

Agreed Revenue and Capital Budget 2014/15

REVENUE BUDGET

The County Council is to plan its budget framework for 2014/15 on the following basis:

1 Financial Direction of Travel

- 1.1 We recognise that this budget has had to be achieved in a climate where Local Government Settlements and the public finances more generally remain stretched.
- 1.2 We share with others on the Council a commitment to develop and sustain a society that looks after its most vulnerable people, to deliver appropriate, quality services at the right time, and to seek opportunities for economic growth and innovation. However, it is clear that for the foreseeable future local government does not have the money that it previously had to spend on services.
- 1.3 We have been open about the scale of the financial challenge facing the County Council and the need to identify unparalleled levels of savings over the next four years. We have only accepted the need for additional spending where it is unavoidable.
- 1.4 We will continue to integrate services, de-layer management where possible and make more efficient business support functions. In doing this we are aiming for efficient 'value adding' support to front-line delivery. The principle of services managing within their budget and operating with financial integrity remains core.
- 1.5 We will transform services, assessing how best to engage vibrant communities so that they can shape and – where appropriate – deliver local services. We will work with partners in Health, Local Authorities, Police and other public agencies to deliver services in a different way, including engaging more with the voluntary sector, where there is flexibility to respond swiftly and effectively to need. We will require services to focus on the preventative agenda to manage demand downwards, so that we can secure even more value for money. Even after this, we have had to make difficult choices and accept some services will cease or be reduced.
- 1.6 We will be using our scarce capital resources to deliver savings and pump prime our local economy as despite the financial challenges, we have the ambition to invest for economic growth. By taking the difficult decisions and putting ourselves in a sustainable position whilst also investing in the future we will meet the financial challenge and be successful.
- 1.7 It is because of our desire to ensure our continued help and support for those who need it we have found ourselves unable to continue our freeze on Council Tax. Our proposals are based on a modest rise of 1.99% over each of the next four years, equivalent to an average increase of 46p a week on a Band D property each year.
- 1.8 We are all consumers of the services the County Council provides but we also represent the taxpayers of Warwickshire and therefore we are committed to continuing to look to identify where further savings can be made and to keep the level of council tax under review.

2 Thanks to Respondents

- 2.1 We identified in our medium term financial plan last year that significant savings would be needed over the next few years. To make sure we reflected the priorities of the people of Warwickshire in our plans; we have been asking people to give us their views.
- 2.2 We would like to thank all those who have taken the time to respond and we value all the contributions and suggestions made. With the limited resources we have available we have used the feedback, alongside the equality impact assessments prepared for each of the key savings proposals, to help us decide which of the savings proposals we will, and will not, be taking forward.

3 Revenue Allocations

- 3.1 Approval is given to the additional budget allocations for 2014/15 shown in Table 1, to be applied as detailed in **Appendix A**. Where allocations are not needed/used for the purposes outlined we expect services to return the funding to corporate resources to be allocated to priority services in future years.
- 3.2 Projecting these known areas of cost pressure and our medium term financial planning strategy forward, the allocations on which we intend to base our planning in 2015/16 through to 2017/18 are also set out in Appendix A. However, these indicative allocations will be subject to a full review both of the need for, and level of, any budget provision before the allocations in future years are confirmed.

Table 1: 2014/15 Revenue Allocations	
Service	Allocation £000
Safeguarding	1,004
Social Care and Support	12,743
Strategic Commissioning	470
Early Help and Targeted Support	361
Learning and Achievement	2,523
Customer Service	258
Finance	57
Human Resources and Organisational Development	91
Information Assets	180
Physical Assets	264
Service Improvement and Change Management	42
Sustainable Communities	2,371
Localities and Community Safety	520
Transport and Highways	830
Fire and Rescue	713
Other Services	1,852
Total	24,279

4 Funding Sources

- 4.1 Our savings plan will generate £18.380 million in 2014/15 and approval is given to the savings targets shown in Table 2. Our plans for the delivery of these savings are shown in **Appendix B**. If during 2014/15 any of the savings do not materialise to the degree shown, the Head of Service in conjunction with the relevant Strategic Director and Portfolio Holder should identify alternative proposals to ensure the savings targets are delivered and report this as part of quarterly monitoring.
- 4.2 The savings targets shown in Table 2 savings are the first year of a £71.484 million four-year savings plan to be delivered by 2017/18. There are clear risks with the deliverability of the projects that will be undertaken to deliver savings at this level on an annual basis. We have therefore identified costed savings proposals over the medium term that will enable a greater understanding of the impact of savings plans and the difficult choices we have had to make. These are also detailed in Appendix B.

Table 2: 2014/15 Savings Targets	
Service	Savings Target £000
Safeguarding	896
Social Care and Support	8,903
Strategic Commissioning	1,646
Early Help and Targeted Support	793
Learning and Achievement	250
Customer Service	420
Finance	251
Human Resources and Organisational Development	296
Information Assets	559
Law and Governance	19
Physical Assets	406
Service Improvement and Change Management	247
Sustainable Communities	427
Localities and Community Safety	538
Transport and Highways	1,174
Fire and Rescue	505
Other Services	1,050
Total	18,380

- 4.3 Over half of the authority's spending each year is on staffing. Therefore, any proposals to deliver savings of this level will require, in some areas, a reduction in the number of posts. Policies and processes are in place to enable us to effectively redeploy people. However, it has to be recognised, some redundancies will be necessary, resulting in a need to fund redundancy costs. Within these budget proposals we have £14.5 million set aside in a Fund for realigning services, or more specifically to fund the up-front costs of redundancy. All allocations from the Fund must be made in accordance with the protocol issued by the Strategic Director of Resources.

- 4.4 We propose that the estimated non-ringfenced grants listed in Table 3 are used to support the delivery of our budget proposals. The figures exclude the Dedicated Schools Grant.

Table 3: Grant Title	2014/15 Grant £'000
Revenue Support Grant	73,384
Business Rates Retention Scheme	57,876
Business Rates 2% Compensation Grant	606
Public Health Grant	21,810
Lead Local Flood Authority Grant	114
Extended Rights to Free Transport	270
Fire and Rescue Special Grant	48
Social Fund	1,126
Community Right to Challenge	9
Community Voices	404
New Homes Bonus	1,803
Education Support Grant	6,500
Better Care Fund	10,242
Total	174,192

Note: The Public Health Grant will remain ringfenced until 2016/17 but is included in the table for completeness.

- 4.5 The Better Care Fund is a grant to be used to support adult social care. In line with the requirements of the Department of Health we will ensure the funding is used to support existing services and programmes that will make a positive difference to social care services and outcomes for service users. We propose to use the £10.242 million capacity that is created in the budget as follows:
- £8.042 million to meet known budget pressures in adult social care, by supporting the continuation of services already identified and paid for by this fund in 2013/14.
 - £1.000 million to support the delivery of adult social care savings plans and support the further development of short term enabling services for timely hospital discharge.
 - £1.200 million to develop social care services which will meet the health and social care priorities of avoiding unnecessary hospital admissions and the development of 7 day working in service areas where there is evidence this is needed.
- 4.6 We will provide sufficient resources to ensure the level of General Reserves is at least consistent with that stated by the Head of Finance as the minimum level of general reserves given the financial risks facing the authority. We will use £0.530 million of General Reserves to support our spending plans.
- 4.7 **The council tax will increase by 1.99%.** With the other funding resources identified, this will fund the proposals contained within this resolution.

5 Medium Term Financial Planning Framework

- 5.1 In 2011 we made a real step change to budgeting over the medium term. This allowed a more focussed and planned approach to prioritisation and means services could focus on delivery rather than the annual scramble for resources. We intend to continue with this approach and therefore the budget proposals we are recommending today are the first year of our 2014-18 Organisational Plan.
- 5.2 Our 2014/15 budget and the proposals for future years are balanced, but we are committed to continuously keep these proposals under review. We will closely monitor the delivery of the savings plans to ensure a smooth implementation of what we recognise will be some difficult decisions.
- 5.3 In developing these budget proposals we worked to a set of principles. These have served us well in what has been a difficult process. We will therefore continue to adhere to these principles over the medium term. These principles are:
- We will not build-up debts that will have to be paid for by future generations, unless the benefit of the spending is received by future generations.
 - We will ensure that taxpayers' money is well spent, at all times being clear about the expected benefits and outcomes from spending.
 - We will take explicit decisions about all costs and spending needs.
 - We will only provide for inflationary costs where the need is evidence-based
 - We will set a budget that is balanced for the life of the administration
 - We will set in place a medium term council tax strategy that balances the needs of taxpayers with those of service users, planning on the basis of a 1.99% annual increase in council tax
 - We will prioritise spending across all services, irrespective of the source of funding.
 - We expect all services to manage their service delivery within the level of resources provided.
- 5.4 Over the medium term we will continue to move the organisation towards a business-led commissioning and enabling organisation. The redesign of our services will create services for the needs of tomorrow not the past. Some of our activity will remain in-house and some will be delivered at arm's length through a network of shared services, partner organisations, staff mutuals and other agents.
- 5.5 The priority areas for service redesign during 2014/15 are:

Fire and Rescue Service

The provision of fire and rescue services across Warwickshire in collaboration or combination with another Service or Services.

Transport

The commissioning, procurement and provision of transport services to users across all service areas, including school transport, adult social care transport needs and public transport. This review is being undertaken with a view to removing the need for savings from public transport subsidies.

Health Integration

Greater integration with health in the commissioning and provision of services to: ensure the most effective and efficient use of resources, maximise the outcomes achieved from the increased resources available, align resources to our emerging new responsibilities, deliver seamless services to the people of Warwickshire and drive forward working relationships.

Access to Services

The accessibility of our services to all the residents and communities of Warwickshire

Traded Services

The introduction of clear financial and performance targets for all of the County Council's traded services.

Corporate Board are asked to bring reports to elected members in advance of the 2015/16 budget process and to report regularly to the relevant member bodies, e.g. the Health and Well-Being Board, on progress of all these priority areas.

- 5.6 Corporate Board are asked to bring forward by the end of 2015/16 a business case for the delivery of the family centres savings target.
- 5.7 Corporate Board are asked to bring forward during 2015/16 a business case for the delivery of the libraries savings target.
- 5.8 Alongside these reviews and the delivery of the savings plans Corporate Board is requested to bring forward a report to Leaders Liaison Group options and recommendations for our management infrastructure at the earliest opportunity, but no later than September 2014.
- 5.9 The principle of securing economic growth and give to ensure a vibrant and thriving economy is fundamental to our direction of travel. We will continue to work with our public sector partners and the local business community to make Warwickshire the location of choice for business.
- 5.10 We recognise that the increasing number of academies is changing our relationship with, and the services we provide to, schools. We will review how we allocate our resources to ensure we are able to deliver on our role as the champion of the learner.
- 5.11 This framework is only the start of our work on medium term financial planning and the remodelling of the financial management framework of the authority. Our detailed medium term financial plan will be prepared by March 2014 alongside the 2014-18 Organisation Plan.

6 Head of Finance Statement

- 6.1 That the following statement from the Head of Finance be noted.

"The 2003 Local Government Act places specific responsibilities on me, as "Chief Financial Officer", to report on the robustness of the budget and the adequacy of proposed financial reserves when the authority is considering its budget requirement. The Council is required to have regard to this report when it sets the budget. There are a range of other safeguards that I must also consider to prevent the Local Authority from over committing itself financially, including:

- *the balanced budget requirement (England, Scotland and Wales) (sections 32, 43 and 93 of the Local Government Finance Act 1992);*
- *the legislative requirement for each local authority to make arrangements for the proper administration of their financial affairs (section 151 of the Local Government Act 1972), the implications of which have been clarified in case law and published professional guidance, particularly on the role of the Chief Financial Officer.*

Given the uncertainties of the economic environment and the scale of the expenditure reductions required, there are significant risks facing the Authority in delivering a balanced budget. In fulfilling the various responsibilities placed on me as Chief Financial Officer, I have set out below, what I see as the key risks associated with the proposed budget and how they can be managed, so that Members are clear on the risks associated with these budget proposals when making their budget decision.

Risk 1 – Delivery of the Savings Plan

The savings plan needs to be fully implemented to ensure the Council's 2014/15 budget remains balanced. To mitigate this risk:

- *key policy changes associated with major savings proposals have been identified;*
- *Heads of Service, Strategic Directors and Portfolio Holders have been charged with ensuring that processes are in place to ensure that savings proposals are delivered to timetable, and*
- *If savings proposals are not delivered, Heads of Service, Strategic Directors and Portfolio Holders are required to identify alternative ways of meeting the savings targets.*
- *Monitoring of the delivery of the savings plan will be extended to include the monitoring of consultation timelines to ensure decisions are taken in a timely manner and implementation timescales are met*

Risk 2 – Business Rates Retention Scheme

The changes to the funding of Local Authorities, making us more dependent on the level of business rates collected locally, is likely to result in volatility to the Council's funding to a greater extent than in previous years. This places greater importance on the need to maintain reserves to manage any volatility.

Risk 3 – Pensions

Given the range of possible changes to the Local Government Pension Scheme, this remains a key risk for the Council, in terms of possible costs arising from any new scheme and the financial consequences of large numbers of staff leaving the scheme.

Risk 4 - Treasury Management

The level of interest receipts and return on Treasury Management activities and borrowing costs are subject to market rates. Members are advised of this risk each year and this is mitigated by application of the Council's annual Treasury Management Strategy. However, actual interest returns are determined by a variety of factors largely outside the Council's control.

Risk 5 – Repayment of Overspends

Based on the current forecast outturn, some services will be faced with seeking to deliver savings to repay 2013/14 overspends as well as delivering considerable savings targets for 2014/15. This will be partly mitigated by the use of Business Unit reserves.

The budget information used in preparing this budget resolution has undergone extensive scrutiny by:

- Heads of Service and their staff
- Staff within the Finance Service
- Corporate Board

In addition to this I have worked closely with members in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust, albeit challenging, budget.

I have also undertaken a risk analysis of the adequacy of financial reserves, taking account of the financial risks above. This highlighted the need to retain a minimum of £15.9 million in general reserves in 2014/15. This resolution makes provision for this level of reserves. I am therefore of the view that this budget does provide for an adequate level of reserves."

7 Summary of Service Estimates

7.1 Approval be given to the individual service net revenue estimates of:

	Controllable Budget £	Revenue Allocations £	Funding Sources £	Total £
Safeguarding	37,463,777	1,004,000	(896,000)	37,571,777
Social Care and Support	104,319,916	12,743,000	(8,903,000)	108,159,916
Strategic Commissioning	20,315,973	470,000	(1,646,000)	19,139,973
Early Help and Targeted Support	18,717,784	361,000	(793,000)	18,285,784
Learning and Achievement	78,908,417	2,523,000	(250,000)	81,181,417
Customer Service	8,442,390	258,000	(420,000)	8,280,390
Finance	4,304,810	57,000	(251,000)	4,110,810
Human Resources & OD	5,053,484	91,000	(296,000)	4,848,484
Information Assets	11,084,804	180,000	(559,000)	10,705,804
Law and Governance	880,069	0	(19,000)	861,069
Physical Assets	11,079,326	264,000	(406,000)	10,937,326
Service Improvement & CM	2,293,754	42,000	(247,000)	2,088,754
Sustainable Communities	19,881,335	2,371,000	(427,000)	21,825,335
Localities and Community Safety	8,469,932	520,000	(538,000)	8,451,932
Transport and Highways	26,332,474	830,000	(1,174,000)	25,988,474
Public Health	22,242,746	0	0	22,242,746
Fire and Rescue	18,998,512	713,000	(505,000)	19,206,512
Other Services – Spending	253,001,310	1,852,000	(1,050,000)	253,803,310
Other Services – Funding	(267,576,947)	0	(174,192,000)	(441,768,947)
	384,213,866	24,279,000	(192,572,000)	215,920,866
<u>Contributions to/(from) reserves:</u>				
General Reserves	(741,000)	0	(530,000)	(1,271,000)
Medium Term Contingency	0	0	7,184,279	7,184,279
Budget Requirement	383,472,866	24,279,000	(185,917,721)	221,834,145

Note: The controllable budget for each service excludes support service overheads and the estimated cost of depreciation arising from the service's use of assets. The authority's borrowing costs are part of the "Other Services- Spending" estimates.

8 Council Tax Requirement

- 8.1 Approval is given to a council tax requirement and a Band D Council Tax for the County Council for the year ending 31 March 2015 as follows:

	£
Budget Requirement	221,834,145.27
Less Council Tax Surplus on Collection	(3,112,832.93)
Council Tax Requirement for the Year Ending 31 March 2015	218,721,312.34
Divided by aggregate Council Tax Base for the County Area	185,641.80
Basic amount of Council Tax (Band D)	1,178.19

9 Council Tax

- 9.1 The council tax for 2014/15 is increasing by 1.99%. Therefore, approval is given to Council Tax amounts for each category of property as follows:

	£
Band A	785.4600
Band B	916.3700
Band C	1,047.2800
Band D	1,178.1900
Band E	1,440.0100
Band F	1,701.8300
Band G	1,963.6500
Band H	2,356.3800

10 Precepts

- 10.1 The Chief Executive or Strategic Director of Resources issue 2014/15 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	22,781,682.13
Nuneaton & Bedworth Borough Council	40,482,608.40
Rugby Borough Council	39,247,924.19
Stratford-on-Avon District Council	57,491,783.97
Warwick District Council	58,717,313.65

11 Budget Management

- 11.1 The Chief Executive is directly responsible for the implementation of the budget.
- 11.2 Cabinet will continue to receive quarterly reports on service performance, financial performance and progress on the delivery of the savings plans.
- 11.3 The Strategic Director for Resources and Head of Finance are authorised to vire revenue budgets between Services where such virements are as a direct consequence of the specific spending allocations, delivery of the savings targets,

invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.

- 11.4 The Strategic Director for Resources and Head of Finance, in consultation with the Leader, are authorised to reverse allocations made as part of this budget process where the investment does not progress.
- 11.5 The Strategic Director for Resources and Head of Finance are authorised to draw down from reserves accumulated from previous years' savings and vire money between reserves where these adjustments are as a direct consequence of the specific spending allocations, delivery of the savings targets (including where there are revenue savings from using the receipt from the sale of assets to repay debt and savings from the pro-active management of the authority's cash balances and the transfer of functions between business units), invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 11.6 The Strategic Director of Resources and Head of Finance are authorised to make the necessary budget adjustments to fund the new responsibilities given to the County Council during the year, or where responsibility for services transfers out, up to the level of Government funding provided/withdrawn.
- 11.7 The Chief Executive is instructed to remind all Strategic Directors, the Chief Fire Officer and Heads of Service that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Services' work to secure value for money.
- 11.8 Services, and also schools, are encouraged to take a medium term view of spending commitments and ensure a prudent approach is adopted in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 11.9 All member bodies, Members and officers are instructed to comply with the prescriptive legal duties placed upon the Council. The Chief Executive, Strategic Directors, Chief Fire Officer and Heads of Service are instructed to ensure that the implementation of policies complies with legal requirements.
- 11.10 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget, subject to compliance with Contract Standing Orders, Financial Regulations and the key decision regime.

12 Pay Policy

- 12.1 Section 38 of the Localism Act 2011 requires us, as a local authority to prepare and approve an annual pay policy statement by 31 March, immediately preceding the year to which it relates.
- 12.2 The pay policy statement must set out the authority's policies for the financial year relating to the remuneration of chief officers (*which, in the case of the County Council, includes the Chief Executive, Strategic Directors and Heads of Service*) and the remuneration of employees who are not chief officers.
- 12.3 Our pay policy statement that meets these statutory requirements is set out in **Appendix C** and the County Council agrees the application of these remuneration policies for the financial year 2014/15.

2014/15 to 2017/18 Spending Pressures

Title	2014/15 Approved £'000	2015/16 Indicative £'000	2016/17 Indicative £'000	2017/18 Indicative £'000
Safeguarding				
Inflation	791	1,653	2,939	3,852
An allocation to fund the support from Legal Services to meet statutory requirements, particularly in relation to duties to protect vulnerable children from harm.	173	331	506	698
An allocation to fund the provision of post adoption therapeutic services.	40	40	40	40
Safeguarding Sub-total	1,004	2,024	3,485	4,590
Social Care and Support				
Inflation	2,501	4,720	7,320	9,642
An allocation to meet the demand pressure in adult social care as a result of increases in client numbers and increases in average levels of need. After 2014/15 this pressure should be subject to an annual review.	2,094	3,979	5,586	8,200
An additional inflation allocation to reflect the inflationary pressures in the residential and nursing care home market above the allocation for general price inflation.	148	401	507	612
Social Care and Support Sub-total	4,743	9,100	13,413	18,454
Strategic Commissioning				
Inflation	470	890	1,383	1,822
Strategic Commissioning Sub-total	470	890	1,383	1,822
Early Help and Targeted Support				
Inflation	361	773	1,425	1,863
Early Help and Targeted Support Sub-total	361	773	1,425	1,863

2014/15 to 2017/18 Spending Pressures

Title	2014/15 Approved £'000	2015/16 Indicative £'000	2016/17 Indicative £'000	2017/18 Indicative £'000
Learning and Achievement				
Inflation	795	1,694	2,448	3,047
An allocation to meet the current level of spend on school transport for pupils with special educational needs. After 2014/15 this pressure should be subject to an annual review, with the expectation that the pressure will decrease in future years.	1,728	1,415	1,107	979
Learning and Achievement Sub-total	2,523	3,109	3,555	4,026
Customer Service				
Inflation	158	365	679	899
Additional support for community managed libraries	0	60	60	60
Community hubs to improve access	100	0	0	0
Customer Service Sub-total	258	425	739	959
Finance				
Inflation	57	184	441	579
Finance Sub-total	57	184	441	579
Human Resources and Organisational Development				
Inflation	91	216	389	521
HR and OD Sub-total	91	216	389	521
Information Assets				
Inflation	180	447	917	1,203
Information Assets Sub-total	180	447	917	1,203

2014/15 to 2017/18 Spending Pressures

Title	2014/15 Approved £'000	2015/16 Indicative £'000	2016/17 Indicative £'000	2017/18 Indicative £'000
Physical Assets				
Inflation	264	599	1,060	1,431
Physical Assets Sub-total	264	599	1,060	1,431
Service Improvement and Change Management				
Inflation	42	103	215	281
SI and CM Sub-total	42	103	215	281
Sustainable Communities				
Inflation	787	1,235	1,767	2,238
A one-off allocation to meet the Council's contribution to the Coventry and Warwickshire City Deal	530	0	0	0
A £2 million allocation, spread across four years to stimulate economic growth via schools, skills and employment, including helping vulnerable people back into employment	500	500	500	500
An allocation to enable the Council to effectively respond to proposals for High Speed Rail 2 and influence the design, mitigation, compensation and construction of the two routes.	410	511	630	630
An additional inflation allocation to reflect the cost of recycling credits and contract inflation on waste disposal contracts over and above the impact of general price inflation.	144	296	454	617
Sustainable Communities Sub-total	2,371	2,542	3,351	3,985

2014/15 to 2017/18 Spending Pressures

Title	2014/15 Approved £'000	2015/16 Indicative £'000	2016/17 Indicative £'000	2017/18 Indicative £'000
Localities and Community Safety				
Inflation	158	363	703	925
A £1.1 million allocation, spread across four years to tackle flood alleviation, drainage and gully cleaning with the split to be reported back to members in March 2014.	275	275	275	275
An indicative allocation for future years to continue the Council's match funding of the Government's Intensive Intervention for Priority Families programme. Any future allocation will only be supported if the Government funding materialises.	0	425	425	425
A two-year allocation to meet the set-up costs of taking on the new responsibility for Sustainable Drainage Developments. The function must be self-funded from planning application fees in the longer term.	87	80	0	0
Localities and Community Safety Sub-total	520	1,143	1,403	1,625
Transport and Highways				
Inflation	791	1,539	2,497	3,326
An additional allocation to reflect the cost of contract inflation on the County Highways Maintenance Contract over and above the impact of general price inflation.	39	113	191	273
Transport and Highways Sub-total	830	1,652	2,688	3,599
Fire and Rescue				
Inflation	444	924	1,685	2,192
A two-year allocation to provide 24 hours additional training for retained duty staff a year.	134	134	0	0
A two-year allocation to provide additional investment in the training support for incident command.	135	135	0	0
Fire and Rescue Sub-total	713	1,193	1,685	2,192

2014/15 to 2017/18 Spending Pressures

Title	2014/15 Approved £'000	2015/16 Indicative £'000	2016/17 Indicative £'000	2017/18 Indicative £'000
Other Services				
Inflation	1,720	3,197	6,006	7,717
An allocation to ensure the budget accurately reflects the cost of elections.	132	132	132	132
Other Services Sub-total	1,852	3,329	6,138	7,849
Future Years				
Provision for Indicative Pressures	0	2,500	5,000	7,500
Future Years Sub-total	0	2,500	5,000	7,500
Total Revenue Spending Allocations	16,279	30,229	47,287	62,479

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Safeguarding				
SG-B	Develop a specialist single placement foster care scheme to reduce the need for residential care	30	80	160	260
SG-C	Reducing the number of looked after children by using evidence based interventions as recommended by the Dartington Project.	420	835	1,670	2,508
SG-D	Recent legislative changes have imposed a time limit on child care cases before the court which should help to reduce the legal costs associated with child protection. The processes that are necessary to support such cases are also to be reviewed.	200	300	500	500
SG-E	Review and redesign the Sexually Inappropriate Behaviours Service.	6	6	6	6
SG-F	Restructure of the Leaving Care and Asylum teams with a view to reducing posts.	70	70	70	70
SG-G	Reduction in court ordered contact arrangements.	100	200	200	200
SG-H	Renegotiate contractual arrangements for the Individual Personal Advisor Service for care leavers	70	70	70	70
SG-A	Improved information and signposting and use of early intervention work to avoid the necessity for more complex social care	0	70	150	150
SG-I	Review of all kinship care placements.	0	30	60	60
	Total - Safeguarding	896	1,661	2,886	3,824

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Social Care and Support				
SCS-A	Access to Adult Social Care: Improving Access, Referral and Information and Advice pathways	200	300	500	700
SCS-B	Further development of Reablement and Supporting Independence service to improve access, efficiency and capacity, thus reducing need for more costly forms of social care.	428	628	628	1,028
SCS-D	Maximise all customer charging opportunities	200	300	400	600
SCS-E	Occupational Therapy: Improve moving and handling training services	300	300	300	300
SCS-F	Home Improvement Agency Project: More timely delivery of home adaptations to reduce falls or more intensive home care	500	500	500	500
SCS-G	Improve financial recovery of continuing health care services provided by WCC to health partners	300	500	500	500
SCS-J	Service Redesign for Social Care and Support teams (except reablement - separate savings plan)	300	600	700	800
SCS-K	Increase the range of reasonable cost services (e.g. Assistive Technology) to continue personalised approach to meeting needs within resources available to reduce the need for more expensive forms of care	500	1,000	1,500	2,000
SCS-M	Securing health income stream for adult social care as a recurrent budget.	5,600	5,600	5,600	5,600
SCS-P	Revising the guidance for staff and managers on how and when to access legal advice and training programmes to improve staff knowledge which will reduce the demand for Legal Services	25	25	25	25
SCS-Q	Better planning of visits by social workers to reduce transport costs	50	50	50	50
SCS-R	Development of services to avoid crisis and improve hospital discharge outcomes	500	750	900	1,000
SCS-H	Homecare Framework Contract Review: Renegotiate / refine model for home care contracting	0	250	500	500
SCS-I	Accommodation with Care Review (e.g., Residential Care, Extra-Care Housing): Develop and Implement an Accommodation with Care Strategy	0	600	1,200	1,600
SCS-O	Improved 'whole life' and transitions pathway for children with disability who grow up and need adult care services.	0	100	300	600
SCS-S	Develop a new model for assessment, commissioning, and delivery of Continuing Health Care services, with health partners.	0	200	400	600
SCS-C	Voluntary Sector / Micro-Enterprise and Social Capital Project: Fundamental Review of contracting and relationship management with respect to how public sector and voluntary sector works together in Warwickshire to improve 'social capital' and reduce demand on statutory social care services	0	0	500	800
SCS-N	Develop care and support services within the County so people do not need to move out-of-county to receive specialist services	0	0	350	700
	Total - Social Care and Support	8,903	11,703	14,853	17,903

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Strategic Commissioning				
STC - B	Review of the necessary staffing levels to support the commissioning functions across the business unit with a view to reducing posts	79	79	79	79
STC - G	Supporting People Programme- Review of contracts with a view to reducing costs/services. This will include decommissioning some specialist services and re-modelling and recommissioning generic housing related support services to incorporate critical elements of decommissioned services.	0	1,230	2,128	4,025
STC - I	Review of the staffing levels to provide the data intelligence functions across the business unit with a view to reducing posts	77	77	77	77
BM-A	Changes to System Support Service achieved by a reduction in OLM(computer system) support contract costs and consultancy, a deletion of a vacant post and other staff reductions	95	154	204	204
BM-B	Significant reduction to flexible resource budget which supports projects such as Adult Transformation Programme and the deletion of a management post	200	400	540	640
BM-C	Reductions to the Learning, Development and Training budget	250	373	373	373
BM-D	Reduction in support to the Heads of Service including staff reductions	5	79	79	79
BM-E	Reduce the internal communications work programme and staff reductions	30	94	94	94
BM-F	Reducing the cost of transport provision to adults with Fair Access to Care Services based on review of current contractual arrangements with providers and review of the robustness with which eligibility criteria are applied	400	500	600	600
BM-G	Reduced spend on centrally recharged services. This is based on the assumption that the Business Unit will have less staff and therefore lower central recharge cost for IT, telephones etc.	510	510	510	510
STC - F	Review, redesign and reduce a series of community based contracts	0	240	240	240
STC - A	Review of the necessary staffing levels to support the market management functions across the business unit with a view to reducing	0	0	85	85
STC - H	Review of the necessary staffing levels to support the market facilitation functions across the business unit with a view to reducing posts	0	0	80	80
STC - C	To review the future viability of the brokerage role	0	0	58	58
STC - D	Review of the necessary staffing levels to support the inspection / improvement activity across People Group with a view to reducing	0	0	0	120
STC - E	Review of the necessary staffing levels to support quality assurance and contract management functions across the business unit with a view to reducing posts	0	0	0	37
Total - Strategic Commissioning		1,646	3,736	5,147	7,301

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Early Help and Targeted Support				
EI-A	Using the Common Assessment Framework (CAF) as a tool to ensure early intervention services are provided to prevent escalation into specialist services or step down from specialist services and increased use of the CAF by practitioners reducing the need for training	34	67	91	134
EI-B	Attendance, Compliance & Enforcement Service (ACE): Reduce the number of cases that require intervention and therefore use funding from the priority families programme rather than core funding as children with these difficulties are often part of a wider problem and being identified as part of the priority families programme and increase trading with academy schools outside Warwickshire	31	47	91	158
EI-C	Proposed Savings is based on charging Academy Schools for the coordination of educational visits.	3	8	15	15
EI-E	Duke of Edinburgh Award Scheme: More effective marketing of the scheme to schools as part of raising the participation age	26	26	26	26
EI-H	Target Support Young People - Teenagers in Care Programme: Moving to a commissioning model based on evidence of practice to reduce the number of teenagers either moving into or remaining in care for longer than necessary (Dartington Project)	25	75	100	148
EI-J	Identification of efficiency savings across the Business Unit (Heads of Service Management Overheads)	160	160	160	160
LA-C	Additional savings from the current restructuring of the management of the Children's Centres	42	42	42	42
SCS-B	Further development of Reablement and Supporting Independence service to improve access, efficiency and capacity, thus reducing need for more costly forms of social care.	372	372	372	372
LA-L	Family Information Service - consultation with the contact centre to transfer appropriate activity and greater use of electronic directory for signposting and information about the local offer.	100	200	200	200
LA-M	Family group conferencing - a reduction in the service, with consideration to be given to combining services within Early Intervention or in Communities as part of Priority Families Programme	0	50	50	50
NEW	Development of family centres to deliver savings by integrating children's centres, early intervention, priority families and health services, which focus services to the most vulnerable.	0	0	0	700
EI-I	Warwickshire Employment Services Team. Proposal is based on exploring the potential for alternative delivery, funding or decommissioning the service.	0	0	293	293
Total - Early Help and Targeted Support		793	1,047	1,440	2,298

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Learning and Achievement				
LA-A	Review of the School Planning Service with a view to reduction in staffing	75	75	75	75
LA-E	Review of the Schools Complaints Service with a view to reduction in staffing	75	75	75	75
LA-G	Education Psychology Service: This service delivers core funded and traded services. The proposal would see the trading target increased.	100	100	100	100
LA-B	Restructure the current Assessment, Statementing and Review Service. The new SEN funding formula in schools should offer greater flexibility in the use of additional SEN funding and reduce the number of requests for a Statement (in the future a Plan). The assessment function can be delivered separately away from the commissioning of provision	0	250	250	250
LA-D	The provision of a team of teachers to support the education of looked after children in schools would cease. Schools already have designated teachers for looked after children. The LA would continue to have a Virtual Head Teacher for Looked After Children in line with statutory responsibilities	0	275	275	275
LA-F	Responsibility will move to the early years sector to monitor and drive its own improvement. Also included in a restructure would be links with Health Visitors and the prioritisation of children for free childcare. Business support would have to be purchased by providers.	0	446	446	446
LA-I and J	Reduction in Transport Budget. This significant proposed reduction in the transport budget (including special needs transport) will require a change in policy and full consultation to inform changes. Provision for school crossing patrols to be retained.	0	2,300	4,300	6,300
LA-K	Review of general support budget in line with the changes in services across the Business Unit	0	0	1,000	1,000
LA-N	The budget is held on behalf of the People Group and could be reduced through improved management of redundancies in schools. The agreement to cover these costs and the school process of producing a business case for redundancies need to be reviewed so that savings can be identified	0	0	1,000	1,000
	Total - Learning and Achievement	250	3,521	7,521	9,521

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Customer Service				
CS-A	Reduction in the budget for the Local Welfare Scheme	150	150	150	150
CS-C	Applying additional income targets to the Registration Service.	150	205	205	305
CS-H	Reduction in the Customer Service Improvement & Development programme.	40	80	120	120
CS-I	Reduction in the Customer Services Projects.	70	120	120	150
CS-K	Stop the Going the Extra Mile (GEM) Programme (Staff Recognition Scheme)	10	10	10	10
CS-E	Redesigning the Customer Relations Service which may include a reduction in staffing numbers	0	25	25	25
CS-F	Exploring the potential for income generation through a more targeted communications approach which may include a reduction in staffing numbers.	0	30	30	30
CS-B	Implementation of the Digital by Default programme by reducing opening hours and reducing the demand placed on the Customer Service Centre and face to face outlets.	0	0	150	346
CS-D/G/J	Improve the effectiveness of the whole library network	0	0	100	100
NEW	Reduction of one post in communications/marketing	0	30	30	30
CS-L	Management restructure to reflect the changes and realignments of responsibilities across the Business Unit	0	0	0	112
	Total - Customer Services	420	650	940	1,378
	Finance				
FIN-A	The reduction of financial advice and support to Managers and Members	211	211	211	211
FIN-D	Charge district councils for payroll services previously delivered free	40	40	40	40
FIN-B	Better use of financial systems to generate efficiencies, maximise income and minimise transaction costs	0	250	327	327
FIN-C	Improvements in procurement, treasury management, debt management and redemption and cash flow / reserves to reduce cost	0	0	173	422
	Cumulative Total - Finance	251	501	751	1,000
	Human Resources and Organisational Development				
HR - A	Review of processes and reduction in the administration of pay and pensions	61	61	61	61
HR - E	Reduce the demand for HR professional support in line with reduction in size of the council and associated staff reductions. Proposed reduction in demand will be delivered through development and implementation of competency framework for managers to manage staff performance more effectively. more use of e-learning and self directed learning.	30	30	30	30
HR - F	Cessation of the staff survey scheme and introduction of alternative means of gathering staff feedback.	12	12	12	12
HR - G	Reduction in the Learning & Development Budget to support the social care and general workforce. Savings to be achieved by increased e-learning, self directed learning, managing demand.	63	120	143	235
HR - H	Reduction and changes in provision of HR policies in line with legislative frameworks which support the Council's business objectives and allow managers to manage their staff and risks more effectively with the need for limited HR support.	10	10	10	10
HR - J	Reduction in the provision of advice and support to all managers on the full range of HR policies and there implementation at operational level and associated reduction in posts	40	40	40	80
HR - N	Reduction in administrative support and more effective management of outputs as a result of changes to both the production of written health and safety policies and standards, and advice and guidance documentation to managers and employees to discharge their own moral and statutory health and safety responsibilities.	10	10	10	10

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
HR - Q	Reduction in the provision of face to face HR transactional support and procedural advice to schools and other local authorities through the use of on-line forms and more self service to schools. Alternative models for delivery of the service as well as increasing the traded services offer to schools.	70	70	70	70
HR - B	Scaling back the management of employment records through the introduction of electronic records and manager self service and associated staff reductions	0	43	43	43
HR - C	Scaling back the production of HR data reporting through the use of improved electronic systems including digital by default.	0	43	86	86
HR - L	Manage demand down for the service in line with the staffing reductions across the Council by embedding the processes and systems to manage the pay and allowances framework as well as reducing the demand for support in the operation of the framework and	0	61	61	61
HR - M	Reduction in the provision of frameworks, policies and pay strategies to maintained schools to meet employer responsibilities as the number of maintained schools decline.	0	61	61	61
HR - D	Restructuring of the Advisory Service to bring the Equality and Diversity team into the mainstream Advisory Service and reduce the provision of professional guidance and support to all Groups, staff and maintained schools on equality and diversity issues.	0	0	35	35
HR - I	Review of structure and outputs in the provision of advice and support to senior managers on the full range of HR policies and their implementation and especially the management of change at strategic level (HR Business Partners). Proposal to include the restructuring and amalgamation of the HR Business Partners.	0	0	17	17
HR - K	Manage demand down for the service in line with the reduction in size of the Council. Proposal includes reviewing the approach to maintaining effective employment relations with trade unions, through consultative processes and frameworks (strategic and operational levels)	0	0	94	94
HR - O	Scaling back the Health & Safety Service in line with Organisational changes and consider alternative delivery models and reducing referrals.	0	0	75	75
HR - P	Reduction in direct support to managers and leadership teams with regards to workforce planning through the increase in management capability to undertake workforce planning	0	0	20	20
Total - Human Resources and Organisational Development		296	561	868	1,000

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Information Assets				
IA-A	Reduction in the expenditure on specification, building or procurement, implementation, support and enhancement of information systems for WCC and partners.	100	217	334	451
IA-B	A reduction in the costs associated with the maintenance of the availability of the core ICT infrastructure equipment and services that deliver our ICT systems and access to systems, including some 24x7 availability, when required by services.	300	379	379	429
IA-E	Reduction in the scale and approach of the service that provides a single point of contact for IT support queries to assist staff and Elected Members with ICT problems	35	105	209	314
IA-F	Reduction in the expenditure on designing, managing and implementing ICT programmes and projects that improve service delivery through the effective use of ICT and process redesign	108	215	323	381
IA-G	Reducing the cost of developing, maintaining, and quality assuring the implementation of the ICT Strategy to ensure WCC gets maximum benefit from new ICT opportunities.	16	16	16	16
IA-C	A reduction in the costs associated with the provision, support, maintenance and management of ICT communications links in the form of both Local Area Network (LAN) internal connections, Wide Area Network (WAN) and telephony for WCC between our buildings, and other organisations, including wider Internet access	0	100	252	252
IA-D	Reducing the cost of the management, the technical development/build and deployment of personal computing devices that staff use	0	35	107	142
IA-K	Scale back the central purchasing function for all ICT equipment, desktop application software, mobile devices, network points, internal telephone extensions, and various other goods and services.	0	0	14	14
IA-H	Savings associated with the provision of ICT training to ensure that staff have the appropriate skills and knowledge to allow them to make best use of the Authority's ICT facilities.	0	0	0	43
IA-I	Reductions in the service management and business liaison service that leads on the development and maintenance of relationships between ICT and other Services, increasing the alignment of ICT to WCC front line services and the return on our overall ICT	0	0	0	41
IA-J	Scale back the records management service that provides advice to seek to ensure that corporate documents and records (paper and electronic) are correctly classified, tagged, stored and disposed of in line with legislation and best practice	0	0	0	17
Total - Information Assets		559	1,067	1,634	2,100

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Law and Governance				
LG - A	Reduce level of Internal Audit and Assurance Support	19	19	19	19
LG - B	Reduce School Governance Support in light of changing relationship between Local Authority and Schools	0	0	12	12
LG - D	Reduce cost of the Civic Office (Chair of the Council)	0	35	35	35
LG - E	Scale back the level of Corporate Risk Management support to the Council.	0	12	12	12
LG - F	Increase External Income Potential through Legal Services	0	6	12	20
LG - C	Reduce Elected Member Support and Development	0	0	24	24
LG - G	Increase income generation target for School Governor Development and Training	0	0	3	3
	Total - Law and Governance	19	72	117	125

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Physical Assets				
PA-B	Reduce feasibility budgets	68	68	68	68
PA-C	Disposal of surplus properties (both urban sites and smallholdings) to accrue capital receipts that will be earmarked for the purposes of reducing the council's debt charges.	210	250	250	1,000
PA-G	Introduce a charge to staff for the use of WCC owned car parking facilities in the central Warwick area covering Barrack Street Car park, Cape Road Car Park and Saltisford Car Park.	10	50	80	100
PA-H	Reduce the cost of Corporate Contracts and Specifications for Cleaning Contracts	8	14	18	20
PA-J	Develop a new 'Catering Traded Service to Schools' offer potentially combining services with Solihull and Coventry to reduce management overheads within the service.	15	47	87	127
PA-K	Develop an increased take up of school meals within existing and new customer base, targeting increasing turnover in already established schools.	5	11	18	23
PA-L	Redesigning of the planning function to ensure service efficiencies including the reduction of posts	60	60	60	60
PA-M	Reduce the level of administrative support necessary to support construction and maintenance services with a view to reducing posts	15	35	35	35
PA-N	Return responsibility for cleaning contracts back to schools and design services to help them manage their arrangements	15	45	50	50
PA-D	Reduce staff numbers in the Estates and Smallholdings team commensurate with a reduction in the portfolio.	0	75	100	100
PA-F	Deliver a 2 nd phase of Property Rationalisation known as PRP2 which will see a reduction in the number of Council buildings and their associated running costs	0	350	1,050	1,600
PA-A	Reduce staff numbers in the Asset Strategy team commensurate with the reduction in the portfolio.	0	37	37	37
PA-I	To market test the corporate cleaning service with a view of achieving a reduction in costs for an agreed service delivery level.	0	0	50	80
PA-E	Reductions in WCC's landlord maintenance budget commensurate with the reduction in property holdings as part of a further phase of Property Rationalisation.	0	0	200	400
	Total - Physical Assets	406	1,042	2,103	3,700

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Service Improvement and Change Management				
SICM-A	Cessation of the Transformation through Strategic Commissioning Programme with arrangements to 'mainstream' activity associated with the programme within Services. This will include a reduction in posts.	247	247	247	247
SICM-B	Cessation of the WCC support to the Sub-regional Programme Office with the potential closure of the Programme Office which will include a reduction in posts. There will be a need for a dialogue with Sub-regional partners regarding the impact of this decision.	0	68	68	68
SICM-C	The business support function for Resources will be remodelled. This proposal will deliver savings in consumables as well as reduction in posts.	0	50	50	50
SICM-D	The GIS function will be remodelled and re-focussed on a smaller core offering which may include a reduction in posts.	0	0	50	50
SICM-E	The Project and Performance Management Arrangements (both central and localised arrangements) will be remodelled. Savings will be delivered by both expenditure savings and reduction in posts.	0	0	100	100
SICM-F	Reduction in inflation budget commensurate with changes across the Business Unit.	0	0	20	20
SICM-G	The Corporate Consultation function is ceased. The Consultation framework and co-ordinating infrastructure will be maintained and 'mainstreamed' within the Observatory.	0	25	25	25
SICM-H	Further savings from expenditure budgets across the service commensurate with changes across the Business Unit.	0	40	40	40
SICM-I	Review of SICM Management Structure with a view to reduction in posts commensurate to the changes across the Business Unit.	0	60	60	60
SICM-J	Increase income generation activities	0	40	40	40
	Total - Service Improvement and Change Management	247	530	700	700

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Sustainable Communities				
SC-D	Changing from a permit scheme to voucher scheme for vans to be able to deposit household waste and making a charge for the administration of the scheme	5	16	16	16
SC-E	Reducing the costs associated with Landfill sites by diverting more waste from landfill to energy from waste	357	643	722	789
SC-J	Review the Economic Development function with a view to reduce investment in some areas	15	15	15	15
SC-G	Maximising the use of the income charged for the adoption of roads	50	50	50	50
SC-C	Review of the contractual arrangements with a view to increasing the income received from the 4 large Household Waste Recycling Centre shops that are leased out to charities	0	60	145	145
SC-M, L and N	Review the regeneration function with a view to reduce activity and increase income, including reviewing our commitment to Pride in Camp Hill and the Opportunities Centre	0	119	238	448
SC-F	Reducing waste and increase recycling across the County	0	61	257	570
SC-H	Reviewing alternative delivery models to enable Country parks to become self financing	0	0	128	306
SC-I	Increasing income levels and identify savings to make Forestry self financing	0	0	27	53
	Total - Sustainable Communities	427	964	1,598	2,392

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Localities and Community Safety				
LCS - A	Trading Standards Service - Service reductions in consumer protection and business support. These reductions will be mitigated by the development of an intelligence model to help effectiveness and prioritisation. We will develop calibration services to increase income and explore the development of shared service arrangements to support greater efficiency, savings and resilience.	35	104	154	174
LCS - B	Warwickshire Youth Justice Service - There will be service reductions in our support to young people in the criminal justice system. There will be a reorganisation of the service in consultation with our key criminal justice partners to maximise the efficiency and effectiveness of the remaining resources.	100	150	200	295
LCS - C	Localities and Partnerships - There will be a reduction in the support to communities and community organisations. We will refocus the remaining resource on developing sustainable solutions to enable communities to maximise their influence and control over local services. There will be reductions in our own service budgets as well as the grants to the community & voluntary sector.	0	200	350	518
LCS - D	Community Safety and Substance Misuse - A reduction in the community safety services that target the reduction of crime in communities and in services working with the victims of domestic abuse and those that are addicted to and abuse drugs and alcohol. To mitigate the reduction in these budgets we will develop an intelligence led model to help prioritisation and effectiveness. We will also develop our service delivery and commissioning approach with partners and the voluntary sector.	40	220	220	220
LCS - E	Heritage and Culture Warwickshire - There will be large service reductions in some heritage & culture services. We will explore the development of a changed governance model, potentially charitable trust status and will focus on increasing volunteering and commercial viability.	65	217	217	572
LCS - F	Communities Group Resources - Service reductions based on the priorities of Communities Group Business Units with a focus on more joined up delivery of our internal services with other groups.	298	323	323	421
	Total - Localities and Community Safety	538	1,214	1,464	2,200
	Public Health				
PH - A	Redesigning current ways of working and the arrangements for external contracts	0	0	600	600
PH - B	Implementation of Digital by Default and other electronic systems to support the delivery of public health services.	0	0	0	100
PH - B	Reduction in the contribution to overheads, reflecting more cost effective ways of working	0	0	0	100
PH - C	Target the provision of health checks where most needed across the county.	0	0	0	1,200
	Total - Public Health	0	0	600	2,000

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Transport & Highways				
TH-F	Increased rejection of highway claims made by the general public	100	100	100	100
TH-G	Implement targeted marketing to secure more design work to generate an increased surplus	30	30	30	30
TH-H	Cease to fund any bridge maintenance from revenue. Any bridge maintenance would be funded from capital in the future.	450	450	450	450
TH-I	Reduce level of traffic signal maintenance	150	150	150	150
TH-J	Charge customers for all professional advice, for example professional engineering advice	50	50	50	50
TH-N	Funding from Speed Awareness / Driver training is expected to generate sufficient income to fund safety cameras without any additional WCC subsidy	250	320	320	320
TH-O	Work to meet concerns raised by the public about perceived road safety issues will not be carried out unless it qualifies for capital funding. Work no longer to be funded from revenue	104	104	104	104
TH-S	More efficient management of county fleet	40	40	40	40
TH-M	Tender the Civil Parking Enforcement Operation and increase on street parking charges	0	520	520	920
TH-P	Introduce permit scheme for street works for which a charge can be made	0	300	400	400
TH-R	Increase usage of Stratford park and ride so that it becomes self financing	0	121	121	121
TH-D	Extend part-night operation of streetlights	0	0	300	300
TH-K	Stop funding road safety education and consideration of charging for training in road safety education in future	0	0	214	214
TH-L	Stop funding any safety engineering from revenue. In future, only safety engineering work will be funded from capital	0	0	164	164
TH-B	Reduction in highway drainage maintenance	0	0	0	200
TH-T	Review the policy for subsidised public transports services with a view to making a reduction in the overall public transport subsidy and re tender services.	0	0	0	500
	Total - Transport and Highways	1,174	2,185	2,963	4,063

Reference	Description of change proposed	Cumulative Cash Saving			
		2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
	Fire and Rescue				
FRS-A	Implement a new delivery model based on the relocation of fire engines and the reallocation of staff, reducing the number of wholetime firefighters by 39 posts and the retained (on-call) staff by 36	238	709	1,397	1,750
FRS-B	Reduction of fire control staff as part of a joined control arrangement with Northamptonshire Fire and Rescue Service	35	87	136	136
FRS-D	Reduction in smoke alarm fitting	20	20	20	20
FRS-E	New crewing arrangements for the small fires unit	57	57	57	57
FRS-G	A reduction in fire engines, clothing, protective equipment, operational equipment and training in line with the reduction in staff numbers	36	102	118	133
FRS-H	Savings delivered through the implementation of the previous improvement plan (agreed by members July 2010)	119	119	119	119
FRS-C	Reduction in staffing in Arson Reduction Team (1 uniformed post and 1 non uniformed post)	0	84	84	84
FRS-F	Removal of an Area Commander post from the senior management team within the Service (25% of current establishment)	0	35	80	80
	Total - Fire and Rescue	505	1,213	2,011	2,379
	Other Services				
OS-1	Reduction in the provision for borrowing costs	440	940	1,440	1,940
OS-2	Removal of the Capacity Building Fund	560	560	560	560
NEW	Management restructure	0	0	100	250
NEW	Reduction in total cost of members expenses and catering	50	50	50	50
OS-3	Removal of the provision for funding redundancy costs	0	0	0	2,000
	Total - Other Services	1,050	1,550	2,150	4,800
	Authority-Wide Savings				
	Savings from efficiencies through working with other local authorities (including Warwickshire districts and the wider sub region) as well as other public sector agencies (e.g. through Community Budgets) by 2018.	0	0	0	2,800
	Total Authority-Wide Savings	0	0	0	2,800
	Cumulative Total	18,380	33,217	49,746	71,484
	In-Year Savings	18,380	14,837	16,529	21,738

Warwickshire County Council – Pay Policy Statement 2014/15

1 Statutory Requirement

- 1.1 S.38 of the Localism Act 2011 requires that local authorities must prepare and approve an annual pay policy statement, applicable to all staff except those employed in schools, by 31 March immediately preceding the year to which it relates.
- 1.2 The pay policy statement must set out the authority's policies for the financial year relating to:
- ♦ the remuneration of its chief officers (which, for the purposes of this Act and in the case of the County Council, includes the Chief Executive, Strategic Directors and Heads of Service)
 - ♦ the remuneration of its lowest paid employees, and
 - ♦ the relationship between:
 - the remuneration of its chief officers and
 - the remuneration of its employees who are not chief officers
- 1.3 The pay policy statement must state:
- ♦ the definition of "lowest paid employees" adopted by the authority for the purposes of the statement, and
 - ♦ the authority's reasons for adopting that definition
- 1.4 The statement must include the authority's policies relating to:
- ♦ the level and elements of remuneration for each chief officer
 - ♦ remuneration of chief officers on recruitment
 - ♦ increases and additions to remuneration for each chief officer
 - ♦ the use of performance-related pay for chief officers
 - ♦ the use of bonuses for chief officers
 - ♦ the approach to the payment of chief officers on their ceasing to hold office under or be employed by the authority
 - ♦ the publication of and access to information relating to the remuneration of chief officers
- 1.5 A pay policy statement may also set out the Authority's policies relating to the other terms and conditions applying to the authority's chief officers.
- 1.6 The following paragraphs seek to meet these statutory requirements by setting out County Council policy in the above prescribed areas, having firstly summarised the background to pay issues within this authority.

2 Remuneration Policies

- 2.1 In seeking endorsement of the pay policies summarised below, the wider picture of job reductions and reductions in benefits and allowances needs to be taken into account.
- 2.2 The savings proposals contained within the Council's budgetary planning to 2013/14, involved a reduction of 1,549 posts. Implementation of the savings plans will be completed in the current year. Further savings plans are being developed for 2014-18 with additional reductions in staffing levels by 627 posts planned as part of the One Organisation Plan for Shaping the Future of Warwickshire. The council implemented

the nationally agreed 1% pay award for 2013-14 and Firefighters received a 1% pay award from July 2012.

- 2.3 Over the same period, the final elements of the Pay & Conditions Review have been implemented including a reduction or abolition of a range of allowances paid to staff. These include reductions in the allowances paid to staff working outside 'normal hours', the abolition of 'essential car user' allowances, a reduction in mileage allowance rates for staff using their own cars at work and reductions in compensation paid to those made redundant.
- 2.4 The County Council's policy in respect of the vast majority of its employees is to pay staff in accordance with pay frameworks and terms and conditions agreed by the national negotiating bodies representing local authorities and recognised trade unions.
- 2.5 For the majority of its employees the Council's policy is to implement the pay framework and terms and conditions, unless locally agreed otherwise, prescribed by the National Joint Council for Local Government Services ('NJC').
- 2.6 The NJC pay framework prescribes a salary 'spine' comprising 46 salary points, currently between £12,435 pa and £42,032 for a full-time employee (based on a 37 hour week). The Council's policy is to evaluate posts in accordance with the job evaluation scheme agreed by the NJC and then to allocate them to one of seventeen incremental pay scales within the salary spine.
- 2.7 It is the Council's policy to pay a temporary and reviewable 'market supplement' to salary levels within the NJC pay framework where there is clear and demonstrable evidence that the salary level otherwise attached to the post creates substantial recruitment, retention or 'market un-competitiveness' difficulties.
- 2.8 Other groups of employees are paid in accordance with salaries or salary scales agreed by the relevant national negotiating bodies. These groups include uniformed fire and rescue staff, youth workers, craft workers and those falling within the ambit of the Soulbury Committee or School Teachers' Pay & Conditions agreements.
- 2.9 For all groups of staff paid in accordance with pay frameworks agreed by the national negotiating bodies, the Council's policy is to implement such salary increases as are agreed by those bodies without further local negotiation.
- 2.10 The only exception to the Council's policy of determining remuneration in accordance with national pay agreements, relates to senior professional or managerial employees whose posts are evaluated at more than 760 points under the NJC job evaluation scheme (see paragraph 2.3 above) and for which it would therefore be inappropriate to accommodate within the NJC salary 'spine'. (The relationship between posts covered by the NJC pay framework and this group of employees was supported by the Staff & Pensions Committee on 27th May 2010).
- 2.11 The policy of the Council is to pay this group of employees, which includes the Chief Executive, Strategic Directors and Heads of Service, within a framework of ten locally determined incremental salary grades (known as 'Management Bands'), or in the case of the Chief Executive a 'spot' salary payment. Each post is evaluated using a proprietary job evaluation scheme devised by Hay Management Consultants and used widely in the public and private sectors both in the UK and abroad.

- 2.12 The salary levels attached to each Management Band are determined with reference to the independent advice of Hay Management Consultants having regard to salaries paid elsewhere in the public sector, predominantly in local government. Currently, the pay framework for Management Band staff covers a salary range from £39,386 to £172,866. (The salary levels within this framework have not increased since January 2009 however 1% pay award was made to all staff including those on Management Bands with the exception of the Strategic Directors and those covered by other negotiating bodies, including Soulbury and Fire and Rescue).
- 2.13 The above policies apply save in cases where the operation of the Transfer of Undertakings (Protection of Employment) Regulations, or other statutory provision, dictate otherwise.
- 2.14 Where a person is appointed under a 'contract for service', rather than as an employee, the Council's Contract Standing Orders are followed to ensure that maximum value for money is secured.
- 2.15 **It is proposed that the County Council applies the remuneration policies set out above for the financial year 2014/15.**

3 Relationship between the highest and lowest paid employees

- 3.1 The policy of the Council to pay employees in accordance with the NJC pay framework means that its 'lowest paid employees' are paid an annual salary of £12,435 pa, or on a pro-rata basis if they work for less than 37 hours per week. (This definition does not include those working as apprentices, on work experience or other placements where the full duties attached to the post are not required to be undertaken)
- 3.2 This means that the 'salary ratios' between the Council's lowest paid staff and its Chief Executive and Strategic Directors are 1:13.9 and 1:8.12 respectively
- 3.3 Comparative figures for other County Councils, who also generally pay staff within the NJC pay framework, are 1:15.0 and 1:10.6 respectively.
- 3.4 The salary differentials between the highest and lowest paid staff in the County Council, and local government in general, are very much less than in similar sized private sector businesses.
- 3.5 The salary ratios between the Council's median salary level (£19,317 pa) and that of its Chief Executive and Strategic Directors are 8.9. and 5.2 respectively – again very much less than in similar sized private sector businesses.

4 Specific policy and practice: The level and elements of remuneration for each chief officer

- 4.1 The Council's Chief Executive is paid a 'spot' salary of £172,866 pa, the salary level having been agreed by the County Council prior to his appointment in 2005 and thereafter increased annually in accordance with independent advice from Hay Management Consultants. (See paragraph 2.9 above. However, no annual increase has been applied since January 2009). Published information for other County Councils suggests the average salary for chief executives is £182,000.

- 4.2 The Chief Fire Officer is paid a 'spot' salary of £120,054 pa, in accordance with the national pay framework applicable to senior uniformed fire officers – this has not increased since his appointment in October 2009. No other salary payments are made to the Chief Fire Officer.
- 4.3 The Strategic Directors are paid on the same four point incremental scale, (currently £115,479 - £127,027) agreed by the Council in 2005 in accordance with independent advice from Hay Management Consultants and increased annually thereafter. (See paragraph 2.9 above. However, no annual increase has been applied since January 2009). No other salary payments are made to Strategic Directors. Published information for other County Councils suggest the average salary for posts equivalent to Strategic Directors is £129,000, and most Council's have a larger number of posts at this level.
- 4.4 Heads of Service are paid on one of two four point incremental scales (£91,827 - £101,009 or £79,966 - £87,962) agreed by the Council in 2005 in accordance with independent advice from Hay Management Consultants and increased annually thereafter. (See paragraph 2.9 above. However, the 1% pay award was applied in with the 2012/13 settlement). No other salary payments are made to Heads of Service.
- 4.5 Progression through incremental pay scales is on an annual basis, save that progression to the third and fourth points of the scale is subject to service in the post being certified as fully satisfactory.
- 4.6 Subject to the approval of Strategic Directors (or in the case of such payments to Strategic Directors, the Chief Executive), a temporary honoraria payment may be made where a Strategic Director or Head of Service undertakes duties outside the scope of their normal job.
- 4.7 It is not the Council's policy to increase the pension benefits of the Chief Executive, Strategic Directors or Heads of Service.
- 4.8 It is not the Council's policy to provide benefits in kind to the Chief Executive, Strategic Directors or Heads of Service.
- 4.9 The maximum car mileage allowance paid to the Chief Executive, Strategic Directors and Heads of Service, from 1st April 2012, is that prescribed for 'casual users'.
- 4.10 Details of the salary scales attached to the roles of Chief Executive, Strategic Directors and Heads of Service are accessible on the Council's website.
- 4.11 The appointment of all employees is made in accordance with the Council's Officer Employment Standing Orders.

5 Specific policy and practice: Remuneration of chief officers on recruitment

- 5.1 Where recruitment is to a new post or the duties of the post have changed significantly, the post is re-evaluated and placed on the appropriate Management Band salary scale. Otherwise, the recruitment is to the existing salary scale.

- 5.2 Ordinarily, appointment is to the minimum point of the scale unless there are compelling reasons to do otherwise, e.g. the person we wish to appoint is already on a higher salary elsewhere and is not prepared to take a salary reduction.
- 5.3 Where a salary package exceeds £100k this will require specific approval by the Council in advance of adoption.

6 Specific policy and practice: Increases and additions to remuneration for each chief officer

- 6.1 The salary scale attached to a post currently occupied would only increase in the event that the duties attached to the post changed significantly and this resulted in a fresh job evaluation suggesting that the post should be on a higher Management Band.
- 6.2 Any increases to the salary levels attached to Management Band salary scales are made in accordance with paragraph 2.9 above.

7 Specific policy and practice: The use of performance-related pay for chief officers

- 7.1 It is not the Council's policy to make performance related payments to the Chief Executive, Strategic Directors or Heads of Service.

8 Specific policy and practice: The use of bonuses for chief officers

- 8.1 It is not the Council's policy to make bonus payments to the Chief Executive, Strategic Directors or Heads of Service.

9 Specific policy and practice: The approach to the payment of chief officers on their ceasing to hold office under or be employed by the authority

- 9.1 The Council's policies in respect of the payment of the Chief Executive, Strategic Directors or Heads of Service ceasing to hold office are the same as for its other employees, as follows:
- ♦ In the case of an employee whose employment is terminated on grounds of redundancy or efficiency, any redundancy or severance payment should be based upon actual earnings.
 - ♦ In the case of an employee whose employment is terminated on grounds of redundancy and who is aged 54 or less, or is aged 55 or over and is unable to immediately access accrued pension benefits, a severance payment based on applying a multiplier of 1.75 to the statutory redundancy payment formula, should be made.
 - ♦ In the case of an employee whose employment is terminated on grounds of redundancy and who is aged 55 or over and is able to immediately access accrued pension benefits, a severance payment based on applying a multiplier

of 1.75 to the statutory redundancy payment formula, should be made for the first £26,539 of the employee's salary. Thereafter, the following multiplier should be used at the following ages:

- 55 - 1.65,
- 56 - 1.55,
- 57 - 1.45,
- 58 - 1.35,
- 59 - 1.25,
- 60 - 1.15,
- 61 - 1.05,
- 62 - 0.95,
- 63 - 0.85,
- 64 - 0.75
- 65 - 0.65
- 66 - 0.55
- 67 - 0.45
- 68 - 0.35
- 69 - 0.25
- 70 - 0.15

- 9.2 In the case of an employee whose employment is terminated on grounds of efficiency, Strategic Directors (or where the employee is a Strategic Director the Chief Executive, or where the employee is the Chief Executive, the Staff & Pensions Committee) have discretion to make severance payments up to the levels described above.
- 9.3 In the case of an employee whose employment is terminated on grounds of redundancy or efficiency, Strategic Directors (or where the employee is a Strategic Director the Chief Executive, or where the employee is the Chief Executive, the Staff & Pensions Committee) have discretion to augment pensionable service by up to 6 $\frac{2}{3}$ years, as an alternative to making a severance payment, in exceptional cases where to do so would be expected to produce significant benefit to the Council in meeting its objectives generally, including in terms of service quality or improved efficiency.
- 9.4 Where an employee leaves the Council's employment and as a consequence is able to access immediate pension benefits under the Local Government Pension Scheme, the Council's policy is not to abate such pension benefits where the former employee re-enters local government employment, save in exceptional circumstances where it determines that not to abate the pension in payment could lead to a serious lack of confidence in the public service.
- 9.5 Where an employee has to give up work in order to care for a chronically ill spouse or partner the Council's policy is to give consideration to waiving the actuarial reduction that would otherwise attach to the early payment of pension benefits.
- 9.6 Other discretions are exercised in accordance with the Council's scheme of delegation on a case by case basis.

10 Specific policy and practice: The publication of and access to information relating to the remuneration of chief officers

- 10.1 The Council's policy is to provide information on the remuneration of its Chief Executive, Strategic Directors and Heads of Service on its website (www.warwickshire.gov.uk) in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency and as required by s.7 of the Accounts and Audit (England) Regulations 2011.

11 Specific policy and practice: The Council's policy relating to the other terms and conditions applying to chief officers

- 11.1 Except in respect of pay and pay related arrangements (see paragraphs 2.8 and 2.9 above), and car allowances, the terms and conditions that apply to the Chief Executive, Strategic Directors and Heads of Service are those agreed by the Joint Negotiating Committee for Chief Officers of Local Authorities.

CAPITAL BUDGET 2014/15

1 Financial Direction of Travel

- 1.1 The value of our assets is £998 million. Each year we need to spend money to ensure these assets are still suitable for use in the provision of services and to invest in new assets to meet our changing needs and requirements. This investment forms the basis of our capital programme.
- 1.2 Over recent years we have introduced two significant changes to the way the capital programme operates:
- The separation of the maintenance and development programmes
 - Limiting borrowing to £20 million a year so the amount spent on servicing borrowing does not increase.
- The separation of maintenance and development programmes has brought benefits in terms of reducing bureaucracy. And, the £20 million limit on borrowing has meant, alongside the property rationalisation programme, that we are beginning to see the level of our outstanding debt fall.
- 1.3 We want to retain these benefits but also take further steps to ensure the capital programme is more closely aligned with our core purpose and priorities. Our objectives in relation to the capital programme are to:
- Reduce the authority's level of outstanding debt.
 - Support the growth of the local economy through investment in infrastructure that will deliver a positive economic impact for the people of Warwickshire.
 - Support invest-to-save projects where the result of the investment is revenue savings to the authority.
- 1.4 To this end we are recommending an approach to the development of the capital programme over the period of the 2014-18 period such that:
- The £20 million limit on new borrowing in each year of the capital programme remains.
 - All capital receipts (excluding schools) are used to repay debt. Exceptions to this policy will only be considered when investing the capital receipt will result in bigger reductions in debt outstanding or greater revenue savings than would have been achieved by simply repaying debt.
 - Investment in the school stock will be fixed at the level of government capital grant for schools plus receipts generated from the sale of school assets, after allocating £3 million for schools maintenance.
 - Investment in transport and highways maintenance including street lighting, road safety and devolved budgets will be fixed at the level of government capital grant for transport.
 - All other maintenance allocations will be cash limited at their 2013/14 level.
 - The balance of the £20 million borrowing (about £10 million a year) will be allocated to a new Capital Growth Fund.
 - Service resources, the Virtual Bank and self-financed borrowing will be the primary methods used for funding for invest-to-save projects.
- 1.5 In making these changes to the development of the capital programme, specific scheme allocations approved as part of the 2013/14 budget resolution will continue to be funded, with the exception of the allocation for improvements for pedestrians in Rugby town centre. This allocation will be removed and reallocated to provide match funding for the Rugby gyratory scheme, including provision for pedestrians and cyclists.

- 1.6 We are also funding the following additional allocations:
- £100,000 for community information kiosks in community buildings
 - £2.5 million for safer routes to schools and 20mph school safety zones
 - £1.0 million to provide pump-priming funding for a programme of investment in LED street lighting. Any energy savings that result from this investment should be reinvested in the programme.
- 1.7 The financial effect of these recommendations, compared to our current approach, will be to restrict maintenance funding across all services to create an enhanced Capital Growth Fund. This will be achieved whilst, at the same time, reducing the authority's debt outstanding and hence ensuring that the revenue cost of servicing that debt falls over time.

2 2014/15 to 2017/18 Capital Programme

- 2.1 Approval is given to a capital programme of £205.712 million. Of this £151.066 million is for projects already approved, £16.291 million is for new allocations and £38.355 million is allocated to the Capital Growth Fund to meet appropriate capital investment priorities in future years.
- 2.2 Table 1 shows the breakdown of the programme across Business Units, with the full detail of the capital programme attached at **Appendix A**.

Table 1: Capital Programme: Summary by Service					
Service	Maintenance Programme		Development Programme		Total
	Projects Underway £000	New Allocations £000	Projects Underway £000	New Allocations £000	
Safeguarding	0	0	50	150	200
Strategic Commissioning	0	0	2,341	0	2,341
Early Help and Targeted Support	0	0	1,159	0	1,159
Learning and Achievement	0	0	34,743	465	35,208
Customer Service	0	0	3,242	100	3,342
Information Assets	0	0	9,484	0	9,484
Physical Assets	21,841	11,330	9,512	0	42,683
Sustainable Communities	535	386	1,349	0	2,270
Transport and Highways	34,873	0	18,610	3,500	56,983
Fire and Rescue	1,444	0	11,883	360	13,687
Total Allocations	58,693	11,716	92,373	4,575	167,357
Growth Fund	0	0	10,865	27,490	38,355
Total Programme	58,693	11,716	103,238	32,065	205,712

- 2.4 Across a number of Business Units, particularly Learning and Achievement, Transport and Highways and Physical Assets (for school maintenance), capital grants from the Government have yet to be announced for future years. As these are announced we will approve their addition to the capital programme, as outlined in Section 1, as part of the quarterly Organisational Health reports to Cabinet.
- 2.5 The £205.712 million spending will take place over a number of years. £97.102 million payments are planned for 2014/15. Table 2 summarises the planned capital

payments in each year of the programme. This detail is also shown on a scheme by scheme basis in Appendix A.

Table 2: Capital Programme – Summary of Payments by Year					
	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Projects Underway					
• Maintenance Programme	31,360	27,333	0	0	58,693
• Development Programme	53,266	30,070	8,798	239	92,373
Total Projects Underway	84,626	57,403	8,798	239	151,066
New Allocations					
• Maintenance Programme	(217)	(3,423)	7,678	7,678	11,716
• Development Programme	2,315	1,170	920	170	4,575
Total New Allocations	2,098	(2,253)	8,598	7,848	16,291
Growth Fund	10,378	4,423	11,402	12,152	38,355
Total Programme	97,102	59,573	28,798	20,239	205,712

3 Financing the Capital Programme

- 3.1 The capital programme will be financed by a mixture of capital grants, capital receipts, revenue and self-financed and corporate borrowing. A deduction will be made from services revenue budgets for self-financed projects funded from borrowing. New borrowing has been limited to £20 million per annum. Table 3 provides a breakdown of the financing of the capital programme between years.

Table 3: Financing the Capital Programme – Summary by Year					
	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Projects Underway					
• Capital Grants and Contributions	44,204	6,776	2,677	0	53,657
• Receipts	1,720	6,264	0	0	7,984
• Revenue	176	287	0	0	463
• Self-financed Borrowing	3,254	3,672	1,898	0	8,824
• Corporate Borrowing	41,137	45,404	4,223	239	91,003
Total Projects Underway	90,491	62,403	8,798	239	161,931
New Allocations and Growth Fund					
• Capital Grants and Contributions	3,892	0	0	0	3,892
• Receipts	0	0	0	0	0
• Revenue	100	0	0	0	100
• Self-financed Borrowing	0	0	0	0	0
• Corporate Borrowing	2,619	(2,830)	20,000	20,000	39,789
Total New Allocations and Growth Fund	6,611	(2,830)	20,000	20,000	43,781
Total Financing	97,102	59,573	28,798	20,239	205,712

4 Prudential Guidelines and Limits

- 4.1 Approval is given to an Affordable Borrowing Limit consistent with the capital programme for 2014/15 and the subsequent three years as detailed in Appendix A. The allocations approved as part of this resolution are equivalent to an increase in the cost to a Band D council tax payer as follows:

	In-Year £ per Band D Council Tax	Cumulative £ per Band D Council Tax
2014/15	0.58	0.58
2015/16	6.87	7.45
2016/17	6.16	13.61
2017/18	2.35	15.96

- 4.2 Approval is also given to the prudential indicators detailed at **Appendix B**, consistent with the approved Capital Programme 2014/15 to 2017/18.

5 Capital Growth Fund

- 5.1 The purpose of the Capital Growth Fund is to invest in the infrastructure of Warwickshire:
- To ensure our economy is vibrant and thriving so residents will have access to jobs, training and skills development, and
 - To secure economic growth so that Warwickshire is seen as a centre of choice for business with excellent communication and transport networks.
- 5.2 The allocation of funds will be prioritised against these overarching objectives using the following principles:
- We will support those projects/schemes which deliver the greatest benefit to Warwickshire
 - We will adopt an evidence based approach to evaluating investment opportunities, including comparisons of cost benefit ratios
 - We will seek to maximise our share of alternative sources of funding, using our resources to leverage support
 - We will fully acknowledge the social, political, environmental and organisational impact of any projects/schemes in any evaluation
 - We will fully consider the risks (and the mitigating action) to the delivery and success of any projects/schemes as part of the evaluation
- 5.3 All proposals seeking financial support from the Growth Fund will be evaluated in a consistent way against the following criteria:
- Alignment with the organisation's strategic objectives
 - Project aspirations and the value of the project in delivering growth
 - Financial viability
 - Economic benefit
 - Political, social and environmental impact
- 5.4 Traditionally development projects within the authority have been evaluated and approved as part of the annual budget process. Frequently all available funding has been allocated at this single point in the year. As a result, if opportunities arise during the financial year as a result of government initiatives or developer proposals, there is often insufficient resource available to take projects forward. In future funding will be allocated throughout the year as schemes/business cases are developed.

- 5.5 All projects coming forward to Cabinet for approval for funding from the Capital Growth Fund must go through the following process:
- An individual Business Unit prepares/sponsors a business case.
 - The proposal is scored/evaluated against a consistent set of evaluation criteria, the outcome of which will be a technical recommendation based on the information in the business case.
 - Corporate Board will then review the evaluation and support/reject the proposal coming forward to Members.
 - Cabinet will then approve the allocation provided it is within the delegation to the Growth Fund approved as part of this resolution; otherwise it goes to full Council for approval.

6 Head of Finance's Statement

- 6.1 The following statement from the Head of Finance is noted:

"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on the robustness of the estimates made for the purposes of the budget calculations.

The capital programme information used in preparing this capital budget resolution has undergone extensive scrutiny by:

- *Heads of Service and their staff;*
- *Staff within the Finance Service;*
- *Corporate Board*

In addition to this I have worked closely with the Cabinet and other members, particularly the Conservative Budget Group, in preparing this capital programme resolution. In overall terms I am of the view that this capital programme has been prepared on realistic assumptions and that it represents a robust programme."

7 Delegations

- 7.1 That the Council reconfirms the delegated powers to the Leader as follows:
- That the Leader or person(s) or body nominated by her are authorised to:
 - Agree any increases or reductions in capital starts/payments totals as part of the capital review process.
 - Approve the addition to the capital programme of projects costing less than £1.5 million, which are fully funded from external grants, developer contributions or from revenue.
 - Approve individual projects within the allocations made by Council
- 7.2 In addition the Strategic Director for Resources and Head of Finance are authorised to vire capital projects between Services where such virements are as a direct consequence of a restructuring within the County Council.
- 7.3 The Strategic Director for Resources and Head of Finance, in consultation with the Leader, are authorised to reverse allocations made as part of this budget process where the investment does not progress.

8 Budget Management

- 8.1 The Chief Executive is directly responsible for the implementation of the capital programme.
- 8.2 The Chief Executive is instructed to remind all Strategic Directors, the Chief Fire Officer and Heads of Service that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each Service's work to secure value for money.
- 8.3 A carry forward regime will be introduced with immediate effect to review whether all uncommitted capital spend at the end of the financial year is still a priority. Any funding released through this process will be used to enhance the Growth Fund.
- 8.4 All member bodies, members and officers are instructed to comply with the prescriptive legal duties placed upon the Council. The Chief Executive, Strategic Directors, the Chief Fire Officer and Heads of Service are instructed to ensure that the implementation of policies complies with legal requirements.
- 8.5 Authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget, subject to compliance with Contract Standing Orders, Financial Regulations and the key decision regime for individual approvals.
- 8.6 Strategic Directors, the Chief Fire Officer and Heads of Service, in the following circumstances and with approval from the Head of Finance, are given authority to let contracts where the tender price would cause the project to exceed its approved budget:
- If the project is and remains fully funded from external sources; and
 - If all funding is externally ringfenced to that specific project
- 8.7 That, with the exception of the circumstances outlined in 8.6, the Council reconfirms the requirement for Strategic Directors, the Chief Fire Officer and Heads of Service to seek Member approval to proceed with a project if, at the tender stage or any subsequent decision point, the contract price would cause the project to exceed its approved budget by more than tolerances in Financial Regulations prior to committing the Council to proceed with the project. In any event, any increase in the expected project cost should be reported to Members as soon as possible via the quarterly Organisational Health report.
- 8.8 Strategic Directors, the Chief Fire Officer and Heads of Service, with approval from the Head of Finance, are given approval to use capital receipts to fund replacement assets:
- Where the receipt is less than £100,000; and
 - Where the receipt is generated from the sale of vehicles, plant, equipment or software; and
 - Where the replacement asset provides the same service as the item sold; and
 - Where the remaining cost of the replacement asset is fully funded from self-financed borrowing, revenue contribution or third party funding externally ringfenced to that specific asset.
- In any event, capital expenditure on the replacement asset should be reported to Members as soon as possible via the capital review process.

8.9 Managing the Maintenance Programme

Each maintenance allocation identified in Appendix A will be monitored and reported to Members at the level approved in the Medium Term Financial Plan (MTFP) and Capital Strategy. Detailed budget management within those allocations will be delegated to the responsible Head of Service, in line with the agreed criteria and prioritisation approved by Council in the MTFP and Capital Strategy.

- 8.10 Maintenance allocations may be vired in accordance with the scheme of capital virement to a development project where that project incorporates elements of work which would otherwise be funded from the maintenance budget. The entire project would be treated as a development project for approval and reporting purposes.

8.11 Managing the Development Programme

Allocations made to Services under the development programme are for individual and specific projects. Any funding allocations may not be committed until individual projects are approved by Members.

- 8.12 Virements between projects in the development programme are expected to be rare. Services are expected to manage variations in total project costs with the appropriate approval under Financial Regulations.

- 8.13 Virements can only take place between two existing projects. Any new project will require Member approval, irrespective of whether its proposed funding is taken from an existing allocation.

2014-18 Capital Programme by Head of Service and Financial Year

Safeguarding							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	£000
Previously Approved							
Development	Foster carer adaptations	0	50	0	0	0	50
Previously Approved Development Total		0	50	0	0	0	50
New Allocations							
Development	Foster carer adaptations	0	0	50	50	50	150
New Development Allocations		0	0	50	50	50	150
Total Safeguarding Capital Programme		0	50	50	50	50	200

Early Help and Targeted Support							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	£000
Previously Approved							
Development	Common Assessment Framework Development Team - Social Care IT Grant	450	1,159	0	0	0	1,609
Previously Approved Development Total		450	1,159	0	0	0	1,609
Total Early Help and TS Capital Programme		450	1,159	0	0	0	1,609

Strategic Commissioning							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	£000
Previously Approved							
Development	Social Care Reform Grant	30	252	0	0	0	282
	Adult Social Care Modernisation and Capacity Grant	0	894	1,000	0	0	1,894
	Care Homes Fire Regulations	397	195	0	0	0	592
Previously Approved Development Total		427	1,341	1,000	0	0	2,768
Total Strategic Commissioning Capital Programme		427	1,341	1,000	0	0	2,768

Learning and Achievement								
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total	2014/15 and later years
		£000	£000	£000	£000	£000	£000	£000
Previously Approved								
Development	2 Year Old Offer - Capital Funding	415	271	0	0	0	686	271
	Schools Disability Access Block Header	0	500	0	0	0	500	500
	Alcester St Nicholas Extension (pupil places)	10	310	0	0	0	320	310
	Bishopston School Extension - Targeted Basic Need	0	876	1,624	0	0	2,500	2,500
	Brooke School Extension - Targeted Basic Need	50	900	0	0	0	950	900
	Budbrooke School Extension - Targeted Basic Need	50	520	480	0	0	1,050	1,000
	Cawston Grange Extension (pupil places)	50	1,225	1,225	0	0	2,500	2,450
	Clifton upon Dunsmore - Replace Temporary Classrooms	759	381	0	0	0	1,140	381
	Coten End Primary expansion (pupil places)	655	2,130	115	0	0	2,900	2,245
	Education Capital - Earmarked Capital Receipts	0	0	550	0	0	550	550
	Education Capital Unallocated Contributions	0	350	0	0	0	350	350
	Exhall Cedars Infant temporary classroom replacement	259	9	0	0	0	268	9
	Gun Hill & Herbert Fowler Amalgamation	3,210	540	0	0	0	3,749	540
	Henry Hinde Infant school extension Targeted Basic Need	30	502	418	0	0	950	920
	Ilmington Primary replace temporary classrooms	570	3	0	0	0	573	3
	Kingsway Primary extension and reorg (pupil places)	782	218	0	0	0	1,000	218
	Lapworth school extension Targeted Basic Need	40	610	0	0	0	650	610
	Lillington Primary Extension (Pupil Places)	1,274	552	0	0	0	1,825	552
	Long Lawford extension (pupil places)	0	497	478	0	0	975	975
	Milby Primary extension (pupil places)	50	925	925	0	0	1,900	1,850
	Milverton school extension Targeted Basic Need	50	538	462	0	0	1,050	1,000
	New EBD school Targeted Basic Need	130	570	2,800	2,500	0	6,000	5,870
	Newburgh Primary additional hall / studio space	448	13	0	0	0	461	13
	Paddox school extension Targeted Basic Need	125	910	1,215	0	0	2,250	2,125
	Queen Elizabeth contribution to PSBP re extra pupil places	0	1,750	0	0	0	1,750	1,750
	Quinton Primary expansion (pupil places)	364	878	0	0	0	1,241	878
	Schools Access Initiative Block Header	489	515	0	0	0	1,003	515
	Shipston High extension (pupil places)	20	790	790	0	0	1,600	1,580
	Shipston Primary kitchen extension (pupil places)	0	90	0	0	0	90	90
	St Benedicts extension (pupil places)	158	13	0	0	0	170	13
	St Mary's Southam - refurbishment re fire damage	4	196	0	0	0	200	196
	St Michael's CE school extension Targeted Basic Need	0	488	762	0	0	1,250	1,250
	Telford Infants temporary classroom replacement	281	7	0	0	0	288	7
	The Ferncumbe extension (pupil places)	277	10	0	0	0	287	10
	Water Orton temporary classroom replacement	0	253	0	0	0	253	253
	Welcombe Hills school extension Targeted Basic Need	85	285	580	0	0	950	865
	Welcombe Hills vehicle access alterations	38	412	0	0	0	450	412
	Wolston St Margarets extension (pupil places)	180	500	20	0	0	700	520
	Woodlands Demographic Growth Cap Fund (pupil places)	170	225	0	0	0	395	225
	Telford Junior Temporary Classroom Replacement	222	25	0	0	0	247	25
	Woodlands School improve facilities	284	16	0	0	0	300	16
Previously Approved Development Total		11,529	19,799	12,444	2,500	0	46,272	34,743
New Allocations								
Development	Schools Basic Need	0	465	0	0	0	465	465
New Development Allocations		0	465	0	0	0	465	465
Total Learning and Achievement Capital Programme		11,529	20,264	12,444	2,500	0	46,737	35,208

Customer Service							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Development	One-Stop Shops Expansion Programme	0	180	90	0	0	270
	Improving Customer Experience in County Council Buildings & DDA Works	48	453	0	0	0	501
	Improving Customer Experience / One Front Door Improvements	480	600	1,000	920	0	3,000
Previously Approved Development Total		528	1,232	1,090	920	0	3,770
New Allocations							
Development	Community information hubs	0	100	0	0	0	100
New Development Allocations		0	100	0	0	0	100
Total Customer Service Capital Programme		528	1,332	1,090	920	0	3,870

Information Assets							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Development	Development of Rural Broadband	361	4,271	5,213	0	0	9,845
Previously Approved Development Total		361	4,271	5,213	0	0	9,845
Total Information Assets Capital Programme		361	4,271	5,213	0	0	9,845

Physical Assets							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Maintenance	Non Schools - Capital Asbestos and Safe Water Remedial Works	0	317	323	0	0	640
	Non Schools - Planned Capital Building, Mechanical and Electrical Maintenance	0	2,574	2,626	0	0	5,200
	Lower Tysoe/Hopkins Farm, New Farm House - Pre Contract Consultants Costs/Enabling Works	11	239	0	0	0	250
	Rural Services Capital Maintenance	0	805	821	0	0	1,626
	Schools - Planned Capital Building, Mechanical & Electrical Maintenance	0	5,680	5,794	0	0	11,474
	Schools Asbestos & Safe Water Remedials	0	1,318	1,344	0	0	2,662
Previously Approved Maintenance Total		11	10,933	10,908	0	0	21,852
Development	Climate Change	271	83	0	0	0	354
	Minor Works	138	151	0	0	0	289
	Refurbishment of Old Shire Hall	150	600	0	0	0	750
	Rationalisation of the Council's Property	434	209	0	0	0	643
	Nuneaton Academy Redevelopment	9,501	177	0	0	0	9,677
	Various Properties - Reducing Energy	129	915	1,200	0	0	2,244
	Various Properties - Renewable Energy	252	2,000	1,750	1,898	0	5,900
	Warwick Shire Hall - Refurbishment (Phase 2 Onwards)	2,971	530	0	0	0	3,500
Previously Approved Development Total		13,845	4,664	2,950	1,898	0	23,357
New Allocations							
Maintenance	Non Schools - Capital Asbestos and Safe Water Remedial Works	0	(6)	(12)	311	311	604
	Non Schools - Planned Capital Building, Mechanical and Electrical Maintenance	0	(52)	(102)	2,524	2,524	4,894
	Rural Services Capital Maintenance	0	(17)	(32)	789	789	1,529
	Schools - Planned Capital Building, Mechanical & Electrical Maintenance *	0	(115)	(3,225)	2,569	2,569	1,798
	Schools Asbestos & Safe Water Remedials	0	(27)	(52)	1,292	1,292	2,505
New Maintenance Allocations		0	(217)	(3,423)	7,485	7,485	11,330
Total Physical Assets Capital Programme		13,856	15,381	10,435	9,383	7,485	42,683

Note:

- * The allocation for schools planned building, mechanical and electrical maintenance will increase by £3 million a year from 2015/16 onwards assuming Department for Education capital grants for schools when announced provide sufficient funding.

Sustainable Communities							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Maintenance	Rural Services Capital Maintenance	0	245	122	0	0	367
	Household Waste Recycling Centres Maintenance	0	97	71	0	0	168
Previously Approved Maintenance Total		0	342	193	0	0	535
Development	Nuneaton and Bedworth Business Space - Optima - Epic	7,652	41	0	0	0	7,694
	Masterplanning and Feasibility Small Scale Improvements	0	80	0	0	0	80
	Waste Strategy - Waste Treatment & Treatment Facility	610	533	0	0	0	1,143
	Nuneaton & Bedworth Town Centre - Queens Road West Improvements	586	54	0	0	0	640
	Leamington To Rugby Railway Path	73	27	0	0	0	100
	In-Vessel Composting Units for Schools	37	28	0	0	0	65
	Nuneaton, Centenary Business Centre - Phase 3	(16)	15	0	0	0	(1)
Rural Growth Network		299	570	0	0	0	869
Previously Approved Development Total		9,241	1,349	0	0	0	10,590
New Allocations							
Maintenance	Rural Services Capital Maintenance	0	0	0	122	122	244
	Flood Prevention	0	0	0	0	0	0
	Household Waste Recycling Centres Maintenance	0	0	0	71	71	142
New Maintenance Allocations		0	0	0	193	193	386
Total Sustainable Communities Capital Programme		9,241	1,691	193	193	193	11,511

Transport and Highways							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	£000
Previously Approved							
Maintenance	Area Delegated Budget *	0	2,000	0	0	0	2,000
	Upgrade Traffic Signals Blackhorse Road	26	74	0	0	0	100
	Street Lighting Column Replacement *	0	510	510	0	0	1,020
	Highways Structural Maintenance *	0	14,567	12,788	0	0	27,355
	Highways Maintenance - additional allocation	0	2,212	2,212	0	0	4,424
Previously Approved Maintenance Total		26	19,363	15,510	0	0	34,899
Developer	A429 Ettington Road Wellesbourne - New Roundabout	544	13	0	0	0	557
	Access to Stations - Warwick	28	72	0	0	0	100
	Casualty Reduction *	0	350	0	0	0	350
	Ford Foundry - Highway Improvement Works	4,547	116	0	0	0	4,663
	Improvements for Pedestrians in Rugby Town Centre	35	50	461	0	0	546
	Kenilworth Station	2,908	1,680	638	0	0	5,226
	Leamington, Junction Alterations at Former Potterton Works	4	397	0	0	0	401
	M40 Junction 12	1,500	5,100	2,200	0	0	8,800
	M40 Junction 14 Safety Improvements	1,954	46	0	0	0	2,000
	Minor Developer Funded Schemes	0	250	250	0	0	500
	Nuneaton to Coventry Rail Line Upgrade	1,299	1,458	0	0	0	2,757
	Portobello Bridge Warwick	487	20	43	1,510	0	2,060
	Rugby Gyrotory Improvement Scheme	0	1,455	0	0	0	1,455
	Rugby Western Relief Road	58,677	1,320	454	45	0	60,496
	Safety Camera Funded Schemes	1,274	100	100	0	0	1,474
	South West Warwick Fisher Brook Flood Alleviation	938	39	0	0	0	977
	Stratford Station footbridge	1,260	309	0	0	0	1,569
	Variable message signs for car parking in Rugby	0	2	0	0	0	2
	Warwick, Myton Road Cycle link (Myton & Warwick School)	0	0	0	132	0	132
Previously Approved Development Total		75,454	12,778	4,146	1,687	0	94,065
New Allocations							
Development	Safer Routes to Schools and 20mph school safety zones	0	750	1,000	750	0	2,500
	Remove future allocations for the improvements for pedestrians in Rugby town centre scheme	0	(50)	(461)	0	0	(511)
	Match funding for Rugby gyrotory	0	50	461	0	0	511
	Pump-priming allocation for LED street lighting. All energy savings to be reinvested in the scheme	0	1,000	0	0	0	1,000
Previously Approved Development Total		0	1,750	1,000	750	0	3,500
Total Transport and Highways Capital Programme		75,480	33,890	20,656	2,437	0	132,463

Note:

- * The allocations for street lighting column replacement, area delegated budgets, casualty reduction and highways structural maintenance for 2015/16 and beyond will be adjusted to ensure, in total, these allocations are the same as the level of highways and transport capital grant received

Fire and Rescue							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Maintenance	Vehicle Replacement Programme (self financing)	0	722	722	0	0	1,444
Previously Approved Maintenance Total		0	722	722	0	0	1,444
Development	Relocation of Leamington Fire Station, Control Centre & Training Facility	220	6,475	3,228	1,793	239	11,955
	Warwickshire Fire Control Provision	1,190	28	0	0	0	1,218
	Equipment for New Fire Appliances	0	120	0	0	0	120
Previously Approved Development Total		1,410	6,623	3,228	1,793	239	13,293
New Allocations							
Development	Equipment for New Fire Appliances	0	0	120	120	120	360
New Development Allocations		0	0	120	120	120	360
Total Fire and Rescue Capital Programme		1,410	7,345	4,070	1,913	359	15,097

Growth Fund							
		Earlier years	2014/15	2015/16	2016/17	2017/18	Total
		£000	£000	£000	£000	£000	2014/15 and later years £000
Previously Approved							
Development	Growth Fund	2,619	5,865	5,000			13,484
Previously Approved Development Total		2,619	5,865	5,000	0	0	13,484
New Allocations							
Development	Growth Fund	(2,619)	4,513	(577)	11,402	12,152	24,871
New Development Allocations		(2,619)	4,513	(577)	11,402	12,152	24,871
Growth Fund Total		0	10,378	4,423	11,402	12,152	38,355

Overall Capital Programme		113,283	97,102	59,573	28,798	20,239	318,995
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Prudential Indicators

PRUDENTIAL INDICATOR (1) AFFORDABILITY PRUDENTIAL INDICATORS	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	outturn	estimate	estimate	estimate	estimate	estimate
Capital Expenditure	£'000 72,315	£'000 92,389	£'000 97,002	£'000 59,573	£'000 28,798	£'000 20,239
Ratio of financing costs to net revenue stream	% 10.60	% 9.96	% 10.03	% 10.38	% 10.52	% 10.65
Gross borrowing requirement	£'000	£'000	£'000	£'000	£'000	£'000
Gross Debt	399,096	396,041	393,483	388,422	363,422	364,572
Capital Financing Requirement as at 31 March	337,653	345,237	374,901	404,766	408,355	407,853
Under/(Over) Borrowing	(61,443)	(50,804)	(18,582)	16,344	44,933	43,281
In year Capital Financing Requirement	£'000 (17,860)	£'000 7,584	£'000 29,664	£'000 29,865	£'000 3,589	£'000 (502)
Capital Financing Requirement as at 31 March	£'000 337,653	£'000 345,237	£'000 374,901	£'000 404,766	£'000 408,355	£'000 407,853
Affordable Borrowing Limit	£	£	£	£	£	£
Position as agreed at March 2013 Council	-3.30	-2.23	8.95	5.95	0.00	0.00
Increase per council tax payer						
Updated position of Proposed Capital Programme	-2.19	-6.44	0.58	6.87	6.16	2.35
Increase per council tax payer						
PRUDENTIAL INDICATOR (2) TREASURY MANAGEMENT PRUDENTIAL INDICATORS	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	approved	approved	estimate	estimate	estimate	estimate
Authorised limit for external debt -	£'000	£'000	£'000	£'000	£'000	£'000
Borrowing	490,097	505,536	501,915	502,090	488,414	422,124
other long term liabilities	12,000	12,000	12,000	12,000	12,000	12,000
TOTAL	502,097	517,536	513,915	514,090	500,414	434,124
Operational boundary for external debt -	£'000	£'000	£'000	£'000	£'000	£'000
Borrowing	408,415	421,280	416,263	418,409	407,012	351,770
other long term liabilities	10,000	10,000	10,000	10,000	10,000	10,000
TOTAL	418,415	431,280	426,263	428,409	417,012	361,770
Upper limit for fixed interest rate exposure						
Net principal re fixed rate borrowing / investments	100%	100%	100%	100%	100%	100%
Upper limit for variable rate exposure						
Net principal re variable rate borrowing / investments	25%	25%	25%	25%	25%	25%
Upper limit for total principal sums invested for over 364 days (per maturity date)	£ £0	£ £0	£ £0	£ £0	£ £0	£ £0

Maturity structure of new fixed rate borrowing during 2011/12	upper limit	lower limit
under 12 months	20%	0%
12 months and within 24 months	20%	0%
24 months and within 5 years	60%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%