance.

## 3.4 Car Parking Fees

### 3.4.1 Original Proposal

3.4.1.1 Currently the parking fees in Trafford are 10p, 30p and 70p for stays of 1 hour, 2 hours, 3 hours. It was proposed to increase charges to: 20p, 60p and £1 for stays of 1 hour, 2 hours and 3 hours respectively.

### 3.4.2 Consultation Feedback

3.4.2.1 Over two thirds of respondents supported the proposed increase in car parking charges.

Feedback	Response
Car parking charges should be increased further to raise more income.	The proposed increase in charges is considered to be proportionate, and will generate additional income but have little, if any, effect on the level of car parking.
Car parking charges should be kept as they are or reduced to encourage more people to shop in the town centres and support local businesses.	The proposed increase in car parking will be the first to be introduced for seven years. Car parking charges in Trafford will remain amongst the lowest in Greater Manchester and are expected to have little, if any, effect on the level of car parking, and therefore on local businesses in town centres.

### 3.4.3 Other Options

3.4.3.1 A range of alternative car parking prices were considered, including increasing all prices further, introducing a two hour parking rate and increasing the rate for the second hour further. These options were rejected as it was considered that they may have a greater effect on the levels of car parking activity and that the full effect of the proposed changes should be assessed before further increases were considered.

### 3.4.4 Recommendation & Reason

3.4.4.1 It is recommended that car parking charges be increased to 20p, 60p and £1 for stays of 1 hour, 2 hours and 3 hours respectively. These increases are considered to be proportionate and that they will have little, if any, effect on the levels of car parking.

**3.5 Festive Lights**

*3.5.1 Original Proposal*

3.5.1.1 The proposal is for illuminated Christmas decorations in town centres and local centres to only be erected where these are paid for by external financial contributions, such as from local businesses.

*3.5.2 Consultation Feedback*

3.5.1.2 The vast majority of respondents supported the proposal.

<b>Feedback</b>	<b>Response</b>
Christmas lights in Altrincham were not as widespread as in previous years. What are the Council’s plans to raise funds this year?	The Council will work with local businesses, community groups and town centre partnerships to identify and raise funds for Festive Light in each town and local centre.

*3.5.3 Other options*

3.5.3.1 The Council could continue to fund Festive Lights in some town centres. Given the overwhelming support for the proposal to cease funding this was not considered appropriate in current circumstances.

*3.5.4 Recommendation and Reason*

3.5.4.1 It is recommended that illuminated Christmas decorations only be erected where these are paid for by external contributions and that no Council funding be provided.

#### **4. The Public Sector Equality Duty**

- 4.1 Under the Equality Act 2010 a public authority in the exercise of its functions must have due regard to the need to eliminate discrimination, harassment, victimisation and any relevant prohibited conduct, advance equality of opportunity between persons sharing a relevant prohibited characteristic and persons who do not; and foster good relations between persons sharing a relevant prohibited characteristic and persons who do not.
- 4.2 Protected characteristics for the purpose of the Act are disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 4.3 In order to assist the evaluation of the proposals and to ensure that the Council paid due regard to its duties under the Equality Act, a number of Equality Impact Assessments (EIAs) were carried out as part of the evaluation process to ensure that due consideration was given to those with the protected characteristics and the likely impact of the proposals on each of these groups.
- 4.4 The EIAs were available to officers evaluating the consultation responses and are available to members of the Executive who will be deciding whether or not to support the proposals contained within the report. Any potential impacts have been identified through the EIA and consultation process. Where any potential impact has been identified consideration has been given to whether measures can be taken to mitigate against these impacts and the mitigation measures are set out within the body of the relevant EIA or are reflected in modifications to the proposals.
- 4.5 In considering the report and deciding whether to accept the recommendations the Executive is required to have regard to the Public Sector Equality Duty. In order to satisfy this duty the Executive must consider the potential impacts identified in the EIA's and the consultation responses which are appended to the report. Where reasonable and appropriate mitigation measures have been proposed which will offset either wholly or in part the impacts identified. Where mitigating measures are not proposed, countervailing factors, namely the significant budgetary pressures facing the Council and the need to make improvements and efficiencies to the services concerned are considered to provide justification for the measures proposed.

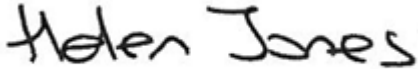
#### **5. Recommendations & Reasons**

- 5.1 It is recommended that the Executive note:
- The extensive Consultation in relation to the CFW and EGEI budget proposals 2015/16, including the methodology and approach used.
  - The final proposals and consultation outcomes.
  - The Equality Impact Assessments.
- 5.2 It is recommended that the Executive agree the recommendations in relation to individual budget proposals, as set out in Appendix A.
- 5.3 The reason for these recommendations is to deliver a balanced budget 2015/16 in relation to the proposals set out in this report, whilst having due regard for equality impact and risk mitigation.

**Key Decision** (as defined in the Constitution): Yes  
**If Key Decision, has 28-day notice been given?** Yes

Finance Officer Clearance ID  
Legal Officer Clearance JLF

**[CORPORATE] DIRECTOR'S SIGNATURE**



Corporate Director EGEI



Corporate Director CFW

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

## Appendix A: Summary of Recommendations

Original Proposal Title and Summary (As set out in the Draft Budget Report of 20 October 2014)	Recommendation
<p><i>Reshaping Social Care</i></p> <p>To change the council's policy in relation to the assessment of and provision of services to meet eligible needs.</p>	<p>To endorse the proposal, but noting the requirements set out in section 2.14.3 of the report.</p>
<p><i>Reablement</i></p> <p>To complete a procurement exercise with the external market to provide this function.</p>	<p>That a soft market testing process is undertaken alongside a more in depth review of the service, to help refocus the service objectives and activity. This will be completed prior to the proposed procurement exercise.</p>
<p><i>Supported Accommodation</i></p> <p>To tender the in house service and provide the same level of support through the external market.</p>	<p>To undertake a more in depth service review involving staff, service users, carers and their families, prior to the proposed procurement exercise.</p>
<p><i>Building Based Day Support</i></p> <p>To tender Pathways (day centre).</p>	<p>To retain this service in house and reshape it with Trafford Clinical Commissioning Group (CCG), in line with the Winterbourne programme of work.</p>
<p><i>Telecare</i></p> <p>To outsource the service</p>	<p>To undertake a soft market testing process and a pilot phase to test a range of assistive technology, to comprehensively inform the procurement process, prior to progressing the original proposal to outsource this service.</p>
<p><i>Market Management</i></p> <p>To enter into discussions with providers across a number of client groups to identify the appropriate level of fee increases that will be applied for 2015/16.</p>	<p>To progress the original proposal. It is noted that a further report on the final proposal on market rates for 2015-2016 will be brought to the Executive meeting in March.</p>



<p><i>Supporting People &amp; Homelessness</i></p> <p>To end existing contract for supporting people and which currently provides services that prevent homelessness or meet the needs of single homeless people.</p>	<p>To progress with the original proposals.</p>
<p><i>Voluntary &amp; Community Sector</i></p> <p>To cease funding to a number of voluntary and community sector organisations and to remodel services as part of the Early Help and Integration programmes.</p>	
<p><i>Mental Health</i></p> <p>To review packages of care and out of borough placements for people with a mental health issue and support the return to the Borough as well as ensuring value for money.</p>	
<p><i>All Age Integrated Health and Social Care</i></p> <p>To develop an all age, integrated and locality based health and social care service in partnership with Trafford CCG and Pennine Care.</p>	
<p><i>All age commissioning</i></p> <p>To bring the planning of education, health and care services together to save money. It is also proposed that these services are planned for people of all ages rather than there being separate services for people of different ages.</p>	
<p><i>Learning Disabilities</i></p> <ul style="list-style-type: none"> <li>• To undertake a series of contract negotiations with all existing providers to reduce the cost of current contracts.</li> <li>• To accelerate of number of Tenders to create savings in year.</li> </ul>	

Page 213

<ul style="list-style-type: none"> <li>• To determine ‘Ordinary Residence’ with a number of Individuals living out of area, including individuals living out of area in residential or nursing care.</li> <li>• To review high cost Care Packages. To cease spend against the Learning Disability Development Fund.</li> <li>• To review placement voids.</li> </ul>	
<p><i>Review of CFW Commissioned Services (new proposal)</i></p> <p>To review all non-statutory services commissioned by CFW for adults and children, including those funded from the Public Health Grant. This will include a review of the Health and Wellbeing Board to ensure that it is having an impact on population health and well-being improvements.</p>	<p>To undertake a ‘root and branch’ review of all CFW commissioned services to ensure that the discretionary services are value for money with clear links to strategic priorities and national guidance.</p>
<p><i>Early Help</i></p> <p>To have two hubs for delivery of services for 0-11 year olds in Stretford and Partington, and a borough-wide base for 11-18 year olds in Sale. Existing building-based provision of Children’s Centres and Youth Centres will cease, with the exception of the Hubs, and to work with partners and the community to explore options for alternative use of sites through community asset transfer or other models.</p>	<p>To progress with the original proposal.</p> <p>In addition, to develop a ‘Youth Trust’ model to coordinate a wide range of youth activity on a locality basis, investing £130k into the commissioning fund for youth service provision.</p> <p>And, to approve the future options for centres or services presented in section 2.22.4.5 and that LA delivered or funded provision ceases at the following centres:</p> <ul style="list-style-type: none"> <li>• Youth Centres/Services: Partington, Davyhulme, Lostock, Sale West, Broomwood, Old Trafford, Gorse Hill Studios.</li> <li>• Children’s Centres: Urmston, Altrincham, Sale, Old Trafford.</li> </ul>

<p><i>Education &amp; Early Years</i></p> <p>To restructure of the Early Years and Childcare service and a reduction in the resource available to support private, voluntary and independent sector Early Years providers. It was also proposed to cease the holiday play scheme provision currently organised by the Early Years team and phase out the Graduate Leader Fund which subsidises the training of managers in private providers of early years services.</p>	<p>To proceed with the original proposal, but noting the delay to the restructure of the Early Years Consultants structure until the end of the academic year.</p> <p>To undertake some additional targeted consultation activity with parents using the holiday play schemes and to defer a decision on that element until the outcome of that consultation.</p>
<p><i>School Crossing Patrols</i></p> <p>To carry out a review of arrangements for School Crossing Patrols</p>	<p>To implement the RoSPA/RSGB guidelines for school crossing patrols and 26 School Crossing Patrol Points be dis-established (see Appendix F for details), with one School Crossing Point (No. 103) to be disestablished from 31/03/16, subject to a review of waiting and car parking restrictions.</p>
<p><i>Car Parking Fees</i></p> <p>To increase charges to: 20p, 60p and £1 for stays of 1 hour, 2 hours and 3 hours respectively.</p>	<p>To progress with the original proposal</p>
<p><i>Festive Lights</i></p> <p>For illuminated Christmas decorations in town centres and local centres to only be erected where these are paid for by external financial contributions, such as from local businesses.</p>	<p>To progress with the original proposal</p>

## **Appendix B: Indigo Consulting Executive Summary**

See document made available separately.

## **Appendix C: Adult Services budget proposals**

*Proposals which have been subject to public consultation:*

### **Voluntary and Community Sector - £97k**

This proposal is to cease funding to a number of voluntary and community sector organisations and to remodel services as part of the Early Help and Integration programme giving a single cohesive, collaborative, holistic, ageless model to manage demand pressures across all care budgets in the future. This programme of work is part of the Reshaping Trafford transformation programme and forms an essential part of the Better Care Fund, with its intentions to release money from the acute sector into community support.

### **Mental Health - £100k**

To review packages of care and out of borough placements for people with a mental health issue and support the return to the Borough as well as ensuring value for money. To also review provision to refocus on a reablement type approach and review Dementia in reach service and Section 117 After Care.

### **Supporting People and Homelessness - £230k**

To end the existing contract for supporting people which currently provides services that prevent homelessness or meet the needs of single homeless people. This service is a generic floating support service that supports the wellbeing of vulnerable people in the community to enable them to maintain independent accommodation and prevent homelessness. The current cost of the service is £230K and the contract expires at the end of March 2015. This is a discretionary preventative service.

### **All-age Integrated Health and Social Care Delivery - £500k**

To develop an all age, integrated and locality based health and social care service in partnership with Trafford CCG and Pennine Care, the local NHS Trust commissioned by the CCG to provide community health services in Trafford. The integrated service will be organised to work as four multi-disciplinary teams serving one of the four Trafford Locality partnership areas. The service will be supported by a network of Early Help Hubs and a new all age integrated “front door” to ensure speedy and effective access to key services. The new service will be all-age and have a greater emphasis on prevention to ensure that individuals retain good health and independence for as long as possible. Social care and community health will be fully integrated as part of this model and there will be seamless joint working between professionals to meet the needs of individuals in partnership with the community and voluntary sector and private providers.

The council is proposing to take a phased approach to the development and implementation of the service delivery model. The established section 75 partnership agreement between Trafford Council and Pennine Care provides a strong foundation from which to evolve a new health and social care delivery vehicle. Work is already underway to implement integrated adult health and social care teams within a four neighbourhood model and this will continue as Phase I, in accordance with the current consultation process. This will provide invaluable learning in respect of the benefits that integration can bring and ensure that best practice is identified for future phases. It is proposed that Phase II will develop the integration programme a step further, and deliver

greater service efficiencies, by moving to the new all-age service and the creation of a new service delivery model and governance structure. Both phases will function with a centralised point of access providing a 'front door' to all of the health and social care services being provided.

It is acknowledged that the integration of health and social care alone will not be sufficient to provide a completely holistic, integrated and affordable model of service that meets all of the requirements of the neighbourhoods that the council serves. Further work will be required, in collaboration with relevant partners (statutory, private and third sector) that should form part of a wider partnership offer to the people of Trafford.

### **All Age Commissioning - £830k (Planning and buying services for people of all ages)**

The proposal is that education, health and care services are bought and planned together to save money. To also propose that these services are planned for people of all ages rather than there being separate services for people of different ages.

### **Telecare - £116k**

The proposal is to outsource the Telecare Programme to Trafford Housing Trust, reducing cost to the Council including management costs, installation, monitoring, and call outs. This option protects the current level of funding of the preventative technology.

- To enter into negotiations with Trafford Housing Trust.
- Trafford Housing Trust to take on board a greater lead in the delivery of Telecare services for the people of Trafford.
- Trafford Housing Trust in taking the lead will reduce management costs, and make service efficiencies

### **Market Management - (Up to) £1.2m**

The Council will enter into discussions with providers across a number of client groups to identify the level of fee increases that would be appropriate for 2015/16. A project will be undertaken to determine the 'Fair Price for Care' in Trafford. This will be based upon provider engagement in the process, current market pressures and what the Council can reasonably afford. A similar exercise has been carried out in the last three years which has informed Trafford's fee setting.

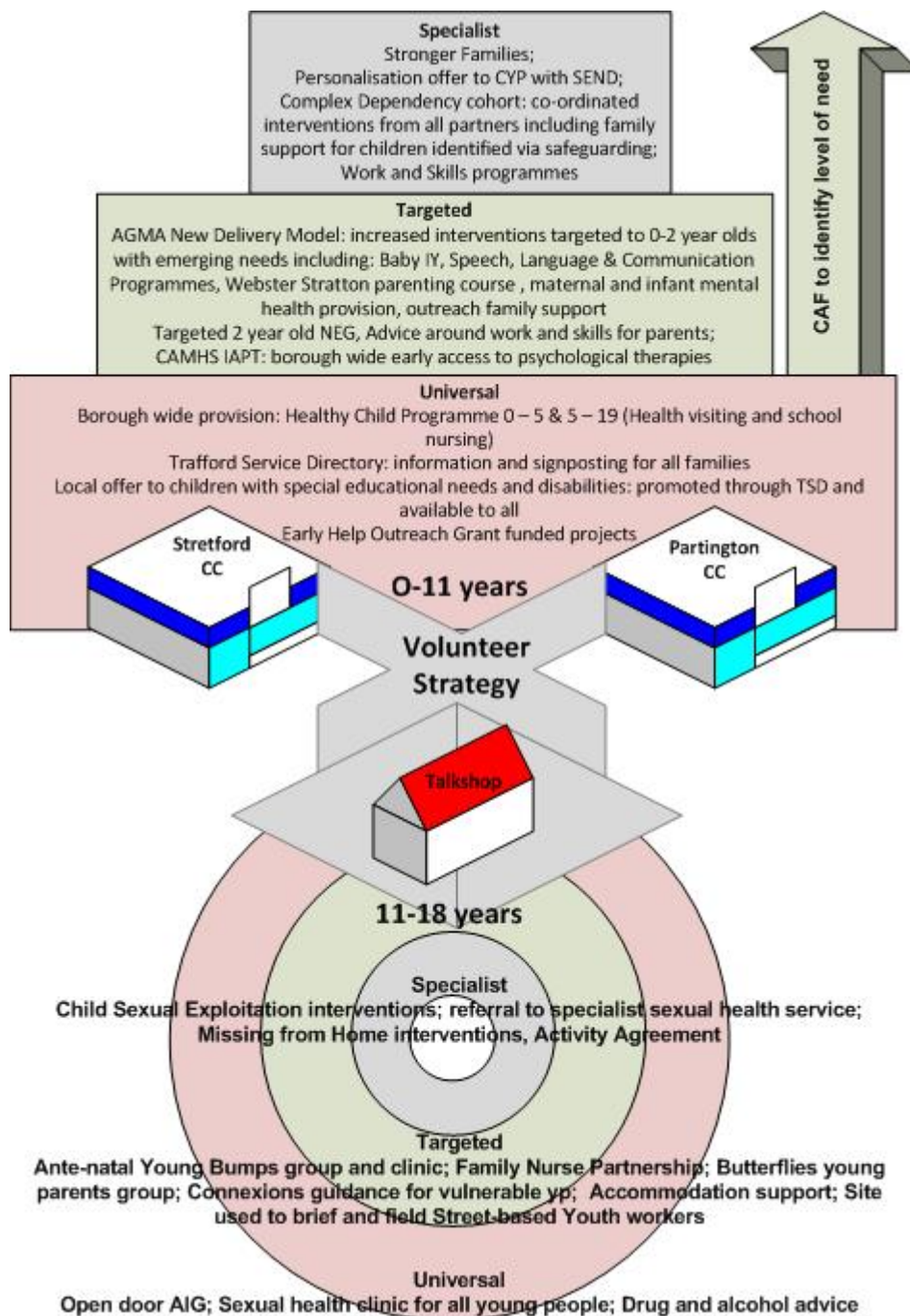
### **Learning Disabilities - £3.714m**

A series of contract negotiations will take place with all existing providers, including supported living, residential and domiciliary care, day care, direct payments, commissioned and personal budget, to reduce the cost of current contracts. Trafford Council will accelerate of number of Tenders to create savings in year. A project will be undertaken with regard to determining 'Ordinary Residence' with a number of Individuals living out of area potentially being made ordinarily resident in that area, reallocating funding to the Authority where they are residing. In addition a further project will review individuals living out of area in residential or nursing care where a supported living model is the assessed need to review their Ordinary residence status. A review of high cost Care Packages, using the Just Enough Support approach will be undertaken to release efficiencies. Trafford will cease spend against the Learning Disability Development Fund. In order to avoid attributing spend against voids a greater emphasis will developed on the use of these placements, where voids are not fit for purpose, negotiations will take place with Housing Associations to restructure rents. The Council will negotiate with the CCG in relation to their contribution in relation to their contribution to the Pooled Budget.

## Appendix D: Early Help Proposed Service Offer

The diagram below illustrates how Early Help will be delivered in the new model. It categorises interventions based on a universal, targeted and specialist provision in order that those most in need will receive the support they need.

The building blocks at the top of the diagram illustrate provision within the 0-11 hub and target at the bottom identifies services within the 11-18 hub. Services listed on the diagram are indicative of the type of provision that may be available but it should be noted that these will be subject to prioritisation based on our needs analysis.



The hubs provide the focus for targeted and specialist service delivery with universal provision being co-ordinated across a range of community providers and partner organisation.

For 0-11 year olds in addition to the hubs based at Stretford and Partington Children's Centres commissioned services will deliver on an outreach model from community buildings or direct to family homes across Trafford. Commissioned services will be targeted to ensure equality of access based on geographical localities and cultural diversity as well our most vulnerable children and families.

For 11-18 year olds borough wide targeted services will operate from Sale Talkshop. Clear pathways will be established that will ensure open access services can refer young people appropriately to these services to manage safeguarding risks and escalation of need.

The proposal establishes a partnership and community led model for Early Help services in the future that will ensure sustainability and with less reliance on LA funding that will reduce further over the next 3 years. It relies on effective partnership working to meet need and the diagram below show's how a range of services in addition to the Early Help Hubs will support the offer.

Early Help partnership agencies	0-5 years	5-11 years	11-13 years	13-18 years
School nurse		x	x	x
Health visitors	x			
Community Nursery Nurses	x			
Private Child-minders	x			
Midwife	x			
Infant feeding coordinator	x			
Young Parents coordinator				x
Schools		x	x	x
College				x
Leisure Trust	x	x	x	x
Senior Family Support Practitioners		x	x	x
Area family support teams	x	x	x	x
Speech and language therapists	x	x		
Trafford Housing Trust		x	x	x
Trafford Sexual Health Services			x	x
Phoenix Futures – Drugs and Alcohol Services			x	x
SEN advisory service	x	x	x	x
TEDS	x			
The Fuse		x	x	x
Voluntary and community groups/providers	x	x	x	x
Community safety			x	x
Police			x	x
Domestic Violence commissioned services	x	x	x	x
YOS prevention				x
Trafford Service Directory	x	x	x	x
Family Information Service	x			
HOST – Accommodation Advice			x	x
Libraries	x	x		
Volunteers	x	x	x	x

There has been particularly constructive engagement through the consultation process on how future universal Youth Provision can be sustained in Trafford. There is clear evidence of this partnership approach to deliver Early Help to young people aged 11-18 years through the proposal to create a *Youth Trust*. This is being developed with a number of agencies and community leaders with an initial event led by the Stronger Communities Board held at Old Trafford on 30<sup>th</sup> January.

The *Youth Trust* will look at what young people and communities have told us is important to them during the consultation process and build on that further. Regardless of the activity, outreach into communities beyond where the hubs are based was something that respondents said was the main priority and something that the Trust will need to consider in how it commissions provision for the future. A key aspect of this work has been the Youth Service mapping exercise which will enable us to help co-ordinate and harness the huge breadth of youth activities in place across Trafford. Alongside this work options to sustain existing youth centre activities are being progressed as described in the table under 2.22.1.1 on pages 23.

## **Appendix E: Equality Impact Assessments**

### Children, Families and Wellbeing (CFW) Directorate

#### Adult Services

- i) Reshaping Social Care
- ii) Supported Accommodation
- iii) Building Based Day Services

#### Children's Services

- iv) Early Help Delivery Model
- v) Early Years and Childcare

### Economic Growth, Infrastructure and Environment (EGEI) Directorate

- vi) School Crossing Patrols (staff)
- vii) School Crossing Patrols (stakeholders)
- viii) Car Parking Fees



## Appendix F – School Crossing Patrol Points Proposed to be Dis-established

Point N°	Schools served by SCP	Location of Crossing Point	Category
101	St. Hilda's Primary	Rye Bank Rd/Warwick Road South Stretford	C
105	Seymour Park Pri./Kings Rd/St. Hilda's/Stretford High	Seymour Grove/Ayres Rd Old Trafford	ATS
111	Gorse Hill Pri./Stretford High	Talbot Rd/Milton Rd Stretford	ATS
116	St. Ann's RC Primary./Victoria Park Infant & Junior.	Chester Rd/Sydney St. Stretford	ATS
118	St. Matthews/St. Ann's/Victoria Park/Stretford Grammar/St. Anthony's/Lostock College	Chester Rd/Opposite Stretford Precinct	ATS
119	Stretford Grammar/St. Matthews	Barton Rd/Sandy Lane Stretford	C
120	Moss Park Infts. & Jnrs.	Moss Park Rd/Manor Rd Stretford	C
121	Lostock College/Barton Clough/St. Hugh of Lincoln	Barton Rd/Curzon Rd Stretford	ATS
122	Barton Clough/St. Hugh of Lincoln	Barton Rd/Moss Vale Cres Stretford	ATS
126	Kingsway /Lostock College	Lostock Rd/Kingsway Park, Davyhulme	ATS
134	Flixton Girls High/Flixton Jnrs.	Flixton Rd/Brook Rd/Bowfell Rd Flixton	ATS
140	Moss Park Infts. & Jnrs.	Derbyshire Lane West/Addison Rd Stretford	B
143	Moss Park Infts. & Jnrs.	Bradfield Rd/Outside Park Gate Stretford	C
144	St. Ann's Pri./Victoria Park Infts./Jnrs.	Moss Rd/Grange Rd/Radstock Rd Stretford	C
149	St. Matthews	Chester Rd/Barton Rd Old Cock Pub Stretford	ATS
209	Holy Family, Templemoor, Moorlands, Sale High	Northenden Rd/Hampson St. Sale Moor	B
214	Brooklands Primary	Brooklands Rd/Woodbourne Rd Sale	ATS
216	Heyes Lane Primary	Woodhouse Lane East, Timperley	C
220	Partington Primary	Moss Lane/Hardwick Rd, Footway Partington	C
221	Partington Primary	Warburton Lane/Central Rd Partington	ATS
222	Broadoak High	Warburton Lane/Outside Broadoak High Pa	ATS
223	Park Rd Primary, Timperley	Park Road/Frieston Road Timperley	ATS
229	Navigation Primary	Navigation Rd/Hawarden Rd Broadheath Alt	B
236	Stamford Park Junior/Infants	Bancroft Rd/Moss Lane/Grove Lane Hale	C
243	Wellfield Junior/Infants, All Saints	Buckfast Rd/Buck Lane/Green Lane A-on-M	C
247	St Margaret Ward	Cherry Lane/Ryefield Rd Sale	B

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# **Early Help and Adult Social Care Consultation**

## **Summary Report**

**December 2014**

## Table of Contents

Executive Summary / Key Findings .....	3
Introduction .....	4
Proposed changes to Early Help .....	5
Proposed Changes to.....	7
Consultation Methods .....	9
Analysis of Responses.....	11
<b>Early Help.....</b>	<b>12</b>
Summary .....	12
<i>Early Help Reach and Contact.....</i>	<i>12</i>
<i>Findings.....</i>	<i>13</i>
Volunteering proposals.....	15
Alternative suggestions to the proposals to be considered by Trafford Metropolitan Borough Council.....	16
Issues raised with the consultation process and how they were addressed .....	16
Early Help Consultation points for consideration for Trafford Metropolitan Borough Council .....	17
<b>Adult Social Care .....</b>	<b>18</b>
Summary .....	18
<i>Adult Social Care Reach and Contact.....</i>	<i>19</i>
Findings.....	19
Alternative suggestions to the proposals to be considered by Trafford Metropolitan Borough Council.....	20
Issues raised with the consultation process and how they were addressed .....	21
Adult Social Care Consultation points for consideration for Trafford Metropolitan Borough Council.....	21

## Executive Summary / Key Findings

### **Early Help**

- The consultation elicited the views of 1947 people.
- The participants thought that the proposals would affect them very much.
- There were only 11 people who agreed with the Early Help Hub proposals.
- The majority of people disagreed with the Hub proposals due to a range of 19 anticipated negative impacts.
- The majority of people agreed with the volunteering proposals. Some people stated they would and others would not volunteer. The main barriers to volunteering were working or parenting.

### **Adult Social Care**

- The consultation elicited the view of 998 people.
- The majority of participants thought that the proposals would not affect them at all, although some individuals also thought that they would be affected to some extent, quite a lot and very much.
- 46% of people were in agreement with the proposals and cited improvements to joint working and all age services as the main reasons. There were 22 reasons for disagreement focussed on all the other proposals.
- Outsourcing was perceived to be particularly negative as it was associated with lower quality care.

### **General**

- There were five alternative ideas suggested. These included reducing Trafford MBC wages, reducing Council spending, increasing council tax, other money raising ideas and Government issues.

## Introduction

Trafford Borough Council are required to make £23 million of savings in the 2015-16 budget of the Children, Families and Wellbeing directorate. A number of proposals were suggested by Trafford MBC to achieve these savings.

### **Trafford Borough Council is required to conduct consultation on such changes:**

Section 198 of the Apprenticeships, Skills, Children and Learning Act 2009 amends section 5D(c) of the Children's Act 2006 to require local authorities to conduct a consultation in the following circumstances:

- 1) Before making arrangements for the provision of a children's centre
- 2) Before any significant change is made in the services provided through a relevant children's centre
- 3) Before anything is done that would result in a relevant children's centre ceasing to be a children's centre.

Local authorities (or a third party acting on the authority's behalf) should consult everyone who could be affected by the proposed changes, for example, families, those who use the centres, children's centres staff, advisory board members and service providers. Particular attention should be given to ensuring disadvantaged families and minority groups participate in consultations.

The consultation should explain how the local authority will continue to meet the needs of families with children under five as part of any reorganisation of services. It should also be clear how respondent's views can be made known and adequate time should be allowed for those wishing to respond.

These statutory requirements shaped the design of the consultation process.

### **The consultation ran for six weeks from 3<sup>rd</sup> November 2014 – 12<sup>th</sup> December 2014.**

Indigo Children's Services were commissioned to support Trafford Council's Children, Families and Wellbeing Public Consultation 2014/15. Indigo led the consultation strands:

**Early Help:** Early Help services support children and young people aged 0-19 years old when they first might have a problem, so that it does not become worse or last a long time.

**Adult Social Care:** Social care services to adults across the Borough including homecare and day support.

Commissioning out consultation is common practice. Local Authorities have increasingly been using expert independent providers to run and evaluate the findings of consultations to minimise the risk of judicial review.

## **Proposed changes to Early Help**

### **Proposed changes to delivering services for 0-11years**

Closing children's centres within Trafford to leave two open in Stretford and Partington: to provide health services for all children, offering families support as well as providing services for children with special educational needs and disabilities.

Protecting children from harm and offering support to those most in need will continue to be important to Trafford MBC.

### **What this would mean for services for 0-11 years**

The following centres will close:

- Old Trafford Children's Centre
- Sale Children's Centre
- Altrincham Children's Centre
- Urmston Children's Centre

The following provision will end:

- The Small Talk/Tiny Talk Speech and Language Programme
- Stay and Play Provision
- Children's Centre Crèche facilities
- Relate Family Support
- Catch 22 Family Support
- Homestart Family Support
- Action for Children's 'Trafford Time Out Project' (Young Carers)
- Salford Foundation's 'Trafford Engage'

### **Proposed changes to delivering services for 11-18 years**

The idea is that all youth centres will be closed leaving the Talkshop in Sale to work with young people from across Trafford. The centre will provide information and guidance on things such as sexual health, alcohol, drugs and will be a base for youth workers who work across Trafford.

They will also provide support for people who need help around: being a teenage parent; careers guidance; accessing work or education and accommodation support.

Special programmes will be provided for child sexual exploitation, sexual health, and young people missing from home.

### **What this would mean for services for 11-18 years**

The idea means Youth centres below will close:

- Old Trafford Youth Centre
- Lostock Youth Centre
- Partington Youth Centre
- Broomwood Youth Centre
- Sale West Youth Centre
- Davyhulme Youth Centre
- Gorse Hill Studios
- Duke of Edinburgh, Outdoor Education

The idea also means that street based youth work will be affected as well as the commissioned all age provision ending. This is:

- Relate Family Support
- Catch 22 Family Support
- Homestart Family Support
- Action for Children's 'Trafford Time Out Project' (Young Carers)
- Salford Foundation's 'Trafford Engage'

### **Proposal to develop a volunteering strategy to support the delivery of Early Help**

A volunteer strategy will be implemented to recruit, train and develop a volunteer pool to work across Trafford alongside the paid workforce supporting Early Help for children and young people.

### **Proposal to work with other organisations to support the delivery of Early Help**

Work is underway with Gorse Hill Studio to help ensure its future, which includes the option to become a community organisation, run by people in the community, for the benefit of the community.

Trafford also welcomes other organisations coming forward if they think they can work in partnership to deliver Early Help. The children's centre and youth centre buildings may be leased to voluntary and community groups. If these options are not possible they will close and the buildings will need to be closed and sold.



## Proposed Changes to

### **Part A: Five key approaches.**

1. We offer services to meet the needs of the individuals assessed as requiring support and give them choice and control over the support that they receive. We have done this with Personal Budgets. We will continue to offer people Personal Budgets in the future.

2. We support people to be as independent as possible. For example:

- we offer people short term support to remain independent;
- we offer emergency contact through telephone support to help people remain in their own homes, for example pendant alarms;
- we help people settle back home after being ill or in hospital.

3. We plan and deliver our adult social care services with health services. This means:

- you have to tell your story fewer times to fewer people;
- you attend less meetings;
- you have all your needs considered at one time.

4. We try to provide as much quality support as we can with the budget available, offering value for money.

5. The population of Trafford is increasing, and people are living longer. This means that Trafford Council will need to support more people in the future. We are committed to providing care services to people who most need our support.

These proposed approaches will help improve how we make the best use of the resources we have available, ensuring we support as many people with as high a quality of service as possible.

### **Part B: Nine proposals**

We are proposing nine ways of saving money next year.

#### **1. Support from Reablement**

Reablement is short-term support to help people to maintain or improve their independence. Trafford Council currently provides this service. We propose to ask an organisation to provide this support service for us. People who currently work for Trafford MBC would move into the new organisation. We

think that another organisation can provide these services for less cost than we can. This might mean that you would access support to regain independence from a new organisation or from people that you do not yet know

## **2. Day Support**

Pathways is a one day support service for people with learning disabilities and for older people. We propose to ask an organisation to provide Pathways for us. People who currently work for Pathways would move into the new organisation. We think that another organisation can provide these services for less money than we can. This might mean that you would access your support from a new organisation or from people that you do not yet know.

## **3. Supported Living Network**

The supported living network is currently provided directly by Trafford MBC. We propose to ask an organisation to provide this service for us. People who currently work for the supported living network would move into the new organisation. We think that another organisation can provide these services for less money than we can. This would mean that you would access your support from a new organisation or from people that you do not yet know.

## **4. Supporting People**

Supporting People funds a service that supports the wellbeing of vulnerable people in the community to enable them to maintain independent accommodation and prevent homelessness. This service is run by an outside organisation and the contract ends in March 2015. The proposal is to no longer fund this service when the contract ends.

## **5. Voluntary and Community Sector**

We pay community and charity organisations to provide services for us. We propose to reduce these services in the following ways. We propose to:

- Reduce payments to Trafford Carers Centre. This would mean stopping supporting "Carers Week" (an annual event that lasts for one week) financially and reducing the support some carers receive
- Reduce payments to Trafford Centre for Independent Living (CIL). This would mean reducing the support some adults with disabilities receive.
- No longer fund any Timebanking projects.
- Reduce the budget to Independent Health Complaints Advocacy. This may mean the organisation is able to support fewer people.

## **6. Support for People with Mental Health Issues**

We will make sure we support people with mental health issues to live independently by reviewing the 'star worker' day to day work and focusing on supporting people to recover.

We will review the cases of everyone with mental health issues placed outside the borough. This will mean making sure that as many people as possible

return to live in Trafford. We will continue to ensure that all placements are good quality and value for money.

We will review the cases of everyone leaving mental health care services to make sure that they have just enough support.

### **7. Joining Together Health and Social Care**

We propose to work with community health services to make sure that people's health and care needs are supported together. To do this we will provide local services in partnership with other organisations, and not have different management structures for children's and adult's services. This could mean less travel, less appointments, telling professionals your story less often and one plan for your support that covers all your needs.

### **8. Planning and Buying Services in Partnership for People of All Ages**

We propose that education, health and care services are bought and planned together to save money. We also propose that these services are planned for people of all ages rather than there being separate services for people of different ages.

### **9. Reshaping Social Care**

We propose three changes to social care.

- a. We will meet people's eligible needs with the lowest cost reasonable option. This means that you might be asked to use a less expensive form of support. You, or your family, would have the choice to pay for a more expensive form of support if you wanted to or were able to.
- b. We propose to review all the benefits that people are entitled to, ensuring they are fully used to fund support before any further support is funded. The benefits include Attendance Allowance, Disability Living Allowance and Personal Independence Payments. This may mean that your case is reassessed to see if you are entitled to further funding. It could also mean that you are not provided with additional funding, or that you have to use your funding in a different way.
- c. We propose to stop paying for 'non-eligible' services such as domestic services, cleaning, meal preparation and shopping unless there is no other possible alternative.

## **Consultation Methods**

Seven consultation methods were developed to ensure that the maximum number of people were able to participate in the consultation process about the proposed changes. This is called a mixed method approach. All these events were advertised on a consultation website linked to Trafford MBC Summary Report

website. In addition, the information was disseminated via a range of 66 forums and services. In the week of the 24<sup>th</sup> November Trafford MBC sent out a press release to promote interest in the consultation events. Methods used were:

### **1. Surveys**

Electronic and hard copy format surveys were distributed. 5394 hard copies of the Adult Social Care survey were sent directly to Adult Social Care service users, including postage paid envelopes for returning

### **2. Street surveys**

Street surveys were designed to reach a range of service users and non-service users who may not wish to travel to a drop-in consultation or complete a survey. Half a day was spent by the consultation team in the North, South, Central and West areas of Trafford.

### **3. Drop in sessions**

Drop in consultation sessions were held to provide informal opportunities for the public to give their views about the proposed changes. Interpreters (Bengali, Punjabi and Polish) were at each session, explanatory information was provided, along with a range of ways to provide write feedback on. The sessions ran from 10.00 – 16.00 continuously and took place at:

- Gorse Hill Studios
- Hale Library
- Urmston Library
- The Talkshop, Sale
- The Blulife Centre, Partington
- 

### **4. Focus groups**

In total there were 5 focus groups reaching 23 Early Help children and young people and 21 Adult Social Care young people with learning difficulties.

### **5. Emails**

The consultation website provided people with an email address and an electronic comment box so that they could submit individual messages if they wanted to. This provided people with a means of communicating with the consultation team without having to attend an event.

### **6. Telephone calls**

The public were also invited to call the research team to give their views in person by telephone enabling them to contribute if they were not able to leave the house and were not able to access technology.

### **7. Council run consultation events.**

Trafford MBC ran public consultation events in Sale, Partington, Altrincham, Old Trafford, Urmston and the Youth Cabinet. Each of these events comprised a presentation by Trafford MBC followed by round table discussion and feedback.

## Total Number of Respondents

<b>Medium</b>	<b>Early Help Respondents</b>	<b>Adult Social Care Respondents</b>	<b>Totals</b>
Surveys	328	510	<b>838</b>
Street surveys	89	61	<b>150</b>
Drop in Sessions	73	73	<b>73</b>
Focus Groups	23	21	<b>44</b>
Emails and letters	968	59	<b>1027</b>
Council comments	346	154	<b>500</b>
Advisory and other meetings	(12 meetings / 120 people)	(12 meetings / 120 people)	<b>n/a</b>
<b>Totals</b>	<b>1657</b>	<b>998</b>	<b>2655</b>

## Analysis of Responses

The responses from the consultation were analysed by the consultation team. Further information of these techniques can be found in the full report.

## Early Help

### Summary

- The reach of the consultation exceeded 2367 people and elicited the views of 1947 people. These were of mixed ages: 72% female, 86% heterosexual, 78% not disabled, 79% White British and 84% service users.
- **The participants thought that the proposals would affect them very much.**
- **There were only 11 people who agreed with the Early Help Hub proposals.**
- **The majority of people disagreed with the Hub proposals due to a range of 19 anticipated negative impacts.**
- There was a mixed response to the question of volunteering – some people would and others would not volunteer, the main barrier to volunteering was working or parenting.
- The majority of people agreed with the volunteering proposals although ten perceived negative impacts were identified.
- There were five alternative ideas identified instead of the Early Help proposals. These included cutting council pay, other council cuts, increasing council tax, other money raising ideas and issues pertaining to the Government.
- There were seven issues identified with the consultation, most have been addressed.

### Early Help Reach and Contact

The table shows the number of people 'reached', those we know to have been asked to contribute and 'contact', those reached who contributed to the consultation.

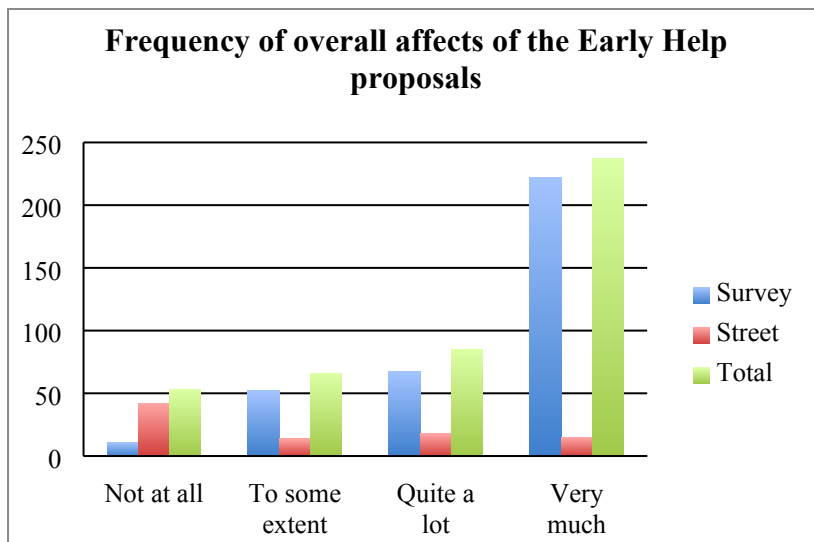
#### Reach and contact of the Early Help consultation.

Method of contact	Reach	Contact
Surveys	1152	328
Street data	667	89

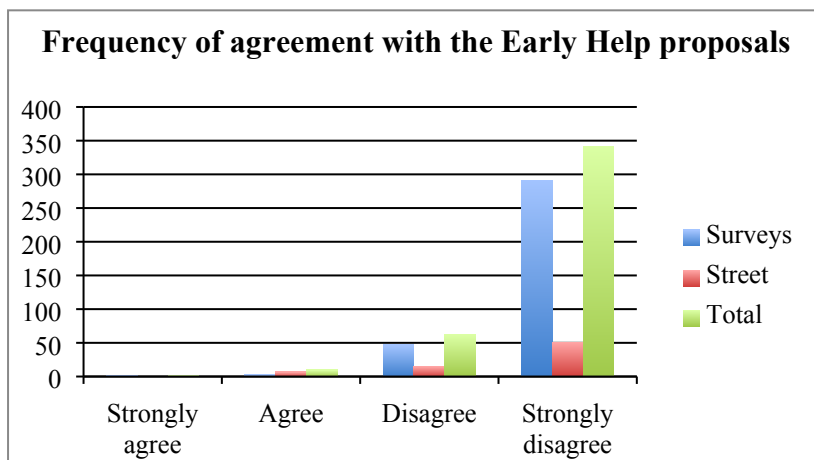
Drop in sessions	548	73
Focus groups		23
Emails and letters		968
Council consultations		346
Advisory meetings	650	120

## Findings

441 respondents of surveys (including street based) identified the extent to which they were affected by the proposed changes. The majority thought that they were very much affected.



415 people expressed their level of agreement with the proposals through surveys (including street based). Of these 342 strongly disagreed, 62 disagreed, 10 agreed, and one person strongly agreed.



A number of people agreed with the proposals for Early Help. They identified eleven benefits to the proposals. The most frequent was the ability to meet new people through new working arrangements.

### Frequency of agreement with the Early Help proposals.

<b>Benefits of the proposals</b>	<b>Total number of people</b>
New way of working	<b>1</b>
Meet new people	<b>17</b>
Cost saving	<b>5</b>
Wider reach for Talkshop	<b>2</b>
Less time for management	<b>1</b>
Its something	<b>4</b>
Targeted support for the most vulnerable	<b>2</b>
TMBC keep their jobs	<b>1</b>
Centralised access	<b>2</b>
CYP can travel	<b>1</b>
Too much provision currently	<b>8</b>

There were 19 negative impacts of the Early Help Hubs identified in all of the data sets. The most frequent being the loss of a key service. The table below shows the frequency at which these came up at through which consultation method.

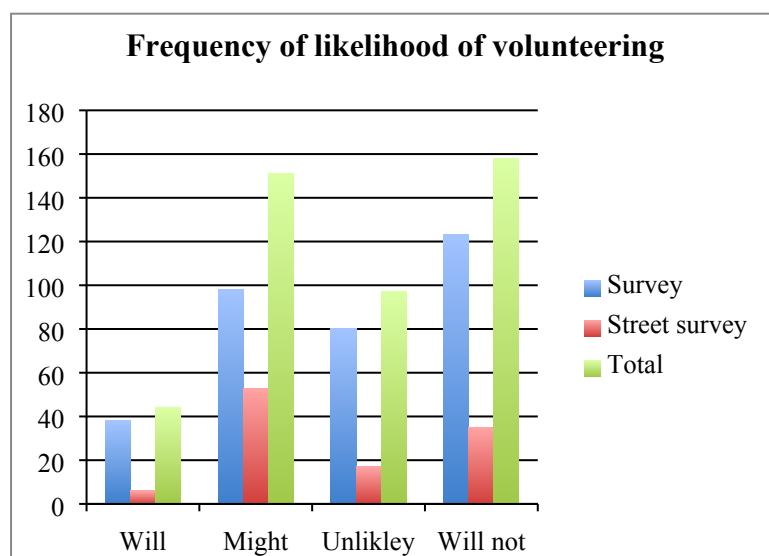
	Survey	Street	Drop In	Focus Group	Council consult	Meetings	Emails	<b>Totals</b>
Illegal	1		4		9	6	81	<b>101</b>
Lose key services	313	59	40	49	48	21	556	<b>1086</b>
Lose contacts / friends / networks	131	30	12	11	21			<b>205</b>
Community impact	11	2	11		16			<b>40</b>
Unsafe / nowhere to go	15	6	5					<b>26</b>
Crime	19	13	21	5	32			<b>90</b>
Loss family support / crisis	59				48			<b>107</b>
Loss of services / capacity		7			2			<b>9</b>
Loss learning and development	7	8	14	23	35			<b>87</b>
Excludes SEN / vulnerable	23			2		5	23	<b>53</b>



Nowhere to refer to	15					2		<b>17</b>
Immoral / social injustice		7	3					<b>10</b>
End of integrated working						2		<b>2</b>
Increased MH issues	3							<b>3</b>
Travel / geography wrong		39	37	7		43	21	<b>147</b>
Overload other services	15	1			30			<b>46</b>
Too large / conflict / loss personalisation		7	15	3	5		2	<b>32</b>
Loss of jobs / increased unemployment	6	2	2		13			<b>23</b>
Long term issues	11	30	18		33			<b>92</b>

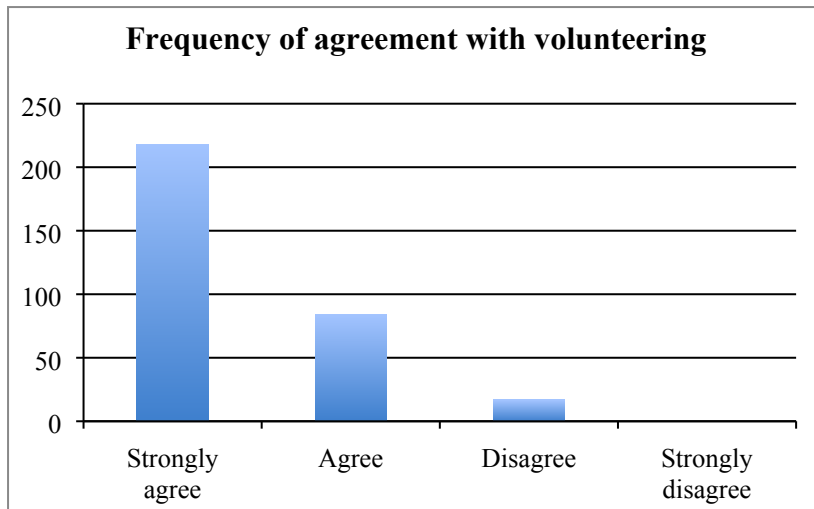
## Volunteering proposals

450 people commented on volunteering. The majority of whom equally would not volunteer.



Only 218 participants indicated the extent to which they agreed with volunteering.

The majority of these strongly agreed with the proposals.



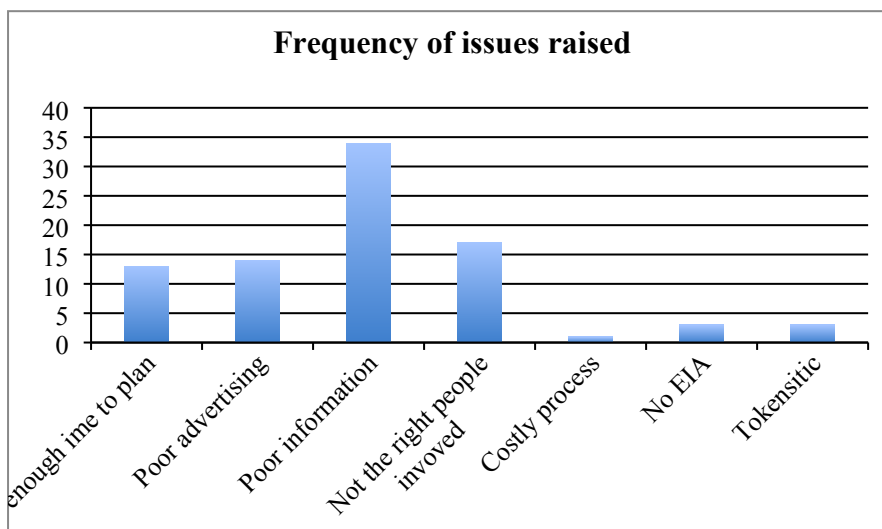
### Alternative suggestions to the proposals to be considered by Trafford Metropolitan Borough Council

Five alternatives to the Early Help proposals were identified by 143 people. These were grouped into five categories in order of frequency they were:

1. Raising money through other means, e.g. corporate social responsibility
2. Council wage cuts
3. Government issues, e.g. reduce foreign aid
4. Council spending could be reduced in other areas
5. Increase Council Tax

### Issues raised with the consultation process and how they were addressed

Seven issues with the Early Help consultation process were identified by 83 people. The frequency of the issues is shown in the chart below.



- Trafford MBC picked up the lack of advertising early and a press release was circulated and information sent out through a range of 65 different meeting groups.
- The consultation information was designed to be as accessible as possible in electronic and paper copy, normal and easy read versions.
- The team endeavoured to make the consultation as accessible as possible by holding events in different places, using different media, and planning events specifically for young people, those with learning difficulties and people in Partington as a result of feedback.

The cost, lack of equality impact assessment, and perceived tokenistic nature of the consultation were also cited by respondents.

### **Early Help Consultation points for consideration for Trafford Metropolitan Borough Council**

1. The consultation was varied and accessible and had good reach and contact with residents. The demographics of those that were involved were varied and had a greater representation of minorities than Trafford demographic data.
2. The proposals are perceived to have a great affect on the people who access the services. Trafford MBC needs to stay attentive to this when planning budget reductions.
3. The majority of people disagreed with the proposals put forward for Early Help Hubs and Trafford MBC needs to reassure the public that they can reduce the likelihood of the negative impacts identified.
4. The majority of people agreed with the volunteering strategy although negative impacts were identified. Trafford MBC needs to reassure the public that volunteers will be well trained, supervised and appropriately protected.
5. The public have identified a range of alternative ideas to the Early Help proposals, and Trafford MBC needs to be attentive to these and consider whether any are viable.
6. The issues with the consultation have mainly been addressed, however, the Trafford MBC needs to reassure the public that the consultation exercise has been cost effective, that equality impact has been considered and that it is not a tokenistic process.

# Adult Social Care

## Summary

- Available data suggests that the reach of the consultation exceeded 6527 people and engaged and elicited the view of 998 people. These were of mixed ages, 56% female, 78% heterosexual, 52% disabled, 79% White British and 64% service users.
- **The majority of participants thought that the proposals would not affect them at all, although some individuals also thought that they would be affected to some extent, quite a lot and very much.**
- **46% of people were in agreement with the proposals.**
- **There were seven reasons for agreement with the proposals, focused mainly on the improved joint services and all age service proposals.**
- There were 22 reasons for disagreement focussed on all the other proposals. The main disagreement was that all the services are vitally important and as such, any loss or reduction or change would potentially have an impact on recipients.
- Outsourcing was perceived to be particularly negative as it was associated with lower quality care.
- There were five alternative ideas suggested instead of the Adult Social Care proposals. These included reducing Trafford MBC wages, reducing Council spending, increasing council tax, other money raising ideas and Government issues.

## Adult Social Care Reach and Contact

The table shows the number of people 'reached', those we know to have been asked to contribute and 'contact', those reached who contributed to the consultation.

### Reach and Contact of the Adult Social Care consultation.

Method of contact	Reach	Contact
Surveys	6527	510
Street data	458	61
Drop in sessions	548	73
Focus groups		21
Emails and letters		59
Council consultations		154
Advisory meetings	650	120

## Findings

The consultation sought to understand the extent to which people would be affected by the proposals. The following table shows the extent to which people expected to be affected for each of the ten proposals. Most people thought that they would not be affected at all.

### Frequency of Affect for each Proposal.

	Not at all	To some extent	Quite a lot	Very much
Reablement	124	42	26	42
Day support	141	14	19	31
Supported living network	247	42	23	49
Supporting People	261	26	26	7
VCS services	219	51	36	66
Mental Health services	262	35	18	33
Joint health and social care	130	135	71	73
All age services	206	128	29	50
Lowest cost	50	109	82	95
Review of benefits	106	77	75	119
<b>Total</b>	<b>1746</b>	<b>659</b>	<b>405</b>	<b>565</b>

The consultation also sought to understand the extent to which people agreed or disagreed with the ten proposals. As can be seen from the table below, agreement was the most frequent response to the proposals although closely followed by strong disagreement.

### Frequency of agreement with each proposal.

	<b>Strongly agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly disagree</b>
Reablement	14	73	56	48
Day support	8	68	48	131
Supported Living Network	22	127	19	84
Supporting People	66	18	102	116
VCS services	12	61	121	141
Mental Health services	39	113	28	70
Joint health and social care	91	206	36	130
All age services	52	177	68	50
Lowest cost	23	117	111	120
Review of benefits	31	133	95	122
Non-eligible	148	436	274	399
<b>Total</b>	<b>506</b>	<b>1529</b>	<b>958</b>	<b>1411</b>

The consultation sought to understand the reasons for agreement and disagreement with the proposals. There were seven positive reasons for agreement with 107 comments. There were 22 negative reasons for disagreement with 714 comments. The positive comments pertained mainly to the proposals for joint services and an all age service.

The most frequent theme was the invaluable nature of the services. This was a concern, as any reductions from any invaluable service were seen to have a negative impact on individuals. The second most frequent theme was that people would not be able to pay for any increases in cost or cover decreases in benefits.

### Alternative suggestions to the proposals to be considered by Trafford Metropolitan Borough Council

There were five main alternative suggestions to the proposals made by Trafford MBC. In order of frequency they were:

1. Raising money through other means, e.g. corporate social responsibility

2. Council spending could be reduced in other areas to protect Adult Social Care
3. Council wage cuts
4. Government issues, e.g. reduce foreign aid
5. Increase Council Tax

### **Issues raised with the consultation process and how they were addressed**

There were eight issues cited with the consultation process. The most frequent was poor information yet 320 out of 510 people said that they understood the survey and 306 out of 510 said that they understood the proposals.

Easy read versions of the documents were produced to aid comprehension. When it was understood that there was poor advertising, Trafford MBC sent out a press release notifying the public of the events. Efforts were also made to ensure that the right people were invited to attend events, and additional focus groups were arranged by Trafford MBC to ensure the views of young people with learning disabilities were included in the consultation.

### **Adult Social Care Consultation points for consideration for Trafford Metropolitan Borough Council**

1. The consultation was varied and accessible and had good reach and contact with residents. The demographics of those involved were varied and had a greater representation of minorities than Trafford demographic data.
2. The proposals are perceived to have no impact on some people and a great impact on others. Trafford MBC needs to be attentive to the groups that it will impact on when planning budget reductions.
3. An almost equal number of people agreed and disagreed with proposals, the agreements were mainly focussed on joint services and all age services, and disagreements came with any outsourcing and service reduction proposals. Trafford MBC needs to reassure the public that they can reduce the likelihood of the negative impacts identified.
4. The public have identified a range of alternative ideas to the Adult Social Care proposals and Trafford MBC needs to be attentive to these and consider whether any are viable.
5. The issues with the consultation have mainly been addressed, however, Trafford MBC needs to reassure that public that the consultation exercise has been cost effective, that equality impact has been considered and that it is not a tokenistic process.

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## **Appendix E: Equality Impact Assessments**

### Children, Families and Wellbeing (CFW) Directorate

#### Adult Services

- i) Reshaping Social Care
- ii) Supported Accommodation
- iii) Building Based Day Services

#### Children's Services

- iv) Early Help Delivery Model
- v) Early Years and Childcare

#### Economic Growth, Infrastructure and Environment (EGEI) Directorate

- vi) School Crossing Patrols (staff)
- vii) School Crossing Patrols (stakeholders)
- viii) Car Parking Fees

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## EQUALITY IMPACT ASSESSMENT - TRAFFORD COUNCIL

<b>A. Summary Details</b>		
1	Title of EIA:	Reshaping Trafford Social Care Offer
2	Person responsible for the assessment:	Diane Eaton, Joint Director for Adults (Social Care)
3	Contact details:	Tel: 912 2705
4	Section & Directorate:	Children, Families & Wellbeing, Adult Social Care - Operations
5	Name and roles of other officers involved in the EIA, if applicable:	Anne Barlow, Head of Service (Social Care) Mark Grimes, Lead Commissioner (Adult Social Care)
<b>B. Policy or Function</b>		
1	Is this EIA for a policy or function?	Policy <input checked="" type="checkbox"/> Function <input type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function <input type="checkbox"/>
3	What is the main purpose of the policy/function?	To realign the Social Care Offer to ensure that available resources are targeted to individuals to build resilience and maximise independence. Trafford will meet people's eligible needs at the lowest economic cost, whilst taking into account our legal obligations. The revised offer will include the re-scoping of eligible need for Social Care support. In complying with our statutory duty to meet eligible needs, Trafford would seek alternative solutions to meet eligible need, ie shopping, domestics, cleaning and meal preparation. Trafford will wherever

		<p>possible utilise all assistive technology and equipment available before any public sector offer is considered. Each individual's personal benefits will wherever possible be utilised before transport or care will be considered. Current models of support will be redesigned and in particular linked to supported accommodation with Learning Disability and Mental Health Services looking at larger numbers of people living together and sharing support at a lower cost, reconfiguring extra care to support people with a greater level of need. Trafford will shape and develop the market to ensure that alternative solutions to meet low level needs are identified and where a gap has been identified, develop services. Trafford will audit available locality based resources as part of the formulation of a Directory of Resources.</p>
4	<p>Is the policy/function associated with any other policies of the Authority?</p>	<p>Policies in place linked to Community Care legislation ( and forthcoming Care Act), Charging Policy. Further policies will be developed to underpin the revised offer, which is in line with the development of locality working and integrated service provision with health.</p>
5	<p>Do any written procedures exist to enable delivery of this policy/function?</p>	<p>Consultation documents, Guidance for Panel, Transport Policy, implementation of the Care Act from April 2015 and associated social care practices.</p>
6	<p>Are there elements of common practice not clearly defined within the written procedures? If yes, please state.</p>	<p>No. Processes are delivered according to relevant legislation principally the NHS and Community Care Act, National Assistant Act and Care Act</p>
7	<p>Who are the main stakeholders of the policy? How are they expected to benefit?</p>	<p>Service users of Trafford's Social Care offer, families and carers. Communities of Trafford. People will be supported to maximise and maintain independence.</p>

8	How will the policy/function (or change/improvement), be implemented?	Under the reshaped offer, as part of Trafford's usual review process a reassessment of an individual person's need by Social Care assessment will be completed, leading to a revised care plan; this will ensure we continue to meet eligible need, and discharge our statutory duty. Furthermore, it is proposed that each affected individual's personal circumstances will be taken into account.
9	What factors could contribute or detract from achieving these outcomes for service users?	The lack of a reasonable alternative solution to meet need.
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	Effective and accessible housing and accommodation is required to enable people to live independently at home. Equipment provision will need to be increased. Good accessible transport is required to enable travelling.

### C. Data Collection

	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	Data is available for people in receipt of Social Care services by age, gender, ethnicity and primary client type.
2	Please specify monitoring information you have available and attach relevant information*	Please see spreadsheet attached. In terms of ethnicity, our current provision is good, as we provide services to a greater proportion of people classed as 'non-white' than the proportion in the general population i.e. in the age group 18-64, we provide services to 16.1% of people classed as 'non-white'; 14.1% of people in the general population are 'non-white'. In the age range 65+, 5.9% of our service users are 'non-white' compared to 4.8% of 'non-white' people in the general population.

3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	
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*\*Your monitoring information should be compared to the current available census data to see whether a proportionate number of people are taking up your service*

<b>D. Consultation &amp; Involvement</b>		
1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	No
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	<p>A Consultation process was designed to include this proposal and ran from 21/10/14 – 20/12/14. The most consistent comment was in relation to affordability. However, this would apply to all service users within the protected characteristic groups. The proposal is about alternative provision, some of which may prove to be more cost effective for the service user.</p> <p>A mixed method approach for the consultation process was used to ensure that the maximum number of people were able to participate in the consultation process. These were: online &amp; postal surveys, street surveys, drop-in sessions, focus groups, emails, telephone calls, and Council run consultation events.</p>

		<p>All these events were advertised on a consultation website attached to the Council website and the information was disseminated via a range of 66 forums and services. Forum leaders and service managers committed to circulating the information on to service users. The Council also sent out a press release to increase interest in the consultation events.</p> <p>In addition, surveys for Adult Social Care were developed for existing service users in both electronic and hard copy surveys format. Hard copies of the survey were posted to 5394 service users with a stamped addressed return envelope to encourage participation. Focus groups were advertised via the website and members of the public could book onto them. They were also advertised via the network of 66 forums and meeting groups.</p>
<p>3 Page 251</p>	<p>**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?</p>	<p>Access issues in terms of information can create a number of barriers. We have used a range of consultation methods to accommodate people's varying access requirements.</p> <p>The Adult Social Care Team organised two focus groups in Trafford College for students with learning difficulties and consultations for a range of groupings for communities of identity, including disabled people where tailored and accessible methods were used to address access and information requirements. Public meetings were held throughout the Borough in each locality, led by the Leader of the Council and Council elected members, so that residents had the opportunity of attending an event within their geographical area. Easy reading material was also produced and circulated as appropriate. Street surveys were designed to reach a range of service users and non - service users who may not wish to travel to a drop-in consultation or complete a survey. There was one drop in session in each of the four areas of Trafford run in buildings that were low / no cost as advised by the Council. The drop-in sessions were informal opportunities for the</p>

	<p>public to speak to the research team. They consisted of three tables manned by a consultant each and interpreters for Bengali, Punjabi and Polish speakers were available. The consultation website also provided people with an email address and an electronic comment box so that they could submit long individual messages if they wanted to. This provided people with ICT access a means of communicating with the consultation team without having to attend an event. The public were also invited to call the research team to give their views in person by telephone enabling them to contribute if they were not able to leave the house and were not able to access technology.</p>
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*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*



**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	Positive	Negative (please specify if High, Medium or Low)	Neutral	Reason
<b>Gender</b> – both men and women, and transgender;		<input checked="" type="checkbox"/>		The reshaped offer will impact on all service user groups and will be delivered consistently based on the reassessment of need as part of usual review schedules. Services will focus on people who have the greatest need.
Pregnant women & women on maternity leave		<input checked="" type="checkbox"/>		
Gender Reassignment		<input checked="" type="checkbox"/>		
Marriage & Civil Partnership		<input checked="" type="checkbox"/>		
<b>Race</b> - include race, nationality & ethnicity (NB: the experiences may be different for different groups)		<input checked="" type="checkbox"/>		Generally because of demographics, services are provided to more older women than men. However, as service provision will continue to be based on the meeting of eligible need, there should be no disproportionate impact.
<b>Disability</b> – physical, sensory & mental impairments		<input checked="" type="checkbox"/>		Whilst the impact may be considered medium in terms of
<b>Age Group</b> - specify eg; older, younger etc)		<input checked="" type="checkbox"/>		
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people		<input checked="" type="checkbox"/>		

<p><b>Religious/Faith groups</b> (specify)</p>		<p><input checked="" type="checkbox"/></p>	<p>potential changes in service , and people may view this negatively, the reshaped offer is designed to distribute resources in an equitable fashion according to need.</p> <p>The shaping of Trafford’s market will take into account the culturally diverse needs of its communities.</p> <p>Furthermore, each affected person will be assessed and their personal circumstances will be taken into account.</p> <ol style="list-style-type: none"> <li>1. The Council is proposing to meet people’s eligible needs at the lowest economic cost .</li> </ol> <p>Decision about service provision will need to bear in mind the requirements of Human Rights Legislation, for example people’s right to family life.</p> <ol style="list-style-type: none"> <li>2. The Council is proposing to ensure all benefits are</li> </ol>
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				<p>utilised before a service offer is made.</p> <p>People with the highest level of impairment may be those in receipt of the highest levels of benefit. Consideration will need to be made of for example disability related expenditure and access to alternative services.</p> <p>3. The Council is proposing that some low level services may not be directly funded by the Council, however, individuals will be signposted to reasonable alternatives.</p> <p>No person will be left without a service until a review has taken place and appropriate available alternatives have been identified.</p> <p>We will ensure a carers assessment is completed, where relevant.</p>
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**As a result of completing the above what is the potential negative impact of your policy?**

High	Medium ✓	Low
<b>F. Could you minimise or remove any negative potential impact? If yes, explain how.</b>		
Race:		Please see above for mitigation action.
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership		
Disability:		
Age:		
Sexual Orientation:		
Religious/Faith groups:		
Also consider the following:		
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?	
2	Could the policy have an adverse impact on relations between different groups?	
3	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	

**G. EIA Action Plan**

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,	Progress milestones	Progress
<p>There will be an action plan produced once decision is made on the proposals. This will dovetail into the programme of work which will underpin the implementation of this proposal, once decided.</p>						

Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed *Mark Grimes*  
 Lead Officer Mark Grimes  
 Date 6/2/15

Signed *Diane Eaton*  
 Service Head Diane Eaton  
 Date 6/2/15

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## EQUALITY IMPACT ASSESSMENT TEMPLATE - TRAFFORD COUNCIL

A. Summary Details		
1	Title of EIA:	Supported Accommodation
2	Person responsible for the assessment:	Christine Warner
3	Contact details:	<a href="mailto:christine.warner@trafford.gov.uk">christine.warner@trafford.gov.uk</a> , telephone 976 4320
4	Section & Directorate:	CFW Adult Social Services
5	Name and roles of other officers involved in the EIA, if applicable:	
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function X <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	Supported living arrangements are in place for disabled people (mainly with a learning disability), who require a small group living setting with support to live as independently as possible in the community.
4	Is the policy/function associated with any other policies of the Authority?	Community Care Act and associated policies
5	Do any written procedures exist to enable delivery of this policy/function?	A number of policies will be in place linked to social care, health and safety etc.

6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	No
7	Who are the main stakeholders of the policy? How are they expected to benefit?	People with a learning disability or mental impairment, families and carers. People are supported to live as independently as possible, within their own tenancy and are facilitated to have a community presence with the support of the service
8	How will the policy/function (or change/improvement), be implemented?	Each person will be reassessed to determine if this setting remains appropriate to meet assessed needs. The support services will no longer be provided directly by the Council. This will be achieved either through a personal budget or the service will be commissioned by an external provider.
9	What factors could contribute or detract from achieving these outcomes for service users?	The lack of a reasonable alternative solution to meet the current level of need.
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	

### C. Data Collection

1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	This piece of work is currently being completed but all
2	Please specify monitoring information you have available and attach relevant	See Above



	information*	
3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	Yes

*\*Your monitoring information should be compared to the current available census data to see whether a proportionate number of people are taking up your service*

<b>D. Consultation &amp; Involvement</b>		
1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	No
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	The proposal is part of the 2015/16 budget consultation process. To date staff have only been briefed on proposals (phase 1). A follow up briefing will take place on February 10th 2015 followed by a formal consultation for Phase 2 when more work has been completed on the new model for the Supported Living Service.
3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	None

*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*

**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	<b>Positive</b>	<b>Negative (please specify if High, Medium or Low)</b>	<b>Neutral</b>	<b>Reason</b>
<b>Gender – both men and women, and transgender;</b>		Low		<p>The current service is provided to both men &amp; women. There will be no impact on service users as a result of the proposals in Phase1. In phase 2, the impact will be low as alternative options offering the same level of support will be provided. Existing service users will be offered support through this transitional process. The staff will also transfer over to the service through the transfer of undertakings (TUPE) arrangements, which will also minimise impact.</p> <p>The full impact however will not be known and cannot be confirmed until the details of phase 2 are finalised and a further EIA will be completed.</p>

Appendix E (ii)

Pregnant women & women on maternity leave			X	No impact as a result of this protected characteristic as all staff will be included in consultation.
Gender Reassignment			X	No Impact
Marriage & Civil Partnership			X	No Impact
<b>Race-</b> include race, nationality & ethnicity (NB: the experiences may be different for different groups)			X	No Impact
<b>Disability</b> – physical, sensory & mental impairments		Low		The current service is provided to both people with a learning disability and people with a mental impairment. There will be no impact of the proposals in Phase1. In phase 2, the impact will be low as alternative options offering the same level of support will be provided. Existing service users will be offered support through this transitional process. The staff will also transfer over to the service through the transfer of undertakings (TUPE) arrangements which should also

**Appendix E (ii)**

				limit the impact
<b>Age Group</b> - specify eg; older, younger etc)			<b>X</b>	The service caters for all ages within the adult range – No impact For the staff in the supported living service the impact will not be known until phase 2 has been confirmed. Staff will however be supported under the TUPE arrangements
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people			<b>X</b>	No Impact
<b>Religious/Faith groups</b> (specify)			<b>X</b>	No Impact

TUPE 2014

**As a result of completing the above what is the potential negative impact of your policy?**

**High**                       **Medium**                       **Low**

<b>F. Could you minimise or remove any negative potential impact? If yes, explain how.</b>	
Race:	Please see above for mitigation action
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership	
Disability:	
Age:	

Sexual Orientation:		
Religious/Faith groups:		
Also consider the following:		
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?	
2	Could the policy have an adverse impact on relations between different groups?	
3	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	


Page 265


### G. EIA Action Plan

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan	Progress milestones	Progress
Phase 1 Supported Living implementation	No Action Required			Business Plan		

<p>Phase 1 Supported Living proposals for staff &amp; Service users &amp; families</p>	<p>Undertake staff briefing of progress to date</p> <p>Service users &amp; families to be briefed</p>	<p>10<sup>th</sup> Feb 2015</p> <p>Week comm 23<sup>rd</sup> Feb 2015</p>	<p>C. Warner</p>	<p>Business Plan</p>		
<p>Phase 2 Supported Living Consultation</p> <p>Page 266</p>	<p>Prepare consultation document and undertake staff consultation when phase 2 proposal completed</p>	<p>Prepare consultation document and undertake staff consultation when phase 2 proposal completed</p>	<p>C. Warner</p>	<p>Business Plan</p>		

Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed   
Lead Officer Chris Warner  
Date 9/2/15

Signed   
Service Head Diane Eaton  
Date 9/2/15

## EQUALITY IMPACT ASSESSMENT TEMPLATE - TRAFFORD COUNCIL

A. Summary Details		
1	Title of EIA:	To remodel building based day services
2	Person responsible for the assessment:	Christine Warner
3	Contact details:	<a href="mailto:christine.warner@trafford.gov.uk">christine.warner@trafford.gov.uk</a> , telephone 976 4320
4	Section & Directorate:	CFW Adult Social Services
5	Name and roles of other officers involved in the EIA, if applicable:	
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function X <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	Building based day services have reduced as direct payments/ personal budgets implementation has allowed service users greater choice and control over their support, provided away from a day centre building model. Numbers of people using the residual service have reduced and the proposal is to remodel to provide a Learning Disability Unit, in partnership with the CCG, to offer enhanced support to individuals with complex needs and challenging behaviours. Phase 1 would look at transferring the management of the service to an existing

		<p>Manager to manage in conjunction with the Supported Living Service and to cease accepting referrals to the older people's service, which would lead to cessation of this service. Numbers of attendees are currently low – but people eligible for support would be offered alternative options linked to personal budgets or an alternative commissioned service. This would also allow for the establishment of the remodelled enhanced learning disability day support service, designed to support people with a greater level of need. An alternative option for Phase 1 would be to close the older people's part of the service (via cessation of referrals). Phase 2 would depend on actions taken at Phase 1.</p>
4	Is the policy/function associated with any other policies of the Authority?	Community Care Act and associated policies
5	Do any written procedures exist to enable delivery of this policy/function?	A number of policies are in place linked to social care, health and safety etc.
6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	No
7	Who are the main stakeholders of the policy? How are they expected to benefit?	Older people, disabled people, people with a learning disability their families and carers, staff who work in the service.
8	How will the policy/function (or change/improvement), be implemented?	Vacant posts (x3) will be used along with voluntary redundancy (x1) . The future management of the service will transfer to another manager. Referrals to both the Learning disability & older people's day service will cease and users who currently attend the older people's day support service will be offered alternatives.
9	What factors could contribute or detract from achieving these outcomes for service	People are unwilling to change; families are concerned about the change. If the enhanced service is developed, this will provide support



	users?	and benefits to people with a higher level of need and will benefit more families/ carers.
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	The proposal for the enhanced service is shared with Trafford Clinical Commissioning Group (CCG)

### C. Data Collection

1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	People who currently use the service are older people or people with a learning disability.
2	Please specify monitoring information you have available and attach relevant information*	
3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	Yes monitoring will be carried out

*\*Your monitoring information should be compared to the current available census data to see whether a proportionate number of people are taking up your service*

### D. Consultation & Involvement

1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in	No
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	completing this EIA?	
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	The proposal is part of the 2015/16 budget consultation process. To date staff have only been briefed on proposals. A follow up briefing will take place in February 2015 followed by a formal consultation process when more work has been completed on the new day centre model for learning disability
3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	None

*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*

**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	<b>Positive</b>	<b>Negative (please specify if High, Medium or Low)</b>	<b>Neutral</b>	<b>Reason</b>
<b>Gender</b> – both men and women, and transgender;		Low		The current Princess Centre service is provided to both men & women. The impact of the proposals will be low due to the availability of alternative day-care options offering the same level of support. Existing service

**Appendix E (iii)**

				users will be offered support to seek an alternative option if they choose. The learning disability day service – impact not known until phase 2 has been confirmed
Pregnant women & women on maternity leave			X	No Impact as staff who are pregnant or on maternity leave will be included in any briefing or consultation.
Gender Reassignment			X	No Impact
Marriage & Civil Partnership			X	No Impact
<b>Race</b> - include race, nationality & ethnicity (NB: the experiences may be different for different groups)			X	No Impact
<b>Disability</b> – physical, sensory & mental impairments		Low		The majority of service users attending the older people’s day service have mental impairment. The impact will be low due to the availability of alternative day support services which can offer the same level of support. Service users will be supported through this transitional process by the appropriate professionals. The learning disability day

**Appendix E (iii)**

				service – impact not known until phase 2 has been confirmed and a further EIA will be completed.
<b>Age Group</b> - specify eg; older, younger etc)		Low		All service users attending the older peoples day service are over the age of 65 and as such will be impacted to a greater extent by the cessation of the referrals and eventually the service. The impact of the proposals will be low due to the availability of alternative day service options offering the same level of support. Existing service users will be offered support to seek an alternative option if they choose. Learning disability day service – impact not known until phase 2 has been confirmed
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people				No Impact
<b>Religious/Faith groups</b> (specify)				No Impact

Page 272

**As a result of completing the above what is the potential negative impact of your policy?**

**High**

**Medium**

**Low**

F. Could you minimise or remove any negative potential impact? If yes, explain how.		
Race:		Please see above for mitigation action
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership		
Disability:		
Age:		
Sexual Orientation:		
Religious/Faith groups:		
Also consider the following:		
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?	
2	Could the policy have an adverse impact on relations between different groups?	
3	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	

<b>G. EIA Action Plan</b>
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<b>Recommendation</b>	<b>Key activity</b>	<b>When</b>	<b>Officer Responsible</b>	<b>Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,</b>	<b>Progress milestones</b>	<b>Progress</b>
Phase 1 Learning disability day service implementation	No Action Required					
Phase 1 Older peoples day service - cessation of service	Cease all referrals to the service	10th Feb 2015	C. Warner	Business Plan		
Phase 1 Learning Disability & Older peoples day service proposals for staff	Undertake staff briefing of progress to date  Service users & families to be briefed	10 <sup>th</sup> Feb 2015  Week comm 23 <sup>rd</sup> Feb 2015	C. Warner	Business Plan		

<p>Phase 2 Learning Disability Day service Consultation</p>	<p>Prepare consultation document and undertake staff consultation when phase 2 proposal completed</p>	<p>Prepare consultation document and undertake staff consultation when phase 2 proposal completed</p>	<p>C. Warner</p>	<p>Business Plan</p>		
<p>Phase 2 Older peoples service Page 275</p>	<p>Consult with staff re cessation of service.  Support offered to service users to find alternatives.</p>	<p>Consultation will take place with both staff &amp; service users. This will take place when service reaches natural ending or service &amp; staffing structures will be reviewed as</p>	<p>C. Warner</p>	<p>Business Plan</p>		

		part of phase 2				
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Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed  
Lead Officer  
Date

*C. Warner*  
Chris Warner  
9/2/15

Signed  
Service Head  
Date

*Diane Eaton*  
Diane Eaton  
9/2/15



## EQUALITY IMPACT ASSESSMENT - TRAFFORD COUNCIL

A. Summary Details		
1	Title of EIA:	Early Help Delivery Model – Public Consultation
2	Person responsible for the assessment:	John Pearce - Director Service Development - Children, Family & Education
3	Contact details:	0161 912 5100 john.pearce@trafford.gov.uk Trafford Town Hall, Talbot Road, Stretford, Manchester, M32 0TH
4	Section & Directorate:	Integrated Commissioning Unit – Children, Families & Well Being
5	Name and roles of other officers involved in the EIA, if applicable:	Elaina Quesada - Commissioning Manager Angela Gibbons – Commissioning Officer Andy Zilkha - Operations Manager (Central) Family Support Team Noel Neilan - Operations Manager (North) Family Support Team Lorraine Webb – Early Help Co-ordinator (South & Central) Lynn Richards – Early Help Co-ordinator (North) Colette Haggis – Early Help Co-ordinator (West)

Page 277

B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function <input checked="" type="checkbox"/>

<p>3</p>	<p>What is the main purpose of the policy/function?</p>	<p><b>Context</b>            Trafford Borough Council’s Directorate for Children, Families and Wellbeing has less money to provide services for children, young people and families. As a result the Council is having to stop providing some services which can currently be accessed by all children and young people. This means the closure of some services. In view of this Trafford Council ran an independent public consultation about the plans to change children and young people’s services across the Borough, which also included feedback from the Council’s own consultation events. The proposals, detailed below put forward focus on the most vulnerable children, young people and families and aim to maintain services which affect those most in need. Services which are available to those most in need are termed ‘Early Help’ services.</p> <p>This document serves to show that the Council gives due regard to the impact of its proposals on groups that share a protected characteristic under the Equality Act 2010. When final plans have been agreed for implementation of the business proposal, the action plan and mitigation outlined in Sections F &amp; G below will be fully put in place.</p> <p><b>Principles</b>            The proposal describes a new model around service delivery for Early Help Services for children and young people aged 0-18 (up to 25 years for vulnerable groups). The proposed delivery model is based on the following principles:</p> <ol style="list-style-type: none"> <li>1. The term “Early help” is not just meant in the context of very young children, it is also used to define services that may quickly intervene as problems emerge during any point throughout childhood and adolescence. Early help includes targeted services designed to reduce needs or prevent specific problems from becoming entrenched.</li> <li>2. The Children Centre core offer for children and families will encompass Early Help services for 0-11 years.</li> <li>3. The Early Help core offer for 11-18 year olds will be co-ordinated from a central hub staffed by a multi-disciplinary team.</li> <li>4. Commissioned services will work alongside council and partner agencies to provide interventions to families identified with emerging difficulties.</li> <li>5. These will be underpinned by pathways which describe what professionals need to do when they identify a problem for a child or family.</li> <li>6. Interventions will be targeted to those areas where the early help needs assessment shows highest level of risk.</li> <li>7. A volunteer strategy supported by accreditation and career pathways will provide the support to local groups and community interventions.</li> </ol> <p>Currently Early Help services are mainly provided by the Local Authority with some services commissioned out to the Voluntary and Community Sector.</p> <p><b>Part A: The Proposed New Model for Early Help</b>            Services that will be provided under the new proposal include:</p>
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Services for children aged 0-11

*Early Help Hub 1:* Maintaining Stretford Children’s Centre and extending its reach to families.

*Early Help Hub 2:* Maintaining Partington Children’s Centre and extending its reach to families.

These two 0-11 hubs will provide some health services for all children, signpost families to help, and will offer help to children with special educational needs and disabilities. Some children will be assessed and identified as having greater needs. These children will be offered targeted support. Support for parents and for children with mental health problems will also be provided. Further specialist services will include support for children with special educational needs and disabilities, safeguarding support, and a work and skills programme for parents.

**Affected services which are at risk of closure under this proposal, for 0-11 years include:**

- Old Trafford Children’s Centre
- Sale Children’s Centre
- Altrincham Children’s Centre
- Urmston Children’s Centre
- The Small Talk/Tiny Talk Speech and Language Programme
- Stay and Play Provision
- Children’s Centre Crèche facilities
- It is not clear at this stage if the provisions at outreach hubs at Leithwaite and Lime Tree are included in this proposal
- It is unclear if jointly funded programmes/posts such as Bookstart are included in this proposal – this may be impacted upon by the Libraries consultation

Including all age provision of:

- Relate Family Support
- Catch 22 Family Support
- Homestart Family Support
- Action for Children’s ‘Trafford Time Out Project’ (Young carers)
- Salford Foundation’s ‘Trafford Engage’ (Intensive mentoring)

Services for children and young people 11-18

*Early Help Hub 3:* Maintaining the Talkshop in Sale and extending its reach across the borough. This centre will provide: information, advice and guidance; a sexual health clinic; and a drug and alcohol service for all young people. In addition it will provide: targeted support for teenage parents; Connexions guidance; accommodation support; education welfare and street based youth work will be provided from the base. Specialist programmes will be provided for child sexual exploitation, sexual health, and young people missing from home.

**Affected services which are at risk of closure under this proposal, for 11-18 years include:**

- Old Trafford Youth Centre
- Lostock Youth Centre
- Partington Youth Centre
- Broomwood Youth Centre
- Sale West Youth Centre
- Davyhulme Youth Centre
- Gorse Hill Studios (see additional information below)
- Street Based youth work
- Duke of Edinburgh, Outdoor Education

Including all age provision (as listed above) of:

- Relate Family Support
- Catch 22 Family Support
- Homestart Family Support
- Action for Children’s ‘Trafford Time Out Project’ (Young carers)
- Salford Foundation’s ‘Trafford Engage’ (Intensive mentoring)

Work is underway with Gorse Hill Studio to help ensure its future which includes the option to become a Community Interest Company. Indications are that it is very likely that Gorse Hill Studio will transition into a new entity and remain. However if unsuccessful, the centre will close. The other children’s centre and youth centre buildings may be leased or asset transferred to members of the Voluntary and Community Sector or local community groups. If these options are not possible they will close and the buildings will need to be disposed of.

		<p><u>3. A volunteer workforce</u> A volunteer strategy will be implemented to recruit, train and develop a volunteer pool to work across Trafford alongside the paid workforce supporting Early Help for children and young people.</p> <p><b>Part B: The delivery of Early Help services by the Local Authority</b> A Local Authority commissioner will lead the provision of integrated Early Help services. The providers of these services may be a mixture of Local Authority in-house services which already exist, and external voluntary sector providers who the council would buy services from. The Council is working with its partners to encourage them to contribute to funding services going forward. Existing services provided by the council will be re-designed around the new model, which will require staff consultation, and the Voluntary and Community sector services would be terminated at the end of the financial year 2014/15 and a new tender process undertaken to put in place new contracts from April 2015 onwards.</p> <p>It is important to note that the affected services cover the areas of; children’s centres, youth service and commissioned services under the Early Help Framework. Other services are not in scope for this proposal and consultation however current integrated working arrangements mean there may be an impact on other existing service. For example the affected services have existing working links with The Youth Offending Service, Stronger Families, Child and Adolescent Mental Health Service, Day Nurseries. It is not known what this impact will be until the outcome of the public consultation is known.</p>
4	Is the policy/function associated with any other policies of the Authority?	<p><b>Yes</b>, the function reflects policies and priorities within the Children, Families and Wellbeing Directorate including all policies and procedures relating to Safeguarding – from the Trafford Safeguarding Childrens Board <a href="http://www.tscb.co.uk/procedures/overarching-policy-framework-principles-and-values.aspx">http://www.tscb.co.uk/procedures/overarching-policy-framework-principles-and-values.aspx</a>. The Early Help Strategy and the Childrens Centre Advisory Forums which direct on core purpose, statutory duties, shared responsibilities and priorities.</p>
5	Do any written procedures exist to enable delivery of this policy/function?	<p><b>Yes</b>, there are a number of procedures associated to the delivery of this function in particular Sure Start Statutory Guidance for Children’s Centres/The Department of Education guidance on the changes to Children’s Centres (which includes core purpose, Ofsted inspection framework (children’s centre and single inspection) and the Childcare Act 2006.</p>

6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	<b>No</b>
7	Who are the main stakeholders of the policy? How are they expected to benefit?	<p><b>Stakeholders</b></p> <ul style="list-style-type: none"> <li>• Children and Young People in Trafford aged 0-18 (up to 25 for young people with disabilities)</li> <li>• Parents and carers</li> <li>• Schools</li> <li>• Colleges</li> <li>• Wider Children, Family and Well Being services</li> <li>• Partner Agencies including; Housing providers, Leisure Trust, Police, Job Centre Plus, childcare providers and training providers</li> <li>• Voluntary and community organisations</li> <li>• All staff working in any service highlighted by the proposals.</li> <li>• Expectant parents</li> <li>• Advisory boards</li> <li>• Children in Care</li> <li>• Care Leavers</li> </ul> <p><b>Benefits to stakeholders:</b></p> <ul style="list-style-type: none"> <li>• Focus on the most vulnerable children and young people</li> <li>• More co-ordination across services and new ways of working</li> <li>• Meeting new people from other areas of the borough</li> <li>• Wider reach for the Talkshop</li> </ul> <p><b>Benefits to staff:</b></p> <ul style="list-style-type: none"> <li>• Enhance skills and knowledge through the integrated working with partner agencies including the voluntary and community sector</li> <li>• A core service still remains</li> </ul>

## Appendix E (iv)

		<ul style="list-style-type: none"> <li>• Targeted support for vulnerable children</li> </ul>
8	How will the policy/function (or change/improvement), be implemented?	<ul style="list-style-type: none"> <li>• Through consultation and analysis of feedback from services users, stakeholders and staff.</li> <li>• Recruitment process into new staffing structures</li> <li>• Staff being offered voluntary redundancy or early retirement</li> <li>• The establishment of a Volunteer Co-ordinator post to recruit and match expertise and experience to the most relevant service area.</li> </ul>
9	What factors could contribute or detract from achieving these outcomes for service users?	<ul style="list-style-type: none"> <li>• The outcome of the consultation could change the proposed configuration.</li> <li>• Resistance from public &amp; staff when implementing any change.</li> <li>• As services and resources will be focused on the most vulnerable or minority groups, we need to ensure that children, young people and families who (traditionally) do not meet either criteria receive support as and when needed.</li> </ul>
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	The proposal seeks to re-shape the Councils 'Early Help' offer which includes changes to the existing delivery model for Children's Centres, Youth Service, Connexions and Education Welfare and Early Help commissioned services to support a hub delivery model to our most vulnerable families – all of these services are currently run by Trafford Council (Children, Families and Well Being Directorate).

Page 283

### C. Data Collection

1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted	<p>From the 56,000 children and young people recorded in the 2011 census for Trafford, 56.1% (31,720) fall into the 0-10 category and 43.1% (24,780) fall into the 11-18 category. These are approximate figures as the data is collated in different subsets (0-4 years, 5-9 years, 10-14 years and 15-19 years). A demographic breakdown from those people who engage in the public consultation is provided in Appendix 1 of this document.</p> <p>The Youth Service collates the total number of individuals registered with the service and keeps a count of the number of contacts through the range of delivery methods. Other demographics available were age and gender, with some continuing interrogation of the Connexions service system to identify those young people who are pregnant or disabled.</p>
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## Appendix E (iv)

	upon by your policy/function?	<p><b>Children’s Centre’s</b> continue to collect the data below however due to the migration to the new system in September 2014 this data is not available as it still awaits data cleansing and inputting and for a reporting mechanism to be agreed and implemented. However the following characteristics are collated from each registration.</p> <ul style="list-style-type: none"> <li>• Age – collected including data on young parents</li> <li>• Disability – collected</li> <li>• Sex – collected including information on fathers/males</li> <li>• Race – ethnicity collected</li> </ul> <p><b>Commissioned Services</b></p> <p>The commissioned services have begun to collect data against; age, race and disability which is available from the contract manager however as there is no new proposal around the commissioned services, this data will be used to refresh the needs assessment and commission new services based on the need.</p>																																																																																
Page 284	Please specify monitoring information you have available and attach relevant information*	<p><b>Youth Service attendance and demographics:</b></p> <table border="1" data-bbox="539 751 1570 1410"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Other</th> <th></th> </tr> </thead> <tbody> <tr> <td>Bangladeshi</td> <td>2</td> <td>3</td> <td>0</td> <td></td> </tr> <tr> <td>Black African</td> <td>28</td> <td>24</td> <td>0</td> <td></td> </tr> <tr> <td>Black Caribbean</td> <td>80</td> <td>78</td> <td>0</td> <td></td> </tr> <tr> <td>Chinese</td> <td>10</td> <td>21</td> <td>0</td> <td></td> </tr> <tr> <td>Indian</td> <td>38</td> <td>30</td> <td>0</td> <td></td> </tr> <tr> <td>No Information</td> <td>348</td> <td>465</td> <td>0</td> <td></td> </tr> <tr> <td>Not Known</td> <td>66</td> <td>93</td> <td>56</td> <td></td> </tr> <tr> <td>Other</td> <td>40</td> <td>42</td> <td>5</td> <td></td> </tr> <tr> <td>Other Asian Background</td> <td>30</td> <td>9</td> <td>0</td> <td></td> </tr> <tr> <td>Other Black Background</td> <td>16</td> <td>33</td> <td>0</td> <td></td> </tr> <tr> <td>Other Mixed Background</td> <td>46</td> <td>111</td> <td>0</td> <td></td> </tr> <tr> <td>Other White Background</td> <td>19</td> <td>60</td> <td>0</td> <td></td> </tr> <tr> <td>Pakistani</td> <td>32</td> <td>36</td> <td>0</td> <td></td> </tr> <tr> <td>Refused</td> <td>34</td> <td>33</td> <td>0</td> <td></td> </tr> <tr> <td>White &amp; Asian</td> <td>4</td> <td>12</td> <td>0</td> <td></td> </tr> </tbody> </table>		Male	Female	Other		Bangladeshi	2	3	0		Black African	28	24	0		Black Caribbean	80	78	0		Chinese	10	21	0		Indian	38	30	0		No Information	348	465	0		Not Known	66	93	56		Other	40	42	5		Other Asian Background	30	9	0		Other Black Background	16	33	0		Other Mixed Background	46	111	0		Other White Background	19	60	0		Pakistani	32	36	0		Refused	34	33	0		White & Asian	4	12	0	
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White & Black African	2	9	0	
White & Black Caribbean	54	126	0	
White British	1838	1901	0	
White Irish	12	21	0	
	2699	3107	61	5867
These figures focus on the existing target age group of 13-19 years and does not include a total of 14,555 contacts which could include the same individual attending numerous sessions.				

### Children's Centres

As stated above due to the new data management system for children's centres the only official figure that can be provided at this stage is the number of registered families living in the borough 11,933 = 81% of overall population of 14,696 (GP figures Nov 2011), taken from initial IYSS registration report produced 02/12/2014. Whilst equalities data as listed in the question above is collated we are unable to report on these at this time. The most recent figures which can be referred to are from 2011/2012;

3% of fathers (140 from 4797)

8% of teenage mothers (11 from 135)

15% of lone parents (236 from 1558)

13% of children from BME backgrounds (374 from 2913)

23% of children with disabilities (34 from 143)

### Commissioned Services

HomeStart Family Support - 60 families per year

Catch 22 Family Support - 40 families per year

Relate - 20 family support / 40 parenting programme per year

Salford Foundation Intensive Mentoring - 100 young people per year

Young Carers - 100 young people per year

These services have not reached their full year of delivery as yet so annual statistics are not available, quarterly data is available from the contract manager however the information from these services will be used to refresh the needs assessment and inform the commissioning of services in 2015/2016. The services are borough wide and there is no current proposal to try and analyse the impact against the protected characteristics.

## Appendix E (iv)

3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	Data is updated on a quarterly basis. One of the actions resulting from this assessment is to ensure that data collection, analysis and reporting improves in all affected service areas (please see action plan).
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### D. Consultation & Involvement

1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	<p>A number of factors were taken into consideration when deciding upon the required savings:</p> <ul style="list-style-type: none"> <li>• Data sets related to Poverty, Indices of Multiple Deprivation, the number of households living in lower super output areas and number of young people aged 13-19 living within each unit footprint (Youth Service)</li> <li>• The Trafford Partnership four neighbourhood locality model</li> <li>• The number of children and young people accessing the service</li> <li>• National Guidance on the core purpose of centres states that centres should have a particular focus on families in greatest need of support, and where possible ‘natural catchment areas’ (Children’s Centres)</li> <li>• The number of children that accessed a centre irrespective of where they lived (Children’s Centres).</li> </ul>
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	<p>An independent provider evaluated the findings of both Council run consultation events and independently delivered mixed methods of consultation. The consultation ran for six weeks from 3<sup>rd</sup> November 2014 – 12<sup>th</sup> December 2014. The independent provider contributed to shaping consultation questions and in total, seven consultation media were developed to ensure that the maximum number of people were able to participate in the consultation process. These were:</p> <ol style="list-style-type: none"> <li>1. Online and hard copy surveys</li> <li>2. Street surveys</li> <li>3. Drop in sessions</li> <li>4. Focus groups</li> <li>5. Emails, letters and telephone calls</li> <li>6. Council consultation event feedback cards across the borough</li> </ol>

		<p>7. Advisory and other meeting feedback</p> <p>All events were advertised on a consultation website attached to the Council website. In addition, the information was disseminated via a range of forums and services (see Appendix 2). The managers and staff of affected services were committed to circulating the information on to service users. In the week of the 24<sup>th</sup> November the Council sent out a press release to increase interest in the consultation events.</p> <p>Consultation summary</p> <ul style="list-style-type: none"> <li>• Available data suggests that the reach that exceeded 2367 people in the Borough.</li> <li>• The consultation engaged and elicited the views of 1657 people.</li> <li>• These were of mixed ages, 72% female, 86% heterosexual, 78% not disabled, 79% White British and 84% service users..</li> </ul> <p>There were 346 feedback comments on the Early Help Proposals. Every effort was made to make these events accessible and inclusive. Members of the public could request in advance any particular needs which would be accommodated, for example a hearing loop, a translator.</p>
<p>3</p>	<p>**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?</p>	<ul style="list-style-type: none"> <li>• Additional sessions were delivered at Trafford \College to ensure young people aged 19-25 with disabilities could contribute.</li> <li>• An easy reading version of the public document was requested but it was felt that the role of the drop in and focus groups was to ensure that a facilitator could explain the content and ensure it was fully understood and that responses were accurately recorded.</li> <li>• It was felt the range of activities covered a reasonable number of locations across the borough and for those that did not want face to face discussions could also feedback as anonymous individuals using both online or hard copy information.</li> <li>• It was important to ensure where possible with the different consultation methods, that information on the protected characteristics were collated so it could be seen if this was a fair representation across the general response rate.</li> </ul>

*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*

## Appendix E (iv)

### E: The Impact – Identify the potential impact of the policy/function on different equality target groups

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	Positive	Negative (High, Medium or Low)	Neutral	Reason
Gender – both men and women, and transgender;		■ Medium		The proposals may affect fathers, male partners and male carers and will impact on pregnant women seeking ante natal support through the young mums group run via the youth service and also those seeking post natal support via the children’s centres. These women may need to travel further or face reduced provision with longer waiting times or no provision. Children’s centres also provide specific sessions and target fathers who are traditionally known to engage less in family support services, with a reduced provision and the need to travel and lower presence in a locality this may reduce the ability to engage fathers and male carers as a group.
Pregnant women & women on maternity leave		■ Medium		The proposals <i>may</i> affect male partners but will impact on pregnant women seeking ante natal support through the young mums group run via the youth service and also those seeking post natal support via the children’s centres. These women may need to travel further or face reduced provision with longer waiting times or no provision.
Gender Reassignment			■	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
Marriage & Civil Partnership			■	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
Race- include race, nationality & ethnicity (NB: the experiences may be different for different groups)		■ Medium - High		There are a higher number of BME specific needs in Old Trafford in regards to deprivation and a language barrier which is supported by the Index of Multiple Deprivation. The removal of both the current 0-19 provisions there could impact negatively on children and young people from these groups.

## Appendix E (iv)

				<p>The next closest youth provision is Gorse Hill which is also at risk of closure. The need to travel further is hindered by the additional costs of this.</p>
Disability – physical, sensory & mental impairments		<p>■ High</p>		<p>There may be barriers to those who are disabled on the following grounds;</p> <ul style="list-style-type: none"> <li>• Families may not be able to access any support at all (taking into consideration the libraries consultation where some of the disability related provision is run from); those who need to wait longer; travel further or travel issues are further negatively impacted on by managing other younger siblings and any specialist equipment needed for transportation.</li> <li>• Recognition that for the younger age group of the 11-18 category, using public transport may not be an option for safety reasons – previously they may have walked to a provision</li> <li>• New locations incorporate a range of environmental factors which would harder impact on children and young people with disabilities for example the new buildings are unfamiliar environments with new people and may not be as accessible as previous venues including car park/drop off/collection points. This also includes those with mental health issues which may include increased anxiety and symptoms around travelling, new environments and new/more people.</li> <li>• The targeted support from Connexions will also be removed as they move to a statutory function and traded service only. However there are a higher proportion of statemented children which will impact negatively if the school does not buy back the service.</li> </ul>
Age Group - specify eg; older, younger etc)		<p>■ Medium - High</p>		<p>There is a possibility that bringing people together from across the borough in the 11-18 age group may cause conflict related to historic poor relations between geographical boundaries and gang culture. This is an issue for those involved and creates a safety issue for others using the provision.</p> <p>There is a risk that there is not equal provision across the age groups with in particular for the 5-11 age group who now join a service which was previously focussed on under 5 provision.</p>

## Appendix E (iv)

				<p>There is a possibility that the types of activities undertaken by young people such as dance and sports activities would not be accommodated in smaller buildings providing a service for children and young people from across the whole borough.</p> <p>The resource for all age groups will decrease but the responsibilities of those currently responsible for 0-5's will also grow (to encompass 5-11's) – this will negatively impact on the 0-5 age group as the resource must be stretched further to meet all statutory duties.</p>
Sexual Orientation – Heterosexual, Lesbian, Gay Men, Bisexual people		<p>■ Medium</p>		<p>There is a risk that those young people who currently seek support at their local centres may not feel comfortable travelling to a specific provision or want to be part of a larger group. Currently those young people can be supported through one to one work.</p>
Religious/Faith groups (specify)		<p>■ Low</p>		<p>There is a risk that with the closure of certain venues which are seen in the community as neutral venues this may limit access for those from religious or faith groups.</p>

Page 290

**As a result of completing the above what is the potential negative impact of your policy?**

High ■                      Medium □                      Low □

F. Could you minimise or remove any negative potential impact? If yes, explain how.	
Gender – both men and women, and transgender;	In developing the new model for early help delivery, commissioners need to consider options to increase targeted outreach sessions to fathers and male carers as well as expectant and new mothers. The resource available needs to consider appropriate supervision and training to better understand and address the needs of women and men in the family context and ensure that families know what services are on offer in their locality via the 'local offer' which is available via the Trafford Directory <a href="http://www.trafforddirectory.co.uk/kb5/trafford/fsd/home.page">http://www.trafforddirectory.co.uk/kb5/trafford/fsd/home.page</a> .
Pregnant women & women on maternity leave	As above
Gender Reassignment	None

## Appendix E (iv)

Marriage & Civil Partnership	None
Race- include race, nationality & ethnicity (NB: the experiences may be different for different groups)	In developing new model consider option to increase targeted outreach sessions and explore resource to provide staff appropriate supervision and training to better understand how the needs of people may differ based on race and including colour, nationality, ethnic or national origin. This is of particular importance in the North of the borough in Old Trafford. To mitigate the identified negative impact at this point in the proposals would be to develop better working relationships with partner agencies and the voluntary and community to help identify alternative venues for service delivery and understand where there are gaps in provision and how they can be met.
Disability – physical, sensory & mental impairments	<p>Ensure children, young people with disabilities and their families are clear on what services in Trafford they can access – this can be done via the Trafford Directory (see above). The Directory lists a ‘local offer’ or services in line with the Special Educational Needs and Disability reforms which is continually building on the content of the offer/service directory and improve the ways it is promoted to children, young people and their families. Within the ‘local offer’ section of the directory there should be options to signpost for both travel options and financial assistance and scope for additional independent travel training for those aged 19-25 and needing to travel further or for those in the younger end of the 11-18 age range could be explored. In developing the new model, commissioners must consider the points raised for disabled children and young people in the consultation when planning and pay particular attention to transition to the new model.</p> <p>For example this may include offering visits to new locations out of hours when less people are present, the opportunity to visit as a group, showing photographs of new provisions and working with groups around their feelings towards the change. Ensure the new model accommodates the transition of young people travelling to and spending time in different areas of the borough. This may entail focussed sessions with youth workers for the 11-25 age range so it is understood by all service users what the local offer is. Targeting commissioned provisions to meet the specific gaps of these groups where they cannot be met within the core functions because of the specialist nature.</p>
Age Group - specify e.g.; older, younger etc.)	In developing the detail of the new model, ensure the 5-11 year old age group is given particular attention in terms of the local offer, commissioning of new services and working with partners to delivery services. Develop better working relationships with partner agencies and the voluntary and community sector to identify needs and alternative services Ensure the new model accommodates the transition of young people travelling to and spending time in different areas of the borough. This may entail focussed sessions with youth workers for the 11-25 age range so it is understood by all service users what the local offer is. Targeting commissioned provisions to meet the specific gaps of these groups where they cannot be met within the core functions because of the specialist nature.

## Appendix E (iv)

Sexual Orientation – Heterosexual, Lesbian, Gay Men, Bisexual people	Targeting commissioned provisions to meet the specific gaps in service where they cannot be met within the core functions because of the specialist nature.	
Religious/Faith groups (specify)	Develop better working relationships with partner agencies and the voluntary and community sector to identify needs, alternative services and delivery points.	
Please note; once the outcome of the public consultation is known and subsequent decisions have been made, it will then be possible to identify the negative impacts and create actions to mitigate.		
Also consider the following:		
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?	No
	Could the policy have an adverse impact on relations between different groups?	Unknown
	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	No

Page 292

### G. EIA Action Plan

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan	Progress milestones	Progress
Improve data collection, recording and analysis.	All affected services to begin or continue to collate data to ensure the access is representative across	On-going from development of new delivery model, to be written into all	Lead commissioner to include in developments.	Joint Strategic Needs Assessment  Early Help Needs Assessment	Commissioning April – June 2015  Operational and	



Appendix E (iv)

	the borough & provide a clear pathway for highlighting delivery concerns for any protected characteristic group.	service specifications and monitored by Performance & Partnerships with a reporting mechanism to include both operational and commissioning leads.	Lead operational staff to collate and record data.  Lead Performance Officer to create reporting schedule.  Named officers to be assigned.	All statutory reporting routes.	Performance leads from implementation date of new model onwards.  Key reporting date to be first quarter of delivery and on an on-going quarterly basis.	
Partnership Working	Develop better working relationships with partner agencies and the voluntary community sector to identify needs and alternative services which includes a commitment to sourcing neutral venues for service delivery.	Task complete in January 2015.  On-going from new model implementation on a quarterly basis.	Commissioning to work with providers in sharing data analysis from contract management which relates to equalities and fits with mixed model of delivery.  Operational staff to share information with each other and commissioning staff where local knowledge provides	Links to Early Help Project Plan specific task around listing all available delivery venues across Trafford.  Ensure there are quarterly requests by commissioning lead for updates and documents available for all to access.	Milestone  Up to date list of venues from end of January 2015.  Service specifications including requirements form the beginning of new model delivery.	

Appendix E (iv)


			solutions to equality issues.			
Development and promotion of the local offer/service directory	Ensure there is a comprehensive local offer that is accessible to all with options to signpost for both travel options and any available financial assistance.	On-going	Family Information Service in partnership with operational staff.  Trafford Directory service to explore transport links and financial support sections of directory.	Links to local offer duty		
Equality considerations and action plan to inform development of new delivery model post consultation.	Ensure issues identified in the EIA are incorporated into refreshed needs assessment and Early Help Strategy – leading to stipulations within new service specifications.  This includes exploring any potential gaps for: children aged 5-11 years, disabled children and young people and taking	Post consultation and prior to new delivery model implementation . April 1 <sup>st</sup> 2015.	Commissioning leads with support of operational leads.	Joint Strategic Needs Assessment  Early Help Needs Assessment  All statutory reporting routes.  Public consultation response and Equality Impact Assessment.	Service specifications which seek to minimise negative impact on protected characteristics groups.	

Appendix E (iv)

	<p>travel needs into account, as outline above in Section F.</p> <p>Consider option to increase targeted outreach sessions and explore resource to provide staff appropriate supervision and training to better understand and address the needs of groups with protected characteristics</p>					
<p>Clarify if there is specific locations/ dedicated resource to any particular group in the new model</p>	<p>Targeting commissioned provisions to meet the specific gaps of these groups where they cannot be met within the core functions because of the specialist nature.</p>	<p>Post consultation</p>	<p>Director and Senior Management</p>	<p>Joint Strategic Needs Assessment</p> <p>Early Help Needs Assessment</p> <p>All statutory reporting routes.</p>	<p>The inclusion of equality specific provision within service specifications if agreed.</p>	

Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed *Angela Gibbons*  
 Lead Officer: Angela Gibbons  
 Date 12/01/15

Signed   
 Service Head Jill Colbert  
 Date 12/01/15

Appendix E (iv)

Appendix 1: Demographics of those who engaged in consultation activity

Medium	Respondents	Reach	Gender	Age	Sexuality	Ethnicity	Disability
Surveys	328	1152	Male 23% Female 73% Other 2% Did not say 2%	Under 19 23% 20-29 13% 30-39 31% 40-49 21% 70 or older 0% Did not say 3%	Hetrosexual/Straight 85% Gay/Lesbian 1% Bisexual 2% Other 4% Did not say 8%	White British 77% White Irish 1% White & Black African 1% White & Black Caribbean 3% Any other Black African or Caribbean 2% Black African 1% Any other Asian background 2% Any other white 2% Any other mixed 1% Indian 2% Pakistani 2% Did not say 5% Any other mixed or multiple 1%	Non-Disabled 21% Disabled 77% Did not say 2%
Street surveys	89	667	Male 27% Female 73%	Under 19 16% 20s 29% 30s 25% 40s 10% 50s 10% 60s 6% 70 or over 4%	Hetrosexual/Straight 92% Gay/Lesbian 3% Other 5%	White English/Welsh/Scottish/Northern Irish/British 84% White Irish 3% White Gypsy or Irish Traveller 2% Any other white background 3% Black British 2% White and Black Caribbean 1% White and Black African 1%	Non-disabled 71% Disabled 7% Did not say 22%

**Appendix E (iv)**

						White and Asian 1% Did not say 2%	
Drop in sessions	73	548	Male 33% Female 67%	Under 19 1% 20-29 15% 30-39 15% 40-49 25% 50-59 26% 60-69 11% 70 or over 7%	Hetrosexual/Straight 81% Gay/Lesbian 4% Bisexual 1% Other 7% Did not say 7%	White English 88% Pakistani 3% Any other mixed/multiple group 3% Any other Black African 2% Pakistani/British 1% Bangladeshi 1% White Irish 1% Any other Asian background 1%	Non-Disabled 85% Disabled 14% Did not say 1%
Focus groups – Gorse Hill	23	Unknown	Male 30% Female 70%	Under 19 64% 20-29 36%	Did not say 100%	White British 43% Other Black / African 4% White Asian 4% Other Ethnic Group 47%	Non-Disabled 8% Disabled 92%
Focus Group – Trafford College	21	Unknown	Male 52% Female 48%	Unknown	Heterosexual/Straight 4% Other 61% Did not say 33%	White British 76% Pakistani 9% Indian 4% Caribbean 4% Other Ethnic Group 4%	Non-Disabled 14% Disabled 71% Did not say 14%
Emails and letters	968	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Council comments	346	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Advisory and other meetings	12 meetings / 120	650	Unknown	Unknown	Unknown	Unknown	Unknown

**Appendix E (iv)**

	people						
Total	1657	In excess of 3017.	Male 26% Female 72%	Under 19 22% 20-29 16% 30-39 26% 40-49 19% 50-59% 60-69 4% 70 or over 2%	Hetrosexual/Straight 86% Gay/Lesbian 2% Bisexual 2% Other 4% Did not say 6%	White British 79% Any other white 1% White Irish 2% White and Black Caribbean 3% Caribbean 1% Any other Black Africa or Caribbean 1% Indian 1% Pakistani 2% Any other Asian 1% Any other ethnic group 2% Did not say 3% Any other mixed or multiple 2%	Non-disabled 78% Disabled 15% Did not say 7%

**Appendices Appendix 2** – Please note this list includes Advisory Forums and meeting groups who were asked to feedback on both the Early Help and Adult Social Care proposals.

### Circulation List for Consultation Information

- Ageing Well (50+) Partnership
- Autism Partnership Board
- BME SIP
- Care Consortium
- Carers Services Board
- CCG Transformation Steering Group
- Citizen Reference Board
- Deaf Partnership
- Dementia Strategy Group
- Disability Advisory Group (DAG)
- Diverse Communities Partnership
- Domestic Abuse Delivery Programme Board
- Health and Wellbeing Delivery Programme Board
- Homecare SIP
- ICES Board
- LD/MH Accommodation Forum
- LD Partnership Board
- LD SIP
- Mental Health Forum
- Residential and Nursing Care SIP
- Sexual Health Steering Group
- Supported Accommodation Steering Group
- Trafford Information Network
- Trafford Information Network
- Transition Board
- Early Years and Childcare Advisory Forum
- Reducing Risky Behaviours Advisory Forum
- Maternal and Child Health Advisory Forum
- Emotional Health and Well Being Advisory Forum

- Complex and Additional Needs plus Transition Advisory Forum
- Education & Training Advisory Forum
- Education, Health and Care Advisory Forum
- Extra Advisory Board meeting for the West area
- Extra Parents Voice meeting for the West area
- Advisory Board: Flixton / Woodsend & Urmston CC
- Advisory Board: Broadheath /Hale & Bowden CC
- Advisory Board: Sale West/Ashton on Mersey CC
- Advisory Board: Partington CC
- Firswood / Old Trafford CC 217
- Parent Forum: Sale Moor / Sale Central
- Parent Forum: Sale West / Ashton on Mersey
- Parents forum: Broadheath and Dunham CC
- Parents forum: Partington CC
- Parents Forums with Deborah Brownlee and Cllr Blackburn
- Advisory Board: Lostock CC
- Parents forum: Sale west CC
- Parents forum: Old Trafford CC
- Parents Forum: Firswood CC
- Early Years Forum
- Lostock Youth centre
- Youth cabinet
- Old Trafford Youth Partnership meeting
- Partington Youth Partnership
- Sale Moor Youth Partnership
- Sale West Youth sub group
- Sale West Street based yp meeting
- Sale Moor Youth Partnership Street based yp meeting
- Broadheath Street based yp meeting
- Targeted Family Support (Emotional Health and Well Being)- Home-start Trafford and Salford
- Targeted Family Support (Debt/Food/Isolation)---Catch 22
- Targeted Parenting Courses and Family Support to vulnerable groups – Relate
- Mentoring Young People - Engage Trafford- (Salford Foundation)



## Appendix E (iv)

- Trained Carer Support for Children and Young People with Complex and Additional Needs-Together Trust.
- Short Breaks for Children/Young People with Complex and Additional Needs- Stockport CP
- Trafford Buddy Scheme-National Autistic Society
- Trafford Time Out Project -Action for Children

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## EQUALITY IMPACT ASSESSMENT TEMPLATE - TRAFFORD COUNCIL

A. Summary Details		
1	Title of EIA:	Early Years and Childcare
2	Person responsible for the assessment:	John Pearce
3	Contact details:	<a href="mailto:Alison.milne@trafford.gov.uk">Alison.milne@trafford.gov.uk</a> Tel 0161 912 3255 <a href="mailto:John.pearce@trafford.gov.uk">John.pearce@trafford.gov.uk</a> Tel 0161 912 8628
4	Section & Directorate:	CFW, Service Development – Children, Family and Education
5	Name and roles of other officers involved in the EIA, if applicable:	Alison Milne, Education and Early Years Commissioning Manager
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	<ul style="list-style-type: none"> <li>▪ To support early education and childcare providers to improve the quality of their practice and improve children’s outcomes</li> <li>▪ To improve access for all families to information, advice and guidance about early childhood services, SEND local Offer and other family support services;</li> </ul>

		<ul style="list-style-type: none"> <li>▪ To increase engagement of families in services, particularly those in target groups e.g. young parents, Dads, BME groups, lone parents;</li> <li>▪ To co-produce, with parents and young people, the local offer of services for children and young people with SEND.</li> </ul>
4	Is the policy/function associated with any other policies of the Authority?	<ul style="list-style-type: none"> <li>▪ Commissioning and funding high quality early years places for 2, 3 and 4 year old children;</li> <li>▪ Safeguarding children;</li> <li>▪ Introduction of Education, Health and Care (EHC) assessments and plans, and personalisation of budgets for children and young people.</li> </ul>
5	Do any written procedures exist to enable delivery of this policy/function?	<ul style="list-style-type: none"> <li>▪ Annual Visit 2013-14 Key Area: Priority Criteria For Monitoring Early Years Settings;</li> <li>▪ Early Years Single Funding Formula Document;</li> <li>▪ Agreement for Providers of Early Years Funded Places;</li> <li>▪ Terms and Conditions of the Children's Workforce Training Programme;</li> <li>▪ Service Level Agreement between FIS and Children's Centres and Job Centre Plus;</li> <li>▪ Statutory Framework for the Early Years Foundation Stage September 2014;</li> <li>▪ Early Education and Childcare Statutory Guidance September 2014;</li> <li>▪ SEND Code of Practice: 0 – 25 years July 2014 and January 2015.</li> </ul>
6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	n/a
7	Who are the main stakeholders of the policy? How are they expected to	<ul style="list-style-type: none"> <li>▪ Early years and childcare providers in the non-maintained sector:- <ul style="list-style-type: none"> <li>○ Prospective childminders will be able to access pre-registration</li> </ul> </li> </ul>

	benefit?	<p>training through a mixture of e-learning and tutor led training making the training more accessible;</p> <ul style="list-style-type: none"> <li>○ Settings “requiring improvement” will receive a greater level of support than those judged “good” or “outstanding”;</li> </ul> <ul style="list-style-type: none"> <li>▪ Parents and families across all age ranges up to 25 years:-             <ul style="list-style-type: none"> <li>○ will have better co-ordinated participation, information and advice services;</li> <li>○ new on-line youth channel will enable young people to find the information and help they need</li> </ul> </li> </ul>
8	How will the policy/function (or change/improvement), be implemented?	<ul style="list-style-type: none"> <li>▪ Resources for support will be targeted to settings judged less than good by Ofsted;</li> <li>▪ Safeguarding level 1 training will be free to all practitioners;</li> <li>▪ PVI group settings will be encourage to work in partnership with Teaching Schools as part of the Government’s initiative to improve the quality of early education;</li> <li>▪ Weekly e-bulletin will signpost providers to examples of good practice, national research and Government guidance;</li> <li>▪ Some functions of the Early Education and Childcare Service will be merged with the Education and Early Years Commissioning Service. This will provide better co-ordination and allocation of staff resources supporting “requires improvement” settings and pre-Ofsted registration advice and guidance to new providers;</li> <li>▪ No new applications for GLF funding have been approved 2014/15; Some settings will receive final payments in 2015/16 and this has been reflected in the savings figures;</li> <li>▪ New qualifications training framework to be procured so practitioners can</li> </ul>

		<p>access level 3 and above qualifications;</p> <ul style="list-style-type: none"> <li>▪ An additional 0.4 FET FSD Officer will be recruited to develop the Service Directory;</li> <li>▪ Trafford on-line Service Directory to act as first point of information and advice for families; will support implementation of Early Help Strategy and delivery model.</li> </ul>
9	What factors could contribute or detract from achieving these outcomes for service users?	<ul style="list-style-type: none"> <li>▪ The number of “requires improvement” settings increases putting pressure on staff resources;</li> <li>▪ The number of delegates paying for training courses decreases making the training programme less sustainable;</li> <li>▪ The FIS will work with a group of young people at a local youth group to help design advice and guidance pages and categorise the new youth channel a volunteering opportunity is to be provided;</li> <li>▪ Development of an All Age Front Door;</li> <li>▪ Other budget or re-shaping proposals.</li> </ul>
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	n/a

<b>C. Data Collection</b>		
1	What monitoring data do you have on the number of people (from different equality groups) who are	<ul style="list-style-type: none"> <li>▪ Childminders and practitioners attending/accessing training – age, gender, ethnicity and disability;</li> <li>▪ FIS Outreach and telephone contacts only (most people use on-line Service Directory) – gender, race and disability (outreach only)</li> </ul>

	using or are potentially impacted upon by your policy/ function?																																																								
2	Please specify monitoring information you have available and attach relevant information*	<ul style="list-style-type: none"> <li>Workforce – age, gender, race and disability data collected from December 2013 – Appendix 1</li> <li>FIS Outreach monitoring revised October 2014</li> </ul> <table border="1" data-bbox="678 459 2134 660"> <thead> <tr> <th colspan="9">Monitoring Information - October to December 2014</th> </tr> <tr> <th>BME</th> <th>Lone Parents</th> <th>Fostering or Adoption</th> <th>Grandparents</th> <th>Children with disabilities</th> <th>Parents with disabilities</th> <th>Teenage parents</th> <th>Pregnant teenagers</th> <th>Dads</th> </tr> </thead> <tbody> <tr> <td>140</td> <td>19</td> <td>7</td> <td>89</td> <td>10</td> <td>5</td> <td>8</td> <td>5</td> <td>62</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>FIS Telephone monitoring information April to December 2014</li> </ul> <p><b>Equality Monitoring of Hits 2014/15</b> 03/02/2015</p> <p><b>Gender</b></p> <table border="1" data-bbox="678 954 1505 1110"> <thead> <tr> <th></th> <th>Qtr1</th> <th>Qtr2</th> <th>Qtr3</th> </tr> </thead> <tbody> <tr> <td>% calls monitored</td> <td>99.40%</td> <td>99.64%</td> <td>100%</td> </tr> <tr> <td>Female</td> <td>89.30%</td> <td>91.89%</td> <td>85.54</td> </tr> <tr> <td>Male</td> <td>10.70%</td> <td>8.11%</td> <td>14.46</td> </tr> </tbody> </table> <p><b>Area and Deprivation</b></p> <table border="1" data-bbox="678 1257 1505 1374"> <thead> <tr> <th></th> <th>Qtr1</th> <th>Qtr2</th> <th>Qtr3</th> </tr> </thead> <tbody> <tr> <td>% calls monitored</td> <td>19.35%</td> <td>28.47%</td> <td>17.94%</td> </tr> <tr> <td>&gt;30% Deprived</td> <td>32.10%</td> <td>30.51%</td> <td>22.39%</td> </tr> </tbody> </table>	Monitoring Information - October to December 2014									BME	Lone Parents	Fostering or Adoption	Grandparents	Children with disabilities	Parents with disabilities	Teenage parents	Pregnant teenagers	Dads	140	19	7	89	10	5	8	5	62		Qtr1	Qtr2	Qtr3	% calls monitored	99.40%	99.64%	100%	Female	89.30%	91.89%	85.54	Male	10.70%	8.11%	14.46		Qtr1	Qtr2	Qtr3	% calls monitored	19.35%	28.47%	17.94%	>30% Deprived	32.10%	30.51%	22.39%
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**Role of Caller**

	Qtr1	Qtr2	Qtr3
<b>% calls monitored</b>	<b>19.35%</b>	<b>42.94%</b>	<b>36.14%</b>
Childcare Provider	7.24%	4.49%	8.15%
CYPS Professional	6.58%	3.37%	5.93%
Disabled Parent / Carer			
Foster / Adoptive Parent		0.28%	0.74%
Friend	0.33%	0.28%	0.74%
Grandparent	0.66%	0.56%	0.37%
Health Visitor	0.33%	0.28%	
JBC+ and Employment	0.33%		
Lone Parent	0.33%	0.28%	
Midwife			
Other Family Member	0.66%	0.56%	
Other Health Professional	0.66%	0.28%	
Other LA Staff	1.64%	0.28%	1.11%
Parent	81.25%	89.33%	82.96%
Parent Champion			
Young Parent			

**Ethnicity**

	Qtr1	Qtr2	Qtr3
<b>% calls monitored</b>	<b>9.32%</b>	<b>23.40%</b>	<b>15.13%</b>
Asian British: Bangladeshi	5.13%	3.09%	4.42%
Asian British: Indian	3.85%	4.12%	4.42%
Asian British: Pakistani	6.41%	3.61%	6.19%
Asian: Other	3.85%	3.09%	
Black British: African	6.41%	3.61%	2.65%



		Black British: Caribbean			
		Black: Other		0.52%	0.88%
		Chinese British	2.56%	3.09%	0.88%
		Gypsy Traveller			
		Mixed: Other	10.26%	7.22%	9.73%
		Mixed: White and African	1.28%	0.52%	
		Mixed: White and Asian	1.28%	1.03%	
		Mixed: White and Caribbean	1.28%	1.03%	0.88%
		Other	3.85%	2.06%	1.77%
		White: British	48.72%	62.89%	65.49%
		White: Irish	1.28%	1.03%	
		White: Other	3.85%	3.09%	2.65%
	Page 309	3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	<ul style="list-style-type: none"> <li>Workforce data to be analysed and incorporated into CYPs Workforce performance monitoring Q3</li> </ul>	

*\*Your monitoring information should be compared to the current available census data to see whether a proportionate number of people are taking up your service*

**D. Consultation & Involvement**

1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	<ul style="list-style-type: none"> <li>• “Let’s Talk SEND” – young person conference, Autism Day – next steps;</li> <li>• Staff and Public Consultations;</li> <li>• Feedback from Early Years and Childcare Advisory Forum November 2014;</li> <li>• Statutory Framework for the Early Years Foundation Stage September 2014;</li> <li>• Early Education and Childcare Statutory Guidance September 2014;</li> <li>• SEND Code of Practice: 0 – 25 years July 2014 and January 2015.</li> </ul>
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	<ul style="list-style-type: none"> <li>• Training needs analysis incorporates feedback from Ofsted reports, delegate evaluations and sector meetings.</li> <li>• Electronic survey planned in 2015 to assess practitioner’ level and future needs to meet Early Years Educator and Early Years Teacher requirements.</li> <li>• Early Years and Childcare Advisory Forum monitors implementation of key priorities and actions – reports to the Children’s Trust Board.</li> <li>• Sector meetings are held termly with providers and are used as a mechanism to consult and provide information;</li> <li>• March 2015 – SEND reforms Information Day</li> </ul>
3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	<ul style="list-style-type: none"> <li>• Providers not always able to get to sector meetings if have unexpected short term absence and need to cover;</li> <li>• Use webinars and social media to consult with parents and young people with SEND.</li> </ul>

*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*

**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	Positive	Negative	Neutral	Reason
<b>Gender</b> – both men and women, and transgender;		√ <b>Low</b>		Childcare workforce is predominately female so any changes will affect them.
Pregnant women & women on maternity leave			√	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
Gender Reassignment			√	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
Marriage & Civil Partnership			√	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
<b>Race-</b> include race, nationality & ethnicity (NB: the experiences may be different for different groups)			√	FIS Outreach Officers will continue to target disadvantaged communities; One Outreach Officer speaks 3 community languages.
<b>Disability</b> – physical, sensory & mental impairments	√			Improved range and accessibility of information for families with children and young people with SEND.
<b>Age Group</b> - specify eg; older, younger etc)	√			0-25 years improved range and accessibility of information for families with children and young people

<b>Sexual Orientation –</b> Heterosexual, Lesbian, Gay Men, Bisexual people			√	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.
<b>Religious/Faith groups</b> (specify)			√	Data is not currently collected and no anecdotal information has been provided to support that this proposal will have a positive or negative impact on this group.

**As a result of completing the above what is the potential negative impact of your policy?**

High                       Medium                       Low

**F. Could you minimise or remove any negative potential impact? If yes, explain how.**

Race:	
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership	Access to CPD training improved with introduction of e-learning modules. This supports people with caring or other responsibilities access training at a time that suits them best.
Disability:	
Age:	
Sexual Orientation:	
Religious/Faith groups:	
Also consider the following:	
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?

Page 312

2	Could the policy have an adverse impact on relations between different groups?	
3	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	


### G. EIA Action Plan

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,	Progress milestones	Progress
Monitor early years workforce equality and diversity	Implement new equality monitoring system	1 <sup>st</sup> January 2015	Alison Milne	CYPS Workforce Strategy and Action Plan	Include in Q3 CYPS Performance Monitoring Report	

Page 313

Please ensure that all actions identified are included in the attached action plan and in your service plan.

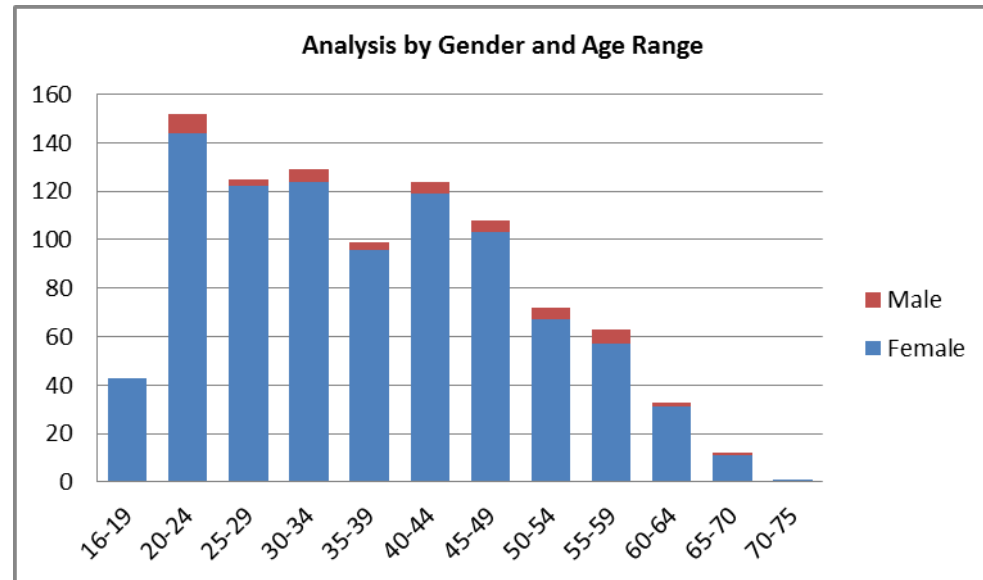
Signed *Alison Milne*  
 Lead Officer Alison Milne  
 Date 3/2/15

Signed   
 Service Head Jill Colbert  
 Date 3/2/15

**Analysis by Gender and Age Range**

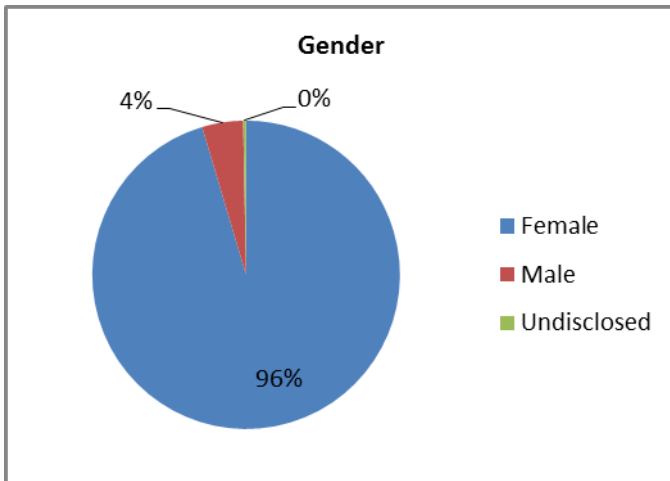
Gender	Age Range												Total
	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-70	70-75	
Female	43	144	122	124	96	119	103	67	57	31	11	1	918
Male	0	8	3	5	3	5	5	5	6	2	1	0	43
Total	43	152	125	129	99	124	108	72	63	33	12	1	995

Age Range	Female		Male	
	No	%	No	%
16-19	43	5%	0	0%
20-24	144	16%	8	19%
25-29	122	13%	3	7%
30-34	124	14%	5	12%
35-39	96	10%	3	7%
40-44	119	13%	5	12%
45-49	103	11%	5	12%
50-54	67	7%	5	12%
55-59	57	6%	6	14%
60-64	31	3%	2	5%
65-70	11	1%	1	2%
70-75	1	0%	0	0%
Total	918	100%	43	100%



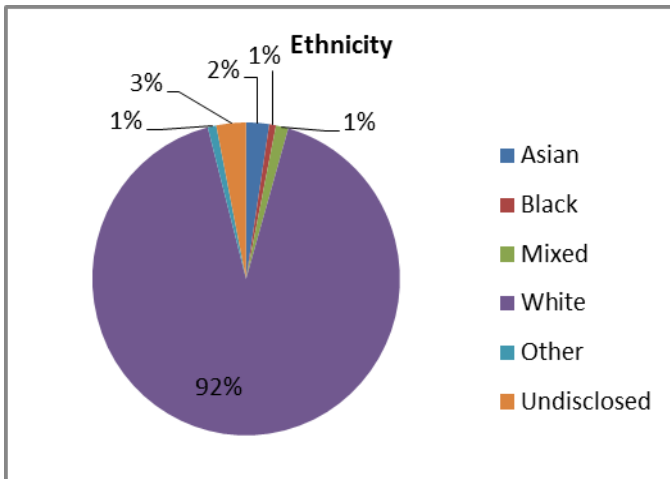
## Appendix E (v)

### Analysis by Gender



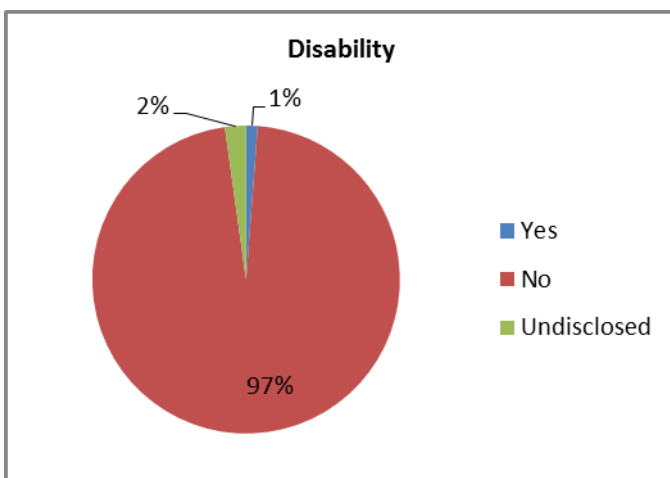
Gender	No.	%
Female	949	95%
Male	43	4%
Undisclosed	3	0%
Total	995	100%

### Analysis by Ethnicity



Ethnicity	No.	%
Asian	24	2%
Black	7	1%
Mixed	13	1%
White	911	92%
Other	9	1%
Undisclosed	31	3%
Total	995	100%

### Analysis by Disability



Disability	No.	%
Yes	12	1%
No	961	97%
Undisclosed	22	2%
Total	995	100%

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## EQUALITY IMPACT ASSESSMENT SCHOOL CROSSING POINTS.

19 Jan 2015

A. Summary Details		
1	Title of EIA:	School Crossing Patrol Review 2014 – SCP Employees
2	Person responsible for the assessment:	Colin Maycroft
3	Contact details:	0161 912 5057 colin.maycroft@trafford.gov.uk
4	Section & Directorate:	Operational Services for Education, Economic Growth, Environment and Infrastructure
5	Name and roles of other officers involved in the EIA, if applicable:	N/A
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input checked="" type="checkbox"/> Change to an existing policy or function <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	To provide School Crossing Patrols at appropriate locations throughout the borough in line with National Guidance. (Road Safety GB)
4	Is the policy/function associated with any other policies of the Authority?	Traffic, Transport and Road Safety
5	Do any written procedures exist to enable delivery of this policy/function?	Yes
6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	No
7	Who are the main stakeholders of the policy? How are they expected to benefit?	School Crossing Patrol staff (inc Static Standby and Mobile) Additional EIA information will be collated in relation to stakeholders.
8	How will the policy/function (or change/improvement), be implemented?	Review of School Crossing Points in line with National Guidelines. Disestablishment of Crossings that do not meet the requirement of the Guidelines. The business case proposed refers particularly to the staff patrolling the impacted school crossing patrols.
9	What factors could contribute or detract from achieving these outcomes for service users?	Additional assessment of crossing points by TfGM survey and Traffic, Transport and Road Safety assessments To determine status of crossings.
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	Trafford Council - Traffic, Transport and Road Safety

C. Data Collection		
1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	Gender, Date of Birth for staff
2	Please specify monitoring information you have available and attach relevant information*	Staff List National Guidelines (survey details of use and traffic flow when completed )
3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	N/A

D. Consultation & Involvement		
1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	No
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	Consultation with School Crossing Patrol Staff
3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	None

**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

	Positive	Negative (please specify if High, Medium or Low)	Neutral	Reason
<b>Gender</b> – both men and women, and transgender;			<b>Neutral</b>	Total workforce 57% Female, 43% Male. At Risk Female 66%, Male 34%. As more women are employed in this service, proportionality, more female staff will be affected than the male. The proposal is not anticipated to impact on people for reasons of gender.

**Appendix E (vi)**

Pregnant women & women on maternity leave			<b>Neutral</b>	None as a result of this proposal
Gender Reassignment			<b>Neutral</b>	None
Marriage & Civil Partnership			<b>Neutral</b>	
<b>Race</b> - include race, nationality & ethnicity (NB: the experiences may be different for different groups)			<b>Neutral</b>	
<b>Disability</b> – physical, sensory & mental impairments			<b>Neutral</b>	None
<b>Age Group</b> - specify eg; older, younger etc)			<b>Neutral</b>	Total workforce average age 64. At risk average age 61
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people			<b>Neutral</b>	
<b>Religious/Faith groups</b> (specify)			<b>Neutral</b>	

**As a result of completing the above what is the potential negative impact of your policy?**

High                       Medium                       Low

Page 10 of 11

<b>F. Could you minimise or remove any negative potential impact? If yes, explain how.</b>	
Race:	
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership	
Disability:	
Age:	
Sexual Orientation:	
Religious/Faith groups:	

## G. EIA Action Plan

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,	Progress milestones	Progress
Review Crossing points.	Determine Crossing points to disestablish	October 2014	Colin Maycroft	Review of School Crossing Points Business Plan	Completion of Review	
Consultation with at risk staff	Determine Staff at risk	November 2014	Colin Maycroft	Review of School Crossing Points Business Plan	Completion of consultation	
Management to follow policy and procedures re the redundancy, redeployment processes and offer voluntary redundancy and voluntary retirement where appropriate.	Hold meetings with staff at risk re HR processes.	February 2015	Colin Maycroft	Review of School Crossing Points Business Plan	Completion of VER/VR, Redeployment	
Complete Service Review	Disestablish selected Crossing points if no alternative funding secured	March 2015	Colin Maycroft	Review of School Crossing Points Business Plan	Selected Crossing points Disestablished	

Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed  
Lead Officer  
Date

Signed  
Service Head  
Date



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## EQUALITY IMPACT ASSESSMENT - SCHOOL CROSSING POINTS.

10 February 2015

A. Summary Details		
1	Title of EIA:	School Crossing Patrol Review 2014 – Stakeholder
2	Person responsible for the assessment:	Colin Maycroft
3	Contact details:	0161 912 5057 colin.maycroft@trafford.gov.uk
4	Section & Directorate:	Operational Services for Education, Economic Growth, Environment and Infrastructure
5	Name and roles of other officers involved in the EIA, if applicable:	N/A
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input checked="" type="checkbox"/> Change to an existing policy or function <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	To provide School Crossing Patrols at appropriate locations throughout the borough in line with National Guidance. (Road Safety GB)
4	Is the policy/function associated with any other policies of the Authority?	Traffic, Transport and Road Safety
5	Do any written procedures exist to enable delivery of this policy/function?	Yes
6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	No
7	Who are the main stakeholders of the policy? How are they expected to benefit?	School Crossing Patrols are provided to assist pedestrian children and their parents/carers on their journeys to and from school. Stakeholders will benefit from the concentration of resources on those School Crossing Patrol Sites that meet National Guidelines. Stakeholders will be provided with an opportunity to fund additional School Crossing Patrols through School PTAs or other Community Groups.
8	How will the policy/function (or change/improvement), be implemented?	Review of School Crossing Points in line with National Guidelines. Removal of Council funding for Crossings Sites that do not meet the requirement of the National Guidelines. This will include removal of Council funding of staffing Crossing Points with Automatic Traffic Signals (Pelican, Puffin, Toucan crossings).
9	What factors could contribute or detract from achieving these outcomes for service users?	Additional assessment of crossing points by TfGM survey and Traffic, Transport and Road Safety assessments to determine status of crossings.
10	Is the responsibility for the proposed policy or function	Trafford Council - Traffic, Transport and Road Safety

	shared with another department or authority or organisation? If so, please state?	
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**C. Data Collection**

1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	School Crossing Sites are available for anyone to utilise during their operational periods. The different equality groups using a Crossing will vary between operational periods. The criterion for assessing a Crossing Site using the National Guidelines includes monitoring the number of children using the Crossing Site, irrespective of equality group.
2	Please specify monitoring information you have available and attach relevant information*	None
3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	No

**D. Consultation & Involvement**

	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	No
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	<p>Initial consultation utilised the Council's budget consultation media / meetings; in addition details of the proposals to stop the service at locations identified were communicated to stakeholder schools seeking their input and also requesting them to circulate.</p> <p>There are 19 crossing points, (of the 31 which were proposed to be dis-established), that have not been staffed for over 10 months (17 for over 12 months), therefore it was not considered necessary to consult further in relation to proposals not to continue to provide crossing patrols at these locations.</p> <p>However, to ensure that the consultation was fair and robust in relation to the sites which were proposed to be dis-established information leaflets were distributed to users on each crossing (2 visits per crossing, one morning and one afternoon each). The leaflet provided details of the proposal and feedback options.</p>



## Appendix E (vii)

3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	The identity of individual stakeholders (many of whom are children), is not known and they cannot be contacted directly. However, the consultation process above allowed users' views to be captured. Nearly 300 individuals have provided feedback and four petition containing over 2,200 signatures have been received for consideration.
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### E: The Impact – Identify the potential impact of the policy/function on different equality target groups

	Positive	Negative (please specify if High, Medium or Low)	Neutral	Reason
<b>Gender</b> – both men and women, and transgender;			<b>Neutral</b>	Impact is the same for all service users and service is open to all equality target groups. There will be no disproportionate impact as a result of a Protected Characteristic. Alternative arrangements are being sought with schools.
Pregnant women & women on maternity leave			<b>Neutral</b>	
Gender Reassignment			<b>Neutral</b>	
Marriage & Civil Partnership			<b>Neutral</b>	
<b>Race</b> - include race, nationality & ethnicity (NB: the experiences may be different for different groups)			<b>Neutral</b>	
<b>Disability</b> – physical, sensory & mental impairments			<b>Neutral</b>	
<b>Age Group</b> - specify eg; older, younger etc)			<b>Neutral</b>	
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people			<b>Neutral</b>	
<b>Religious/Faith groups</b> (specify)			<b>Neutral</b>	

**As a result of completing the above what is the potential negative impact of your policy?**

High                       Medium                       Low    Neutral

### F. Could you minimise or remove any negative potential impact? If yes, explain how.

Race:	N/A
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership	N/A

## Appendix E (vii)

Disability:	Crossing Sites with Automatic Traffic Signals (Pelican, Puffin, Toucan crossings) are already equipped with features to assist disabled stakeholders to use the crossings without the assistance of a School Crossing Patrol. Other sites where staff will be withdrawn will no longer be a crossing point.
Age:	Parents are accountable for their children travelling to and from school. They will need to assess that the child is safe to walk to school on their own or ensure they are accompanied by a responsible person. All children need to have an awareness of the dangers of crossing roads irrespective of if there is a School Crossing Patrol to assist them.
Sexual Orientation:	N/A
Religious/Faith groups:	N/A

Page 26

### G. EIA Action Plan

Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,	Progress milestones	Progress
Review Crossing points.	Determine Crossing Sites to cease Council funding	October to November 2014	Colin Maycroft	Review of School Crossing Points Business Plan	Completion of Review	Completed
Consultation with Stakeholders	Communicate proposal and give opportunities for response.	October 2014 to March 2015	Colin Maycroft	Review of School Crossing Points Business Plan	Completion of consultation	
Investigate alternative sources of funding of non-Council funded Sites	Communicate with School and other community groups	March 2015 to June 2015	Colin Maycroft	Review of School Crossing Points Business Plan	Start alternative funding of non-Council funded Sites	

**Appendix E (vii)**

Complete Service Review	Disestablish selected Crossing Sites if no alternative funding secured	July 2015	Colin Maycroft	Review of School Crossing Points Business Plan	Selected Crossing Sites Disestablished	
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Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed  
Lead Officer  
Date

Signed  
Service Head  
Date

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## EQUALITY IMPACT ASSESSMENT TEMPLATE - TRAFFORD COUNCIL

A. Summary Details		
1	Title of EIA:	Proposed Increase of Parking Charges
2	Person responsible for the assessment:	Iain Veitch
3	Contact details:	0161 912 4174
4	Section & Directorate:	Regulatory Services - Economic Growth, Environment and Infrastructure
5	Name and roles of other officers involved in the EIA, if applicable:	Nicola Henry
B. Policy or Function		
1	Is this EIA for a policy or function?	Policy <input type="checkbox"/> Function <input checked="" type="checkbox"/>
2	Is this EIA for a new or existing policy or function?	New <input type="checkbox"/> Existing <input type="checkbox"/> Change to an existing policy or function <input checked="" type="checkbox"/>
3	What is the main purpose of the policy/function?	To increase parking charges across the borough
4	Is the policy/function associated with any other policies of the Authority?	To increase revenue for the Council
5	Do any written procedures exist to enable delivery of this policy/function?	No

6	Are there elements of common practice not clearly defined within the written procedures? If yes, please state.	N/A
7	Who are the main stakeholders of the policy? How are they expected to benefit?	Drivers including
8	How will the policy/function (or change/improvement), be implemented?	The Council have carried out consultation with the public holding public forums across the borough as well as a Business Breakfast and website consultation on the Budget Proposals for 2015/16
9	What factors could contribute or detract from achieving these outcomes for service users?	None proposed
10	Is the responsibility for the proposed policy or function shared with another department or authority or organisation? If so, please state?	No

Page 330

### C. Data Collection

1	What monitoring data do you have on the number of people (from different equality groups) who are using or are potentially impacted upon by your policy/ function?	None required
2	Please specify monitoring information you have available and attach relevant information*	None required
3	If monitoring has NOT been undertaken, will it be done in the future or do you have access to relevant monitoring data?	None required

*\*Your monitoring information should be compared to the current available census data to see whether a proportionate number of people are taking up your service*

<b>D. Consultation &amp; Involvement</b>		
1	Are you using information from any previous consultations and/or local/national consultations, research or practical guidance that will assist you in completing this EIA?	No
2	Please list any consultations planned, methods used and groups you plan to target. (If applicable)	The Council have carried out consultation with the public holding public forums across the borough as well as a Business Breakfast and website consultation on the Budget Proposals for 2015/16
3	**What barriers, if any, exist to effective consultation with these groups and how will you overcome them?	We will ensure that an online public consultation runs for a suitable period of time and road shows take place in strategic areas of the borough and at times of the year that do not coincide with major religious festivals. Strategic user groups will be contacted as groups and given a suitable period of time to submit responses.

Page 331

*\*\*It is important to consider all available information that could help determine whether the policy/ function could have any potential adverse impact. Please attach examples of available research and consultation reports*

**E: The Impact – Identify the potential impact of the policy/function on different equality target groups**

*The potential impact could be negative, positive or neutral. If you have assessed negative potential impact for any of the target groups you will also need to assess whether that negative potential impact is high, medium or low*

	<b>Positive</b>	<b>Negative (please specify if High, Medium or Low)</b>	<b>Neutral</b>	<b>Reason</b>
<b>Gender</b> – both men and women, and transgender;			<input checked="" type="checkbox"/>	<b>N/A</b>
Pregnant women & women on maternity leave			<input checked="" type="checkbox"/>	<b>N/A</b>
Gender Reassignment			<input checked="" type="checkbox"/>	<b>N/A</b>
Marriage & Civil Partnership			<input checked="" type="checkbox"/>	<b>N/A</b>
<b>Race</b> - include race, nationality & ethnicity (NB: the experiences may be different for different groups)			<input checked="" type="checkbox"/>	<b>N/A</b>
<b>Disability</b> – physical, sensory & mental impairments			<input checked="" type="checkbox"/>	<b>No impact – disabled drivers are entitled to free parking.</b>
<b>Age Group</b> - specify eg; older, younger etc)			<input checked="" type="checkbox"/>	<b>N/A</b>
<b>Sexual Orientation</b> – Heterosexual, Lesbian, Gay Men, Bisexual people			<input checked="" type="checkbox"/>	<b>N/A</b>
<b>Religious/Faith groups</b> (specify)			<input checked="" type="checkbox"/>	<b>N/A</b>



As a result of completing the above what is the potential negative impact of your policy?

High

Medium

Low

**F. Could you minimise or remove any negative potential impact? If yes, explain how.**

Race:	N/A	
Gender, including pregnancy & maternity, gender reassignment, marriage & civil partnership	N/A	
Disability:	Disabled drivers are eligible for free parking	
Age:	N/A	
Sexual Orientation:	N/A	
Religious/Faith groups:	N/A	
Also consider the following:		
1	If there is an adverse impact, can it be justified on the grounds of promoting equality of opportunity for a particular equality group or for another legitimate reason?	No
2	Could the policy have an adverse impact on relations between different groups?	No
3	If there is no evidence that the policy <i>promotes</i> equal opportunity, could it be adapted so that it does? If yes, how?	No


<b>G. EIA Action Plan</b>
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Recommendation	Key activity	When	Officer Responsible	Links to other Plans eg; Sustainable Community Strategy, Corporate Plan, Business Plan,	Progress milestones	Progress

Page 334

Please ensure that all actions identified are included in the attached action plan and in your service plan.

Signed  
Lead Officer  
Date

  
Nicola Henry  
17/12/2014

Signed  
Service Head  
Date 19/12/14

