

APPENDIX 4

Meeting	Cabinet
Date	4 November 2013
Subject	Business Planning 2014/15 – 2015/16
Report of	Leader of the Council Cabinet Member for Resources and Performance
Summary of Report	This report sets out the Corporate Plan objectives, Medium Term Financial Strategy (MTFS) and budget headlines for the period 2014/15 – 2015/16

Officer Contributors	Chris Naylor, Chief Operating Officer John Hooton, Deputy Chief Operating Officer Stephen Evans, Assistant Director Strategy Anisa Darr, Head of Finance
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	Not Applicable
Function of	Executive
Enclosures	Appendix A – Medium Term Financial Strategy Appendix B – Savings and pressures
Contact for Further Information:	John Hooton, Deputy Chief Operating Officer, 020 8359 2460

1. RECOMMENDATION

- 1.1 To note the 1% council tax reduction in 2014/15 and a council tax freeze in 2015/16 as a proposal for consultation;
- 1.2 To note the updated Medium Term Financial Strategy (MTFS) as set out in Appendix A;
- 1.3 To approve the budget proposals set out in Appendix B as “budget headlines” for consultation, covering the period from 2014/15 to 2015/16;
- 1.4 To allocate £4m to the Cabinet Member for Environment to be spent on roads and pavements as set out in paragraph 9.4.6, with spending plans to be finalised in consultation with the Cabinet Member for Performance and Resources;
- 1.5 To request that Cabinet come forward with proposals against the £1m set out in 9.4.6, with specific proposals to be agreed as part of the quarterly monitoring report to Cabinet Resources Committee;
- 1.6 To approve the savings re-profiling recommended in 9.4.8 subject to consultation;
- 1.7 To note the impact on performance, staff and equalities as set out in sections 5, 6 and 7 of the report; and
- 1.8 To note the process for development of the capital programme.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet on 25 February 2013 approved three years of budget proposals spanning 2013/14 to 2015/16.
- 2.2 Council on 5 March 2013 approved three years of budget proposals spanning 2013/14 to 2015/16.
- 2.3 Cabinet on 18 July 2013 agreed the budget setting process for 2014/15 and 2015/16.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The annual business planning process enables Members to set the strategic direction of the Council – based on the priorities of residents - and for that direction to be reflected in the Council’s Corporate Plan. The Corporate Plan stands as the primary document against which Council policy considerations are evaluated in Committee and Delegated Powers Reports.
- 3.2 The Council’s strategic priorities and performance targets were refreshed for the period 2013/14 to 2015/16 as part of last year’s business planning process and set out in the Council’s Corporate Plan which was published in April. The Council’s strategic priorities up to 2015/16, as reflected in the Corporate Plan, are as follows:

- To create the right environment to promote responsible growth, development and success across the borough;
- To support families and individuals that need it – promoting independence, learning and well-being; and
- To improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

The Council's budget is focused on delivering these strategic objectives, ensuring that resources follow strategy.

- 3.3 The Corporate Plan forms an overarching framework for more detailed Delivery Unit plans, team plans, and for setting performance objectives for individual officers, ensuring that all elements of the Council's business planning process are focused on achieving the strategic priorities agreed by Cabinet.

4. RISK MANAGEMENT ISSUES

- 4.1 There is a risk that service delivery cuts have a disproportionate impact on residents when combined with the impact of welfare reform and increasing cost of living. The Council has put in place support for people who will be affected by welfare reform, including supporting people into work and looking for sustainable housing options. Analysis of budget proposals and the following consultation will consider the cumulative impact of changes.

- 4.2 As we continue to transform and adjust to austerity, the risk of Judicial Review is increasingly present, with an increasing number of claims against Local Authorities on grounds that a proper process was not followed in making the decision or relevant information was not taken into account. It is important that the Council considers its overarching statutory duties when considering budget planning and that processes are conducted in a rigorous and open minded way.

- 4.3 On 26 June, the Government announced further cuts for the 2015/16 Financial Year as part of Spending Review 2013. This included a further cut to Local Government funding of around 10% in that year, as well as indicating that austerity is likely to continue until the end of the decade. Current modelling suggests that this is likely to equate to further annual reductions of between £15m and £20m to the Council's budget. For this reason, it is important that the Council continues to be prudent with its use of reserves and contingency to mitigate against future cuts.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Equality and diversity issues are a mandatory consideration in the decision making of the Council. This requires elected Members to satisfy themselves that equality considerations are integrated into day to day business and that all proposals emerging from the finance and business planning process have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in train.

- 5.2 The projected increase in the borough's population and changes in the demographic profile will be key factors that need to be considered when

determining both the corporate strategy and service responses. Both of these need to also reflect the aspirations and contributions of current residents.

- 5.3 Similarly, all human resources implications will be managed in accordance with the Council's Managing Organisational Change policy that supports the Council's Human Resources Strategy and meets statutory equalities duties and current employment legislation. Full equality impact assessments have been completed on the Customer and Support Group (CSG) contract and the Re joint venture to ensure that section 149 of the Equalities Act is complied with. Included as part of background papers.
- 5.4 Since the last budget round there have been changes to the council structure, with the set-up of the Customer and Support Group and Development and Regulatory Services grouping. As the Council transitions to the new structure and operating model the approach to Equalities is being strengthened, in line with the proposed changes to the constitution, to ensure that roles and responsibilities are clear. A common approach to equalities will be taken across internal and external Delivery Units.
- 5.5 Any decision (for example reductions to service budgets or service redesigns) is potentially open to challenge. Whilst no public body is immune from challenge through a judicial review, the risk can be significantly reduced by adopting best business planning practice, an inclusive approach to engagement, a clear understanding of the impact of proposed changes, consideration of mitigations and monitoring of outcomes.
- 5.6 At this stage of the budget planning process Delivery Units have conducted a preliminary high level review of the equalities impact of initial proposals. Some budget savings are continuing from previous years and a small proportion are new.
- 5.7 To meet the requirements outlined at paragraph 5.1 Delivery Units will develop their equality analyses as proposals are developed and in response to consultation feedback. Savings that are continuing from previous years will require on-going analysis and new savings will require initial analysis. The Policy Unit will work with Delivery Units to:
- ensure the Council takes a consistent approach to assessing the equalities impact of their proposals including any cumulative impact on any particular group and what mitigating actions should be put in place;
 - refine equality assessments as proposals develop.
- 5.8 A number of proposals have been flagged as having a high equalities impact. These are the community offer in Adults and Communities, the traded service model for non-statutory educational welfare and educational psychology and the renegotiation of the housing needs and resources management agreement. There are a number of other savings proposals that have a range of expected outcomes depending on the outcome of further savings development work. This includes seven proposals in Children's Services and two proposals in Adult's and Communities. Should Capita and Capita Symonds propose service change proposals these will need to be properly considered to ensure that due regard has been given to the Equality Duty, including appropriate communication and consultation and equalities impact

assessments, prior to decision making (in accordance with the Council's scheme of delegation) and the implementation of any changes.

- 5.9 Appendix B to this paper outlines budget pressures and savings by Service area / Delivery unit, together with a preliminary assessment of the anticipated equalities impact of those savings. Further work is required to refine and develop these proposed savings and to assess the specific and cumulative equalities impacts of these proposals. This work will be carried out as part of the budget consultation exercise to enable a fuller consideration of equalities impact assessment. It will inform the final decision on next year's budget at Cabinet in February.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 This report covers the Council's Medium-Term Financial Strategy and business planning process. This report updates Cabinet on the details of the budget for 2014/15 and 2015/16. Although the Spending Round 2013 broadly, by central government department, gave indications of the scale of grant reductions at this stage, it is necessary to make assumptions about the likely settlement for Barnet for the financial year 2015/16. At this stage, no certainty exists over grant funding levels beyond 2014/15.

- 6.2 In addition to continued austerity, demographic change and the resulting pressure on services poses a significant challenge to the Council. The organisation is facing significant budget reductions at the same time as the population is increasing, particularly in the young and very old demographics. Given that nearly two thirds of the Council's budget is spent on Adult Social Care and Children's Services, this poses a particular challenge as these services are predominantly 'demand led'. There will also be costs related to infrastructure development. The annual allocation of New Homes Bonus funding will be allocated to the infrastructure reserve as a contribution towards these costs.

- 6.3 There are a number of staffing implications as a result of implementing the savings proposals. These are detailed below:

- TUPE transfer in: The savings resulting from alternative service provision in Street Scene will mean all in-scope employees working for May Gurney PLC at the time of transfer will automatically become employees of the Council under the TUPE Regulations when their work transfers in October 2013;
- TUPE transfer out: as part of the Customer and Support Group (CSG) and Development and Regulatory Services (DRS) contracts staff have been TUPED to Capita and Capita Symonds Ltd respectively. There were 429 managers and staff in scope for CSG and 256 for DRS;
- Staffing reductions: compared to previous years the proposed numbers of staffing reductions are not significant. This is partly due to the staffing changes detailed above and also because most of the efficiencies in 2014/15 are being achieved from third party contracts. There are 11.4 proposed reductions across 2014/15 and 2015/16, which are detailed in Appendix B.

- 6.4 Savings consist of a number of efficiency, service reduction and income generation proposals. Broadly, performance is not anticipated to be negatively impacted for the efficiency proposals, however given the scale of the efficiencies to be found the on-going impact will be closely monitored post implementation. The most significant service reduction proposals are in Children's Services and the service delivery impact has been considered and mitigating actions have been put in place where necessary. An assessment of impact on service delivery is contained in Appendix B.

7. LEGAL ISSUES

- 7.1 All proposals emerging from the business planning process must be considered in terms of the Council's legal powers and obligations, including its overarching statutory duties such as the public sector equality duty.
- 7.2 Any proposals to reduce or fundamentally change service delivery would require the decision makers to have due regard to the public sector equality duty and to complete equality impact assessments.

CONSULTATION

- 7.3 As a matter of public law the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in 3 circumstances:
- Where there is a statutory requirement in the relevant legislative framework;
 - Where the practice has been to consult or where a policy document states the Council will consult then the Council must comply with its own practice or policy; and
 - Exceptionally, where the matter is so important that there is a legitimate expectation of consultation.
- 7.4 Regardless of whether the Council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be considered as proper consultation if:
- Comments are genuinely invited at the formative stage;
 - The consultation documents include sufficient information about the proposal to allow those being consulted to be properly informed and to give an informed response;
 - There is adequate time given to the consultees to consider the proposals; and
 - There is a mechanism for feeding back the comments and those comments are conscientiously taken into account by the decision maker / decision making body when making a final decision.
- 7.5 Finally there will be staff consultation about these proposals in compliance with s188 of the Trade Union and Labour Relations (Consolidation) Act 1992. This collective and individual staff consultation will take place during the period 24 October 2013 to 25 November 2013.

PUBLIC SECTOR EQUALITY DUTY

- 7.6 The general duty on public bodies is set out in section 149 of the Equality Act.

(1) A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(2) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
- (c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(3) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(4) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, the need to:

- (a) Tackle prejudice, and
- (b) Promote understanding.

(5) Compliance with the duties in this section may involve treating some persons more favourably than others but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

(6) The relevant protected characteristics are:

- Age;
- Disability;
- Gender reassignment;
- Pregnancy and maternity;
- Race;
- Religion or belief;
- Sex;
- Sexual orientation.

It also covers marriage and civil partnership with regard to eliminating discrimination.

7.7 The duty is a continuing duty. Through the process of finalising the budget and corporate plan, the Council will need to satisfy itself that these requirements have been adhered to in formulating the proposals referred to in this report.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

- 8.1 Council Constitution, Responsibility for Functions, Section 4 sets out Responsibility for Executive Functions. Paragraph 4.8 provides for the Cabinet to recommend to the Council for adoption the Council's budget.

9. BACKGROUND INFORMATION

9.1 Executive Summary

- 9.1.1 In March 2013, the Council agreed its MTFS, which set a three year budget for the period 2013/14 – 2015/16. As a result of signing the CSG and Re contracts this report re-affirms proposals for the years 2014/15 and 2015/16.
- 9.1.2 The deal with Capita for the provision of the Customer and Support Group (CSG) contract and with Capita Symonds for Re Services has been better than envisaged and the level of savings being delivered is earlier than profiled in the MTFS. Due to the up-front savings secured as a result of signing the contracts the Council is able to use these funds to reduce the council tax burden for 2014/15 and then freeze it for 2015/16.
- 9.1.3 The total budget gap is £36.584m over the next 2 years (2014-16). The 2 year budget gap has been updated to reflect recent announcements and CSR 2013.
- 9.1.4 **Savings of £39.012m and pressures of £2.428m** have been identified to enable a balanced budget to be set. The two year budget position is set out in **Appendix A**, with pressures and savings included in **Appendix B**.
- 9.1.5 The budget proposals within this report are predicated on a **1% reduction** in council tax for 2014/15 and a council tax freeze for 2015/16.

9.2 Strategic Context

- 9.2.1 Despite recent signs of more positive economic data, the economic climate remains extremely challenging. At the Spending Review in October 2010, central Government set out plans for cutting total public spending by £81bn over four years from 2011 to 2015 in order to eradicate the national budget deficit. This translated to a cut of 27% - or £72m – to the Council's budget over that period. The Government has levied further cuts on Local Government since the 2010 Spending Review. An additional 2% will be cut from Council funding in 2014/15 and June's announcement for the 2015/16 Financial Year translates to a further cut of 10% to Local Authority budgets. The Government has made it clear that austerity is likely to continue until, at least, the end of the decade. The UK's budget deficit will continue to exist regardless of the political party is in power which will mean that council budgets will continue to reduce for the foreseeable future. The Council forecasts that the cut to its grant, after factoring in increases due to inflation and demographic pressures, over the four year period from 2016 to 2020 will result in a budget gap of £73.6m.

9.2.2 In spite of the on-going financial challenges, the Council continues to provide high quality services to residents. The Council's Residents Perception Survey, conducted in November 2012, shows that, compared to 2010, resident satisfaction with the majority of council services has improved. Nine services – including the repair of roads and social services for adults and children - saw significant increases in satisfaction and the majority of these out-performed other outer London Boroughs. Overall resident satisfaction with the local area remains high and significantly above the national average – 88% of residents are satisfied with their local area as a place to live.

9.2.3 Overall resident satisfaction with the Council has increased by 12% since 2010. Compared to 2010, residents think the Council is doing a better job, offering better value for money, is working to improve the local area, listening to concerns of local residents and responding quickly when asked for help. In addition, 91% of schools in Barnet are rated as 'good' or 'excellent' by Ofsted – the second best performance in the country - and Adults and Children's services are recognised as 'excellent' by external inspectors. The Borough remains an attractive and successful place to live, with household incomes totalling almost £6bn last year and 86% of residents satisfied with their local area.

9.2.4 During these challenging times, the Council does not want to increase the financial burden on families and individuals. This is why the Council has frozen Council Tax for four years from 2010/11 to 2013/14, and will reduce Council Tax in 2014/15, representing a real terms cut in Council Tax of 20% over the five year period.

9.3 Strategic objectives and the Corporate Plan

9.3.1 The Corporate Plan is the overarching strategic document for the Council, setting out its strategic priorities and objectives. The latest Corporate Plan which covers the period 2013/14 to 2015/16 was published in April and has been revised to reflect the new freedoms offered by the Localism Act.

9.3.2 The revised Plan is more focussed, with a reduced number of objectives, refined performance targets, and clear lines of accountability. The Corporate Plan sits above published Service Plans for each directorate providing a clear link between the Council's strategic objectives and the actions each service will take to deliver them. The Council's strategic objectives reflect the concerns of residents following a consultation exercise to understand the views of residents in relation to service priorities.

9.3.3 The strategic objectives set out in the Corporate Plan reflect the priorities of residents and achieving them will require collaboration between the Council and its public sector partners. For example, an objective to keep Barnet safe sets out how the Council will work with the Police and others to achieve this.

Overarching priorities

9.3.4 The Corporate Plan includes the three overarching priorities, and these will remain unchanged for the forthcoming year. They are:

- To create the right environment to promote responsible growth, development and success across the borough;
- To support families and individuals that need it – promoting independence, learning and well-being; and
- To improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study

These top three strategic priorities are underpinned by a number of priority outcomes and performance indicators against which success is monitored which together forms the Council's strategic framework. This framework is set out below:

Barnet Council will work with local partners to:		
<p>1. Create the right environment to promote responsible growth, development and success across the borough.</p>	<p>2. Support families and individuals that need it – promoting independence, learning and well-being.</p>	<p>3. Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.</p>
<p><i>This means...</i></p> <ul style="list-style-type: none"> • Creating jobs and new homes in the next five years via regeneration • Increasing skills, encouraging enterprise and reducing unemployment. <p><i>Measure:</i></p> <ul style="list-style-type: none"> • Business growth and retention. 	<p><i>This means...</i></p> <ul style="list-style-type: none"> • Encouraging families and individuals to live as healthily and independently as possible, giving targeted services to those who most need it. <p><i>Measure:</i></p> <ul style="list-style-type: none"> • Managing demand for services. 	<p><i>This means...</i></p> <ul style="list-style-type: none"> • Giving excellent services to residents • Protecting the unique character of the borough and providing sustainable infrastructure to support success. <p><i>Measure of success:</i></p> <ul style="list-style-type: none"> • Resident satisfaction with the borough as a place to live work and study • Satisfaction with the Council.

We will deliver this, by focussing our efforts on these outcomes:

- 1: To maintain a well designed, attractive and accessible place, with sustainable infrastructure across the borough.
- 2: To maintain the right environment for a strong and diverse local economy.
- 3: To create better life chances for children and young people across the borough.
- 4: To sustain a strong partnership with the local NHS, so that families and individuals can maintain and improve their physical and mental health.
- 5: To promote a healthy, active, independent and informed over 55 population in the borough so that Barnet is a place that encourages and supports residents to age well.
- 6: To promote family and community well-being and encourage engaged, cohesive and safe communities.

9.4 Medium Term Financial Strategy

9.4.1 The Medium Term Financial Strategy (MTFS) sets out all of the budget changes over a rolling two-year planning period, including assumptions around inflation, changes to levies, pressures, savings and grant funding. It is the model which underpins the council's financial strategy.

2014/15 – 2015/16

9.4.2 The budget covering the period 2014-16 reflects a budget gap of £33.934m over the two years, together with savings proposals to reach a balanced position.

	2014/15 £000	2015/16 £000	Total £000
Budget Gap before savings & pressures	18,021	18,562	36,584
Proposed Pressures	908	1,520	2,428
Proposed Savings	(18,930)	(20,082)	(39,012)
Budget Gap after savings	0	0	0

Funding from Central Government, Council Tax and Use of Reserves

9.4.3 The potential budget gap that the Council faces from 2014-16 includes assumptions about levels of expected Government grant, future levels of business rates and changes to the Council Tax base, along with a range of other assumptions about pay and non-pay inflation, future levies and other risks.

9.4.4 On 26 June, the Government announced further cuts for the 2015/16 Financial Year as part of Spending Review 2013. This included a further cut to Local Government funding of around 10% in that year, as well as indicating that austerity is likely to continue until the end of the decade. It is important to

stress that modelling for 2015/16 is based on a number of assumptions and for now, a 19% reduction in the Revenue Support Grant (RSG) is deemed sufficient until further detail is released from Central Government.

9.4.5 The deal with Capita for the provision of the Customer and Support Group (CSG) contract and with Capita Symonds for Re Services has been better than envisaged and the level of savings being delivered is earlier than profiled in the MTF5. Due to the up-front savings secured as a result of signing the contracts the Council is able to use these funds, along with the service development reserve, to reduce the council tax burden for 2014/15 and then freeze it for 2015/16. The in-year increase in tax base is also greater than that budgeted for and therefore increases the income expected. This gives the Council £1.5m of additional funding to offset service pressures.

9.4.6 It is the administration's priority to allocate the use of savings as a result of signing the contracts and the council tax freeze grant, anticipated to be equivalent to a 1% increase, as follows:

- Council tax reduction and freeze: £2m
- Roads and pavements: £4m
- Other priority projects: £1m

Draft budget proposals for consultation

9.4.7 Savings proposals for 2013/14 and 2014/15 have been reviewed across the Council to ensure they remain deliverable and are in line with the direction of policy. These are set out in detail at Appendix B.

9.4.8 Following this review, it is recommended that the following savings are re-profiled:

- Adults and Communities: Savings linked to closer working with CSG provider (£1m in 2014/15, £2m in 2015/16) – due to the delay signing the CSG contract, work on identifying savings projects has only just begun. Due to the lead in time of implementing projects it is recommended that £500,000 is moved from 2014/15 to 2015/16 and £500,000 from 2015/16 to the following year.
- Children's Services: Transport savings (£500,000 in 2014/15) – Children's Services have taken out £1m efficiency savings in 2013/14 from the transport budget, however these savings have not been fully realised yet and therefore it is recommended that this saving is moved from 2014/15 to 2015/16.

9.4.9 The total savings from each delivery unit are set out below:

Delivery Unit	2014/15 'm	2015/16 'm
Adults and Communities	8.377	8.424
Assurance	0.04	0.175
Children's Service	4.44	6.207
Commissioning	0.72	0.525
Customer and Support Group	2.393	2.1
Housing Needs and Resources	0.055	0.3
Legal	0.15	0.2
Re	1.355	0.3
Street Scene (including parking)	1.4	1.851
Total	18.930	20.082

9.4.10 An allowance has been included within the budget envelope for demographic growth in line with population projections for Adults and Communities and Children's Services.

9.4.11 The total pressures for each delivery unit are summarised below:

Delivery Unit	2014/15 'm	2015/16 'm
Adults and Communities	0.8	0.8
Children's Service	0	0.72
Street Scene	0.108	0
Total	0.908	1.52

Emerging risks over the next two years

9.4.12 There are a number of risks to the Council's financial position as a result of changes in demographics, changes to legislation and other factors. The Council holds reserves and contingency balances to address future risks and concerns. These risks will be kept under review as they materialise.

- Welfare reform: the move towards universal credit is anticipated to have an impact on housing and social care services (in Adults and Communities and Children's Services). The introduction of the cap on benefits has already shown an increase in homelessness with a pressure on temporary accommodation;
- Social care funding reform and draft Care and Support Bill: introduction of a cap on contribution towards care costs and assessments and services for carers is likely to increase the pressure on the service. There will be additional funding for social care to local authorities however at this stage it is unclear if this will meet the likely pressure; and
- Children and Families Bill: expected to become law in 2014 and will extend the Local Authority's responsibility to ensure access to education for young people with special educational needs (SEN), from the current age limit of 19, up to the age of 25.
- New government guidance being consulted on in early 2014 regarding parking enforcement changes may have a negative impact on revenue collected.
- The creation of the integrated health fund is likely to have funding pressure for the Clinical Commissioning Group (CCG) and the creation of a pooled budget may mean the council reduces its control of the social care and health integration monies that has been funding demographic pressures in the service.

9.5 Consultation

9.5.1 Development of strategic objectives, business plans and savings options will be informed by consultation and engagement with residents. This year, the Council will use the Residents' Perception Survey to gain intelligence on residents' priorities and concerns, and also gather views on responses to service changes or reductions planned for 2014/15.

Residents' Perception Survey (September 2013 – October 2013)

- 9.5.2 The Residents' Perception Survey (RPS) will provide borough-wide understanding of residents' priorities, perception of public services and how the views and priorities of residents have changed over the last twelve months. This information will challenge and inform priorities for service plans, commissions and future budget options.

Formal Budget Consultations (8th November 2013 – 31st January 2014)

- 9.5.3 Service consultation: The Council has a duty to consult with services where proposals to vary, reduce or withdraw services in the following circumstances: where there is statutory requirement; where the practice has been to consult on changes or where a policy to consult is in place; or where the service reduction or change of a nature, where there is a legitimate expectation of consultation, regardless of statutory duties. Consultation is also recommended in other circumstances, for example to identify the impact of proposals or to assist with complying with the Council's equality duties.
- 9.5.4 Council budget consultation: The Council's proposed budget for 2014/15 will be published in November 2013. Residents will be invited to give their views on the budget via an online survey. Also as part of the Council's statutory duty to consult with National Non Domestic Rate Payers (NNDRPs), letters will be sent out to all the council's NNDRPs inviting them to take part in the consultation.
- 9.5.5 The Council's budget consultations will be published on the Engage Barnet and paper copies will be made available on request. The consultations will be widely promoted via the council's Residents' magazine, Barnet First, Residents Forums, Community Barnet, and various service user newsletters and partnership boards.

Staff consultation

- 9.5.6 There will be staff consultation about these proposals in compliance with s188 of the Trade Union and Labour Relations (Consolidation) Act 1992. This collective and individual staff consultation will take place during the period 24 October 2013 to 25 November 2013.

9.6 Capital programme and invest to save

- 9.6.1 A capital needs analysis is being undertaken to inform the capital investment strategy from 2014/15 to 2017/18. This exercise will also map the capital priorities of the authority to 2020.
- 9.6.2 The capital needs analysis will be governed through the Assets and Capital Board and progress driven by Lead Commissioners and Delivery Unit Directors. Strategic Commissioning Board will agree additions to the capital programme in principle before final approval at Cabinet in February 2014.
- 9.6.3 The CSG and DRS contracts contain provision for capital investment in the Council's infrastructure. The investment is mainly around system changes in order to aid efficiency and improved customer outcomes.
- 9.6.4 A fully worked up capital programme will be brought to Cabinet in February 2014 for approval. The emerging proposals are around:
- Provision of sufficient pupil places (permanent and temporary);

- Regeneration programmes;
- Carriageway and resurfacing programmes;
- Co-location of services; and
- Parks infrastructure.

10. LIST OF BACKGROUND PAPERS

10.1

<http://barnet.moderngov.co.uk/documents/s9226/DRS%20Cabinet%20Report.pdf>

10.2

<http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	

Appendix A – Medium Term Financial Strategy

Medium Term Financial Strategy	2014/15 £000	2015/16 £000
Budget brought forward	299,165	291,749
Statutory/cost drivers		
Inflation (pay)	1,210	1,210
Inflation (non-pay)	3,057	3,057
North London Waste Authority (NLWA) levy	2,821	564
Capital financing costs	1,500	1,500
Statutory/cost drivers sub-total	8,588	6,331
Central Expenses		
Contingency - general risks	(638)	1,733
Council Tax Support	600	600
Public Health Grant	536	
Central Expenses sub-total	499	2,333
Balances to/(from) reserves		
Specific reserves contribution 2012/13		
Specific reserves contribution 2013/14 New Homes Bonus (NHB)	(6,181)	
Specific reserves contribution 2014/15 NHB	7,700	(7,700)
Specific reserves contribution 2015/16 NHB		8,990
Service Development Reserve (one off use of reserve for CT reduction)		(955)
Reserves sub-total	1,519	335
Total expenditure	309,771	300,748
New Formula grant funding		
Formula Grant (2012/13 final year)		
Business Rates	34,000	35,000
Business Rates- Top up	17,971	18,438
Revenue Support Grant (RSG)	64,262	51,855
New Formula grant sub-total	116,233	105,293
Council Tax		
Council Tax (CT)	140,375	141,310
Collection Fund contribution	1,500	1,500
CT freeze grant 13-14	1,619	
CT freeze grant 14-15	1,410	1,410
CT freeze grant 15-16		1,404
Core grants		
Private Finance Initiative (PFI) credit	2,235	2,235
Education Services Grant	3,964	3,567
NHB	7,700	8,990
Housing and CT Benefit Administration Grant	2,379	2,142
Public Health	14,335	14,335
Other funding sub-total	175,516	176,893
Total Income from grant and Council Tax	291,749	282,186
Proposed Pressures	908	1,520
Budget Gap before savings & pressures	18,021	18,562
Proposed Savings	(18,930)	(20,082)
Budget Gap after savings	0	0

Appendix B – Savings and pressures

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
EFFICIENCY - DEMAND MANAGEMENT											
E1	Adults Social Care	<p><u>Savings through supporting people in the community as opposed to high cost placements</u></p> <p>The 'Community Offer' delivers savings through supporting people in the community and offering alternative ways to meet statutory social care needs as opposed to high cost care packages and residential placements. This will lead to increased use of universal services, enablement, telecare, equipment and direct payments instead of a traditional home care and residential care.</p> <p>The 'Community Offer' will be delivered by multi-disciplinary teams of social workers, occupational therapists, telecare and direct payments advisors. All support plans to meet social care needs will be assessed and approved by an Integrated Approval Panel whose role is to ensure that statutory duties are met whilst promoting independence.</p> <p>The net cost of supporting someone on a community alternative is cheaper than traditional care. This is an ongoing initiative which is already beginning to take effect and should be delivered in full in 2014/15.</p> <p>The achievability of this saving could be impacted by the Care and Support Bill however work is underway to assess the impact and plan for delivery.</p>	Efficiency	Specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	87,395	(1,347)		(858)		
E2	Older Adults and Younger Adults (all groups)	<p><u>Savings through supporting people in appropriate housing as opposed to high cost placements</u></p> <p>Reduction in cost of residential third party placements by:</p> <p>(1) Innovative use of support and housing options to deliver savings whilst ensuring promoting choice and independence for customers. The savings proposals are:</p> <ul style="list-style-type: none"> • Re-commissioning our Floating Support contract • Develop additional Sheltered Plus accommodation <p>(2) Introduction of 'neighbourhood network support scheme. A project which enables individuals currently living in supported living schemes to move on to be more independent with low level support, to enable tenancy maintenance and support with bills. This target is based on offering a network to a minimum of nine people.</p> <p>(3) Preventing the need for residential care by an average of 3 months, through enabling people to stay well and safe at home using enablement, home care, equipment and telecare.</p> <p>The gross average cost of supporting a high cost placement in residential or nursing care is £53k per annum, existing clients in residential or nursing care in Q1 of 2013/14 were about 1,100 so to achieve this saving appropriate housing would need to be found for 3% of the existing clients. The achievability of this saving is predicated on appropriate and accessible stock being available.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	87,395	(1,000)		(704)		

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
E3	Across Services	<p><u>Savings through supporting people by increasing investment in carers support to prevent/reduce the need for funded care</u></p> <p>This is a 2015/16 saving and we believe there are savings to be achieved through efficiently coordinating and personalising services for carers so that there is a clear 'Carers Offer' throughout the carers journey. This will include a joint strategy with health and exploring shared resources. This will help the carer sustain their role, and reduce the need to access specialist services including hospital and residential care. Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.</p> <p>In 2012/13 2,179 carers had an assessment, of these it is assumed that 25% support individuals that would otherwise be in residential care. Increasing this by 5% would generate sufficient savings to meet this target and aid people to live more independently with more choice and control. However this will in practice mean that people will receive lower cost packages which could be perceived negatively.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	87,395			(550)		
E4	Across Services	<p><u>Savings through decreasing external third party expenditure on day care costs by increased access to universal leisure services and specific renegotiations</u></p> <p>This is a 2015/16 saving and we believe there are savings to be achieved through:</p> <p>(1) Partnership working with leisure services to offer more mainstream leisure activities reducing dependence on specialist day care provision, using a dedicated leisure co-ordinator.</p> <p>(2) For all people in receipt of 24 hour residential or supported living services who attend separate day care, a renegotiation of costs with the accommodation provider to reflect the time they are away from the service or a request to the provider to provide community based activities with an enhancement in payment, funded from a proportion of the monies saved by ending the day service attendance.</p> <p>The current budget for spend with external pay care providers is £6.7m and this saving is predicated on a 10% reduction. Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism. Any alternative service proposed or offered will be undertaken in line with due consideration to statutory duties and with consultation with service users.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	6,630			(660)		

EFFICIENCY - WORKING WITH NHS

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
E5	Working with health partners	<p><u>Savings through working with NHS to reduce number of people going into high cost placements</u> Development of Health and Social Care Integration: Older people integrated care model (OPIC) aims to reduce care costs and lower home care packages through increasing independence. This is a joint initiative with the NHS to support people and prevent them from hospital admissions which will reduce people going into residential care. The OPIC model facilitates multi-disciplinary working to invest more money in prevention and well-being and assessments and primary care to reduce expenditure in community and intensive support and residential and acute services.</p> <p>This work is already underway in the West of the borough and this saving will be achieved from the process being rolled out across North and South of the borough by the end of this year. This project would need to ensure that on average 10 more older people are supported in the community rather than being admitted to hospital and then accessing higher cost placements.</p> <p>New discharge planning standards with the NHS aim to prevent admissions into respite / nursing care from hospitals (including fracture service follow up) which should lead to reduction in high cost nursing placements when better alternatives are available.</p>	Efficiency	General Consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period and through the life of the project.	42,055	(471)				
E6	Younger Adults: Mental Health	<p><u>Savings through reduced staffing costs and sharing funding arrangements with MHT</u> Following the remodelling of the Primary Care Mental Health Team to improve access for individuals with mental health needs the number of social care staff required has reduced. There are currently 6 fte workers in the PCMHT and 3 of these will join other teams where roles are currently being covered by locum staff.</p> <p>Individuals who have received treatment under the mental health act on a section 3 at the point of discharge are subject to section 117 aftercare. There is an agreement currently that anyone subject to S117 will automatically be jointly funded between health and social care. The proposed changes would not impact on the Council's ability to provide these services.</p>	Efficiency	General consultation and specific consultation is likely with staff	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period and through the life of the project.	6,766	(180)		(401)		
EFFICIENCY - WORKFORCE											
E7	Across Services	<p><u>Savings through reduction in staffing costs</u> Reductions in back office transactional functions through new ways of working and exploring new innovative models. This could be sharing functions with other Delivery Units or transferring functions to Capita. This will include restructuring support functions.</p> <p>This is a 2015/16 saving and over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.</p>	Efficiency	General consultation and specific consultation is likely with staff	No full equalities impact assessments are proposed, with the exception of HR-related EIAs as part of the general consultation.	7,701			(300)	6	
EFFICIENCY - ASSETS & CAPITAL											

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
E8	Younger Adults	<p><u>Savings through HRA investment in new build which will result in reduction in high cost placements</u> This is a 2015/16 saving and we believe there are savings to be achieved through increasing independent living options for Younger Adults with physical/learning disabilities and Mental Health issues. This proposals includes a new build programme using HRA monies for wheelchair accessible housing and working with Barnet Homes and the private rented sector to source suitable accommodation for younger adults.</p> <p>Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism and service impact is reviewed.</p>	Efficiency	General Consultation. Specific consultation will be carried out with Barnet Homes on individual housing development where necessary.	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	45,668	(50)		(1,513)		
EFFICIENCY - PROCUREMENT											
E9	Across Services (procurement spend)	<p><u>Savings from renegotiation of existing contracts</u> Procurement savings achieved through: - recommissioning of floating support contracts, supporting people contracts, equipment contract (£438k in 2014/15), - working with providers to contain inflationary pressures (£600k in 2014/15, £600k in 2015/16), - negotiating lower unit costs from specialist mental health providers and (£290k in 2014/15) - smarter procurement delivered through better use of data and improved areas of scrutiny (£300k in 2014/15).</p> <p>In 2013/14, £90.1m (excluding direct payments budget) of Adults gross budget was spent on spend with external providers. CRC have already approved revised contracts for equipment, supporting people and floating support without a reduction in service quality and work in underway to contain inflationary pressures.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period and through the life of the project. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	70,673	(1,628)		(600)		

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
E10	Across Services (procurement spend)	<p><u>Savings from reduction in third party expenditure through renegotiation of individual Learning Disability packages</u></p> <p>Savings achieved through:</p> <p>(1) Widespread revision of LD service including integration with health: The integrated learning disability service provides a seamless and streamlined health and social care service to users and carers. This has enabled the service through multidisciplinary working to minimise duplication and provide innovative and enabling support to individuals and deliver efficiencies, whilst continuing to meet statutory needs.</p> <p>(2) Review and/or return of 50 people back to Barnet, including those individuals who come under the Winterbourne Concordat. This project has already delivered significant service improvements for a number of individuals and enabled a number of people to return closer to their families and social networks.</p> <p>(3) Carers offer for transition individuals based on offering a direct payment as the first offer when developing support plans to meet assessed eligible needs. This forms part of on-going service delivery rather than a new initiative.</p> <p>(4) The Learning Disability service uses the (Care Funding Calculator CFC) to identify individual costs based on assessed support needs to benchmark reasonable costs and as a basis for negotiation with providers; the CFC is also used at the point of reassessment. This approach has been used over the last 18 months and has enabled greater person centred support and outcomes for individual's whilst delivering much greater value for money.</p>	Efficiency	General Consultation and specific consultation (where necessary)	There is a potential equalities impact and this will be reviewed during the consultation period and through the life of the project. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	39,224	(1,900)				
EFFICIENCY - OTHER											
E11	Leisure	<p><u>Savings through reduction in expenditure on leisure contract</u></p> <p>Savings to be achieved through:</p> <ul style="list-style-type: none"> - renegotiating contract - re-prioritisation of contract to achieve public health outcomes in line with Joint Strategic Needs Assessment and Health and Wellbeing Board - drawdown on reserves <p>Over the course of 2014/15, plans will be worked up to ensure this saving is deliverable on an on-going basis.</p>	Efficiency	Key part of the review	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	1,360	(967)				

Adults & Communities Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
E12	Across Services	<p>Savings through reduction in expenditure by working with CSG provider</p> <p>Stretch of demand management and efficiency saving proposals to be identified through working with CSG provider to improve efficiency and self service, targeting the following:</p> <ul style="list-style-type: none"> - Reducing demand for high cost placements by providing advice and signposting at first point of contact - Reducing costs of third party spend through procurement activity - Combining Adults Social Care first point of contact and elements of the assessment process (in compliance with legislation) with the customer services function in CSG <p>Work is underway to develop proposals to achieve these targets. Where new proposals are being considered, appropriate approval will be sought and consultation will be undertaken.</p>	Efficiency	General Consultation and specific consultation (where necessary)	There is a potential equalities impact and this will be reviewed during the consultation period and through the life of the project. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	N/A	(500)		(2,000)		
E13	Older Adults and Younger Adults (all groups)	<p>Savings through reduction in placement costs for residents permanently settled out of the borough</p> <p>Where an individual has chosen, if they have capacity, or have moved to another authority in accordance with their families' wishes, (ascertained through a best interest decision where an individual does not have capacity), the receiving authority will be given 3 months' notice regarding transfer of responsibility, which includes any required social care funding. Currently 39 people have been identified who meet this criterion.</p> <p>In order to achieve this saving, on average the funding of 50 individuals will need to be transferred. This proposal is not expected to negatively impact service delivery.</p>	Efficiency	General Consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	87,395	(307)		(838)		
Total							(8,350)	0	(8,424)	6	
Service Reductions											
Total							0	0	0	0	
INCOME											
I1	Revenue Income Optimisation	<p>Increase in income from fairer charging policy</p> <p>Following implementation of the fairer charging policy which makes all community services chargeable based on ability to pay, this income budget can be increased to reflect the current position.</p> <p>Appropriate systems are in place to monitor impact of policy and provide reassessments and information and advice if individuals wish to change their care arrangements.</p>	Income / charging	Specific consultation on fairer charging policy completed	Completed in 2011/12 and ongoing monitoring is carried out.	(2,189)	(27)				
Total							(27)	0	0	0	
Overall Savings								(8,377)	0	(8,424)	6

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
I1	CAFT	<p><u>Income from successful prosecutions of criminals with releasable assets</u> Income from proceeds of crime prosecutions. Where the Council has been successful in prosecuting criminals that have releasable assets, the court awards a Proceeds of Crime (POCA) against them.</p> <p>The team has had some success in recent years but this is dependent on the level of crime which can fluctuate year on year.</p>	Income	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A			(50)	
Total							0	0	(50)	0
Overall Savings							(40)	1	(175)	0

Children's Service Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget		Savings per annum		
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
EFFICIENCY - DEMAND MANAGEMENT										
E1	Early Intervention & Prevention	<p><u>Savings from early intervention work</u> As a result of investment in early intervention & prevention and use of the Troubled Families grant, Family service has been able to contain the demographic pressures associated with an increasing young population in Barnet, and in some cases reduce the dependence on high cost acute services.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	21,846	(300)			
E2	Transport and special educational needs savings	<p><u>Savings through reduction in spend on transport costs</u> Achieve efficiencies within transport costs for children in care and children with Special Educational Need through improved contracting and demand management by: - targeting individual cases in which transport is no longer required - route optimisation - independent travel training - direct payments to carers to arrange their own means of transport</p> <p>From an original budget of £6m, £700k of savings have already been delivered in 2013/14 against a target of £1m. In order to deliver this saving, numbers of children requiring council support would need to be reduced by a further 10% by 2015/16.</p>	Efficiency	General /specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	4,292			(500)	
EFFICIENCY - WORKFORCE										
E3	Across Services (workforce)	<p><u>Savings from reduction in staff related costs</u> Workforce savings derived from: a) restructuring and reducing back office functions including communications, performance, workforce development, commissioning and administration support (£225k in 2014/15) b) Reduce social care learning and development investment in trainee scheme and reduce training budget previously in place to address shortage in individuals entering the profession (£526k in 2014/15, £90k in 2015/16) c) closer working with safeguarding board through appointment of joint chair (£10k in 2014/15) d) reduction of management costs across Family Services and Education & Skills (£80k in 2014/15, £125k in 2015/16) e) introduction of managed vacancy factor by delaying recruitment to vacancies across the service (£500k in 2014/15, £500k in 2015/16) f) regrading of posts in line with corporate policy which is still in development and is yet to be proposed, consulted on and agreed (£400k in 2015/16)</p> <p>In 2014/15 this saving is primarily through reduction in training budgets and the introduction of a vacancy factor which against the current workforce budgets are considered to be achievable.</p>	Efficiency	General consultation and specific consultation is likely with staff	No full equalities impact assessments are proposed, with the exception of HR-related EIAs as part of the general consultation.	35,811	(1,341)	3.4	(1,115)	1

Children's Service Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
E4	Youth Offending Service	<p><u>Savings from reduction in staff related costs</u> Achieve efficiencies through restructuring of the youth offending service workforce resulting in a reduction in staff costs.</p> <p>In 2014/15 this will be achieved through reconfiguration of posts and cost efficiencies in the wider youth and community service, and in 2015/16 through a restructure of the team. This is likely to have a minimal impact on the way in which services are delivered.</p>	Efficiency	General consultation and specific consultation is likely with staff	No full equalities impact assessment is proposed, with the exception of HR-related EIAs as part of the general consultation.	705	(50)		(50)	1
EFFICIENCY - ASSETS & CAPITAL										
E5	Social care	<p><u>Savings from reduction in care home running costs</u> Reduction of operational running costs (for water, electricity, gas, repairs & maintenance, etc.) in Children's Homes resulting in efficiency savings.</p> <p>This is not expected to have an impact on service delivery.</p>	Efficiency	General consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	1,487			(100)	
EFFICIENCY - PROCUREMENT										
E6	Across Services (procurement spend)	<p><u>Savings through reduction in expenditure by renegotiating existing contracts</u> Procurement savings achieved through: - mitigating inflation associated with costs of supporting high cost, high need services by negotiating with suppliers across Family Services and Education to contain inflation</p> <p>Work is currently ongoing to negotiate with suppliers and not expected to impact service quality.</p>	Efficiency	General Consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	20,815	(500)		(500)	
EFFICIENCY - OTHER										
E7	Across Services	<p><u>Savings through reduction in external third party costs</u> Efficiencies in complex needs and better value for money from care packages for disabled children. Some efficiencies have been achieved for 2014/15. Over the next 12 months work will be underway to ensure this saving is achievable for 2015/16.</p>	Efficiency	General Consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	7,018	(80)		(100)	
E8	Libraries	<p><u>Savings through reduction in running costs and increased income from libraries</u> This is a 2015/16 saving and over the next 12 months work will be underway to ensure this saving is achievable through this mechanism. This is not expected to have a reduction in quality of service.</p>	Efficiency	General / specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	5,105			(352)	
E9	Across Services	<p><u>Savings through reduction in expenditure by working with CSG provider</u> This is a 2015/16 saving and we believe there are savings to be achieved through working with Customer & Support Group (CSG) provider (Capita) to improve efficiency and self service.</p> <p>Over the next 12 months work will be underway to develop proposals to achieve these targets. Where new proposals are being considered, appropriate approval will be sought and consultation will be undertaken.</p>	Efficiency	General Consultation and specific consultation (where necessary)	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	N/A			(1,500)	

Children's Service Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
E10	Across services	<p><u>Savings through reduction in expenditure through alternate delivery of service</u> This is a 2015/16 saving and we believe there are savings to be achieved through transformation of services through use of alternative delivery vehicles.</p> <p>Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.</p>	Efficiency	General Consultation and specific consultation (where necessary)	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	N/A			(450)	
E11	Across Services	<p><u>Savings through reduction in external third party social care costs</u> This is a 2015/16 saving and we believe there are savings to be achieved through reconfiguring services to deliver improvements, efficiencies and savings in children's social care, including by working with other LAs and alliances across fostering and placements and demand management through early intervention</p> <p>Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.</p>	Efficiency	General / specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	21,846			(840)	
Total							(2,271)	3.4	(5,507)	2
SERVICE REDUCTIONS										
R1	Early years	<p><u>Savings through reduction in expenditure on Children's Centres</u> In 2014/15 this saving can be met through current underspend in children's centres budget with no impact on service delivery.</p> <p>In 2015/16 this saving will be met by considering alternative delivery models and service impact will be kept under review.</p>	Efficiencies and Service Reduction	General consultation, and specific for 15/16	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	3,933	(500)		(700)	
R2	Commissioned services for children and families	<p><u>Savings through reduction in external spend on preventative contracts</u> Re-commission and reconfigure services including CAMHS, early intervention and prevention services, short breaks, youth homelessness and domestic violence, and achieve efficiencies through jointly procuring, commissioning and/or delivering services with other organisations.</p> <p>These commissioning budgets fund a range of voluntary sector and other providers to offer a range of services for vulnerable children, young people and families. A reduction could reduce the range of provision available in Barnet. We will seek to re-commission and reconfigure services to minimise the impact on service delivery as far as possible. The early intervention and prevention work being carried out by the Troubled Families team may go some way in mitigating any negative impacts of this saving.</p>	Service Reduction	Specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	8,743	(1,300)			

Children's Service Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
R3	Schools and Learning	<p><u>Savings through reduction in staff costs in education welfare and education psychology</u> Develop traded services models for educational welfare and educational psychology, whereby schools either buy back these services or they are scaled back, and reduce schools causing concern budget.</p> <p>The council will continue to meet its statutory duties in relation to these service. Work is currently progressing with schools with a view to finalise proposals by December regarding the viability of this traded service.</p>	Service Reduction and Efficiencies	Specific consultation	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	1,566	(333)	6		
Total							(2,133)	6	(700)	0
INCOME										
I1	Increase fees and charges	<p><u>Income generation through increase in fees for traded service</u> Increase fees and charges for traded services, with a focus on making Barnet Partnership for School Improvement (BPSI) fully funded. This has already been achieved through negotiations with schools.</p>	Income / Charging	General Consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A	(36)			
Total							(36)	0	0	0
Overall Savings							(4,440)	9.4	(6,207)	2

Commissioning Group Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
						2013/14 £000	2014/15		2015/16		
							£000	£000	FTE	£000	FTE
EFFICIENCY - WORKFORCE											
E1	Across Service	<u>Savings through reduction in senior management costs</u> Senior Management Restructure, full effect of the restructure that came into effect for 2013/14	Efficiency	Consultation with staff and trade unions	Completed as part of the senior management review and reported to General Functions Committee in November 2013	9,329	(270)				
E2	Across Service	<u>Savings through reduction in staff costs</u> This is a 2015/16 saving and we believe there are savings to be achieved through a further staffing restructure across Commissioning Group. This restructure will review teams that were moved into the commissioning group from other delivery units. Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.	Efficiency	Consultation with staff and trade unions	No full equalities impact assessment is proposed, with the exception of HR-related EIAs as part of the general consultation.	5,576			(251)	5	
EFFICIENCY - OTHER											
E3	Strategy	<u>Savings through reduction in expenditure on grants - Discontinue Big Society Innovation Bank</u> In 2011/12, the Council committed to invest £600k over 3 years - £200k per annum – through the Big Society Innovation Bank (BSIB), aimed at providing funding for innovative projects within communities. This 3 year commitment has now ended and, after three rounds of funding, with several innovative projects supported, it has been decided to use the savings to help reduce the impact on the libraries budget. However, £25k remains in the BSIB to fund 'micro projects' within communities – up to £1,000 – and the Corporate Grants programme will continue to provide funding grant funding which will help to mitigate the impact.	Efficiency	N/A	There is a potential equalities impact and this will be reviewed during the consultation period. The outcome of the review will be captured in an equalities impact assessment which will come back to Cabinet in February.	200	(200)				
E4	Across Service	<u>Savings through reduction in expenditure on fees</u> Reduction in external audit fees budgets as a result of the reduction in government regulation following the abolition of the audit commission. External audit still provide a comprehensive review of year end accounts and grants certification but the saving is generated from the reduction in the inspection regime.	Efficiency	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	599	(200)				
E5	Across Service	<u>Savings through reduction in expenditure on fees</u> London Councils have reduced their grants programme significantly over the last 2 years. Barnet Council's contribution to the London Councils fund – by way of a levy – has also reduced. This saving can therefore be achieved within the existing agreement with London Councils.	Efficiency	N/A	Completed by London Councils	1,145			(249)		
E6	Across Service	<u>Savings through reduction in external spend on supplies and services</u> Reductions in supplies & services budgets (subscriptions, office supplies, training) across the Commissioning Group	Efficiency	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	154	(50)				
E7	Human Resources	<u>Savings through reduction in trade union costs</u> Integration of trade union activity into core work	Reduction	Informal and formal statutory consultation	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	112	(80)				
Total							(720)	0	(500)	5	

Commissioning Group Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
SERVICE REDUCTIONS											
Total							0	0	0	0	
INCOME											
I1	Across Service	<p><u>Income generation from charging for insight and policy work</u> This is a 2015/16 saving and we believe there are income generating opportunities to be achieved from setting charges against policy and insight work delivered to partners</p> <p>Over the next 12 months work will be underway to ensure this saving is achievable through this mechanism.</p>	Income	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A			(25)		
Total							0	0	(25)	0	
Overall Savings							(720)	0	(525)	5	

Customer and Support Group Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
EFFICIENCY - PROCUREMENT										
E1	CSG	<p><u>Savings through reduction in contract costs</u> Contractual savings from CSG contract for support and customer services.</p> <p>The contract went live in September 2013 and saving will be delivered in full. The quality of service specified will be as good as, if not better, than current delivery.</p>	Efficiency	N/A	Completed and more information on impact on equalities in December report to Cabinet http://barnet.moderngov.co.uk/documents/s6649/NCSO.pdf	36,483	(2,393)		(2,100)	
Total							(2,393)	0	(2,100)	0
Service reductions										
Total							0	0	0	0
Income										
Total							0	0	0	0
Overall Savings							(2,393)	0	(2,100)	0

Barnet Group General Fund Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
EFFICIENCY - OTHER										
E1	Barnet Group	<u>Savings through reduction in staff related costs and fees</u> Rationalisation of subscription payments and withdrawal of essential car allowance. This is not expected to impact service delivery.	Efficiency	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	8,828	(55)			
E2	Barnet Group	<u>Savings through reduction in operational costs of running hostel</u> Annual saving produced from the closure of a hostel are being used for preventative work in relation to the cost of temporary accommodation. Saving is as a result of the closure of the hostel and the associated costs.	Efficiency	Consultation with individuals affected by the closure was carried out as part of the decant process.	Completed and a full impact assessment will be required ahead of 2015/16 saving implementation.	8,828			(300)	0
Total							(55)	0	(300)	0
Service reductions										
Total							0	0	0	0
Income										
Total							0	0	0	0
Overall Savings							(55)	0	(300)	0

Legal Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14 £000	2014/15		2015/16	
						£000	£000	FTE	£000	FTE
EFFICIENCY - PROCUREMENT										
E1	Legal Services/ Governance	<p><u>Savings through reduction on spend on external barristers</u> Reduction in expenditure on overheads through rationalisation of management structure in 2012/13 and reduction in spend on external lawyers based on use of panel of barristers where better rates have been agreed.</p> <p>This is not expected to have an impact on service delivery.</p>	Efficiency	N/A	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	2,515	(100)		(200)	
Total							(100)	0	(200)	0
SERVICE REDUCTIONS										
R1	Legal Services	<p><u>Savings through reduction in hours provided from shared service to Barnet</u> Reduced demand from Barnet Council by: - providing training to high use delivery units about common areas of enquiries - summary DPRs and DPRs that don't have legal implications signed off by relevant Delivery Unit</p> <p>This is not expected to have an impact on service delivery.</p>	Service Reduction	n/a	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	2,515	(50)			
Total							(50)	0	0	0
Income										
Total							0	0	0	0
Overall Savings							(150)	0	(200)	0

Re Services Savings

Line ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum			
						2013/14 £000	2014/15 £000 FTE		2015/16 £000 FTE	
EFFICIENCY - PROCUREMENT										
E1	Development and Regulatory Services	<p><u>Savings through reduction in contract costs</u> Contractual savings resulting from the joint venture for the provision of development and regulatory services.</p> <p>The contract went live in October 2013 and saving will be delivered in full. The quality of service specified will be as good as, if not better, than current delivery.</p>	Efficiency	Through budget and DRS process	Completed and more information on impact on equalities in June report to Cabinet http://barnet.moderngov.co.uk/documents/s9226/DRS%20Cabinet%20Report.pdf	13,573	(1,355)		(300)	
Total							(1,355)	0	(300)	0
Service reductions										
Total							0	0	0	0
Income										
Total							0	0	0	0
Overall Savings							(1,355)	0	(300)	0

Street Scene Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
						2013/14	2014/15		2015/16		
						£000	£000	FTE	£000	FTE	
EFFICIENCY - WORKFORCE											
E1	Streetscene	<p><u>Savings through transforming services to reduce expenditure</u> Savings resulting from alternative service provision. This involves in-sourcing the recycling service and improving efficiency through merging the workforce with the waste service. The change is anticipated to deliver greater efficiency in service delivery.</p> <p>The 2015/16 saving is a stretch target and is dependent on a restructure of the green spaces and street cleansing service, income generation and further increases in recycling rates.</p>	Efficiency	Service consultation in 2013/14	Completed	10,546	(653)		(1,424)		
Total							(653)	0	(1,424)	0	
SERVICE REDUCTIONS											
R1	Highways	<p><u>Savings through reduction in street lighting energy costs</u> A continuing programme of installing a control management system which will help manage electricity usage and enable reduced energy costs through lights being managed and dimmed at appropriate times.</p>	Service Reduction	General consultation undertaken in 2011/12	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	6,031	(200)				
Total							(200)	0	0	0	
INCOME											
I1	Streetscene	<p><u>Income from increase in trade waste collection</u> A commercial approach to trade waste collections across the borough creating a more appropriate business model to match business demand.</p> <p>This will result in an improved service offer.</p>	Efficiency	Service consultation in 2013/14	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A	(50)				
I2	Streetscene	<p><u>Income generation from private events</u> Continuation of existing policy that the Council has agreed around income from private events within some local parks in the borough (currently: Princes Park, Hendon Park, Scratchwood and Edgwarebury Park).</p>	Income	Service consultation undertaken in 2011/12	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A	(20)				
I3	Streetscene	<p><u>Income from central government</u> Income from Central Government relating to maintaining weekly refuse collection</p>	Income	Key part of subsequent review	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A	(282)		(427)		
Total							(352)	0	(427)	0	
Overall Savings							(1,205)	0	(1,851)	0	

Special Parking Account Savings

Line Ref	Service area	Description of saving	Savings type	Consultation (How are we consulting on this proposal)	Equalities Impact Assessment	Budget	Savings per annum				
							2013/14	2014/15		2015/16	
							£000	£000	FTE	£000	FTE
EFFICIENCY											
Total							0	0	0	0	0
SERVICE REDUCTIONS											
Total							0	0	0	0	0
ENFORCEMENT											
I1	Parking	<p><u>Moving Traffic Violations</u> The Council will, pending approval from GLA, take up available powers to enforce against contraventions such as banned turns and the obstruction of yellow box junctions.</p> <p>This is expected to have a positive impact by improving flow of traffic on roads.</p>	Enforcement	Approval required from GLA for authority to scheme and approval to commence.	It is not considered that there is an equalities impact for this proposal but this will be kept under review during the consultation period.	N/A	(195)				
Total							(195)	0	0	0	0
Overall Savings							(195)	0	0	0	0

Adults & Communities Pressures

Line ref	Service area	Description of investment	Consultation (How are we consulting on this proposal)	Contribution to strategic objectives	Investment per annum	
					2014/15	2015/16
Core performance improvement						
		EFFICIENCY - DEMAND MANAGEMENT				
Total					0	0
Demography/growth						
P1	Across Service	Demographics pressures due to increase in those with social care needs especially those with Learning Disabilities and Older Adults including dementia.			800	800
Total					800	800
Overall Pressures					800	800

Children's Pressures

Line ref	Service area	Description of investment	Consultation (How are we consulting on this proposal)	Contribution to strategic objectives	Investment per annum	
					2014/15	2015/16
Core performance improvement						
		EFFICIENCY - DEMAND MANAGEMENT				
Total					0	0
Demography/growth						
P1	Demand led statutory and targeted services (e.g. children in care, child protection, disabled children, youth offending, family support)	Placement costs for individual children, commissioned services to providing targeted services for vulnerable children.				720
Total					0	720
Overall Pressures					0	720

Special Parking Account Pressures

Line ref	Service area	Description of investment	Consultation (How are we consulting on this proposal)	Contribution to strategic objectives	Investment per annum	
					2014/15	2015/16
Core performance improvement						
		EFFICIENCY - DEMAND MANAGEMENT				
Total					0	0
Demography/growth						
P1	Alternative Parking delivery	Alternative Service Provision - the contract with NSL has realised savings for 2012/13 and 2013/14. This budget line for 2014/15 represents an increase in the contract cost of £108k in line with the original contract cost profile			108	
Total					108	0
Overall Pressures					108	0