

## APPENDIX 2

### Savings Proposals Summary 2014/15 to 2016/17

	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
Adults	5,490	3,435	3,146	12,071
Childrens	2,500	1,632	2,236	6,368
Economic Communities & Corporate & CEODT	7,407	3,602	4,269	15,278
	<b>15,397</b>	<b>8,669</b>	<b>9,651</b>	<b>33,717</b>

# Draft Budget Proposals

**Draft Savings Proposals  
Adults Well-Being**

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
Manage demographic pressures/improvements in Demand Management		This proposal will result in those people who do not have 'eligible' adult social care need provided with information, advice and guidance on how to live independently. If they wish to purchase care and support given information on how they can do this, and advice on accessing independent financial advice	Detailed EIA required for strands within this proposal. However high level analysis has identified that the majority of proposals will have a neutral or positive impact on service users and their families with protected characteristics. This is about adopting a more preventative approach to social care, encouraging people to address their care and support needs by first looking towards the social capital within their community and working in partnership with NHS colleagues to enable as many people as possible to live independently.	1,160	616	588	2,364
Recommissioning & Reductions in Cost of Older People Residential and Nursing Care		Good quality Residential and Nursing care for Older People that demonstrates value for money and effective use of council funding	EIA completed 2013 with ongoing review of impact during decision making and implementation process. This should have a positive and/or neutral impact on groups with protected characteristics, maximising value for money and standardising approaches to quality monitoring within care homes.	300	75	95	470
Recommissioning and Reductions in the cost of Homecare		Good quality and affordable homecare for service users, that offers choice and control through a range of personal budget payment mechanisms, including Direct Payments and Individual Service Funds	Detailed EIA completed 2013. Proposal should have a positive impact on groups with protected characteristics delivering greater value for money, maintaining as wide a range of services as possible despite significant cuts in funding and re directing resource where possible as part of a whole system approach to prevention including intermediate care and reablement.	765	0	0	765
Workforce Reshaping		Realignment and re shaping of the workforce to deliver a more efficient and effective workforce at a reduced cost	Detailed EIA to be completed but high level analysis has identified that this will have a neutral and/or positive impact on groups with protected characteristics as increased resource directed towards care and support	315	0	100	415
Revising personalisation offer		Improving how we communicate with eligible adult social care users about the amount available within their personal budget, based on the resources available to the council and the number within the population requiring support. Offering a range of mechanisms for people to exercise their choice and control including increasing the numbers taking a direct payment	Detailed EIA required for each strand of implementation. High level initial analysis has identified that the majority of the proposals will have a neutral or positive impact on people who use services and their carers. Where a potential negative impact is identified due to service users and their carers within the protected groups having a reduced indicative amount of money available to meet their need, this will be mitigated by clear guidance on how the council will discharge its responsibilities to meet assessed need.	450	450	450	1,350
Contract Changes		Completing contractual changes commenced and consulted on within 2013/14, including the ending of the remainder of funding for village wardens and subsidy for meals on wheels so all service users who should pay for meals do so.		300	1,021	976	2,297
Service redesign - operational services		Completion of the Next Stage Integration programme, with all direct provision externalised and provided by the independent and voluntary sector through contracts delivering greater flexibility and creativity for individual service users and better value for money for the council	Detailed EIA completed 2013 and ongoing review of potential impact and mitigating actions if a negative impact may affect service users and their families who are within the groups with protected characteristics.	1,100	0	0	1,100
Reductions in accommodation based support		The effectiveness of current contracts will be reviewed in line with the priorities to focus on those people who are eligible for adult social care and who are homeless where we have a statutory responsibility. This will release savings and we will look to informal social networks and local communities to support the transition to minimise any negative impact on service users	N/A	0	623	287	910
Increased income		Continuing to implement the Fairer Charging policy which was consulted on in 13/14 will ensure all service users who are assessed as required to pay, do so, so that it is equitable for everyone.	Detailed EIA completed as part of Fairer Charging Consultation 2012. This is a continuation of applying Fairer Charging across all eligible service users	50	50	0	100
High Cost care reductions		Increased local capacity for people with a Learning Disability and mental health will enable more people to live near their communities and friends and families at a lower cost. Ensuring that the cost of care is based on need and reflects local market variations will support the council in making sure it can support people within the available resources.	Detailed EIA required but high level analysis has identified that this should have a neutral and/or positive impact on people and their carers across the protected characteristics. It will maximise value for money and maintain as wide a range of services as possible despite significant cuts in service	100	100	100	300
Remove funding for non eligible services		In line with the council's priorities and statutory responsibilities, this will ensure that those who have the most need are able to be supported effectively		900	300	300	1,500
Use of technology to reduce cost of care		Enables more people to live independently at home and uses council resources effectively so that those with eligible need are supported reducing the cost of care through increased use of technology	Detailed EIA requires completion. High level analysis identifies that this is expected to have an overall positive impact by enabling people to stay independent for longer in their own homes and by supporting carers in their caring role. There is however a potential negative impact around the removal of personal/human contact for some people	50	200	250	500
<b>Total</b>	<b>53,873</b>			<b>5,490</b>	<b>3,435</b>	<b>3,146</b>	<b>12,071</b>

**Draft Savings Proposals**  
**Children's Wellbeing Directorate**

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
<b>Reducing Residential Care</b> - Children currently looked after by the authority reaching adulthood and ceasing to receive residential care		Potential risks include homelessness / reoffending. This will be mitigated by the work carried out by the aftercare service	N/A	366	422	611	1,399
<b>Target reduction in children's residential placement costs</b> from service redesign and development of alternative / preventative approaches to reduce need for high cost residential placements	2,599	Around 1 to 2 children per annum do not need to be placed in a residential setting but can either be successfully kept within the family through early interventions work, or where behaviour/ needs escalation is controlled so can be placed with foster carers rather than residential placement	More children kept with own family, or within a family environment through foster care placement. This improves outcome for the child and future life expectations.		200	200	400
<b>Reshape Social Care Management including a reduction in the requirement for agency social work staff</b>		Safeguarding staffing reconfiguration and reductions in 2014/15, 15/16 & 16/17. To be achieved through reductions in agency staff as case numbers reduce the requirement for additional social workers. The impact of a regular employment of newly qualified social workers as the 'Grow our Own' strategy takes effect will also impact on costs in this area.	Potentially may affect opportunities for some children and families with protected characteristics if savings are taken but caseloads do not reduce, therefore increasing the caseload per worker and potentially reducing service quality and levels. Will be addressed through reconfiguration of service and maximising the effectiveness and targetting of early help services to reduce the demand for social care intervention	130	260	325	715
<b>Social work academy set up to recruit, train support career progression.</b> In addition the Authority will also investigate alternative funding methods e.g. Social Impact Bonds in order to invest in areas which will provide future financial benefits and support a sustainable financial position.	2,188	The Social Work Academy will lead to a better long term flow of newly qualified staff and staff supported through their first three years employment which will improve quality, retention and reduce cost of recruitment and agency staff. Developing new models of service delivery, includes identifying new models of financing those models, such as social impact bonds.	By its nature, these services are there for children and young people with protected characteristics. Finding new ways of funding those services protects them and potentially enhances them.			500	500
<b>Management Workforce Reshaping</b>	1,346	Work being taken on by Head of Children's Commissioning and team, which requires reprioritisation of work programme, including service development work for early years and safeguarding services	Potentially may affect opportunities for some children and families, particularly those with protected characteristics, included Troubled Families due to capacity being stretched and it taking longer therefore to deliver all statutory duties effectively. Will be addressed through prioritisation and developing sector led approaches, including work with adults services.	149			149
<b>Redesign Children's Centre offer, Early help/family support Remodelling</b> - use of voluntary sector to deliver universal services / integrate with local services / potential reduced hours to divert centre staff to undertake activities in social care such as supervised visits. Renegotiate existing contracts.	2,222	Developing new service models may impact on individual children and families by changing services they may have been used to receiving.	Many of the parents and children who may be impacted either positively or negatively by these proposed changes will have one or more of the Protected Characteristics.	470	100		570
Remodelled Early Years Development and Sufficiency services to deliver statutory responsibilities	93	Redesign of functions to meet Local Authority responsibilities and focus on challenge and quality assurance, as well as meet the 2 year old offer. Some responsibilities for payments transferring to Hoople.	Potential high impact for children and families, particularly with protected characteristics. Identified that Herefordshire has significant gaps in early years development between vulnerable groups and their peers. To be addressed through strong focus on quality assurance and challenge, development of 2 year old offer and clarifying the relationships with the voluntary, independent and school sectors	40			40
Youth Services - Impact of staffing cuts in year	132	Reduction in spend covered by previous budget consultation and equalities impact assessment	N/A	87			87
Short breaks. Reduce universal provision as part of joint commissioning exercise	383	Reduction in direct funding for universal short break services as they are able to access other sources of funding e.g. lottery funding.	Potentially may limit opportunities for some children and families with protected characteristics. Will be addressed through market development and working with individual providers to access different funding which is available and reduce the reliance of some providers on Council funding.	100			100
Contract Changes	311	Review impact of bringing services in-house and alignment to existing services in order to create greater efficiency	A better performing contract, whether delivered by the council or by others, will benefit positively people with protected characteristics.	80			80
Reshape functions - identified savings	1,032	Reduce staffing levels in business support and performance. Transfer some functions to adult services and ECC. Establish different ways of working, whilst ensuring statutory duties (including statistical returns) are met. Expect some staff including social workers to carry out more tasks themselves and be supported through technology. Requires changes to some Council business processes, being led by the Assistant Director for Organisational Development.	Potentially may affect opportunities for some children and families, particularly those with protected characteristics, included those open to social care and Troubled Families. Services including social workers, peripatetic teachers, commissioning and improvement staff may be stretched due to taking on tasks no longer being delivered by business support and performance. This may result in delays with work and poorer service user experience (including early years providers and schools). Will be addressed through developing more effective service processes, including technological solutions, and stopping some back office activities which are of lower priority. Priority will be given to essential safeguarding and improvement services.	250	150	100	500

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
Collaborative use of the public health grant		Use of public health investment for transformation and demand management across council services		500	500	500	1,500
Use of non-pay inflation		Service will deliver within the same budget as 2013/14	N/A	328			328
<b>OTHER SERVICES WITHOUT SAVINGS</b>	18,074						
	<b>28,380</b>			<b>2,500</b>	<b>1,632</b>	<b>2,236</b>	<b>6,368</b>

\*\* Net Budget includes contributions from Dedicated Schools Grant and CCG

**Draft Savings Proposals**  
**Economy, Communities & Corporate**

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
<b>Waste &amp; Sustainability</b> Introducing alternate weekly collection of waste and limited collection to the contents of a refuse wheelie bin.	4,630	Non-Recyclable waste will be collected every fortnight rather than weekly. Limiting the amount of non-recyclable waste collected will mean families will need to re-cycle more or dispose of excess household waste at a Household waste disposal site.	Should be minimal impact as there is an 'assisted collection' requirement within the existing contract for disabled residents which will be retained	188	412	50	650
<b>Waste Disposal Contract - No changes</b>	8,307						0
<b>Roads and Public Spaces Cleaning and Maintenance</b> Efficiency Improvements: Reducing the amount of amount spent on highways and public spaces whilst prioritising road repairs. Full year effect of toilet closures and transfer of responsibilities to Town Councils in 2013/14 - no further changes planned.		Grass will not be cut as frequently and litter not collected as often.	None	1,231			1,231
Country Parks and Picnic Sites - Disposal of small sites and reduction in subsidy for larger sites at Queenswood and Bodenham Lake	9,881	May lead to introduction of car parking charges which could discourage use	None	150	150		300
<b>Public Transport</b> Fewer bus services across the County	4,673	Increased social isolation amongst rural and vulnerable groups due to lack of transport. Potential increase in cost of statutory school transport. Potential increase in road accidents. Adverse impact on local economy as people unable to access retail, particularly market towns. Does not support growth agenda and consequent economic impact of lack of infrastructure.	Significant impacts amongst key groups (elderly, disabled, low income etc.) in respect of reduced bus network. Impacts on some vulnerable groups in respect of road safety. Potential financial barrier for disabled to access post 16 educational opportunities	729	776	250	1,755
<b>Council Tax reduction Scheme</b> - reduction in discount awarded for some council tax payers in receipt of welfare benefits from 91.5% to 84% in 2014/15, reducing further in 15/16 and 16/17. Note: Pensioners are exempt from the changes		The lowest earners in Herefordshire, approximately 5,000 individuals currently only have to pay 8.5% of their total bill. These people will have to pay 16% of their total Council Tax bill from April 2014.	To be completed	362	308	230	900
<b>Council Tax Discount</b> - Removal of 25% Council Tax discount of six or 12 months for empty properties and charge an additional 50%, i.e. 150% Council Tax for properties empty for over two years.		Owners of empty properties will have to pay 100% Council Tax despite not living in the premises. The 150% charge for properties empty over two years will encourage landlords to get the properties back into use. This will have the added advantage of the council receiving a New Homes Bonus, the equivalent of an additional council tax payment from government for six years.	To be completed	270			270
<b>Discretionary Rate Relief</b> - Removal of discretionary National Non-Domestic Rates/Business Rate relief for some voluntary organisations		From April 2014 discretionary relief is only available to top up the 80% mandatory relief for those: <ul style="list-style-type: none"> <li>Charities that are locally based (are not national organisations) and which provide facilities that benefit the wider community of Herefordshire and are of a social/welfare nature;</li> <li>Community Halls – provide non-profit making community users are in paramount occupation.</li> <li>Scouts and Guides – where the Scouts or Guides are in paramount occupation.</li> <li>Credit Unions - where dividend or interest is available for distribution to its members and assistance is provided to avoid social exclusion</li> </ul>	To be completed	250	150		400
<b>Back Office Services (including Finance, Revenues and Benefits, Legal and Equality teams &amp; Info)</b>	5,406	No impact - efficiency saving	None	400	200		600
<b>Housing Benefits</b>	(1,297)						0
<b>Property Services</b> Reduced property services focussed on a smaller estate with maintenance reduced to ensure legal compliance. Reacting to basic statutory emergencies etc.	1,637	No impact - efficiency saving	None	432			432
<b>Asset Review</b> Disposal or increased income to reduce debt charges		Capital receipt from sale of assets utilised to offset current or future debt costs. Loss of annual rental income.	None			2,750	2,750
<b>Cultural Services</b> - Remodelling of Museum Services so that funding is only supporting the Collections Service at Friar Street and not to Hereford Museum.		Museum offer confined to Friar Street.	Minimal. There could be reduced opportunities for disabled individuals to access these facilities.	239			239
Withdrawal of Subsidies to Cultural Services partners		Withdrawal of Halo management fees by end of 2015/16 and for Kington and Wigmore by 2014/15.	None				

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
		Reduction to Visit Herefordshire and Courtyard management fees in 2014/15.	None				
		Reduction to zero of Brightstripe management fee from 2016/17.	None				
	2,901	Withdrawal of Arts Commissioning grants from 2014/15.	None	310	453	724	724
<b>Regulatory Services</b> Reduction in all regulatory services to the statutory minimum, unless supported by income generation or necessary to facilitate economic growth. Planning - priority given to supporting economic development with potential reduced capacity to deal with low level applications, slowing down of processing of applications, reactive enforcement. Reduction in other regulatory services likely to result in increased antisocial behaviour, environmental degradation and community safety issues.	3,243	No impact - efficiency saving	None	786	90	100	976
<b>Car Parking</b> Provide adequate supply of parking to support economic activity whilst maximising financial return from HC's land holding.	(2,273)	Increase and introduction of parking charges	No impact upon disabled groups as free parking provided.		600		600
<b>Economic Development &amp; Community Regeneration</b> Service prioritises Business Support (grant delivery and business advice), Capital Infrastructure delivery (Hereford Enterprise Zone) and attracting Government and EU funding (including working with the LEP and other partners). Remaining funding withdrawn from Hereford Futures executive team and from the Chamber of Commerce for their Strategic Business Engagement contract. Reduction in infrastructure investment.			none	169			169
Removal of funding to HVOSS, HALC & CAB	2,064	Reliance on voluntary sector to provide for itself.	Adverse impact on low income and vulnerable groups.	151	40	165	356
<b>Customer &amp; Library Services</b> Remove funding from all libraries with the exception of Hereford, Leominster and Ross.	2,538	Reduced opening hours in Hereford, Leominster and Ross, along with potential closures in Bromyard, Ledbury and Kington.	EIA completed for 19-Sep Cabinet. Combined impact on older people without use of the internet, in rural areas unable to access travel, people in crisis.	348	423		771
<b>OTHER SERVICES WITHOUT SAVINGS</b>	2,676						0
	44,386			6,015	3,602	4,269	13,886

#### Chief Executive & Organisational Development Team

Savings Proposal	Net Budget 13/14 £000	Impact	Equalities Impact	Proposed Reduction 2014/15 £000	Proposed Reduction 2015/16 £000	Proposed Reduction 2016/17 £000	Total 2014/15 to 2016/17 £000
<b>Chief Executive</b> - FYE of post reduction June 2013	385	No impact - efficiency saving	None	95			95
<b>Back Office Services (including Communications, HR &amp; ICT)</b>	7,106	No impact - efficiency saving	None	1,297			1,297
<b>Total</b>	7,491			1,392			1,392

<b>Total</b>	51,877			7,407	3,602	4,269	15,278
Council tax and business rates collection fund				(632)	(458)	(230)	(1,320)
<b>General fund</b>				6,775	3,144	4,039	13,958