

Savings Proposals Summary 2016/17 to 2019/20

| Directorate | 2016-17 £m | 2017-18 £m | 2018-19 £m | 2019-20 £m | Total 16-20 £m |
|------------------------------------|-------------|------------|------------|------------|-------------------|
| Adults and wellbeing | 4.1 | 2.3 | 1.8 | 1.7 | 9.9 |
| Children's wellbeing | 1.6 | 1.3 | 1.4 | 1.0 | 5.3 |
| Economy, communities and corporate | 5.2 | 3.4 | 2.3 | 2.3 | 13.2 |
| Total | 10.9 | 7.0 | 5.5 | 5.0 | 28.4 |

Savings Proposals

Adults and Wellbeing Directorate

| Savings Proposal | Impact | Savings Plans | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|---------------|
| | | 2016-17 £000 | 2017-18 £000 | 2018-19 £000 | 2019-20 £000 | Total £000 |
| Re-commissioning care contracts and supported living agreements, implementation of policy and pricing changes for nursing placements, carers respite and transport services. | Removal or reduction in transport funding to individuals and the carers respite provision, whilst still meeting all eligible needs | 1,650 | 1,045 | 800 | 750 | 4,245 |
| Introduction of outcomes based assessments and reviews, focussing on high cost care packages and reductions in domiciliary care hours. | Will lead to more equitable service provision that still meets all eligible needs but is provided at a reduced average cost. Care packages will be removed from non-eligible carers | 1,850 | 500 | 400 | 350 | 3,100 |
| Increased income from applying the new guidance in the Care Act, including joint assessments and minimum income guarantees. In addition, a small flat rate charge will be applied to service users who are in receipt of telecare. | The impact of these changes will be affordable as all services will only be charged following individual financial assessment in line with Care Act requirements. Telecare users, subject to financial affordability and following consultation will be charged between £2.70 and £3.50 per week. | 380 | 150 | 100 | 100 | 730 |
| Reduction in staffing will be delivered through a review of the commissioning and contracts team and minor changes to the staffing structures within operational locality teams. | There will be no direct impact on service users. | 150 | 600 | 450 | 500 | 1,700 |
| Organisational redesign savings | Efficiency savings | 88 | | | | 88 |
| Total | | 4,118 | 2,295 | 1,750 | 1,700 | 9,863 |

Savings Proposals

Children's Wellbeing Directorate

| | | Savings Plans | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|---------------|
| Savings Proposal | Impact | 2016-17 £000 | 2017-18 £000 | 2018-19 £000 | 2019-20 £000 | Total £000 |
| Manage contract inflation and secure contract efficiencies. | No impact - efficiency savings from service providers | 200 | 250 | 250 | 250 | 950 |
| Re-unifying children with their families or an alternative family based permanent home including adoption where appropriate. 2016/17 increase reflects spending in 2015/16 as well as reductions in spending. | Will provide better long term outcomes for children who are in care which are more cost effective. | | 316 | 572 | 200 | 1,088 |
| Developing appropriate housing arrangements and options for 17 year olds to promote independent living which removes the need for young people to be in the care of the local authority. | Providing young people better access to housing tenancies and other options to support them to become independent adults. | 300 | 250 | 250 | 250 | 1,050 |
| Review of allowances paid to families providing homes for other peoples children on a permanent basis, including special guardianship, adoption and child arrangements. | The revised policy will provide a fairer and more transparent approach. This will result in some families receiving less and others receiving more, however service users will still have their eligible needs met. | 200 | | | | 200 |
| Accessing government grant to focus early help on the most vulnerable families to reduce the need for higher cost services. | Improved school attendance, educational achievement, reduced anti-social behaviour and youth offending and increased employment. | 270 | 100 | 150 | 150 | 670 |
| Continuing the social worker recruitment and retention strategy (grow our own, cap agency rates, specific recruitment, overseas recruitment and alternative contracts) to increase the number of permanent social workers and reduce agency staff. | Ensuring families benefit from a consistent and established service through a stable and capable social worker workforce. | 300 | 250 | 100 | 100 | 750 |
| Reduce numbers of managers, overheads and a reduction in contribution to the Youth Offending Service (YOS) contract. | No impact - efficiency saving. | 230 | 100 | 100 | 100 | 530 |
| Organisational redesign savings | Efficiency savings | 159 | | | | 159 |
| | | 1,659 | 1,266 | 1,422 | 1,050 | 5,397 |

Savings Proposals
Economy, Communities & Corporate

| Savings Proposal | Impact | Savings Plans | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|---------------|
| | | 2016-17 £000 | 2017-18 £000 | 2018-19 £000 | 2019-20 £000 | Total £000 |
| Efficiency savings Initiatives include: Management savings, Staff restructures, capitalisation of staff costs, reduction of grants to third party organisations, saving on printing cost, Elections service design review, increased income from the translation service, reduction in storage costs at the Modern Records Unit and Planning fee income. | No impact - efficiency savings | 818 | 295 | 100 | 180 | 1,393 |
| Back Office Services and Corporate Accommodation efficiencies | No impact - efficiency saving | 550 | 500 | 450 | 250 | 1,750 |
| Increase Crematorium Fees | Benchmarking and aligning fees against neighbouring authorities | 150 | | | | 150 |
| Car Parking charges increase | Increase in fees to support the Council's sustainable transport policies and manage available spaces to support local economy. Potential adverse impact on trade if charges deter visitors. Structure of charges will aim to address local circumstances and encourage visitors and shoppers to visit Hereford and the market towns. Income will be targeted to support transport services in accordance with the Council's Local Transport Plan. Increase income by 20% in 2016/17 5% Increase 2017/18 5% increase 2018/19 | 750 | 225 | 235 | | 1,210 |
| On-Street Car parking Project | Introduction of on street charges in central Hereford and potential extension of residents parking in surrounding areas which will provide ongoing revenue to support transport services. Proposals will improve traffic circulation, increase turnover and availability of short term parking for shoppers, ensure provision for loading and unloading and improve parking for residents living close to the city centre. | 58 | 172 | | | 230 |
| Reduced cost of Public and School / College Transport and moving public transport information to online only | Reduction in public transport services, increased income from parental contributions and Post 16 SEN transport users. Further savings from contract efficiencies. A transport funding review is underway which will explore a range of opportunities to reduce costs across all local passenger transport services and alternative sources of funding to support such service, including Public Health funding. Savings are likely to be achievable through the integration of passenger transport contracts, service efficiencies, moving more users onto commercial and supported bus services and review of eligibility for services. If this approach does not achieve the full savings target, it may be necessary to further reduce public transport subsidy. | 150 | 250 | 180 | 150 | 730 |
| Phased removal of subsidy for Community Transport organisations | The phased reduction in the support to Community Transport providers commenced in 2015/16 and the exploration of alternative funding sources to support such services, including from Public Health funding. To continue this to full reduction by 2019/20 will have provided a five year transition period for providers to seek opportunities to increase their independent financial viability. Support has been made available for providers to take on more contracted work and also to assist them to increase their capacity. Grants have been available for new fleet and could be made available in future subject to funding being available. | | | 60 | 75 | 135 |
| Change the Highway Maintenance Plan to allow higher quality planned repairs to be undertaken for significant safety related pothole defects rather than the current temporary fixes required to meet reactive timescales. This will reduce the overall cost and reduce the need for repeat treatments. | There are approximately 50 potholes a month that are currently filled temporarily in this way and this change will allow them to form part of a programme of works on the basis of a risk assessment based on location, road type and traffic flow, as occurs with other defects. The new method will be more cost effective. | 150 | 150 | | | 300 |

Savings Proposals
Economy, Communities & Corporate

| Savings Proposal | Impact | Savings Plans | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|---------------|
| | | 2016-17 £000 | 2017-18 £000 | 2018-19 £000 | 2019-20 £000 | Total £000 |
| Phased removal of subsidies to parish councils for the Lengthsman and Parish Paths . | The condition of minor roads in Parish areas will be dependent upon whether Parish Councils choose to replace the subsidy from their own resources. | | 100 | 100 | 100 | 300 |
| Community asset transfer of parks and open spaces | Sports pitch and parks maintenance cost saving through a programme to transfer responsibility for assets to community groups, town and parish councils and others. Impact of this proposal could see communities taking greater care and ownership of their local environment. | 60 | 100 | 90 | | 250 |
| Increased income and efficiency within Public Realm Services | Increase income from increased enforcement in relation to works carried out by Utility companies on the highway (NRSWA) - reduction in Highway defects. Investment in fleet and plant to reduce ongoing revenue cost and maintenance. No adverse impact upon service. Environmental service redesign Review of service to streamline and reduce cost of cleansing and monitoring of waste/litter related issues. Improved environment through better coordination. | 250 | 230 | 25 | 25 | 530 |
| Waste & Sustainability Full year effect of introducing alternate weekly collection of waste and limited collection to the contents of a refuse wheelie bin, implemented in November 2014. Plus additional Waste Management savings. Proposals include increased income from commercial waste collections, as well as waste treatment savings. | No further impact - non-recyclable waste is now collected every fortnight rather than weekly, the saving is the full-year effect of the changes | 755 | 30 | 30 | 30 | 845 |
| Income from Solar Panels and Street Lighting Energy Efficiency Savings Capital investment in solar panels to reduce energy costs and attract Government renewable energy subsidies Expiry of repayments for energy efficiency loan supporting Street Lighting investment | No impact - energy efficiency saving | 60 | 145 | | | 205 |
| Asset Review Capital receipts from sale of assets will be used to offset debt costs or increased revenue opportunities. | This may effect some tenants of council owned property | | 250 | 400 | 1,000 | 1,650 |
| Facilities Management Service | Shire Hall and Town Hall to become appointment based centres e.g. custodians not permanently onsite. Increased income from charging for Council Civic Buildings. | 90 | 30 | | | 120 |
| Withdrawal of Subsidies to Cultural Services partners Phased withdrawal of subsidies to: HALO; Courtyard; Visit Herefordshire; Brightstripe | Cultural partners to innovate and create sustainable self-financing delivery models | 863 | | | | 863 |
| Withdrawal of Museum and Heritage Services subsidy | Phased withdrawal of subsidies to Museum and Heritage Services, and create sustainable self-financing delivery models | | 100 | 150 | 250 | 500 |
| Savings in Customer and Library Services | That a new way of operating libraries and customer services is explored. This involves retaining the services important to residents and acknowledges the health, well being and economic value of libraries. Any future approach will reflect the value placed upon customer services and libraries by ensuring greater community involvement in the service. This will encompass looking at different options for funding the service including fundraising, joint funding by partners and income generation as well as looking at cost savings. | | 380 | 380 | | 760 |
| Sub Total | | 4,704 | 2,957 | 2,200 | 2,060 | 11,921 |

Savings Proposals
Economy, Communities & Corporate

| | | Savings Plans | | | | |
|--|--|-----------------|-----------------|-----------------|-----------------|---------------|
| Savings Proposal | Impact | 2016-17 £000 | 2017-18 £000 | 2018-19 £000 | 2019-20 £000 | Total £000 |
| Revisions to the Council Tax Reduction Scheme - as approved by Council on 18 December 2015 in 2016/17 reduce the level of subsidy provided will reduce from 84% to 80% but certain claimants discount will be protected at 84%. The revised scheme will remain in place in 2017/18 and will deliver additional savings following the withdrawal of expected tax credit changes. | The lowest earners in Herefordshire, approximately 4,500 individuals, currently pay 16% of their total Council tax bill. By reducing the level of discount available, the Council is able to limit the impact upon services which benefit the wider community. There is a risk that some claimants may not be able to pay the increased charge and place their household into financial hardship. This is to be mitigated a revised hardship scheme. Pensioners will continue to receive additional discounts and the vulnerable will continue to have access to welfare support to mitigate these changes. | 200 | 150 | | | 350 |
| Removal of the Council Tax Reduction subsidy to parishes - as approved by Cabinet on 3 December the grant funding to parishes is to be withdrawn on a phased basis | This saving has no impact on parish percept requirements. Removal of the grant will be phased, limiting the effect on the tax payers bill to 0.4% in any one year. The average overall increase will be 0.3%. | 247 | 42 | | | 289 |
| Organisational redesign savings | Efficiency savings | | 300 | 100 | 200 | 600 |
| Sub Total | | 447 | 492 | 100 | 200 | 1,239 |
| Total | | 5,151 | 3,449 | 2,300 | 2,260 | 13,160 |