



Cabinet Report

Report of: The Chief Executive and Executive Director, Resources

Report to: Cabinet

Date: 17 February 2016

Subject: Revenue Budget for 2016/17

Author of Report: Eugene Walker, Acting Executive Director of Resources

Key Decision: YES

Reason Key Decision: Expenditure/savings over £500,000
Affects 2 or more wards

Summary:

The City Council on 4 March 2016 meets to consider the Revenue Budget for 2016/17 and to determine the Council Tax for that year

The report provides information to enable the Council to set a budget and determine the Council Tax.

The proposals set out in this report provide for a balanced budget to be recommended to Council.

Reasons for Recommendations:

Please see above

Recommendations:

The report contains recommendations to Council on 4 March 2016

Background Papers:

Category of Report: **OPEN**

If CLOSED add 'Not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).'

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Mike Thomas
Legal Implications
YES: see Legal Advice section of report
Equality of Opportunity Implications
YES
Tackling Health Inequalities Implications
NO
Human Rights Implications
NO
Environmental and Sustainability implications
NO
Economic Impact
NO
Community Safety Implications
NO
Human Resources Implications
NO
Property Implications
NO
Area(s) Affected
NO
Relevant Cabinet Portfolio Lead
Cllr Ben Curran
Relevant Scrutiny Committee
Overview and Scrutiny Management Committee
Is the item a matter which is reserved for approval by the City Council?
YES
Press Release
YES

BUDGET REPORT 2016/17

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2016/17 REVENUE BUDGET
REPORT OF THE CHIEF EXECUTIVE AND THE EXECUTIVE
DIRECTOR, RESOURCES

Purpose of the Report

1. The purpose of this report is to:
 - approve the City Council's revenue budget for 2016/17, including the position on reserves and balances;
 - approve a 2016/17 Council Tax for the City Council; and
 - note the levies and precepts made on the City Council by other authorities.

Budget Consultation

2. As part of the development of options for the 2016/17 budget, the Council ran a budget conversation between November and January that included a range of consultation activity with local people and partner organisations. This has helped us to ensure that the proposals that we are putting forward have been shaped by people who may be affected by decisions taken as part of the budget, and to ensure that they have had an opportunity to put forward other ideas for consideration.
3. In line with our values as an organisation, we have used consultation to inform people about our proposals, provide the opportunity to give feedback, make suggestions and let people know how their feedback has helped to influence our thinking. In this way we have attempted to ensure that our consultation activity is meaningful and appropriate at all times. Our budget consultation activity has had two main strands this year:
 - Two large corporate budget conversation events in the Town Hall, supplemented by additional activity, including a survey
 - Consultation on particular topics and specific proposals, including meetings with the Voluntary, Community and Faith sectors and Business representatives, that includes informing longer term thinking and Equality Impact Assessments

Corporate Consultation

4. Budget priorities have also been heavily shaped by consultation activity undertaken over recent years that has consistently confirmed public support for

protecting services for the most vulnerable. This year public feedback on our guiding principles has supported our approach to:

- operate efficiently as an organisation
- develop solutions for the longer term
- take early preventative action
- focus on people with the greatest need
- work with our communities to deliver services in a different way

Other significant areas that people wanted the Council to concentrate on protecting, now and in the future, included Parks, Housing, Transport & Roads, Education, Employment, and Libraries.

5. These findings have been developed through both budget and non-budget related activity. This includes consultation that informed proposals in last year's budget, particularly where implementation is being phased over two years in areas such as assessments in Adult Social Care. The first of this year's large budget conversation events in the Town Hall was held in November 2015 and gave an opportunity for the Council to explain the scale of reductions we are facing to members of the public and our partners, to set out our approach to making the reductions, and to invite initial feedback on our approach. The open event was attended by over 60 people from partner agencies, representatives of community groups and voluntary organisations, as well as members of the public.
6. The second event, held in January 2016, gave us an opportunity to describe our budget proposals in more detail, and included breakout sessions led by each of the Cabinet Members to discuss some of the most significant proposals in their areas of responsibility. To supplement the public events, we also invited people to have their say via an online survey on the following areas:
 - What services do you want the Council to concentrate on protecting now and in the future?
 - Ideas or comments about how the financial pressure on services in Sheffield should be handled
 - Impact of the changes the Council has had to make.

We also produced a short animated video (www.sheffield.gov.uk/budget) designed to broaden understanding of the budget challenge and our approach and we used this alongside social media, and a city-wide poster campaign to signpost people to the consultation and website.

7. The public events and the survey elicited an extensive range of comments which helped to inform our overall thinking on the budget. These included requests at the public events for further information and explanations, along with people's views on the Government's approach to cuts; different approaches to setting budgets; use of Council reserves, flexibility over charging and contracts; and the impact of cuts on BME communities, disabled people and social housing tenants in the city.
8. The survey asked people how Sheffield council should handle the pressure on services which elicited a range of views. Most frequent responses related to reducing management/admin costs and making further efficiencies, alongside reviewing contracts, more community run services, focussing on core services and the most vulnerable, and getting people into employment. Other suggestions included increasing Council Tax, lobbying government, increasing digital/automation, selling off assets, focussing on upstream prevention, more recycling, and encourage business/devolution. There were also comments around appreciation of the scale of the challenge, the need for care over choice of cuts, as well as some views that some of the cuts should have been done earlier. We also asked people about how changes had impacted on them personally, on their neighbourhoods and on the city as a whole. 85% of people who have responded to the survey so far reported that they had seen an impact, although a small but significant proportion of people didn't feel they had felt any impact as a result of the cuts to the council's budget.
9. The most frequently mentioned areas of impact from changes included waste collection, social care, libraries, public transport, and roads. Other frequently mentioned areas included litter and street cleaning, lack of progress on city centre regeneration, youth services, parks, and physical activity/sports activities.
10. People also gave their views on the draft proposals presented by Members at the second public event. These comments, and the responses to them, will be made available on the Council's budget webpages.
11. More detail on our approach to budget setting and the points raised by people during this consultation event is available on the Council's website at www.sheffield.gov.uk/budget. This information has been carefully considered by officers and Members in developing and refining the budget proposals.

Topic and service-based consultation

12. Alongside our corporate budget conversation, we have also consulted with people about proposals on particular themes or in specific areas. This consultation has taken many forms, depending both on the nature of the proposal and which providers, service users and communities are likely to be affected. This has included consultation with employees where we are proposing staffing reductions.
13. We have in the past been able to protect spend, in relative terms, on areas like adult social care. Although we continue to prioritise support to the most vulnerable and those at risk, the continued reductions in government funding and continuing demand pressures have meant that this protection is no longer possible as the reductions needed in other areas would be likely to lead to these services becoming unsustainable. We have therefore spent a great deal of time talking to service users and providers about our proposals in adult social care, as these proposals represent a significant area of change from current service provision. For example, consultation on the Learning Disabilities Commissioning Strategy has taken place with service users, providers and stakeholders to establish principles and overarching commissioning intentions, in order to enable the development of future specific learning. There will also be consultation taking place in relation to reductions in the reablement services and changes to eligibility criteria, redesign of Occupational Therapy Services and increases to customer contributions to care with current customers and other interested stakeholders.
14. In Children's and Young People's and Families' Services, significant initial consultation and discussion with young people and parents was done last year in relation to changes in Youth Services and our contract with Sheffield Futures. Meetings with Sheffield Futures are taking place to monitor feedback on the potential impact of contract savings.
15. Within Place, consultation has also taken place with external organisations in relation to proposed reductions in environmental sector contracts and there will be continuing engagement with community organisations and other stakeholders in relation to the proposed redesign of Activity Sheffield, and changes within business strategy and regulation – particularly on the proposed approach to dealing with night noise problems in the city.
16. We have also consulted with representatives of the Voluntary, Community and Faith sector (VCF) and Business via the Business Advisory Panel. Issues and concerns raised in discussion with the VCF representatives include the need for

- more/better collaboration and co-production of services/activities and the extent of goodwill in communities that needs tapping into; concerns about the council's commissioning and contracting processes; capacity & capability building funding from the council for small and medium sized organisations; VCF involvement in digital interface between public services and citizens and use of community buildings; the potential for the idea of a Sheffield safety net of a better set of connections to replace the shrinking welfare state; prevention & early intervention and a more systematic approach to people who live in social and private rented housing and finding themselves in difficulties.
17. Aspects of the proposed budget and connections to the broader financial sustainability and business growth agendas were discussed with the Business Advisory Panel in October and December 2015. These discussions included the removal of Revenue Support Grant, Business Rates Localisation and potential for self-financing. Concerns were highlighted around business growth, and the uncertainty created by 12 month cycles which limit the ability to plan with confidence. Key issues and concerns related to focussing on the growth agenda, the importance of the city centre and HS2 station, and self-determination, the need for longer term financial clarity, social care capacity in the city, and education and skills being an issue for businesses attracted to the city.
 18. Consultation on proposals will not stop once the budget has been agreed by Members. Further consultation with those affected individuals, groups, organisations and staff will take place throughout the year as decisions are implemented through the Council's usual governance processes.
 19. All the results of consultation activity will be taken into account when making individual decisions on the proposals. In some cases this consultation activity is not yet complete and therefore firm proposals will be subject to further decision making in line with the Council's usual governance processes.
 20. More information about our approach to consulting on the various budget proposals can be found in individual service Equality Impact Assessments (EIAs).

Medium Term Financial Strategy

21. On 14 October 2015 Cabinet considered a report of the Executive Director, Resources entitled Medium Term Financial Strategy (MTFS) 2016/17 to 2020/21. This report provided an update of the Council's MTFS to reflect the budget decision of the Council for 2015/16 and the potential impact on the next

5 years of the Government's plans for deficit reduction. This report set the planning scenario for the medium term.

22. The report on the MTF5 indicated that there would be ongoing reductions in Revenue Support Grant (RSG) of 20% or £23.2m per annum over the five year period to 2020/21. The result being the total removal of the remaining £115.8m RSG by 2020/21. This assumption for 2016/17 onwards was based on soundings from various sources (LGA, SIGOMA, CIPFA) and was reaffirmed to some degree via details contained within the government's Summer Budget in July 2015.
23. As well as the RSG reduction, a series of assumptions around business rates income were made:
 - The Council's locally retained share of business rates income would increase by £2m in 2016/17, and;
 - The Council would receive compensation for the 1% cap on the small business rate multiplier in 2016/17 (equivalent to £1.1m).
24. In addition to these funding assumptions, the Council faced additional corporate expenditure of up to £9.2m. This primarily included:
 - additional Streets Ahead costs (£1.8m);
 - provision for funding the increased pension contributions as a result of the 2013 actuarial review (£1m);
 - increased costs as a result of the abolition of reduced National Insurance rates for contracted out pensions schemes (£3.1m); and
 - salary costs associated with the award of half increments (£2.0m).
25. A number of Corporate savings have been identified to reduce the budget gap by partly offsetting the aforementioned RSG cuts and expenditure pressures. These include:
 - Reductions in Capital Financing Costs (£0.8m);
 - Capital financing savings on the Sheffield City Region Local Transport Body Levy (£2.1m);
 - MRP policy adjustment for pre 2007 supported borrowing costs (£4.9m);

- additional CAPITA contract savings (£1.6m);
 - reducing the transfer to the business rates appeal reserve by £2.0m;
 - Places for People accounting adjustment (£5.0m); and
 - utilisation of the ongoing Invest to Save savings, following the full repayment of borrowing to fund the original schemes (£5.1m).
26. In addition to the corporate expenditure pressures there is also the issue of rising costs faced by Portfolios due to variations in inflation, new burdens legislation and levels of demand, particularly in social care services.
27. The overall forecast picture for Sheffield City Council was for a potential shortfall of around £23m (£5.4m net) in 2016/17 rising to a cumulative shortfall of £88m by 2020/21, not including portfolio cost and demand pressures. The final position shown later in the MTFS report is that up to £50m of savings are required – including savings to offset portfolio cost and demand pressures – in order to balance the budget for 2016/17.

Better Care Fund

28. The Council currently receives £12.4m of funding via the NHS to meet the costs of providing adult social care. In addition, with effect from April 2015 the Council has pooled its adult social care budget with that of the local NHS Clinical Commissioning Group (CCG).
29. The actual amount which the Council will receive from the BCF is subject to ongoing discussions with the Clinical Commissioning Group. The 2015/16 budget includes a £9.3m contribution from reserves to temporarily bridge the gap between the Council's current level of expenditure and the amount of resources which it can afford to contribute to the pooled budget. For the purposes of the MTFS, it is assumed that this shortfall will be met either by the CCG or through recurrent savings on adult health and social care expenditure.

Autumn Statement 2015

30. The Chancellor set out the Government's joint Spending Review and Autumn Statement (AS2015) to Parliament on 25 November 2015. The Spending Review provided further details of how £4 trillion of government money will be allocated to departments over the next five years, with the Government clearly indicating that it intends to prioritize the NHS, Defence and Housing over Local Government.

31. Looking at the projections made in AS2015, departmental spending is expected to continue to fall over the course of this Parliament by an average of 0.8% which the Government states is at half the rate as had occurred in the previous Parliament.
32. The key headlines from AS2015 which were of significant interest to the Council are listed below. Further work was then required to understand the detailed financial implications. More details emerged in the Provisional Local Government Finance Settlement – see next section of this report.
- Confirmation that **RSG will be completely phased out by 2020/21**, and a subtle clue that the national cumulative cut to RSG by 2019/20 will be relatively low (around 56% in real terms; a cut of 80% in cash terms had been assumed in the MTFS), all of which suggests that the remainder would be cut in 2020/21 when localisation of business rates is implemented
 - **2% (adult) social care precept** provides around £3.5m of Council Tax income not assumed in the 2016/17 corporate gap as per the MTFS – further information was required to see if the precept limited the Council's ability to raise council tax by 1.99% as well.
 - Potentially a share of **£1.5bn of extra Better Care Fund (BCF)** funding to be transferred to local government by 2019/20; again, this had not been built into the MTFS.
 - **Small Business Rates Relief** was extended by an extra year, which meant that the risk of the Government's £2.5m grant to the Council to compensate for business rates foregone had been mitigated. However there was no news about other mandatory reliefs such as Retail Relief for which the Council also received compensation from the Government. It has subsequently emerged that retail relief, worth over £2m to Sheffield businesses, has been cut.
 - **Public Health** - after 2017/18, the ring fence would disappear and it was also implied that councils would be expected to fully fund those responsibilities from 2020/21 at the latest.
 - **Education Services Grant** would be phased out for schools, which would have a knock-on impact for the Council. There was also a major reform planned to the **funding formula for schools** which Government would consult on early next year.

- **New Homes Bonus** in future years might be reduced from 6 to 4 years' worth of allocation.
- National rates of **inflation** impact on our finances – particularly on Business Rates. RPI was prudently assumed at 1% per annum in the MTFS, although both Treasury and OBR are forecasting RPI at 2% from 2016. An increase in RPI above our latest assumptions is a double-edged sword - it increases cost pressures, but it also increases Business Rates income. At the time of AS2015 we were also awaiting confirmation from Treasury/DCLG of a potential switch from RPI to CPI as the mechanism for multiplier increases. It was subsequently confirmed that RPI would be retained.

Local Government Finance Settlement

33. The Government announced details of the Provisional Local Government Finance Settlement for 2016/17 on 17 December 2015. Unlike the previous year, the 2016/17 Settlement included indicative figures for the four financial years to 2019/20 (the final year of the current Parliament).
34. Below is a summary of the key points identified within the Settlement which focus on the impact for the Council. These are provisional figures; the final settlement is expected in early to mid February 2016.
 - **Change in spending power** in 2016/17 for Sheffield is quoted as a **reduction of 4.3%**; this excludes the previously misleading figures for Better Care Fund and Public Health - nevertheless, Sheffield has fared worse than the national average of 2.8%.
 - **Revenue Support Grant (RSG)** for Sheffield will be reduced by around **£25m, or 22%**, in 2016/17. This is **£2m** worse than projected in the MTFS. However the scale of reduction to RSG in the following 3 years is less severe than projected in the MTFS. By 2019/20, RSG will have reduced to around **£37m** (compared to **£23m** in the MTFS).
 - The **referendum trigger for Council Tax** increases has been increased to **4%**, to accommodate authorities' newly introduced ability to raise a 'Social Care Precept' of up to 2%.

- The national business rates multiplier will increase by 0.8%, which means that the Council's £29m Business Rates Top-up Grant will increase by the same percentage. This is slightly less than the 1% projected in MTFs.
 - The usual level of detail on specific grants is missing, but there is some clarity on **New Homes Bonus** (circa £2m of additional funding in 2016/17) and the "**Improved Better Care Fund**" (first tranche in 2017/18: £2.2m).
35. The Finance Settlement includes the now customary "Settlement Funding Assessment" (SFA) which represents each local authority's share of the overall local government spending control total, i.e. the total amount the Government plans to spend in respect of local government.
36. The SFA comprises the following elements:
- The Business Rates Baseline funding: the Government's estimate of each local authority's 50% share of business rate income which is then adjusted via a system of top up grants or tariffs to arrive at a Business Rates Baseline Funding level for each local authority, and;
 - Revenue Support Grant which includes some of the funding allocations that have been specific grants in the past.

Settlement Funding Assessment for 2016/17

37. The Settlement includes a reduction in the SFA of approximately £24m in 2016/17 (see Table 1 below). Although the overall reduction in SFA is broadly as expected, there are variations within the components:
- The business rates baseline is £5.4m less than assumed in the MTFs. The Government's estimate of the business rates baseline is simply based on the baseline set at the inception of the national Business Rates Retention scheme in 2013/14, inflated by the multiplier increase each (which for 2016/17 is set at 0.8% in line with RPI), whereas the Council also took into account factors such as growth in the number of properties liable to business rates, reliefs and the cost of appeals.
 - The level of RSG in 2016/17 is £2m worse than assumed in the MTFs. Furthermore, the figure of £115.8m for RSG in 2015/16 does not include funding for implementation of the Care Act 2014 which was paid as a specific grant in 2015/16 (also known as Adult Social Care New Burdens) but will be rolled into RSG from 2016/17.

38. The comparison between 2015/16 and 2016/17 is set out below:

Table 1

	Actual 2015/16 £000	Provisional 2016/17 £000	Difference £000
Revenue Support Grant	115,837	90,592	(25,245)
Baseline Business Rates Funding			
Local Share of Business Rates	102,516	103,370	854
Top Up Grant	28,883	29,124	241
Total Settlement Funding Assessment	<u>247,236</u>	<u>223,086</u>	<u>(24,150)</u>

39. The amount that is allocated to each local authority as SFA has two component parts:

- A formula funding allocation that is based on complex formulae to reflect the relative needs and resources of local authorities. This formula involves data sets that include 2011 based population projections and council tax projections. A floor damping mechanism exists to limit the impact that movements in data and formulae have on individual authorities, and;
- Grants that were previously allocated as specific grants and which now have been “rolled up” into RSG and Business Rates Baseline funding. This mechanism was introduced in order to provide the facility for the Government to make the overall Spending Review reductions in local government funding.

Specific Grants

40. The overall impact of the Local Government Finance Settlement will include variations in the level of specific grants that will be allocated to the City Council. Although the majority of funding is now allocated through the Formula Funding process, there remain a number of specific grants from Government in support of service delivery costs. The table below shows the grants that the Council has taken into account when setting the 2016/17 revenue budget. The majority of these grants are already included in Portfolio/Service budgets and the proposals set out in the budget implementation plans.

Table 2

	Actual 2015/16 £000	Budget 2016/17 £000	Variance £000
Housing Benefit Admin Subsidy Grant	2,765	2,551	-214
Council Tax Support Admin Subsidy Grant	798	798	0
Council Tax Support New Burdens Funding	124	124	0
Local Services Support Grant	53	0	-53
NHS Funding	12,399	12,399	0
Public Health	30,748	30,748	0
Business Rates Top Up Grant	28,883	29,124	241
S31 Grant for Small Business Rate Relief	2,500	2,880	380
S31 Grant for Business Rate Cap 2014/15 & 2015/16	1,916	1,490	-426
S31 Grant for Business Rate Retail Relief	500	0	-500
S31 Grant for Business Rate Empty New Build Relief	100	0	-100
New Homes Bonus returned funding	429	0	-429
New Homes Bonus	7,309	9,323	2,014
Independent Living Fund	2,216	2,216	0
Adult Social Care New Burdens	2,644	0	-2,644
Total	93,384	91,653	-1,731

41. The overall net decrease in specific grants of £1.7m for 2016/17 reflects the following key changes:

- Adult Social Care New Burdens funding: the Government introduced £2.6m of new funding in 2015/16 for Sheffield to cover additional statutory responsibilities as a result of the Care Act. This grant has been cut completely and is notionally included in RSG from 2016/17.
- Compensation for business rates capping: the 2013 Autumn Statement capped the increase in the business rates multiplier (the rate in the £ that businesses pay) to 2% in 2014/15 and 2015/16. The business rates retention scheme that was established in April 2013 uplifts the Business Rates Baseline by RPI and this was therefore expected to increase by approximately 2.8% for 2014/15 and 2.3% for 2015/16. The Government will continue to compensate local authorities for this difference. However, as RPI has steadily fallen to 0.8% for the purposes of setting the 2016/17 multiplier, the compensation is expected to fall from £1.9m in 2015/16 to around £1.4m in 2016/17.
- Compensation for business rates reliefs: as compensation for business rates-related measures introduced and/or extended in the 2013 Autumn Statement, the Council budgeted to receive a number of grants including Small Business Rates Relief (£2.5m), Retail Relief (£500k) and Empty New

Build Relief (£100k) in 2015/16. From 2016/17, the Government will withdraw compensation for all of these reliefs with the exception of SBRR which has been extended by a further year.

- Better Care Fund: this is not shown in Table 2 because it is not currently paid as a specific grant. Contrary to what had been implied in the 2015/16 Settlement figures, the Council did not receive £37.8m from the Better Care Fund; this figure represented the total amount of the pooled budget shared with the NHS, and the actual amount which the Council will receive from the BCF is subject to ongoing discussions with the Clinical Commissioning Group.

Last year, numerous independent commentators stated that it was misleading on the part of the Government to quote the full amount for BCF in spending power figures because it masked the underlying reduction in RSG. CIPFA for example had been quoted as stating that the government's spending power presentation was "disingenuous" and massively underplayed the "true size and scope of the cuts", which it said amounted to more than three times the official government figure. The Government appears to have acknowledged this criticism as they have decided to exclude BCF from their core spending power figures which were published as part of the 2016/17 Provisional Settlement.

- Independent Living Fund (ILF): The ILF scheme closed on 30 June 2015, having previously been administered by Department for Work & Pensions (DWP) and which delivered financial support to disabled people so they can choose to live in their communities rather than in residential care. The responsibility for service users has been transferred to local authorities. No official confirmation of funding to support the transfer of responsibilities from DWP to local authorities was provided in the December 2015 Settlement.
- Public Health Grant: the Government announced in the July 2015 Budget that it planned to cut Public Health funding nationally by £200m in-year. This meant that, of the £30.7m of Public Health grant allocated to the Council in 2015/16, around £1.9m would be cut. Offsetting this, a further £3.5m has been allocated to the Council in 2015/16, along with a transfer of responsibilities from the NHS with effect from October 2015. These responsibilities include health visitor services for children aged 5 years and under. It has not yet been officially confirmed how much Public Health funding will be allocated to Sheffield in 2016/17, hence the figures in Table 2

above show a cash standstill position using the original 2015/16 allocation. These figures will be revised when the final settlement is published.

42. The position above does not include various education-related grants such as Education Services Grant (ESG) and Dedicated Schools Grant (DSG), the majority of which is “passported” to schools. The provisional DSG settlement amounts to £383m for Sheffield, of which it is currently estimated that £329m will be passported directly to schools. The remaining funding is used to provide early years activities and statutory educational services. The final settlement for DSG will be received in the spring. We do know that ESG will be cut by £500k, and this has been reflected in CYPF’s revenue spending plans and BIPs.
43. The New Homes Bonus (NHB) was introduced in 2011 as an incentive for local authorities to build new homes and bring back into use those which have been unoccupied for more than six months. The NHB allocation has increased from £7.3m in 2015/16 to £9.3m in 2016/17. This variation is not included in the assessment of the revenue budget position because it would not be prudent to use time-limited funds such as NHB to sustain long-term commitments. The Council has decided to use NHB to fund projects which help make sites available to developers to encourage new housing developments or bring long term empty properties back into use. NHB is therefore used mainly on capital projects but some projects are used to enhance services normally funded through the revenue budget. NHB-funded projects are approved on a case by case basis and for a specific time period.

Business Rates income

44. In April 2013 the Government introduced the Business Rates Retention scheme. As a result the Council collects all of the business rates in its area, but it is only allowed to keep a share (49%). The remaining portion is paid over to Government (50%) and South Yorkshire Fire Authority (1%). The Council therefore has an incentive to maximise this source of income in order to mitigate the impact of reductions in RSG. Government recently announced Business Rates will be retained locally in full in the course of the next parliament but implementation is not expected until 2019/20.
45. The amount of business rates an individual authority is capable of collecting differs significantly across the country depending on its location and certain characteristics. For example, relatively prosperous areas will expect to collect more business rates because their billing areas will include a large proportion of business premises with high rents and therefore high rateable values. In

contrast to this, authorities in regions of relatively high deprivation will expect to collect less in business rates because their billing areas are likely to comprise a large proportion of small business premises with low rents and therefore low rateable values which are subject to small business rate relief.

46. In order to counteract this national imbalance, the Government implements a system of top-ups and tariffs to re-distribute business rates across the country. Authorities with a relatively high level of business rates pay a tariff into a national pot which is then used to pay top-ups to those authorities with relatively low levels of business rates. The Government has set the level of tariffs and top-ups for a period of at least seven years with effect from April 2013, although top-ups and tariffs will increase by inflation over that period.
47. The Council is required to provide an estimate of how much business rate income it will collect and therefore how much it will rely upon in setting the budget for 2016/17. The basis for doing so is set out on a statutory return called an NNDR1 which the Council is required to submit to Government. This will involve the Council's own assumptions about growth (if any) in the amount to be collected, the losses on collection, the levels of refunds that may be given and the levels of outstanding appeals. All of these carry significant risk and will involve assumptions about performance in 2016/17 that will be based on experience of recent years and the use of the most up to date information available.
48. The first assumption which the Council needs to make is the number of business premises in Sheffield that are liable for business rates. Using 31st December 2015 as the starting point; on this basis, it is estimated that the number of business premises in Sheffield that are liable for business rates is 18,028 (18,161 as at 30th September 2014) with an aggregate rateable value of £534.899m (£533.965m as at 30 September 2014). This includes two parts of the city where special rules apply.

New Development Deal and Enterprise Zone

49. As shown in the table below, the parts of the city referred to as the New Development Deal and Enterprise Zone account for less than 2% of the aggregate rateable value of the city. However, both parts of the city are significant because any growth in business rates above the "baseline" established in 2013/14 can be retained in full locally, rather than half being repaid to Government. On the NNDR1, they are called "Designated Areas".

50. The New Development Deal, which is within the section of the city centre earmarked for the New Retail Quarter, is expected to see substantial long-term growth in business rates, which will be re-invested to improve the infrastructure of the city centre. Sheffield is one of only three authorities in England who have successfully applied for this status as part of the Government’s programme of city deals, the other two being Newcastle and Nottingham. In 2016/17, the amount payable over and above the baseline is estimated at £284k.
51. The Enterprise Zone is located at the Advanced Manufacturing Park off the Parkway. Businesses which choose to re-locate to enterprise zones can receive several financial incentives. The Government also allows the Council to passport all business rates over and above the 2013/14 baseline to the Local Enterprise Partnership (or in Sheffield’s case, the Combined Authority) which then decides how those receipts should be invested. In 2016/17, the amount payable to the Combined Authority over and above the baseline, and including the Government’s Enterprise Zone qualifying relief, is estimated at £968k.

Table 3

	£m	
New Development Deal	3.317	0.6%
Enterprise Zone	5.043	1.0%
Rest of Sheffield	526.539	98.4%
Total	534.899	100%

Calculating the Business Rates Estimate for 2016/17

52. Based on the 2016/17 rating multiplier (the “rate poundage”, which is set by Government) this produces a gross business rate estimated income (the “Gross Rate Yield”) of £260.4m (£259.9m in 2015/16). This is the most realistic estimate of the likely level of income before any further adjustments. However there are a number of deductions from this figure:
- Reliefs: there are a number of reliefs against business rates liability including small business rates relief, charitable relief, deductions for empty properties and partly occupied premises. It is estimated that the total value of these

reliefs and deductions will amount to approximately £37.1m (£38.2m in 2015/16).

- Losses and costs of collection: this includes an estimate of the bad and doubtful debts in 2016/17, the potential legal and other recovery costs. Using the assumptions set out in Government guidance about this, the estimated figure is £2.8m (£3.0m in 2015/16).
53. A further deduction is required relating to refunds of business rates due to successful appeals. Business ratepayers can seek an alteration to the rateable value of a property by appealing to the Valuation Office Agency (VOA).
54. Appeals are a notoriously difficult area to forecast. The provision for losses due to appeals that was carried forward at 31st March 2015 amounted to £13.7m and was based on information relating to the level of outstanding appeals, assumptions about the likely level of “success” for the claimant and potential further claims lodged. However, because of the large volume of appeals, decisions by the VOA can take several years.
55. As at 31st December 2015 more than 1600 unique properties were under appeal (many of them with multiple appeals). These include appeals relating to significant national issues (GP surgeries, ATM’s, Virgin Media) which could be very costly to the Collection Fund. Using the same methodology as above the provision needed to prudently cover all these outstanding appeals is now estimated at around £24.1m.
56. The forecast of refunds relating to appeals specific to 16/17 rates payable is again problematic. With a revaluation due in April 2017 this is the last year (of seven) of the 2010 rating list and so in theory the number of appeals should reduce as businesses await the re-valuation. The government has also capped the backdated element of future appeals to 1st April 2015 which may discourage appeals as the potential gains are reduced. However given the issues faced in 2015/16 an estimate of £3.4m (compared to £3.8m in 2015/16) has been included for 2016/17.

Overall Business Rates Estimate for 2016/17

57. Based on assumptions relating to reliefs and appeals, it is estimated that the total net business rates for Sheffield will amount to £217.2m in 2016/17 (£214.9m in 2015/16). However, this is then appropriated between Government and local authorities (the City Council and SY Fire Authority) on the 50:50 basis set out in the Business Rates Retention scheme (adjusted for designated

areas). Business Rate income is taken to the Council's Collection Fund where the appropriations are made. The estimated Collection Fund for 2016/17, insofar as it relates to business rates, is shown below.

Table 4

<u>Collection Fund - Business Rates Estimate for 2016/17</u>			
2015/16			2016/17
£'000			£'000
259,881	Gross Business Rates income yield		260,435
-38,208	LESS Estimated Reliefs		-37,070
-3,027	Losses in Collection		-2,787
-3,761	Losses on Appeals re Current Year Bills		-3,385
<u>214,885</u>	Net Estimated Business Rates		<u>217,193</u>

Appropriation of net business rates:

105,661	Sheffield City Council	106,282
2,136	SY Fire Authority	2,151
106,741	Government	107,508
347	Designated Areas	1,252
<u>214,885</u>		<u>217,193</u>

58. The estimated 49% of net business rates for Sheffield amounts to £106.3m (£105.7m for 2015/16). It is proposed that the Council budget for 2016/17 includes this figure as its share of business rates income.

Council Tax income

Council Tax base for 2016/17

59. It is proposed to set a Council Tax Requirement of £176.467m for 2016/17. The option provided by Government to charge a 2% Social Care Precept has also been taken up equating to £3.460m. This brings the total Council Tax Requirement to £179.928m and results in a Band D council tax of £1,360.48. This included a determination that the council tax base – the number of

properties on which a tax can be charged – would be 132,253.72 Band D equivalent properties. This represents an increase in the tax base of 1.55% compared to the previous year.

60. The phrase “Band D equivalent properties” is used throughout this report because Band D is used by the Government as the standard for comparing council tax levels between and across local authorities. This measure is not affected by the varying distribution of properties in bands that can be found across authorities. A definition of Council Tax can be found in **Appendix 10**.
61. A summary of the council tax levels by band can be found in Table 8 further on in the ‘Financing the 2016/17 Budget Requirement’ section of this report. Further details can also be found in **Appendix 6**.
62. The calculation of the tax base for 2016/17 has involved an assessment of the following:
 - There has been an increase in the number of domestic properties that are liable for council tax. An increase in house building has resulted in an additional 1,510 band D equivalent properties.
 - There has been a decrease in the expected CTSS caseload. This reduction amounts to 1,173 fewer band D equivalent properties claiming council tax support.
 - There is an increase of 661 in the number of band D equivalent properties that are entitled to discounts and exemptions. This is mostly due to additional student properties which are exempt from council tax.
 - The estimated collection for 2016/17: the practice has been to set a prudent in year collection rate as part of the tax base calculations although eventually the Council recovers up to 99% of council tax. As anticipated, the introduction of CTSS and other welfare reforms such as the ‘Spare Room Subsidy’ (the ‘Bedroom Tax’) has increased the level of financial hardship of many taxpayers resulting in late payments and non-payment of council tax. Therefore for tax base setting purposes for 2016/17, a prudent collection rate of 95.5% has been assumed (although we still intend to collect 99% over the long term), which is unchanged from 2015/16. The collection rate will continue to be closely monitored during the year as the ongoing impact of the CTSS and other welfare reforms continue to put pressure on taxpayers’ ability to meet their payments.

63. The Council Tax Base for 2016/17 has therefore been determined as 130,253.72 Band D equivalent properties, as shown in Table 5 below. This is an increase of 2,022.28 properties (or 1.6%) compared to 2015/16 and will result in an increase in council tax income of £9.5m assuming a 1.99% increase in Band D council tax and a 2% social care precept. Of the £9.5m increase, £2.6m is as a result of the net increase in Band D equivalent properties, £3.4m is due to the proposed 1.99% increase in Band D council tax and £3.5m is due to the social care precept.

<u>Table 5</u>	Band D equivalent number of properties
Council Tax Base of Band D equivalent properties for 15/16	130,231.44
Additional properties in 2016/17	1509.89
Reduction in properties entitled to CTSS	1173.65
Increase in number of properties entitled to discounts / exemptions	-661.26
Council Tax Base of Band D equivalent properties for 16/17	<u>132,253.72</u>

Council Tax referenda

64. The Localism Act 2011 introduced a requirement for a local authority to determine whether its council tax for a financial year is excessive. If the council tax were to be considered as excessive, a referendum is required in respect of that amount.
65. The principles on which a council tax is considered to be excessive are determined by the Secretary of State. This replaces the capping powers that were previously available to the Secretary of State.
66. The principles in previous years determined that the “basic amount of council tax” is excessive if the 2016/17 tax is 2%, or more than 2%, greater than the tax for 2015/16.
67. The Spending Review and Autumn Statement announced that authorities would be given an additional 2% flexibility on their current council tax referendum threshold, to be used entirely for adult social care taking the total referendum limit to 4%.

Business Planning for 2016/17

68. The Council's approach to managing its financial position in the medium term has been through the Business Planning process. This requires Services and Portfolios to develop business plans which show what activities will be provided in 2016/17 for a specified cash limited budget. The Business Planning process for 2016/17 began before the consideration of the MTFS report by Cabinet in October 2015.
69. The approach adopted to balancing the 2015/16 budget, namely to require Portfolios to find 15% reductions in their net expenditure, did not identify sufficient amounts to balance the budget, requiring a number of corporate items to be identified to bridge the gap (for example savings from the early payment of pension contributions, reduction in the ITA Levy and additional specific grant income). These difficulties reflected that 2015/16 was the fifth year of the Government's austerity agenda, and so ways of reducing net budgets across the board are becoming harder to find.
70. Consequently for 2016/17 onwards a change in approach was proposed. Portfolios are still required to absorb their pressures, so there are still a number of Portfolio-based savings schemes. However to achieve the corporate savings necessitated by the further reduction in RSG from Central Government (a 22% or £25m fall in 2016/17), officers have concentrated on a discrete number of key areas where they believe resources can be released.

Formulation of the budget for 2016/17

71. In formulating the budget for 2016/17 there are a number of adjustments that will need to be made to reflect variations in costs and resources, some of which are outside of the control of the Council and others reflect the continuation of current Council policy. The following section shows those items that have been included in the proposed budget, along with a summary table (Table 6) which demonstrates how the Council's revenue budget for 2016/17 has been balanced.

Funding from Government

72. The earlier part of the report provided details of the Local Government Finance Settlement for 2016/17. The Settlement resulted in a reduction in RSG of £25.2m for 2016/17. Further details of variations to specific grants are also provided earlier in this report; a summary of the main changes – amounting to a net decrease in specific grants of £1.1m – are as follows:

- Funding for implementation of the Care Act 2014 was paid as a specific grant in 2015/16 (also known as Adult Social Care New Burdens), but will be rolled up into RSG (£2.6m loss of income);
- £600k of grants awarded to the Council as compensation for business rates-related measures introduced and/or extended in the 2013 Autumn Statement, including Retail Relief (£500k) and Empty New Build Relief (£100k), will no longer be funded by Government from 2016/17;
- Reduction in Business Rates Inflation Cap Grant (£426k), offset by;
- Additional Small Business Rates Relief Grant (£380k).
- Additional Business Rates Top Up Grant (£241k).

73. The overall reduction in funding from Government is around £27m.

Business Rate income

74. As stated earlier in this report the position relating to business rate income carries significant risk. The City Council's share of estimated business rate income amounts to £106.6m, which is an increase of circa £0.9m compared to 2015/16. This is £3.2m above the assumed retained business rate figure that is determined by Government as part of the Business Rates Baseline (£103.4m).

Council Tax income

75. The determination of the council tax base has resulted in additional income of £9.6m as reported earlier. This assumes that the actual Band D equivalent tax will increase by 3.99% (1.99% City Council increase and 2% national arrangement for the social care precept) from April 2016.

Collection Fund surplus

76. The Collection Fund position has been determined at 15 January 2016, as required by statute. There is an estimated surplus for the City Council of £283k. For further details, please refer to the 'Financing the 2016/17 Budget' section of this report.

77. The 2015/16 revenue budget benefitted from a one-off payment of £3.3m from the Collection Fund based on the estimated surplus for 2014/15. This created a pressure on the 2016/17 budget because no similar surplus was available in 2016/17.

Additional Budget Provisions

78. There are a number of proposed additions to the budget for 2016/17:

- Portfolio pressures: Portfolios are faced with increased levels of demand for services and rising costs of service provision, particularly in the area of social care, all of which is exacerbated by onerous legislative changes to the Council's statutory responsibilities and by loss of funding. The total cost of Portfolio pressures amounts to around £24.6m. Details of the pressures are in **Appendix 1**.
- Employers' national insurance contributions: the introduction of the new state pension from April 2016 will mean the abolition of the "contracted out" rate of employers' contribution. On the basis of the existing payroll size, the Council faces additional costs of approximately £3m from April 2016.
- Pay strategy: the expected net cost of reinstating half-increments after taking account of 3 days' unpaid leave is around £1.9m greater than the 2015/16 budget.
- Streets Ahead: the Council investment in the Streets Ahead contract will result in the required amount increasing by approximately £1.6m per annum from April 2016, as planned. This includes the full debt charges associated with borrowing £135m to finance the acquisition of assets (a saving on the previous borrowing via PFI).
- Social Care contingency: as mentioned previously, the Council is faced with increased levels of demand for services and rising costs of service provision, particularly in the area of social care. These pressures are worsened by the risk of loss of specific grants. To mitigate these risks, the Council is proposing to add a further £1.6m to this contingency budget.

Reductions in budget provision and additional income

79. There are a number of reductions that the Council can make to its budget:

- Capital financing costs: the Council holds a revenue budget in order to meet the costs of borrowing undertaken to finance the capital programme. On the assumption that market conditions will remain favourable to the Council next year, i.e. interest rates and borrowing requirements will not exceed those stated in the Treasury Management Strategy in **Appendix 7**, it is proposed to reduce this budget by £5.2m.

- Better Care Fund: having drawn down funding from the Better Care Fund reserve in 2015/16 to smooth the transition to pooled budget arrangements with the CCG, a more sustainable funding strategy is being formulated which should result in £9.3m of recurrent funding and/or savings being found from 2016/17;
- Transport Levy savings: the Sheffield City Region Combined Authority Local Transport Body, previously the Integrated Transport Authority (ITA), has been looking at ways of reducing the transport levy in 2016/17. One option being implemented is that by reviewing the basis on which capital financing costs are charged to its main subsidiary the South Yorkshire Passenger Transport Executive (SYLTE), the levy could be reduced by 7.5% resulting in a saving to the Council of £1.9m. As part of the approach to balancing the budget for 2016/17, the Place Portfolio has also been working with SYLTE to look at operational efficiencies which could be included within that Portfolio's overall savings proposals.
- Capita contract: it was announced in Autumn 2014 that the negotiations between Council officers and Capita to identify the potential for further savings on the Capita contract were successfully concluded. This has resulted in savings of £1.6m in 2016/17.
- Infrastructure Investment (New Retail Quarter): proposals relating to the development of the new retail quarter were presented to Members in July 2014. These proposals involve land acquisitions funded by prudential borrowing which could have resulted in capital financing charges to the revenue account. However, it has been possible to capitalise the borrowing costs, thereby releasing all of the existing budget for such charges (£800k in 2015/16).

Contribution from Reserves in 2016/17

80. The budget proposals involve the use of reserves to meet expenditure in 2016/17, and/or smooth costs in future years, for various purposes which are explained further in **Appendix 4**. One of the main uses in 2016/17 is the proposal to re-finance the £25m+ annual payment to South Yorkshire Pensions Authority by gaining access to low interest rates in order to secure an early payment discount. It is proposed to pay one instalment of circa £80m in March 2017 which will cover the 3 years 2017-20.

Table 6

	£m	£m	£m
Reductions in funding from Government			
Reduction in Revenue Support Grant (RSG)		25.2	
Variations in Specific Grant	1.3		
Additional Small Business Rates Relief Grant	-0.4		
Reduction in Business Rates Inflation Cap Grant	0.4		
Additional Business Rates Top Up Grant	-0.2		
		<u>1.1</u>	
			26.3
Portfolio pressures			
Loss of funding		14.2	
Increasing demand on services		3.5	
Pay & price inflation		6.1	
Legislative changes		0.9	
		<u>24.6</u>	
			24.6
2016/17 budget gap before portfolio savings proposals			51.0
Portfolio savings proposals			-27.6
2016/17 budget gap after portfolio savings proposals			23.4
Increase in Business Rates multiplier			-1.0
Additional Council Tax income			
1.99% increase in council tax		-3.5	
2% Social Care Precept		-3.5	
Growth in tax base		-2.6	
		<u>-9.6</u>	
			-9.6
Collection Fund estimated surplus in 2015/16			-0.3
Removal of one-off items			
Collection Fund estimated surplus in 2014/15			3.3
Portfolio 2014/15 Carry Forwards			-1.9
Additional budget provisions			
Increments		1.9	
Employers NI		3.0	
Streets Ahead Contract		1.6	
Social Care Contingency		1.6	
		<u>8.1</u>	
			8.1
Budget reductions / additional income			
Capital financing costs		-5.2	
Better Care Fund		-9.3	
Transport Levy Savings		-1.9	
Capita contract		-1.6	
NRQ infrastructure investment		-0.8	
Other Contingency		-1.0	
Minor adjustments		-0.4	
		<u>-20.2</u>	
			-20.2
Movement in contributions to reserves			-1.8
2016/17 budget gap			0.0

Savings proposals for 2016/17

81. Discussions with Members have taken place since the consideration of the MTFs to produce a set of proposals that will achieve a balanced budget. The proposals set out in this report form the basis of a balanced budget and a recommendation to Council on 4 March 2016. The total amount of Portfolio savings are £27.6m. If any of these proposals were not to be approved by Council then alternative compensating savings would need to be identified and recommended to Council. Details of the Portfolio savings are in the Budget Implementation Plans (attached at **Appendix 2**).

Table 7

Portfolio	Savings Proposals 2016/17
	£'000
Communities	(10,230)
CYPF	(5,643)
Place	(9,543)
Resources & PPC	(2,191)
Total	(27,607)

Revenue Budget position for 2015/16

82. At its meeting in March 2015, the Council approved a Net Revenue Budget for 2015/16 of £424.060m. The Council increased Council Tax by 1.99% from the previous year – to £1,308.28 for a Band D equivalent property.
83. The level of spending against budget is subject to a rigorous monitoring and review process each month and results in a comprehensive budget monitoring report being submitted to Cabinet which shows the forecast outturn position. The budget monitoring position at month 9, covering the period to December 2015, shows a forecast overspend of £3.2m as per the table below.
84. In summary, the position as at Month 9 shows an unbalanced budget for 2015/16, however the savings proposals for 2016/17 address these areas of overspend to ensure there is no continuation of these pressures. In addition

work is ongoing to identify additional in-year savings to achieve a balanced position by year end.

Portfolio	Forecast Outturn £000s	FY Budget £000s	FY Variance £000s
CYPF	69,009	68,621	388
COMMUNITIES	157,710	156,254	1,456
PLACE	159,068	155,443	3,625
POLICY, PERFORMANCE & COMMUNICATION	2,878	2,592	286
RESOURCES	55,841	56,596	(755)
CORPORATE	(441,315)	(439,506)	(1,809)
GRAND TOTAL	3,191	0	3,191

Balances and Reserves

85. The Council budget has been prepared against a backdrop of uncertainty and potential risk. There is nothing new in this and, whilst some of these are risks which the authority has managed for many years, it is important that the Council has adequate financial reserves to meet any unforeseen expenditure. For an organisation of the size of Sheffield City Council relatively small movements in cost drivers can add significantly to overall expenditure.
86. The Director of Finance has reviewed the position relating to Reserves and has produced a Reserves Strategy which is attached at **Appendix 4**. This sets out the estimated requirement for Reserves and explains the purpose of each earmarked reserve.

Risk Management

87. Attached at **Appendix 5** are details of corporate risks which will need to be monitored closely throughout the year. The budget proposals identified in this report will be risk assessed and given a risk rating. The implementation of the budget proposals will then be closely monitored and reviewed based on the risk assessment and this will be reported as part of the budget monitoring process for 2016/17.

Levies

88. The Council currently has approximately £26m in its revenue budget for levies. This includes the following levies:
- Sheffield City Region (SCR) Combined Authority Local Transport Board (CALTB) levy; the SCR Combined Authority has approved its budget for

2016/17 on 1st February 2016. A transport levy reduction of £2.8m is expected for Sheffield. This reduction is included in the City Council budget proposals under the Place portfolio.

- Payments to the South Yorkshire Pensions Authority and to the Environment Agency amounted to £0.205m and £0.196m respectively in 2015/16. The figures for 2016/17 are £0.198m and £0.208m respectively.

Portfolio Revenue Spending Plans for 2016/17

89. A Budget Implementation Plan (BIP) has been completed for each of the five Portfolios and these plans, together with a detailed cash allocation for each Portfolio, are provided at **Appendix 2**. As in previous years, the BIPs will be subject to regular monitoring reports throughout the year, in accordance with the City Council's overall budget monitoring procedures.
90. Set out below is a high level summary of the Portfolio savings proposals. This section reflects the content of the Council website relating to budget proposals.

Our Priorities

91. Our budget for 2016/17 is driven by the five priorities of our corporate plan:
 - **An in-touch organisation:** This means listening; being connected and being responsive to a range of people and organisations; ideas and developments. This includes local people; communities and Government, as well as keeping pace with technology. This means understanding the increasingly diverse needs of individuals in Sheffield so the services we and our partners provide are designed to meet these needs. It also means understanding how to respond. This priority is also about empowering individuals to help themselves and providing opportunities to do this, so they and their communities are increasingly independent and resilient.
 - **Strong economy:** This means creating the conditions for local businesses to grow and making Sheffield an attractive location to start a business. We want Sheffield to achieve our economic potential and for the pace of Sheffield's economic growth to quicken, particularly in the private sector. This means being well-connected, both physically and digitally, building on our success as a city that supports businesses to grow and play a full, distinctive role in the global economy. We want local people to have the skills they need to get jobs

and benefit from economic growth; and to make the most of the distinctive things Sheffield has to offer, such as cultural and sporting facilities.

- **Thriving neighbourhoods and communities:** This means neighbourhoods where people are proud to live, with communities that support each other and get on well together. This includes good, affordable housing in places that are well-maintained and easy to get around. It means places with access to great, inclusive schools that also act as community amenities, together with libraries and it means places with access to high quality sport and leisure facilities, including green and open spaces. We want people living in Sheffield to feel safe and will continue to join with other agencies in the city to make it easier for local people and communities to get involved, so we can spot and tackle issues early. We will work with communities to support them and to celebrate the diversity of the city.
 - **Better health and wellbeing:** This means helping people to be healthy and well, by promoting and enabling good health whilst preventing and tackling ill-health, particularly for those who have a higher risk of experiencing poor health, illness or dying early. Health and wellbeing matters to everyone. We will provide early help and look to do this earlier in life to give every child the opportunity to have a great start in life. This is strengthened by our other priorities that make sure the city has facilities and amenities that help people to stay healthy and well, such as leisure and culture, as well as access to green and open spaces.
 - **Tackling inequalities:** This means making it easier for individuals to overcome obstacles and achieve their potential. We will invest in the most deprived communities; supporting individuals and communities to help themselves and each other, so the changes they make are resilient and long-lasting. We will work, with our partners, to enable fair treatment for individuals and groups, taking account of disadvantages and obstacles that people face.
92. Part of our response to the recommendations made by the Fairness Commission was to embed the fairness principles into our Corporate Plan. The Fairness Commission report available on the Council's website at www.sheffield.gov.uk/fairnesscommission and we have continued to use the Fairness Principles to influence the shape of the budget as a whole, ensuring the Council's budget is invested as fairly and equitably as possible. These principles are:

- Those in greatest need should take priority.
 - Those with the most resources should make the biggest contributions.
 - The commitment to fairness must be for the long-term.
 - The commitment to fairness must be across the whole city.
 - Preventing inequalities is better than trying to cure them.
 - To be seen to act in a fair way as well as acting fairly.
 - Civic responsibility - all residents to contribute to making the city fairer and for all citizens to have a say in how the city works.
 - An open continuous campaign for fairness in the city.
 - Fairness must be a matter of balance between different groups, communities and generations in the city.
 - The city's commitment to fairness must be both demonstrated and monitored in an annual report.
93. We need to find savings of around £52m to meet grant cuts and pressures in 2016/17 compared to 2015/16. The Council is structured with four large spending portfolios: Communities; Children, Young People and Families; Place; and Resources. Our approach to the budget has been to seek to identify budget savings from different portfolios while bearing in mind the Council's overall priorities and the fairness principles.
94. Our broad approach for each portfolio is set out below.

Communities

95. The Communities Portfolio provides services which aim to ensure, support and promote thriving communities. That people keep well and that when people do need either short term or long term support this is delivered in such a way to maintain and support independence.
96. The Portfolio provides services relating to Adult Social Care, Housing, Libraries and Community Safety. The majority of our budget in 2015/16 was allocated to Adult Social Care amounting to £131.1m. Housing Services not funded by the Housing Revenue account received £19m of investment in 2015/16, and

Community Services including Libraries received £6.1m. Public Health Funding amounted to £21.6m.

97. We work with Partners across a range of organisations to deliver our ambitions for the Portfolio. We will continue to work in close partnership with the Sheffield Clinical Commissioning Group (CCG), further developing the single budget that has been established to deliver health and social care in Sheffield under the Better Care Fund (BCF).
98. We will continue to work closely with the Police and Crime Commissioner (PCC) to ensure that we spend our budget relating to community safety in the best way. We will continue to work with the PCC to build on the co-ordinated and intelligence led approach to ensure our money is being spent where it can have the biggest possible impact.
99. As the demand for our services continue to rise and central government funding for local councils continues to reduce we will build on the existing transformational change delivered over the past three years. This will mean continuing change in how our statutory services are delivered and provided. There are other changes which will impact upon the Communities Portfolio, other than government grant reductions, such as changes to the minimum wage which will potentially impact on providers commissioned to deliver care services by the Council.
100. It is requested that authority is delegated to the Executive Director of Communities to approve any uplift in payments to providers in respect of care homes and domiciliary care providers. Any uplift is currently subject to negotiation with the Council's external providers and will be limited to agreed budgetary levels.
101. Central Government has given local authorities the power to raise additional Council Tax to pay for the increased costs of Adult Social Care. As part of the proposed budget it is the intention to raise Council Tax by the 2% allowed by Central Government to offset some of the increased costs of Adult Social Care.
102. As mentioned above, the Adult Social Care budget for 2015/16 is around £131.1m. It is proposed to increase this budget to £134.6m in 2016/17. This additional £3.5m of investment into Adult Social Care is funded by the social care precept.
103. The vision that underpins our continued service delivery is organised into three main elements:

Thriving Communities – We want our services to support communities to build strong links and to have places to come together. We want people to feel they are listened to and enable them to access support and gain benefit from community infrastructure, assets and actions.

People Keeping Well – We want our services to enable people to make informed choices to help them achieve their goals. We want people to be able to access appropriate support at the right time to maintain or regain their wellbeing. We will identify those at risk of declining well-being and help them to access services to ensure they are pro-actively supported. We want to work towards ensuring people live in accommodation which supports them to live well. We want to enable people to access good quality, innovatively delivered support which represents good value for money.

Active Joined up Support – We want to enable people accessing short or long term support to be in charge of their own lives. We want to enable our Staff and the people who contact us to have better conversations about the support they need to regain or maintain their independence, safety and well-being. We want to support people to define their well-being goals and capture them in a single plan. This plan will cover their whole lives and people will get joined up support to ensure the delivery and development of a single plan.

104. We are committed to ensuring that Sheffield people can stay healthy, stay out of hospital and live independently at home for as long as possible. The city has set out its priorities in this area in the Health and Wellbeing Strategy and this is reflected in our new Corporate Plan for 2015-18. We will therefore focus our remaining spending in this area on:

- Doing what we can to help people stay independent, safe and well
- Targeting our support on those that need it most, to reduce health inequalities
- Making sure services in this area are as efficient and effective as possible
- Working closely with health services so that people get co-ordinated help and support

105. We continue to work very closely with NHS Sheffield Clinical Commissioning Group (CCG) and have developed a single budget for health and social care under the Better Care Fund in 2015/16. This approach to a single budget will continue and be further developed in 2016/17 and beyond. The joint budget in 2015-16 of £270m went significantly beyond the statutory minimum requirement

of £42m. The Council element of this budget was £116m and has demonstrated a real commitment to the benefits of joint working. The exact composition of the Better Care fund in 2016-17 is still being finalised and will include further areas for joint working and collaboration. The Better Care Fund includes expenditure on four areas of People's need, focussing on those at risk of admission to hospital and those for whom there is the greatest opportunity to maintain their well-being:

- People keeping well in their local community - incorporating GP care planning, focussed on preventing avoidable crises (£6.9m Budget 2015/16).
- Independent living solutions - recognising the current joint commissioning arrangements for community equipment and the opportunities presented by the expiry of the current contract (£7.6m Budget 2015/16).
- Active Support and Recovery - to improve the range and efficiency of out of hospital step up and step down services, to reduce admissions to hospital and support re-ablement, reducing admissions to long term care (£1.8m Budget 2015/16).
- On-going care - integrating our assessment, placement, quality management and contracting processes to ensure a shared focus on achieving the most effective care for people, and avoiding the unproductive cost shift between health and social care that has often characterised approaches to achieving savings as single organisations (£88m Budget 2015/16).

106. The BCF joint arrangements came into effect from April 2015 and we continue to work closely with health colleagues in order to maximise the impact of spend in this area and eliminate duplication. The Better Care Fund as outlined above is one example of how we are working hard to make services more joined up and efficient.

107. The scale of the continued funding reductions means that we continue to have to make difficult decisions. In 2016-17 some of our main areas for reducing costs in the area of Adult Social Care are:

- Continuing to develop the supply and market for Learning Disability support. We expect to see further cost improvements of £1.6m across various parts of our LD service.

- Further reviews and reassessments in Learning Disabilities to ensure that clients are receiving the correct levels of support delivered in the most appropriate way to deliver £1m of savings.
- Improvements in targeting our discharge management services to release savings of £2.2m.

108. There have also been central government cuts to public health funding. This has led to savings to the value of £1.4m being proposed. There are a variety of proposed savings which include:

- Income generation and alternative funding - £250k
- Staffing efficiencies to be generated through new ways of working and re-organisation - £600k
- Contracts savings - £489k, relating mainly to the provision of drugs and alcohol services
- Other efficiencies – £20k

109. Changes to our library service to introduce a new structure and service were implemented from October 2014. This implementation included asking some community groups to take over the running of some libraries, whilst still having a core network of council run and staffed hub libraries. In order to maintain the viability of the non-council run libraries we will be supporting these groups to demonstrate the long term viability once allocated funding ceases after 3 years.

110. Sheffield is one of the safest cities in England and anti-social behaviour is much lower than in other similar cities. We want to keep Sheffield safe and make it even safer.

111. As a local authority, we spend a relatively small amount of money keeping Sheffield safe, compared with some other organisations in the city. Our direct spend in this area is less than 1% of our net revenue budget – just under £1 million - compared with South Yorkshire Police's spend of almost £250 million, which is spent on a wide range of activity across the whole of South Yorkshire.

112. The Council's budget in this area is spent on:

- A small number of Safer Neighbourhood Officers who work alongside the Police in specific areas of the city;

- Running Community Justice Panels, which bring victims and offenders together to resolve conflict and harm;
- A specific budget for small grants to various community-based organisations.

113. In addition to the above, we support specific groups of people - for example, we spend about £8.5 million supporting people who misuse illegal drugs and alcohol: we know that reducing the harmful impact that drugs and alcohol has on individuals' health has a positive impact on communities as a whole. We also use our enforcement powers, including those associated with requiring, issuing and removing licenses, to make sure that activities don't happen that have a negative effect on safety and security for local communities.

114. Over the next year, we need to continue the work already started to keep Sheffield safe and secure whilst maximising value for money, by reducing our spend accordingly. The level and speed of change we need to make isn't easy so we will make sure that we keep a close eye on how any changes we make affect different groups of people in the city.

115. We will continue to target how small grants are spent, based on what the street-level response and anti-social behaviour teams tell us. Part of our remaining budget is spent on a fund for supporting communities in crisis.

Children, Young People & Families

116. Our ambition is that all children, young people and families in Sheffield achieve their full potential in all aspects of their lives; that they have the best start in life, go to great schools, are safe and healthy, active, informed and engaged in society.

117. We will continue to work together with all of our partners and communities to ensure we raise expectations and attainment and enable our children, young people and adults to gain first class qualifications and skills, have enriching experiences and make a positive contribution to their local communities and our city.

118. We will continue to respond to increases in demand for services and in the range of our statutory duties and expectations of Inspectors (e.g. Ofsted). Our approach will be creative and transformative in the way we work and deliver services to ensure that outcomes for children, young people and families continue to improve.

119. In 2015/16 we are forecasting to spend in the region of £70m cash and £15m of Public Health grant on delivering services for our children, young people and their families. A further £428m of funding was allocated separately by government for schools.
120. We've made a lot of changes to how we commission, deliver and pay for services –increasingly working with all our partner organisations, including schools, and seeking alternative funding streams. We are committed to protecting as far as we can services to children, young people and families and this will always be a priority for us and is where we spend the majority of our revenue budget.
121. The strategies that underpin our ambition for successful children, young people and families are shaped in three main areas:
- **Keeping children, young people and families safe, healthy and strong and giving every child a great start in life.** Our services focus on safeguarding, learning difficulties/disabilities, early intervention and prevention and the city's health strategy for children and young people. We provide multi-agency support services for children with additional needs and for social care services for Children in Need (CIN), including those at risk of harm, in need of accommodation and those looked after. Our services promote the early identification of children in need and deliver high quality preventative and supportive services that enable children to achieve their potential, through good quality assessments that inform effective plans to address children's needs, including the need to be safeguarded, and improve their outcomes. We will ensure that services are put in place to support children living within their families wherever possible. Where children cannot remain in their families we will make timely decisions to ensure that they are secured in a permanent placement as soon as is possible. We will deliver, monitor and provide the highest quality care and placements for our looked after children.
 - **Developing skills for life and work and encouraging active, informed and engaged young people into further education, employment or training.** We target our resources in supporting those teenagers and young adults who are most at risk of not being in education, employment or training (NEET), we work to create the technical pathways that better connect education and employers and we are working with government to redesign the skills system so that it better meets the needs of the local economy. In this, we are leading the way nationally: we are delivering a City Deal that will

create 4,000 new apprentices and 2,000 better skilled employees in Sheffield and the city-region; and we are helping to redesign a devolved skills system that is better able to meet the training priorities of our residents and our businesses.

- **Supporting schools and children and young people's education; being the advocate and champion for Children, Young People and Families and improving the quality of learning outcomes and attainment for all.**

The quality of the school experience for children is fundamental to their later life chances. Children who experience high quality teaching and learning are much more likely to experience positive outcomes (sustained employment, good mental and physical health, avoidance of poverty and increased social mobility) in the short and long term. The Council does not run schools and has not for many years, however, it does have a vital role to play to ensure all our children and young people achieve their full potential. We do this by working in partnership with schools and other education providers (Learn Sheffield) on the key educational issues affecting the whole city such as school places or support for vulnerable learners, and by challenging schools and other education providers where their performance is not good enough and supporting them to improve.

122. We are seeing significant and growing demand and need in areas such as special educational needs, emotional health and wellbeing and poverty. These are set alongside changes in legislation and policy which impact on the way in which we operate and the expectations children, young people and families have of us. Most significant among these are the Children & Families Act 2014 (and the linked Care Act), National Minimum Wage; this represents an ongoing shift towards more autonomy for schools. These demands and changes in legislation mean a financial pressure of £5.6m across the Portfolio. Further pressure is recognised across education spending due to demographic growth and year on year flat cash settlements.
123. We plan to mitigate around £3m of these pressures within current budgets and resources e.g. re-profiling of grants and through re-negotiation of contract prices without generating any negative impacts for the customer and our employees.
124. We will also continue our work in the redesign of Youth Services and will jointly invest with CCG and other health colleagues in early intervention and prevention strategy to reduce cost within high end social care services (£1.2m).

125. We will seek to increase income from traded services and we will restructure services to enable reductions in management and running costs. For example, we will develop an offer between SEND and Children with Disabilities Team to provide integrated services for families (£1.4m).
126. We have also identified a programme of key initiatives to enable a sustainable strategic response to growing demand and need. These are:
- Delivering a step change in the consistency and quality of practice in support for children and young people with additional needs through an inclusive locality school based model of delivery, meaning more local control and influence over resources. We will establish an integrated locality model building on the current Early Help and Support Services (MAST) and a reorganisation of our Inclusion Service.
 - Transforming SEND provision in response to new legislation for closer integration of Education, Health and Care services.
 - We will continue to work in partnership with schools through Learn Sheffield (the newly established schools company), to give responsibility to schools wherever possible. We will work with others to increase the scope and potential of “school to school” improvement partnerships, so their knowledge and expertise can jointly lead the improvement needed. This means all our schools seeking improvement; so that outstanding schools truly excel alongside the best in the country and they also support other schools to improve.
 - A review and re-design of services to schools – we will review the services we currently provide, trade and commission to ensure alignment with the changing needs of the education sector whilst also ensuring best value for money.
 - A continuation of support to young people and adults into further education, employment or training, increasingly targeting resources to those who most need our help and support and where we can have the biggest impact, including vulnerable young people and adults facing the greatest barriers to work.
127. Our Public Health grant allocation will also be significantly reduced in 2016/17. We will work with the Sheffield Teaching Hospital NHS Foundation Trust to continue to integrate and redesign the delivery of Sexual Health Services. Following the transfer of responsibility to Local Government of Health Visitors,

we will work in partnership with Sheffield Children's NHS Foundation Trust to develop a 0-19 Health Child Programme Service by remodelling and integrating children and young people's health services. This redesign and changes to delivery methods will aim to release savings of around £1.3m over the next 3 years.

128. £126k will be delivered through a restructure of the CYP Public Health staffing function and £88k saved against Education Support Allowance Pathway programme.

Place

129. The Place portfolio works to strengthen Sheffield's economy even further - helping existing and new businesses to grow, and to provide more and better jobs.
130. This area also includes our commitment to environmental responsibility. This includes reducing the carbon footprint of our own buildings and vehicles; encouraging Sheffield's businesses to reduce their carbon emissions; and working with our partners to invest in sustainable and affordable energy, such as in our District Heating network.
131. We also want to continue to offer a vibrant mix of cultural and sporting facilities and events. This includes putting on events in the city centre, supporting cultural venues such as the Sheffield Theatres – the Crucible, Studio and the Lyceum; Sheffield Museums – Millennium Gallery, Weston Park Museum, the Graves Gallery; as well as major sporting and cultural facilities such as the Arena, Ponds Forge and the City Hall.
132. We want to create new and improve existing public spaces and buildings so that they are safe and welcoming for businesses and people to use, for example our improvements to the Moor pedestrian area and the new Moor Market. Much of our work in this area relies on large one-off project funding, and large scale projects, such as the Sheffield Retail Quarter, will continue to transform the city over the next few years.
133. Work will complete shortly in the West Bar area removing 500m of redundant highway and replacing it with a green environment. Plans are being developed for the regeneration of the Castlegate area too. Outside the city centre, the Council has played a major part in the redevelopment of the former Don Valley Stadium creating a setting for both public and private investment.

134. Our ambition around creating a competitive city with a strong economy and great assets and transport links will not change, but how we go about it will. In particular, we are going to have to pay for things in different ways and influence our partners, like us, to find new ways of preserving activity by working more efficiently.
135. We also want Sheffield to be a city that has successful places and sustainable communities with access to high quality housing, local services, shops, and jobs, as well as having excellent parks, streets and other physical infrastructure. Our ambition is that everyone in Sheffield should have a high quality of life, and that people feel proud of where they live.
136. It means making sure our neighbourhoods are safe and easy to move around through delivering our Streets Ahead scheme to improve our roads and pavements and keep them in good condition. We also want people to be able to choose how they travel about the city whether by bus, tram, cycling or walking.
137. We need to maintain our parks, sports and leisure facilities to encourage people to use and enjoy them, and keep the streets clean by collecting and processing the city's waste and recycling. As well as making Sheffield a better place to live in, all of these help to promote the health of the people of Sheffield as part of our new responsibilities for Public Health. We also want communities to be better able to help themselves and for people to have a say over what happens in their local area.
138. As a local authority, we also provide a number of other services that are legally required. These include planning, pest control, trading standards and health protection services as well as the coroner and bereavement services for the city.
139. We will spend around £129 million this year on all these things.
140. Next year, we need to reduce our portfolio budget by a further £10 million to meet the reduced central government funding and pressures. Not only do we need to reduce how much we spend; we need to do it quickly. The level and pace of change we need to make isn't easy so we will make sure that we keep a close eye on how any changes we make affects different groups of people in the city.
141. A key part of this strategy is working with our long term contract partners to **reduce the cost of delivering the Streets Ahead programme** to renew and

maintain roads, pavements and street lighting by around £0.9m, and save a further £0.6m by obtaining an alternative form of financing..

142. As part of an agreed plan being led by the South Yorkshire Passenger Transport Executive, we aim to reduce our spending across this area by around £0.9m next year.
143. We will reduce our spend on **cultural and sports facilities** in the City by around £0.6m, as part of a 3 year funding agreement with the Sheffield City Trust and other new management arrangements introduced.
144. Along with these changes, we are also proposing that we increase charges for some of the services we have to provide including **pest control, allotments and bereavement services**. There will be a small increase in parking charges in the Peripheral Parking Zones outside the city centre and the additional income will be reinvested in the Transport Budget. Those charges that do increase will be benchmarked against market rates.
145. Approximately one-third of the savings will come from having less staff. Some of these savings are to be realised through deleting vacancies we have held open over the last twelve months by doing things differently.

Resources

146. We have a number of corporate services which support Sheffield residents in their day to day lives. These include the Council's Customer Service Function and our service for assessing and paying benefits and collecting council tax and business rates.
147. Additionally, the Council is like any large organisation and we rely on effective support to run our business and the services we provide to Sheffield people. This support includes:
 - helping our teams to manage their budgets and staff
 - providing and maintaining our technology
 - helping our teams with legal advice
 - making sure we get the best value for money when we buy goods and services

- helping us as a whole Council to manage our performance, finance staff, contracts and our plans for the future
148. Sheffield City Council is also a democratically elected organisation. This means we have specific additional responsibilities associated with running elections and ensuring that the public can engage with the council and have their say on important decisions, and supporting Councillors who make these decisions on behalf of the people of Sheffield.
149. In addition, Services require the necessary 'infrastructure', which includes providing council buildings, transport services and information technology systems.
150. We have already made substantial savings in these areas. We are reducing the number of offices we occupy: consolidating 27 locations into three city centre sites, thereby avoiding expenditure of £34 million over 10 years.
151. Since 2010/11 we have reduced our annual spend on central costs by nearly 30% and some central services have experienced reductions of over 50%. These reductions equate to an annual saving of over £14m. By reducing the cost of our corporate services we have been able to protect frontline services. .
152. For 2016/17 further reviews and rationalisation of accommodation, contracts, systems and processes have identified nearly £1m saving per annum.
153. Many corporate services have small core budgets and are increasingly reliant on trading income (some are fully traded, so receive no budget allocation) – this trading income is effectively subsidising the strategic functions that would need to exist irrespective of general services to Council departments, such as Legal and Governance. It would therefore be high risk to reduce such service budgets much further.

Public Health

154. As a consequence of the Health and Social Care Act 2012, substantial public health responsibilities were transferred to local authorities on 1 April 2013.
155. The budget in this area is around £30 million, which is spent on a wide range of programmes and services such as:
- addressing the root causes of ill health by supporting community groups that help people improve their health and wellbeing

- working to improve the quality of housing
 - promoting healthier lifestyles through encouraging physical activity, and
 - commissioning services such as school nursing, sexual health services, and treatment for people with drug and alcohol problems.
156. Local authorities were given a ring-fenced Public Health grant, which took into account estimates of baseline spending, including from PCT recurrent resources and non-recurrent resources, such as the pooled treatment budget and drugs intervention programme, and a fair shares formula based on the recommendations of the Advisory Committee for Resource Allocation. The grant allocation for Sheffield was £29.665m in 2013/14, rising to £30.748m in 2014/15. As per the Local Government Finance Settlement announced on 18 December 2014, the allocation was frozen at £30.748m for 2015/16.
157. During 2015/16 the DoH announced that they were reducing the Public Health Grant by £200m nationwide. The amount that was to be taken from Sheffield was only decided in late November and this amounted to a £2.134m reduction in year. This in year reduction has been found.
158. The budget for 2016/17 has not yet been announced however, it was known that the £200m cut was recurrent and an additional 2.2% reduction was to be applied to the allocation for Sheffield. In addition as identified in the budget paper for 2015/16 a reduction £2.5m was anticipated. In the event only £2.045m was found, with a shortfall of £455k to be resolved. Taken together, this amounts to about £3.2m.
159. The saving target of £3.2m has been identified from all the activities undertaken with the Public Health Grant. Further details of the individual saving proposals can be found in the Portfolio Budget Implementation Plans (BIPs).

Financing the 2016/17 Budget Requirement

160. The earlier part of this report is concerned with the formulation of the revenue budget and the issues which need to be considered in arriving at a total budget for 2016/17. This section of the report sets out the overall summary position and the statutory determinations relating to total net expenditure and its financing. In accordance with the Local Government Finance Act 1992 (as amended by the Localism Act 2011) the Council is required to make a number of determinations. These will be set out in **Appendix 6** and will include:

- a Budget Requirement (a “section 32 calculation”)
- a Council Tax Requirement (a section 31A(4) calculation)
- a basic amount of tax (Band D equivalent)

161. The Budget Requirement will be financed by a combination of Revenue Support Grant, Business Rate income, Top Up Grant and Council Tax income.

Council Tax

162. After taking account of the Revenue Support Grant, Business Rate income and Top Up Grant for 2016/17, the total amount to be raised from council tax amounts to £179.928m: this is the Council’s Council Tax Requirement.

Collection Fund

163. The City Council is required to estimate, for Council Tax setting purposes, the projected year-end balance on the Collection Fund. This estimate must take account of payments received to date, the likely level of arrears and provision for bad debts etc, based on information available by 15 January. Taking these factors into account, the projection on 15 January was that the Collection Fund is in surplus with a distribution to the City Council of £283k.

Council Tax Base

164. On 15 January, the Director of Finance, under delegated authority, approved the calculation of the Council Tax Base for the 2016/17 financial year. The amount of the Tax Base is 132,253.72 Band D equivalent properties.

Budget Requirement for 2016/17

165. If the Council votes in favour of increasing the Council Tax by 3.99% (1.99% City Council increase and 2% national arrangement for the social care precept), this will mean the Budget Requirement for 2016/17 will be £406.492m, as shown in the table overleaf.

	2015/16 £'000	2016/17 £'000
Service Expenditure	424,060	406,492
Total Expenditure	424,060	406,492
Financed by:		
Revenue Support Grant	115,837	90,592
Business Rates	105,661	106,565
Top Up Grant	28,883	29,124
Council Tax	170,379	179,928
Collection Fund Surplus	3,300	283
Budget Requirement	424,060	406,492
	£	£
Band D Council Tax (City Council)	1,308.28	1,360.48

Council Tax Levels

166. Details of the indicative level of Council Tax for Bands A to H are set out below with further details in **Appendix 6**.

Table 8

Band	Multiplier	Value (up to) in 1991	Chargeable Properties %	Tax £
A	6/9	£40,000	58.5	906.99
B	7/9	£52,000	15.9	1,058.15
C	8/9	£68,000	12.6	1,209.32
D	9/9	£88,000	6.4	1,360.48
E	11/9	£120,000	3.7	1,662.81
F	13/9	£160,000	1.7	1,965.14
G	15/9	£320,000	1.1	2,267.47
H	18/9	over £320,000	0.1	2,720.96
			100.0	

Precepts

South Yorkshire Police and Fire & Civil Defence Authorities

167. The budget proposals of the South Yorkshire Police & Crime Commissioner (PCC) and of South Yorkshire Fire & Rescue Authority are to be finalised during February. Details of the approved precepts will be submitted to Council on 4th March 2016.

Parish and Town Councils

168. The overall level of Council Tax needs to include the precepts of Parish and Town Councils that lie within the City's boundaries. The levels of precepts for Parish Councils is set out in the table below:

	Council Tax Income	Grant from Council	Total Precept on Collection Fund
	£	£	£
Bradfield Parish Council	223,611	10,005	233,616
Ecclesfield Parish Council	141,242	10,041	151,283
Stocksbridge Parish Council	111,299	7,224	118,523

169. In 2013/14 the Council received a specific grant of £82k for the purposes of compensating Parish Councils for the loss of council tax income as a result of the introduction of the Council Tax Support Scheme (CTSS). From 2014/15 this specific grant was no longer provided by Government. Nevertheless, in March 2014, the Council voted in favour of still compensating Parish Councils in full for the loss of council tax income as a result of CTSS, which was £47k in 2014/15. This was despite the fact that the Council had to absorb RSG reductions in excess of 20% over the period 2014-15.
170. After considering a number of options, Full Council agreed in March 2015 to reduce the Subsidy provided to Parishes in line with the anticipated RSG cuts. The grant was cut 28% in 2015/16 and the remaining Subsidy is to be cut by 20% per year until the end of 2020/21.
171. The Council is therefore proposing to reduce the CTS subsidy to Parish Councils by 20% in 2016/17, to a total of £27k as shown in the table above. The total reduction is thus £7k

Legal Advice

Responsibility of the Chief Financial Officer

172. Under Part 2 of the Local Government Act 2003, the Chief Finance Officer of an authority is required to report on the following matters:
- the robustness of the estimates made for the purposes of determining its budget requirement for the forthcoming year; and
 - the adequacy of the proposed financial reserves
173. There is a requirement for the authority to have regard to the report of the Chief Finance Officer when making decisions on its budget requirement and level of financial reserves. Details of Reserves are set out in a separate Appendix. The view of the Director of Finance is that Reserves are low (compared to benchmarks) but are not inadequate.
174. In addition, under the Prudential Code framework the Chief Finance Officer of an authority is required to prepare and report upon a series of Prudential and Affordability indicators. These are set out in **Appendix 7**.
175. The Local Government Finance Acts of 1988 and 1992 specify that the City Council determines its Revenue Budget before 11 March each year. The City Council is also required by Section 30 of the Local Government Finance Act 1992 to set its Council Tax after having determined its Revenue Budget requirement in accordance with the provisions of section 32 to 36 of the Act. Details of how the Council Tax has been calculated are included as part of the Council Tax resolution in this report at **Appendix 6**, which is set out as required by legislation.
176. The Chancellor in his 2015 Autumn Spending Review announced that local authorities with responsibility for adult social care, which includes the Council, would be given an additional 2% flexibility on their current tax referendum threshold to be used entirely for adult social care. Following the House of Commons approval of the Local Government Finance Report the Secretary of State has issued a notice under Section 52ZY of the Local Government Finance Act 1992 which requires the Section 151 Officer to provide information demonstrating that an amount equivalent to the additional council tax has been allocated to adult social care within seven days of the Council's budget being set.

177. In determining its budget as in all other matters, an authority should have due regard towards the interest of Council Tax payers and Members must, in arriving at a balanced decision based on the evidence, take into account all relevant information placed before them and ignore irrelevant matters.
178. The proposed budget has been prepared in the context of the requirement for the Council to make significant savings in its overall expenditure. The implementation of some of the proposals in the budget will require Executive decisions. These will be made in accordance with the Leader's Scheme of Executive Delegations, and any further delegations (e.g. from Cabinet) made in accordance with the Leader's Scheme. It is important to note that in making these decisions there will have to be full consideration of all the relevant issues such as the Council's legal duties and contractual obligations (including but not limited to its Equality duties and consideration of any impact on Human Rights).
179. In relation to equalities the Council has a duty to have regard to the need to eliminate discrimination and advance equality of opportunity between all, irrespective of whether they fall into a protected category such as race, gender, religion etc. Determining the final set of proposals for consideration, Officers and Cabinet Members have had regard to how the equality impact assessments will be prepared for specific proposals as identified by each Portfolio prior to decisions being made. The Council needs to be satisfied that it can continue to meet its statutory duties and meet the needs of vulnerable young people and adults. Proposals have been drawn up on the basis that Strategic Directors are satisfied that this will enable them to continue to meet their statutory duties and the needs of the most vulnerable. In some cases further consultation may be required.
180. If the outcome of such further considerations were to present difficulties in adhering to the agreed Council budget, officers would bring further proposals to members as appropriate.

Housing Revenue Account (HRA) Budget

181. This Report concerns the position of the Revenue Account of the Council, i.e. the income and expenditure for the bulk of Council services other than those that are accounted for separately as part of the Housing Revenue Account. A separate report on the HRA budget was considered by Cabinet on 13 January 2016.

The Outlook for 2017/18

182. As mentioned earlier in this report, the Provisional Local Government Finance Settlement for 2016/17 also included indicative figures for the four financial years to 2019/20 (the final year of the current Parliament).
183. The indicative figures show that RSG is projected to reduce by around 68% cumulatively over the next four years (compared to 80% as assumed in the Council's MTFS published in October 2015). Whilst there was missing information about certain specific grants such as Public Health, the Settlement did include limited details of new sources of income such as the BCF grant and the social care precept.
184. As a result of this new information and to enable the Council to begin the business planning process for 2017/18, officers have started work on preparing a revised Medium Term Financial Strategy for 2017-22.

Treasury Management Strategy

185. As part of its budget decision the Council is required to approve a Treasury Management Strategy for 2016/17. Treasury Management relates to the management of the Council's investments, borrowings, and banking operations.
186. The Council's Treasury Management activities are required to comply with the CIPFA Code of Practice on Treasury Management which sets out the controls over the risks associated with those activities and looks to achieve optimum performance consistent with those risks.
187. A separate CIPFA code, the Prudential Code for Capital Finance, requires the Council to set a range of Prudential Indicators as part of the budget process to ensure that capital spending plans are affordable, prudent and sustainable. The Local Government Act 2003 requires the Council to have regard to the Prudential Code and to set Prudential Indicators for the next three financial years.
188. The Sheffield City Council Treasury Management Strategy for 2016/17, including the proposed Annual Investment Strategy, Prudential Indicators, and the Minimum Revenue Provision Policy, is set out in **Appendix 7**. The responsibility for day to day management of the Council's treasury management activities rests with the Director of Finance and it is recommended that authority

for undertaking treasury management activity and relevant reporting be delegated to the Director of Finance.

Financial Implications

189. The financial implications of the recommendations in this report (below) are set out in the preceding sections of the report.

Workforce Impact

190. There are a number of potential workforce impacts as a result of the recommended actions in the report.
191. The potential workforce impact arising from the recommended savings proposals to set the 2016/17 budget equates to a reduction of approximately 248 full time equivalent (FTE) posts although the reduction once vacant posts are taken into account falls to 222 posts. The Budget Implementation Plans (BIPs) attached at **Appendix 2** contain details of these reductions. This will be managed in the first instance through deleting vacant posts, voluntary early retirement (VER) and voluntary severance (VS) schemes where appropriate and then through the Council's Managing Employee Reductions (MER) procedure to achieve the balance of reductions and re-design services.
192. VER/VS activity and the outcomes of MER processes have been the subject of Equality Impact Assessments (EIAs) as described in the Equality Impact section of this report, and they will continue to be monitored on an ongoing basis to ensure there is no disproportionate impact on any group within the workforce.
193. Consultation is taking place with the trade unions at a corporate and portfolio level to identify opportunities to mitigate redundancies.
194. The Council is required to submit an HR1 form each year to let the Government know of any potential Council redundancies. This form includes an estimate of how many potential redundancies we think we may have to make in the year ahead. As mentioned later in this report, an estimate of up to 400 redundancies has been made for the purposes of the 2016/17 form. This estimate is higher than the figure of 248 FTE mentioned above because of the restructure of the Housing Service; this service is funded by the Housing Revenue Account, and is therefore covered separately in the 2016/17 HRA Business Plan approved by Cabinet in January 2016.

Pay Policy

195. In accordance with the Localism Act the Council is required to publish a Pay Policy for 2016/17. Details of this can be found in **Appendix 8**.

Members' Allowances

196. Prior to 1 April each year, the Council has to agree a Members' Allowances Scheme for the forthcoming financial year. At least every four years, or whenever the Council wishes to amend its Scheme, its Independent Remuneration Panel has to consider the Scheme (and any changes being proposed by the Council) and make recommendations to the Council.
197. The Independent Remuneration Panel reviewed the whole of the Scheme in March 2013 and the Council, at its annual meeting on 15 May 2013, having regard to the recommendations contained in the Panel's report, made substantial revisions to its 2013/14 Scheme. The revisions that were made to the structure of the Scheme, when allied to fewer appointments of Members to positions of Special Responsibility in 2013/14, resulted in financial savings being achieved of approximately £96k over a full year.
198. The 2013/14 Scheme was also implemented for 2014/15 and then again for 2015/16 (with a minor change to include an additional approved duty regarding attendance at meetings of Local Area Housing Forums).
199. Following approval of the 2014/15 Scheme, regulatory changes were introduced relating to a phased removal of Members' entitlement to participation in the Local Government Pension Scheme, meaning that savings have resulted in the 2014/15 and 2015/16 financial years, and will do so again in the 2016/17 financial year, on the amount of superannuation contributions that the Council makes. A savings proposal from the Members' Allowances budget in 2016/17 of £28K has been put forward relating to these superannuation savings.
200. As regards the Scheme for 2016/17, officers have not identified any forthcoming changes in the structure or operation of the Council's decision-making arrangements which would require consideration by the Independent Remuneration Panel due to their impact on the structure of the Scheme, and, accordingly, it is recommended that the 2015/16 Scheme be rolled forward unchanged for 2016/17. The Council will be required to reconvene the Independent Remuneration Panel in Autumn/Winter 2016 to undertake a review

of the Scheme to ensure the requirement for the Scheme to be reviewed at least every four years is met.

201. The Council is therefore recommended to agree that the Members' Allowances Scheme for 2013/14 and onwards, approved on 15 May 2013, and implemented for 2014/15 and for 2015/16, be also implemented for 2016/17.
202. The Scheme contains provision for the allowances to be adjusted on an annual basis in line with an agreed index. The index that has been used for many years for applying to the allowances is the average percentage officer pay award in Sheffield, although the Council has agreed not to apply an annual increase each year from 2010/11, including in the last three years when Council employees received a pay rise.
203. Provision of 1% has been built into the Council's revenue budget for 2016/17 towards the costs of the pay award to Council officers in that year. There is provision within the Members' Allowances budget proposed for 2016/17 to accommodate a 1% uplift on the Basic, Special Responsibility (including the Pensions Authority), Childcare and Dependent Carers' and Co-optees allowances, which would cost approximately £14k with on-costs. However, the Administration will be recommending to the Council that, for the 6th consecutive year, it agrees not to apply an annual increase to the allowances in 2016/17. The use of the £14k elsewhere in the Council's Revenue Budget for 2016/17 has already been assumed.

Equality Impact

204. Under the Equality Act 2010, as a Council we have a statutory Public Sector Equality Duty to pay due regard to:
 - Eliminating discrimination, harassment and victimisation
 - Advancing equality of opportunity
 - Fostering good relations
205. This is with regard to people who share Protected Characteristics under the Act and those who don't. This means we need to understand the effect of our policies and practices on equality which will involve looking at evidence, engaging with people, staff, service users and others and considering the effect of what we do on the whole community. One of the ways in which we do this as a Council is through conducting Equality Impact Assessments (EIAs).

206. We have undertaken both a corporate EIA on the budget as a whole, as well as individual EIAs on the various proposals that are being recommended as part of the budget. A list of these is available on the Council's website for anyone to request at 'Equality Impact Assessments'.
207. The Council wide EIA and the individual service EIAs on budget proposals that underpin it are focussed on the impact on the protected characteristics set out in the Equality Act 2010. These include age, disability, race, sex, sexual orientation, religion/belief, gender reassignment, and pregnancy & maternity. In Sheffield, we have also decided to assess the impact on other areas such as the voluntary and community sector, poverty, health and wellbeing, carers and cohesion.
208. Decisions will affect different people in different ways. It is possible that the decisions will have a disproportionate impact on some groups in comparison to others, even if this is not the intention. We use the impact assessments to help us identify and avoid any negative unintended consequences of the proposals developed. These could, for example, be disproportionate impacts on different geographic locations, different communities such as disabled people, lone parents, younger or older people or BME communities, as well as the cumulative effect of any decisions made.
209. All budget proposals have undergone an initial impact analysis which was started early in the process to decide whether there was likely to be disproportionate negative impact on different groups of people. Where this was identified as disproportionate (having a medium or high impact) full EIAs were carried out. The impact analysis shapes proposals which do not make it forward into the budget as well as those that do.
210. Inevitably when funding is reducing year on year at the scale and pace that we are experiencing, there will be an impact on the front-line services we deliver and on some of the work we do with groups who share a protected equality characteristic. We have tried to minimise the impact on the most vulnerable and these groups as far as possible, however we have to make some really tough choices.
211. This year the savings we are required to make amount to £50 million, which is on top of the £303 million of savings already made over the past 5 years and this means we are less able to protect frontline services than before.
212. This is particularly relevant in the Communities Portfolio; Adult Social Care was substantially protected in the first 3 years of cuts by having to make fewer

savings than other areas. This means making significant reductions in spending over a short period of time and at a time of increasing demand. Therefore Adult Social Care overall, including learning disability services, will be a challenging area for some time and we will have to make changes to the way we do things to ensure that services are as effective and efficient as they can be. However protecting those in greatest need still remains one of our top priorities this year and is reflected in our budget consultation.

213. These substantial reductions in funding mean that progress on work on equality and fairness is much more focused on ensuring we do not slide backwards and lose ground in existing areas of inequality and ensure we are doing things fairly, which is not necessarily about meeting new demands. To better enable us to do this, we have focused on ensuring proposals are in line with Fairness Commission Principles and our new Tackling Poverty Strategy 2015.
214. Also national policies such as welfare reform are adding to the financial pressures facing some communities and are widening existing inequalities. Overall last year we estimated that over £169m has been taken from the local economy as a result of these welfare reform changes. This equates to £460 per year per every working adult in the city, although this reduction is not spread evenly. These changes are likely to impact on specific groups who already experience inequality such as people on a low income, disabled people, women and young people. For example households with dependent children across the city will experience an average loss of £1,690 per year. This increases for lone parents to an average of just over £2,000 per year.

Consultation

215. As part of the development of options for the 2016/17 budget, the Council ran a budget conversation between November and January that included a range of consultation activity with local people and partner organisations. This has helped us to ensure that the proposals that we are putting forward have been shaped by people who may be affected by decisions taken as part of the budget, and to ensure that they have had an opportunity to put forward other ideas for consideration.
216. In line with our values as an organisation, we have used consultation to inform people about our proposals, provide the opportunity to give feedback, make suggestions and let people know how their feedback has helped to influence our thinking. In this way we have attempted to ensure that our consultation activity is meaningful and appropriate at all times. Our budget consultation activity has had two main strands this year:

- Two large corporate budget conversation events in the Town Hall, supplemented by additional activity, including a survey
- Consultation on particular topics and specific proposals, including meetings with the Voluntary, Community and Faith sectors and Business representatives, that includes informing longer term thinking and Equality Impact Assessments

217. More information about our approach to consulting on the budget proposals can be found in the consultation section of this Revenue Budget Report and in individual service EIAs. The full results of our consultation can be found on the website. <https://www.sheffield.gov.uk/your-city-council/finance/council-budget.html>

The results of consultation activity have been discussed with Members in developing our proposals and in advance of any decision being taken at Cabinet or Full Council, including briefing all relevant Cabinet Members on impact assessments related to proposals in their area of responsibility.

Assessment of Impact

218. Our response to this funding challenge has been firstly to find more efficient ways of delivering our services including through contract renegotiation and working jointly with partners such as the Clinical Commissioning Group. However, the continuing size of the financial challenge means that efficiency savings alone will not enable us to balance our budgets and so we will be continuing to reduce the Council's investment in services next year and in future years.

219. Many of these reductions or changes in provision are in progress or will occur during the next year and we are monitoring the impacts on individuals and groups to ensure that any potential negative impact is reduced as far as possible. Our EIAs are 'live' documents and will be subject to change, as proposals or evidence of impact changes.

What do we already know?

220. As well as consultation evidence, we have used monitoring information we already hold in services to help us identify possible impacts and to help shape and inform the EIA process. To help us identify possible impacts requires an understanding of how the city is made up and the issues people face.

221. The [2011 Census](#), [Sheffield Facts and Figures](#), and [State of Sheffield](#) show:

- Sheffield's population has grown above the national average and the City Region, rising from 513,000 in 2001 to 552,698 at the time of the 2011 census. This is currently projected to increase to around 600,000 by 2020.
- Sheffield is a diverse city and the ethnic profile continues to change, with the proportion of residents classifying themselves as non-white British growing from 11% in 2001 to 19% in 2011. BME adults make up 16% of the population and BME children 29%. The Pakistani community is the largest non-white ethnic group. Sheffield's BME population is increasingly dispersed across the city, although there remain geographical areas with high proportions of BME people which tend to correlate with areas of deprivation.
- Sheffield has a higher proportion of its population aged 65 years or over (16.7 % or 85,700 people) than the other English Core Cities. This is projected to increase to 20.4% by 2034, with the largest increase in the number of people aged over 85.
- The age group that has increased the most from 2001 to 2011 is 16 – 24; we now have 16.7% of our population in this group and a further 18.2% under 16. Factors most influencing changing city profile being increasing university students and inward migration of households with young families.
- Sheffield has a geographical pattern of communities that experience differing levels of deprivation and affluence. Generally, the most deprived communities are concentrated in the north and east of the city whilst the most affluent are located in the south and west.
- Rates of unemployment are highest among those with no or few qualifications and skills, those with caring responsibilities, lone parents, those from some ethnic minority groups, older workers and, in particular, young people.
- Residents' incomes are around 10-15% lower than the national average. In addition Sheffield is ranked 6th out of 326 against other Local Authorities for low income.
- Life Expectancy in the city is 78.4 years for men and 82.1 years for women and there are greater numbers of women than men in the city, due to higher life expectancy for women.
- There are over 105,000 adults with a long term limiting illness, equivalent to around 19% of the population, with 9% saying this limits their activity a lot.

- Around 12 % of all households, 28% of over 60's and 24% of dependent children live in households reliant on Housing and/or Council Tax Support. We have 31,552 working age taxpayers who receive council tax support.
- Fuel poverty is slightly higher than the national average in Sheffield at 11% of households, thereby impacting 25,000. This rises to 30% of unemployed households and 25% of lone parent households. However there is also increased polarisation of deprivation with over 25% of small areas now within the least deprived national category. ⁽¹⁾
- While the pay gap between men and women has been reducing, there is still evidence that, in general, men are paid more than women; the gender gap in Sheffield is 17.5%. Also the unemployment picture shows gender difference, the male unemployment rate in 2014 was 6.4% (5.8% in GB) but for women this was 9% (5.4% GB total²).
- People within some groups can be disproportionately affected by disadvantage and inequality. For example, children are more likely to live in poverty if they are from Black and minority ethnic (BME) family: 52.8% of Somali and 48.3% of Yemeni children in Sheffield are eligible for Free School Meals, compared to 19.9% of all children in poverty in Sheffield¹ and 31.6% of children with Special Educational Needs (SEN) in Sheffield are eligible for Free School Meals compared with 19.9% of all children in Sheffield.³
- There are geographic variations in poverty in Sheffield. 125,000 (22%) Sheffield residents live within areas ranked as the most deprived tenth nationally, and 47,000 (8%) live within the least deprived tenth nationally.
- Although the city is becoming healthier for most people, health inequalities across the city remain, and are in some cases widening, in particular older people, the young, some women and some ethnic minority groups. People in the most deprived parts of the city still experience poorer health and die earlier than people living in the rest of the city.

¹ State of Sheffield 2015

² State of Sheffield 2015

³ SCC, January School Census 2010

Fairness and Equalities Impact Overview

222. Inevitably when funding has reduced year on year at the scale that we have experienced, there will be an impact on the front-line services we deliver and on some of the work we do with the most vulnerable people in Sheffield, including groups who share a protected equality characteristic. We have tried to minimise the impact on these groups and on front line services as far as possible, however we have to make some really tough choices. We are being guided in these choices by our priorities as outlined and supported in our budget consultation, and these are to:

- operate efficiently as an organisation
- develop solutions for the longer term
- take early preventative action
- focus on people with the greatest need
- work with our communities to deliver services in a different way

223. This year public feedback reconfirmed public support for protecting services for the most vulnerable, particularly Adult and Children's Social Care. Other significant areas that people wanted the Council to concentrate on protecting, now and in the future, included Parks, Housing, Transport & Roads, Education, Employment, and Libraries.

224. Our approach to the budget is summarised in **Portfolio Areas** which correspond to the way in which the Council is structured. Each Portfolio area has been asked to make savings but in line with the Fairness Commission Principles and our Tackling Poverty Strategy. There are a number of key themes that run through the budget proposals in most Portfolio Areas.

- Restructuring and integrating services and teams to increase efficiency and effectiveness
- Developing solutions for the longer term
- Taking preventative action and intervening earlier
- Stopping some functions or activities and working with partners so they can be delivered by others where possible

- 'Managing Employee Reductions' processes to reduce the number of staff employed, especially those in non -frontline and management roles.
- Targeting of resources to target those in greatest need and at risk.
- Helping people to be independent, safe and well, and to make their own choices
- Working with other agencies to avoid duplication, so that people get co-ordinated help and support
- Better value for money in the services we commission or purchase
- Fairer contributions and charges to ensure full cost recovery and as a way to maintain service levels
- Increasing traded services in non-core areas (such as schools)
- Reductions in funding to the Voluntary Community sector in line with reductions to the rest of the Council's budget
- Shifting the focus of public health spend to address the root causes of ill health
- Continuing with changes made in the past year to have full year effect on savings
- Continuing to monitor the impact of changes over the coming year.

225. Furthermore, we will continue to fund a Local Assistance Scheme and to have a Council Tax Support scheme at 23% in spite of Government funding cuts in these areas. We will also mitigate the impact of the 3.99% increase in Council Tax which includes an additional 2% precept to support Adult Social Care, by increasing the Council Tax Hardship Fund in 2016/17 by 33% (£200k).

226. We have looked back at the cumulative impact of changes over the last few years to inform our decision making and found that service transformation, including staff reductions and prioritising those most in need, has been the most effective way to mitigate the negative impact of budget reductions and increased cost pressures, which has informed the decision making process.

227. Overall this year the proposals have the potential to impact negatively in some key areas and service EIAs have sought to mitigate this, however there are also

positive impacts identified which are highlighted. Further details of the impacts are contained in individual service EIAs.

228. Our impact assessments identify and provide mitigations for potential impact in services for younger people, older people, disabled people, BME, women and men, religion and belief, sexual orientation, voluntary community and faith sector, cohesion and financial inclusion/ poverty (there is over representation within this last group of disabled people, carers, young people, some women and some BME communities).

229. Headline features of the combined Impact Assessment show:

- There are over 100 EIAs on proposals and the groups most likely to be impacted negatively by individual proposals and cumulatively are disabled people, young and older people, women and individuals and families on a low income.
- Many services are continuing to comprehensively restructure and redesign services and teams and as a result we have saved money on office, technology and staffing levels across the council have reduced. Last year the majority of changes were managed through voluntary severance schemes. In 2016/17 we will be reducing the workforce by approximately 400 further posts. Monitoring from the past year indicates that there has been no disproportionate impact on those who share protected characteristics that are currently under represented in the workforce, and fewer than 40 staff were made compulsory redundant. See workforce implications section below.
- Services are continuing to increase charges where appropriate, to ensure full cost recovery and to continue with the work to apply costs fairly through our Fairer Contributions Policy. However, increasing charges will impact more heavily on individuals and families on a low income.
- Central Government have given local authorities the power to raise additional Council Tax to pay for the increased costs of Adult Social Care. Therefore as part of the proposed budget, it is intended to raise Council Tax by the 2% permitted to offset some of the increased costs of Adult Social Care. This will help us protect those who most need our support, especially older and disabled people.
- We will continue to fund a Local Assistance Scheme and to have a Council Tax Support scheme at 23% despite Government cuts in these areas.

However we will increase Council Tax for only the second time in 5 years by 3.99% (this includes the 2% precept dedicated to support adult social care noted above). This will enable us to continue to protect services to people in greatest need and at risk. As above, we will mitigate the impact of this by increasing the Council Tax Hardship Fund by £200k in 2016/17.

- Public Health spending is integrated throughout the Portfolios. Overall there has been a significant reduction in funding from Central Government so our investment in this area has reduced. In line with what was agreed last year we are reviewing staffing and how and where the funding is spent to ensure that it is targeted to tackle the root causes of ill health and to have the maximum impact on reducing inequalities. This means that we will save on existing activities including reducing contract and staffing costs and encouraging efficiencies in order to reinvest in other areas.
- Last year saw the start of the new Better Care Fund between the Council and the NHS Clinical Commissioning Group (CCG) to create a combined budget in Adult Social Care to develop joined up services. This approach aims to ensure people get the right care when and where they need it but will also create efficiencies in processes. It focuses on supporting people at home where possible to help increase independence and delay access to Health and Social Care services. The Council currently receives £12.4m of funding via the NHS to meet the costs of providing adult social care. In addition, with effect from April 2015 the Council has pooled its adult social care budget with that of the local CCG.
- We also have a new Learning Disability Commissioning strategy and the project's objectives are to improve outcomes for people with a learning disability, to ensure best value and to achieve savings. As part of this work we are completing all of the reviews that are overdue in the Service to ensure customers have the right level of support in place, in order to help them maximise their independence and meet eligible unmet needs, as well as being value for money.
- When considering the impact on the VCS, the importance of 'social value' is recognised by the 'Best Value' guidance⁴, which was published by the

⁴ <https://www.gov.uk/government/publications/best-value-statutory-guidance--4>

Government in 2011. This states that authorities have a duty⁵ to consider the impact of budget reductions on VCF or other organisations that have a 'social value'. The Public Services (Social Value) Act⁶ requires us to take social value into consideration when we commission services. In order to do this effectively we will: continue to monitor the impact of changes over the next year, on service changes as well as the knock on effects of reductions on other providers and continue detailed consultation with customers and other stakeholders as specific activities are implemented.

- The Communities portfolio is continuing to invest in Grant Aid to the local voluntary sector. It is proposed that all (apart from one) of the existing Voluntary Sector Grants Fund Funding agreements will be extended for a further 12 months, up to 31st March 2017 (the one organisation that will receive less this year is a deduction to account for an advanced payment last year). The main beneficiaries of grant funded services are BME people, older people, women and people on a low income.
- We will continue to target resources to those most in need and at risk; help people to become more independent; where possible intervene earlier and do more preventative work; get even better value for money from the services we purchase and pursue innovative approaches in service commissioning and design. This relates to both internal and external services.
- We will continue to develop our approach to commercialisation, including pursuing external funding where possible to help invest in innovative services such as setting up the new independent Youth Trust and continuing to develop employment schemes especially aimed at young and disabled people.
- We are proposing to continue with restructures of Council services and are both internalising and externalising services where appropriate (such as the

⁵ The Best Value Statutory Guidance has statutory force and must therefore be taken into account in the exercise of funding decisions. It is issued under section 3(4) Local Government Act 1999 which states that, in deciding how to fulfil its Best Value duty (section 3(1) LGA 1999), local authorities have to take into account guidance issued by the Secretary of State which may cover the form, content and timing of consultations <http://www.ncvo-vol.org.uk/news/civil-society/helping-you-understand-new-best-value-guidance>

⁶ <http://www.legislation.gov.uk/ukpga/2012/3>

contract for the managing buildings function being brought back in house and with some care and support services being externalised).

- We will continue to work on getting value for money from our contracts; this is with our major strategic providers but also across Portfolios such as with our advertising contract, housing commissioning, learning disability services and youth services.
- We will continue to work regionally where appropriate to help save costs but also to enable better joined up services for example Adoption, Fostering and Youth Justice.
- The Impact Assessment also highlights some positive implications of budget proposals. Examples include improving the process of assessment and support planning for existing and future social care customers whilst ensuring choice and control over support to meet their eligible needs, and reshaping transport to provide services which promote independence. The Best Start, Better Care Fund and new Youth Trust partnerships in CYPF and Communities portfolios should continue to develop and mean more better targeted and joined up pathways and services. Also, as we restructure services both internally and with external providers there should be clearer and more efficient ways to contact services.

Portfolio Area Impact Assessments

230. Each portfolio has undertaken initial impact analysis on all proposals and where the risk of disproportionate impact has been identified, an in depth impact assessment has then been undertaken, informed by service specific consultation where appropriate.

231. The **Place Portfolio** has completed Budget EIAs on savings totalling £9.5m identified for 2016/17. We have asked our partners Amey, Veolia and South Yorkshire Passenger Transport Executive (SYPTTE) to identify and deliver potential savings on each contract.

232. The budget proposals are a mix of:

- Finding new ways to deliver the services that support the priorities for our Thriving Neighbourhoods & Communities and Strong Economy strategic outcomes.
- Making sure that all of our services are operating as efficiently as possible.

- Reviewing existing charges and introducing new ways of generating income.
 - Changing or reducing service standards and, as a last resort, stopping some activities altogether.
 - Contract negotiations in order to reduce costs
233. Some of the most significant savings are anticipated to come from our strategic partners Amey, Veolia and South Yorkshire Passenger Transport Executive (SYPTE). At present, work with Veolia to achieve savings on the waste contract remains in development. Any potential equalities impacts and mitigation will be identified further as the work progresses. Savings on the Streets Ahead contract will mainly be achieved from performance deductions, refinancing and some contractual changes with little impact on service provision or on staffing.
234. SYPTE are anticipated to put forward potential savings of 10%. The majority of these savings will be non-customer facing through initiatives such as refinancing and efficiencies, although some of this saving will need to be achieved through proposals which, if approved, will directly impact on customers. Any potential equalities impacts and mitigation will be identified further as the work progresses.
235. We have used a range of evidence, such as data and consultation, to identify if there are any differential impacts of proposals and the key areas are:
- The SYPTE proposal to increase child concessionary bus fares from 70p to 80p. This potentially has implications for bus use by younger people, although there is no clear link between bus fares and patronage, with other factors likely to have a significant influence on bus usage.
 - There is a cumulative impact of year on year reduced subsidies on our charitable partners, Museums Sheffield, Sheffield International Venues and Industrial Museums. Although the services continue to be delivered, staffing will be at reduced levels. Any potential leisure or theatre price increases will be minimised for low income users via discount schemes.
 - The Place Public Health budget savings will have a low level impact on health inequalities for those people living in the more deprived areas of Sheffield, where the work tends to be concentrated. The savings also have the potential to impact on some of our Voluntary, Community and Faith partners due to reduced funding. These impacts overall are expected to be low.

- Inflationary increases in fees and charges and greater cost recovery for service provision will continue to have more impact on low income households.
 - The potential impact on the Voluntary, Community and Faith sector regarding a 15% reduction in revenue funding from Parks and Countryside. This funding has been protected for the previous three years however, and proportionally is being cut less than other areas within the Service.
 - The review of Activity Sheffield may impact on financial inclusion, BME groups and on health inequalities as they strategically target their service to those groups and demographic areas with the highest health inequalities. Additionally, the Service has a higher percentage of the BME community accessing its services than the overall BME population levels in Sheffield. When further information is available, detailed plans will need to be drawn up to determine impacts and possible mitigation.
236. A broad range of potential impacts may result from the Portfolio Commercialisation activity. Examples may include (but not be limited to), reviewing charging models for Service provision, changing or reviewing service standards and ceasing activity altogether. Until more specific proposals are drawn up however, the scope and nature of potential impact negative or positive cannot be fully analysed.
237. There are number of workforce related changes such as deletion of vacant posts and a number of voluntary staff reductions and changes. It will be necessary in some areas to use managing employee reduction processes to achieve non-voluntary staff reductions. In both instances, there is the possibility of wider workforce impact through increased workload.
238. The year on year reduction in workforce has had a positive impact on the workforce diversity profile. This has shown steady improvement for majority of characteristics. However, for 16/17 onwards this has been highlighted as a potential issue dependent on the impact of Commercialisation. This will continue to be monitored to manage any mitigation required.
239. The cumulative impacts in Place are in short related to socio economic issues, impacts on partners and staffing. Most of the budget savings have been implemented with no significant equalities impact due to, for example, ongoing subsidies mitigating any potential barriers to increased charging. Key to this process was well planned quality consultation to inform the decisions and also gain the public and partner's input and understanding of the changes required.

240. **Children Young People and Families** have completed budget Equality Impact Assessments (EIA) on savings totalling £5.6m.
241. As well as the pressures of budget reductions required through cuts to our grant, CYPF are seeing a significant and growing demand in areas such as special educational needs, emotional health and wellbeing and poverty. These are set alongside changes in legislation and policy which impact on the way in which we operate and the expectations children, young people and families have of us. These demands and changes in legislation mean a financial pressure of £5.6m across CYPF for 16/17.
242. The strategy to manage the potential impact of our budget proposals enables us to continue to prioritise services that:
- Keep children, young people and families safe, healthy and strong and give every child a great start in life.
 - Develop skills for life and work and encourage active, informed and engaged young people into further education, employment or training.
 - Support schools and children and young people's education in improving the quality of learning outcomes and attainment for all.
 - Business Strategy will continue to generate income from our traded services with schools, in particular across School Meals and Information Communications and Technology support.
243. Within Lifelong Learning Skills and Communities, the proposed savings in youth services are part of the programme of reshaping and rationalisation designed to create a service better equipped to engage with vulnerable young people (14-24) and support them into further learning and work, deliver annual savings, attract external income and anticipate the end of the Sheffield futures contract in 2017 with a view to creating a self-sustaining Youth Trust. Whilst significant, the youth service savings are part of a strategy over several budget rounds that have protected provision to those most in need. In addition, there are some small changes to post funding which will allow us to maintain service levels across the 14-19 service and within Opportunity Sheffield. There is also scope to increase income from traded services.
244. The changes to Public Health in 2016/17 include the first year of a 3 year contract reduction for Health Visiting and School Nursing through a service redesign as well as reductions to the Sexual Health Sheffield contract. This will

see a service remodeling with a view to delivering the hub function from one site instead of two.

245. The Children and Families proposals include:

- An integrated approach between Special Educational Need and Disabilities and Children with Disabilities Teams, with realignment of staffing and a new structure across teams to provide services for families.
- Creating an 18-25 Integrated Transitional Independent Living Provision working across Children's SEN, Children's Social Care and Adult Services.
- Reviewing Early Years Advice and Support function into Best Start Teams.
- A transformed and joint funded multi agency early intervention responding to and mitigating pressures on short breaks and respite.
- Investment in early intervention and prevention and screening teams which will lead to a reduction in total social care caseload across the city. This should reduce pressures on placements, fostering, and adoption. reform grant youth justice grants will be met to enable continuation of provision.

246. There are also a number of workforce related changes, such as the deletion of vacant posts, voluntary staff reductions and changes that arise as a result of service redesign and integration (such as in Early Years Advice and Best Start). It will be therefore be necessary to use managing employee reduction processes to achieve staff reductions. When changes take place we will assess the impact of these changes and take action to mitigate against any negative impacts, including providing staff support.

247. There will also be staffing impacts across providers where we are reducing grants or changing contracts; this will be managed by providers. However the transition from the national minimum wage towards the living wage will see some employees of our providers benefit from an increase in pay as a result.

248. The year on year reduction in workforce has, however, had a positive impact on the workforce diversity profile in CYPF as well as across the Council. These have shown steady improvements for the majority of characteristics in the survey.

249. Overall, wherever possible we have sought to minimise the impact that changes to young people's services will have on young people and their parents/carers. We recognise that some of the children, young people and their families will be

using more than one of the services where there are proposed changes, and they may be affected by this.

250. We recognise that there have been year on year cumulative reductions since 2010, for example to youth services. These have been mitigated and usage data since the start of reductions in 2010/11 highlight an improved take up of youth provision. Equally, other reductions, for example those to the Sexual Health Service, affect multiple characteristics and consultation with the provider through the development of a provider led EIA is part of the mitigation.
251. Our transformational changes, for example with Best Start, will have positive impacts for those in the greatest need which includes some BME groups, women and mitigates against future impacts. Best Start is a multi-agency early intervention service jointly funded, commissioned, and delivered with key partners including schools. This will result in better targeted support and will contribute towards improved outcomes for Sheffield's children, young people and their families in health, in attainment and in safeguarding.
252. In terms of work with the VCF sector, Sheffield Futures is the largest contractor of youth services. The reshaping of Youth Services, which started in 2012, has resulted in shared and more effective management, as well as savings on overheads. The approach protects services to young people as much as possible and the majority of savings have been achieved through reductions in our contract.
253. We are now in the final phase of the 5 year programme to transform youth services and are moving towards the creation of a new model of integrated youth support by establishing an innovative and independent Youth Trust. We will secure external funding and work with the Government to demonstrate how early intervention supports disadvantaged young people.
254. Also, through Best Start there is the potential for greater involvement and a possible greater role in long term locality-based delivery for locally based voluntary, community and faith sectors that are key partners delivering improved outcomes, and who have local knowledge of the area and can help the hardest to reach sections of the community.
255. Overall the savings made have enabled high quality essential intervention and prevention services for the most vulnerable children and families to continue. Last year although we had difficult choices to make, our mitigations and monitoring of impact were effective. Wherever possible we have minimised the impact that the proposed changes on young people's services will have on

young people and their parents/carers. We recognise that some of the children, young people and their families will be using more than one of the services where there are changes proposed and may therefore be affected by this.

256. There are completed Economic Impact Assessments (EIA) which relate to **Public Health savings** totalling £3.2m. More detail on the use of our Public Health grant is given in the portfolio sections. There are also EIAs for the Director of Public Health Office which mainly cover internal structures and have lower impact. As previously mentioned, there will be a significant reduction in investment in this area to reflect Central Government cuts. This may mean that we will try to save on existing activities in order to reinvest in other areas which have been prioritised.
257. Some of the proposals involve more cost effective delivery and retendering contracts, earlier intervention leading to prevention, or internal restructuring and staff reductions that will have fewer equality impacts. Some of the changes have the potential to impact negatively upon some people who share protected characteristics. However, two of the main areas the changes will support are early years and advice and information so the impact of the overall investment will be positive on the groups within the EIA.
258. In the **Resources Portfolio** there are EIA which cover all budget savings for 2016/17 which total £2.2m. There are EIAs pending Managing Employee Reduction (MER) processes across services such as Commercial Services, Customer Services, HR, and Transport & FM services. EIAs on past MERs have all shown no disproportionate impacts on staff within the portfolio.
259. Over the last few years we have mitigated reductions by:
- Redesigning, restructuring, and integrating services and teams to increase efficiency and effectiveness.
 - Focusing on service support areas resulting in staff reductions and reduced office costs. Only a limited number have had potential equality impacts on our customers.
 - Taking steps to ensure we get the best value for money and quality in our contracts and commissioning.
260. In 16/17 there is a Customer Service and HR proposal which covers the redesign of services, implementation of changes to technology to deliver efficiencies, and the implementation of customer experience strategy. There are

no expected negative impacts from this strategy and in some cases there are positive impacts on certain groups.

261. There are further proposed changes to the financial systems and a continued reduction in office costs. These will have no equality impacts.
262. There are other EIAs which include Council Tax and its support schemes. We are proposing this year to continue to keep the same Council Tax Support (CTS) scheme. The CTS scheme continues to be based on the principles of the old CTB regulations and provides for the maximum financial support being made available to those with the greatest financial need. They protect some of the income of the disabled and of families whilst providing assistance to those people who move off benefits into paid employment. The Council recognises, however, that requiring all working age customers to pay a minimum of 23% of their Council Tax may cause financial hardship amongst some households. Therefore the Council is also proposing to continue to operate the CT Hardship Scheme in 2016/17 in order to continue to offer assistance to the most financially vulnerable households.
263. This year we are also proposing an increase in Council Tax for only the second time in 5 years. We are aware that any increase in Council Tax could have a negative impact on those households who are already struggling financially. However, the provision of Council Tax Support (CTS) backed up by the CTHS will ensure that such an impact is minimised. This now includes an additional 2% to cover part of the funding gap in adult social care. The impacts will continue to be monitored through the EIA process and action plans will be developed to mitigate impacts where appropriate.
264. In the **Communities Portfolio** there are EIAs against the budget savings of £10.23m. Many of the services in this Portfolio, such as Adult Social Care and Public Health are, by definition, providing services to vulnerable, disabled and older people. Savings in this Portfolio therefore have the potential to negatively impact upon those protected groups. However, where there is a risk of negative impact, full EIAs have been carried out and these will be updated regularly to inform the recommendations as part of the development and implementation of proposals.
265. Over the last few years we have:
- Worked with local people and communities to change how many of our libraries are run.

- Taken steps to ensure we get the best value for money and quality in our contracts and commissioning.
 - Reviewed Social Care support to make sure it meets current needs, is fair, equitable and cost effective.
 - Continued to invest in Grant Aid to the local voluntary sector, and minimise grant reductions across the sector wherever this has been possible.
266. During 2016/17, we will continue to support a range of areas such as library services, the local voluntary sector (through Grant Aid), Council Housing services, Housing Options and Advice, private sector housing standards, housing related support for vulnerable adults and adult social care.
267. Within Adult Social Care we will continue to prioritise those people who need our support and fulfil our statutory obligations. Over recent years we've reviewed hundreds of social care packages. During 2016/17 we will be completing the reviews and reassessments in the Learning Disabilities Service to ensure customers have the right level of support in place, in order to help them maximise their independence and meet their needs, as well as being good value for money.
268. We will continue to take steps to ensure we get the best value for money and quality in our contracts in a number of areas. Key examples of this are the Learning Disabilities Commissioning Project and Public Health contracts.
269. The Learning Disabilities Commissioning Project continues to improve quality and choice for people with a learning disability, and to ensure best value by achieving efficiencies. This area of work sits underneath the overarching 2015-2018 Learning Disabilities Commissioning Strategy. It includes building up alternatives to current short breaks and day provision at more cost effective market rates, and reviewing the high cost private sector placements. This work has been informed by consultation and customer involvement. Proposals relating to tendering and negotiating cost will ensure fairness and equality of funding, and that people will get the most from personal budgets. Although people want improvement in services, we know change (such as change of provider) can create anxiety. Even when change ultimately results in positive outcomes, it can initially be difficult for service users and their families and therefore any transitional arrangements need to be managed carefully and sensitively. When mitigating actions have been put in place, the impact of the project should lead to positive outcomes for people with a learning disability and their carer's.

270. Public Health contracts in Communities will see a reduction in some areas, but the impact of this will be limited due to mitigations such as:
- savings being based on current underuse of services, meaning provision will be maintained at current levels (within the carers respite service) and,
 - savings being part of planned reductions in services that providers were aware of when contracts were let (service provision for people with drug and alcohol misuse problems, which initially included set up costs for new services which is now not required)
271. We are reviewing adult social care reablement so that the service can specifically refocus on reablement. 92% of people using the service are aged 65 or over. In line with the Care Act, all customers with an eligible care need will have their care needs met, but not all customers will access the STIT service. Ensuring the existing charging policy is implemented will bring the approach in line with the adult social care Fairer Charging policy. A full EIA has been completed and will be updated regularly to inform options/recommendations regarding the remodelling of the service. Customer and stakeholder involvement and views will be central to this ongoing work.
272. Actions have been identified to mitigate negative impacts (and there will be some positive outcomes from the review, such as improvements in quality). However, it will not be possible to avoid some negative impacts on disabled people and older people (approximately 92% of people using the service are aged 65 or older). To support this work, the project will need to carefully consider the whole reablement offer in Sheffield, and how (and by whom) different elements of that offer can best be delivered. Customer and stakeholder involvement will be key to this ongoing work.
273. There will be some staff reductions within Communities and we will work towards minimising the impact on direct provision, for example through more joint working (such as by following a multi-disciplinary team approach where possible). There will be an impact on staff individually but appropriate HR practice guidance will be followed, which will ensure that this should not have a disproportionate impact on any group already under represented within the staffing profile.
274. In **Policy, Performance and Communications** there are less than 100 staff overall and there are therefore limited EIAs. These are mainly internal restructures including public health and changes to contracts and they are not likely to have any customer impact.

Cumulative impact

275. We have looked back at the cumulative impact of changes over the last few years to inform our decision making and found that service transformation, including staff reductions and prioritising those in most need, has been the most effective way to mitigate the negative impact of budget reductions and increased cost pressures, which has informed the decision making process.
276. Groups highlighted as impacted across EIAs and all Portfolios are disabled people, older and younger people, women, carer's and people on low incomes. Disabled people, some women such as lone parents and women pensioners, carers, young people and some BME communities who tend to have a lower income and are more likely to be cumulatively impacted.
277. By definition, older people, disabled people, carers and women will be the most impacted by the changes in Adult Social Care. Disabled people will also be affected by the changes in the Learning Disability commissioning Strategy. Young people and parents will be impacted by changes in 'young people' services. Some people who have been previously receiving a service will receive a changed, reduced or no service as we focus on the most in need.
278. We are continuing to work with partners to be more efficient and joined up, such as with the NHS Clinical Commissioning Group towards developing a single pooled budget for Health and Social Care. The changes came into effect in April 2015 and they are helping to mitigate both demand pressures and the cumulative impact.
279. We are continuing to work across the region where appropriate to help save costs and to enable better joined up services.
280. There are year on year reduced subsidies on our charitable partners, however where charges increase, whether for leisure, cultural or other services, this has the potential to increase barriers to participation to individuals and families on a low income, therefore affecting the groups noted above.
281. A further impact across a range of proposals will be the transition from one provider to another, which may include moving from one location to another and these changes have the potential for significant impact on those individuals transitioning. We will take this into account in any changes, undertake risk assessments where necessary and provide support for users and carers.

282. There are again a number of changes to our strategic contract arrangements; our providers where relevant have undertaken consultation and evaluated impact and we have tried where possible to limit impact on front line services.
283. There will be an impact on the workforce across all areas given the amount of internal restructuring as a result of the budget proposals and possible staff reductions of up to a further 400 posts in 2016/17; a significant number of workforce EIAs are ongoing and a Council wide Managing Employee Reductions (MER) EIA has been completed. Over the last few years changes to staffing has resulted in a positive impact on workforce diversity.
284. It is difficult to quantify the cumulative level of impact although mitigations have been highlighted in all EIAs. External factors, such as welfare reform, are also impacting negatively on some of the same groups for example disabled people, carers, young and older people and women.
285. We will as a Council not invest or provide services in as many areas as we did before the reductions started 5 years ago. Services are targeting those in greatest need and those at risk but that does mean that there is reduced universal provision. We are however remaining proactive in intervening earlier to save costs later, such as Best Start, and will maintain our apprenticeship and employability schemes.

Managing Impact: Mitigation

286. Our overall approach as noted above is to protect services for those in greatest need and at risk where possible, develop preventive solutions for the longer term, and to change how we manage and deliver services to make savings. This will have an impact on what the Council can continue to deliver.
287. The year on year reductions and the scale of the savings required mean there will be impacts upon vulnerable groups that share protected characteristics. Most impacts relate to age (both younger and older people), disabled people, women and people on low incomes. In all of these areas some mitigating actions have been identified and will be implemented as part of EIA action plans. For example:
- All proposals have been assessed in line with the Fairness Commission Principles and to take into account the new 2015 Tackling Poverty Strategy.

- Working with external providers to achieve savings in our large contracts and to achieve this as much as possible through non front line service functions.
- Working with partners to encourage the private sector to support activities and events to promote Sheffield.
- Working to increase our income through fees and charges, full cost recovery, and increased trading of our services, for example with schools to help keep non-core services.
- Continuing where possible with successful schemes from last year that impacted positively such as the apprenticeship schemes and employability programmes.
- Investing in prevention and delivering targeted support for those most vulnerable or at risk such as in our Best Start programmes.
- Following the library review, continuing to invest in local community groups to maintain non- council run libraries.
- Continuing to encourage people to be independent, safe and well in both children and adult social care, such as through direct payments, and to continue to reduce reliance on expensive provision outside of Sheffield.
- Reviewing care and support arrangements and re tendering services where applicable to ensure fair contributions and value for money.
- Working in partnership with the NHS Clinical Commissioning Group developing a single pooled budget for health and social care under the Better Care Fund to provide more efficient and joined up services.
- Restructuring management and services to increase efficiencies and create simpler routes of public access. For example in customer services, Youth Services, Early Years Advice and Best Start teams, Special Educational Need and Disabilities and Children with Disabilities Teams, and the creation of an 18-25 Integrated Transitional Independent Living Provision working across Children's SEN, Children's Social Care and Adult Services.
- Continued regionalisation of services where appropriate, such as youth justice.

- Continuing to invest £30 million in Public Health but shifting the focus to address the root causes of ill health to help reduce health inequalities.
- Continuing to invest in the Voluntary and Community Sector through Grant Aid across the Council.

288. Although there are very difficult choices, our impact assessments illustrate our approach to fairness principles and to mitigate negative impacts where possible. Through our 'live' EIA process we will be monitoring closely any adverse equality impacts as reductions and changes in provision occur during the next year.

Human Resources Equality Impact Overview

289. In all Portfolio areas many of the budget proposals involve staff efficiency savings including service restructuring, a reduction in management costs by deleting vacancies, reviewing agency staff, and managing employee reductions through voluntary early retirement and severance. Across the Council we have reduced management costs, minimised redundancies by using the talent pool, and reduced the impact on frontline staff where appropriate. Unfortunately there may still also be compulsory redundancies in some areas, although this was limited to fewer than 40 last year.

290. We have also promoted employee led measures such as voluntary reductions in hours, career breaks and annual leave purchase schemes. We are committed to continue to pay a 'Living Wage' to Council employees and to extend this to our contracted providers where possible.

291. The council believes that the composition, skills and commitment of the workforce are vital factors in our ability to deliver effective, efficient responsive and personalised services. We continue to monitor workforce issues, and are aware of the need to address:

- The degree of occupational segregation within the workforce such as a high proportion of women in the Communities and Children and Young People and Families workforces and a high percentage of men in the Place portfolio.
- Under-representation of disabled, BME and lesbian, gay, bisexual and trans (LGBT) people in the workforce, especially for women, disabled and BME staff at Chief Officer and senior levels.

292. Given the amount of internal restructuring as a result of the budget proposals, other drivers and possible staff reductions of up to a further 400 posts in 2016/17, a significant number of workforce EIAs within Portfolios have been done and a Council wide Managing Employee Reductions (MER) EIA has been completed.
293. These show possible changes to the diversity of the workforce as a result of staff restructuring and MERs required from some of the budget proposals. It is not yet possible at this stage to predict the precise impact of these processes upon workforce diversity as this can only be known later in the year as the schemes are all worked through. Last year's monitoring of the MER and VER/VS schemes showed no negative disproportionate impact on people who share a protected characteristic and had positive impacts in line with our workforce diversity strategy. See the corporate MER EIA for full details.
294. We will continue to work within our current policies and procedures, which promote workforce diversity to reflect the demographics of the city. We are also working with managers, staff and trade unions to ensure the workforce is viable and appropriate to the council's future operating and service needs, with a balance of skills and experience.
295. Workforce related Impact Assessments are periodically updated and have, for example, been undertaken as part of MER including Voluntary Early Retirement (VER) and Voluntary Severance (VS), and the Pay Strategy.

Recommendations

296. Members are recommended:
- a) To approve a net Revenue Budget for 2016/17 amounting to £406.492m;
 - b) To approve a Band D equivalent Council Tax of £1,360.48 for City Council services, i.e. an increase of 3.99% (1.99% City Council increase and 2% national arrangement for the social care precept);
 - c) To approve the Revenue Budget allocations and Budget Implementation Plans for each of the services, as set out in **Appendix 2**;
 - d) To note that, based on the estimated expenditure level set out in **Appendix 3** to this report, the amounts shown in part B of **Appendix 6** would be

calculated by the City Council for the year 2016/17, in accordance with sections 32 to 36 of the Local Government Finance Act 1992;

- e) To note that the section 151 officer has reviewed the robustness of the estimates and the adequacy of the proposed financial reserves, in accordance with Part 2 of the Local Government Act 2003. Further details can be found in **Appendix 4**.
- f) To note the information on the precepts issued by the South Yorkshire Police Authority and the South Yorkshire Fire and Civil Defence Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area.
- g) To approve the proposed amount of compensation to Parish Councils for the loss of council tax income in 2016/17 at the levels shown in the table below paragraph 168;
- h) To note the latest 2015/16 budget monitoring position;
- i) To approve the Treasury Management and Annual Investment Strategies set out in **Appendix 7** and the recommendations contained therein;
- j) To approve the Minimum Revenue Provision (MRP) Statement set out in **Appendix 7**;
- k) To agree that authority be delegated to the Director of Finance to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- l) To agree that the Members' Allowances Scheme for 2013/14 and onwards, approved on 15 May 2013, and implemented for 2014/15 and 2015/16, be also implemented for 2016/17.
- m) To approve foregoing an annual increase in the Members' allowances in 2016/17.
- n) To approve a Pay Policy for 2016/17 as set out in **Appendix 8**.
- o) To agree that authority be delegated to the Director of Public Health and the Executive Director of Resources, in consultation with the Cabinet Member for Finance, to approve the final allocation of Public Health grant to portfolios in 2016/17.

- p) To agree that authority be delegated to the Executive Director of Communities to set – subject to budgetary constraints – a framework of care home & home care fee increases with effect from 1 April 2016.

John Mothersole
Chief Executive

Eugene Walker
Interim Executive Director, Resources

Portfolio Pressures

Appendix 1

	Loss of funding £'000	Increasing demand on services £'000	Pay & price inflation £'000	Legislative changes £'000	Total £'000
Communities					
Shortfall in funding to support Independent Living Fund (ILF) users	2,700				
Increase in demand for adult social care services due to demographic changes.		513			
Increase in demand for Social Workers		200			
Cost of the 1% National Pay Award for 2016/17			400		
Increase in Care Home Fees			234		
Contract Cost Pressures			2,658		
Costs arising from the Deprivation of Liberty Safeguards legislation				500	
Communities Total	2,700	713	3,292	500	7,205
CYPF					
Loss of Training Unit funding from Education Funding Agency (EFA)	160				
Reduced grant allocation in the Successful Families programme	700				
Reduction in Education Services Grant (ESG)	500				
Reduction of transitional funding	333				
Adoption Reform Grant Cessation	300				
Youth Justice Grant Reduction	140				
Field social work requirement due to service demand		1,500			
Increase in demand for direct payments and short breaks		300			
Additional demand on placements		240			
Cost of the 1% National Pay Award for 2016/17			590		
Fostering inflationary pressures			80		
Staying Put agenda - Children & Families Act 2014				300	
Contract Cost Pressures			500		
CYPF Total	2,133	2,040	1,170	300	5,643
Place					
Loss of funding in South Yorkshire Forest	62				
Vacant property management costs	150				
Reduction in Sustainable Development grant & Markets income	137				
Provision for planned budget savings now at risk in Streets Ahead	4,683				
Provision to cover falling recycled material prices	400				
Reduction in fee income offset by staff saving	39				
Provision for planned budget savings now at risk in waste management	2,552				
Shortfall in funding for current staffing establishment	438				
No General Fund for Marketing Sheffield	119				
Provision for costs associated with enforcement operations in the Environmental Regulation service		150			
Increase in waste volumes and increased households		550			
Revised blue bin contract price (£350k) within the waste management service			350		
Cost of the 1% National Pay Award for 2016/17			370		
Provision for inflation on energy and rent/rates bills			172		
Provision for inflation on waste management contract			330		
Place Total	8,580	700	1,222	0	10,502
PPC					
Cost of the 1% National Pay Award for 2016/17			32		
Cost of implementing Individual Electoral Registration system				100	
PPC Total	0	0	32	100	132
Resources					
Loss of income from schools bursar service	30				
Loss of income from other portfolios as a result of changing activity and demand	670				
Income shortfall in contract management	114				
Increased annual maintenance charges for AIM income system			25		
Cost of the 1% National Pay Award for 2016/17			322		
Resources Total	814	0	347	0	1,161
Grand Total	14,227	3,453	6,063	900	24,643

Children Young People and Families

	<u>Gross</u> <u>Expenditure</u> <u>£000</u>	<u>Gross</u> <u>Income</u> <u>£000</u>	<u>Net</u> <u>Expenditure</u> <u>£000</u>
<u>BUSINESS STRATEGY</u>			
Capacity Planning and Development	3,438	3,438	0
Organisational Development	3,526	3,520	6
Strategic Support Services	200,172	201,288	-1,117
Information Systems	2,059	2,125	-66
Contract Services	23,500	20,713	2,788
Resources Support Services	33,729	33,081	648
	<u>266,424</u>	<u>264,165</u>	<u>2,259</u>
<u>CHILDREN & FAMILIES</u>			
Prevention and Early Intervention	12,583	7,387	5,196
Fieldwork Services	18,096	1,145	16,950
Health Strategy	3,228	442	2,786
Learning Difficulties and Disabilities	1,672	130	1,542
Policy and Service Improvement	534	108	426
Provider Services	13,146	5,143	8,003
Safeguarding Children	2,556	1,225	1,331
Placements	23,783	2,142	21,641
	<u>75,598</u>	<u>17,722</u>	<u>57,875</u>
<u>INCLUSION & LEARNING SERVICES</u>			
Access & Pupil Services	4,979	5,069	-91
Learning & Achievement Services	1,966	1,966	0
Inclusion & Targeted Services	12,964	12,964	0
Children's Commissioning Unit	2,429	2,429	0
Children's Public Health	11,571	11,571	0
	<u>33,909</u>	<u>33,999</u>	<u>-91</u>
<u>LIFELONG LEARNING SKILLS & COMMUNITIES</u>			
Employment and Skills	8,304	6,905	1,399
Family and Community Learning	9,895	9,828	66
Performance & Partnerships	1,196	1,115	82
14-24 Partnership	1,895	1,825	70
Strategic Support	1,563	857	707
Youth	4,955	898	4,057
	<u>27,808</u>	<u>21,428</u>	<u>6,381</u>
	403,739	337,314	66,424

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	CAPACITY PLANNING & DEVELOPMENT (Division)

Description of core purpose of Planning Entity	Revenue contribution to property and maintenance costs for schools.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	3,438	(3,438)	-	0.00
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	SCHOOLS PREMISES
Description	Revenue contribution to property and maintenance costs for schools.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		3,438	3,438	(3,438)	-

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	ORGANISATIONAL DEVELOPMENT (Division)

Description of core purpose of Planning Entity	This relates to early retirement, redundancy costs and trade union duties in schools, as well as the cost of schools' Human Resources Service.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	3,526	(3,520)	6	0.00
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	BUSINESS DEV & SCHOOL DELIVERY					
Description	This reflects the corporate recharges to schools in relation to human resources services to Schools and is funded from the dedicated schools grant					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	147	147	(147)	-

Line	A3					
Activity	STAFF COSTS					
Description	This relates to the cost of school staff retiring early, the cost of redundancies in schools.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	8	3,371	3,379	(3,373)	6

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	STRATEGIC SUPPORT SERVICES (Division)

Description of core purpose of Planning Entity	This budget contains funding for Sheffield's 170 schools, together with schools contingency funding, sickness and maternity insurance schemes and support for schools educational initiatives.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	200,172	(201,288)	(1,117)		0.00
Total Savings Made			(500)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	FINANCIAL SUPPORT SERVICES				
Description	Sickness Insurance scheme for schools funded by contribution paid by schools.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	2,725	2,725	(2,725)	-

Line	A2				
Activity	PENSION & LEGAL FEES				
Description	This budget contains schools contingency funding and traded services with schools.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	1,321	1,321	(1,104)	217

Line	A3				
Activity	SCHOOLS CONTINGENCY				
Description	The Schools Contingency Fund consists of resources set aside from the delegated schools budget, with the agreement of schools and Schools Forum, for specific purposes linked to limited term school related projects. Also includes Capital Commissioning which identifies CYPF capital priorities across schools, early years, children's homes and youth centres, It then commissions the build or maintenance solution from Property and Facilities management.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	87	196,038	196,125	(197,459)	(1,334)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	STRATEGIC SUPPORT SERVICES (Division)

Section 2: Summary of Pressures (Form Es)

Line		E1				
Activity		Loss of Funding/Income				
Description		A risk of reduced Education Services Grant (ESG) as schools convert to academies.				
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	500	500

Section 3: Summary of Savings

Line		B1				
Activity		Loss of Funding transferred to Academies - ESG				
Description		Revised projection in line with the expected progress of academisaton.				
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(500)	(500)	-	(500)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	INFORMATION SYSTEMS (Division)

Description of core purpose of Planning Entity	This service provides information technology infrastructure and support to the Children, Young People and Families Portfolio (CYPF). It also supports the infrastructure that Sheffield Schools and Academies rely on, ensuring information flow between schools and Local Authority. Information Strategy and Governance is managed through the service.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	2,059	(2,125)	(66)		25.20
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	ICT CONTRACT				
Description	This service provides information technology infrastructure and support to the Portfolio.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	80	80	(318)	(238)

Line	A2				
Activity	MANAGEMENT INFORMATION				
Description	The service includes support for Schools' Management Information Systems, enabling recording of attendance, performance and assessment data. School's Broadband service including Internet filtering is provided. The Service manages the key systems that support each function of the portfolio from Social Care to education services. The Portfolio Information Strategy and Business Planning is supported by the development programmes and project team.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
25.20	996	983	1,979	(1,807)	173

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	CONTRACT SERVICES (Division)

Description of core purpose of Planning Entity	Contract Services provides the Schools Food Service (SFS), Emergency Planning and Business Continuity. The SEND Home to School Transport budget is managed and Independent Travel Training is provided under Contract Services.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	23,500	(20,713)	2,788		15.20
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CONTRACT SERVICES					
Description	<p>Contract Services provides the Schools Food Service (SFS) together with Emergency Planning, Business Continuity and Independent Travel Training. The SFS provides strategic support and advice to schools on catering and client and contract management of the Sheffield Central Schools Catering Contract. Emergency Planning and Business Continuity arrangements are managed on behalf of the Portfolio, working closely with the corporate team.</p> <p>Transportation from home to school is commissioned for students with Special Educational Needs and Disabilities. Home to school travel passes are also commissioned from SYPTE. The Independent Travel Training and Assessment team work with children and young people with Special Educational Needs, who have the potential to be trained to travel independently, to and from their educational settings, rather than having to travel via taxis or minibus.</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	15.20	494	23,007	23,500	(20,713)	2,788

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	RESOURCES SUPPORT SERVICES (Division)

Description of core purpose of Planning Entity	This area delivers Business Strategy Support Services, Advice and Conciliation, External Funding , income from the 3rd party use of property and insurance cost of property and other cover including employee liability cover.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	33,729	(33,081)	648	28.20
Total Savings Made			(114)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	CENTRAL SUPP COSTS (INC SLAS)
Description	This area delivers Business Strategy Support Services, Advice and Conciliation, Free Entitlement Funding for 2, 3 and 4 year olds, school income for the mandatory and contents insurance and other cover including employee liability.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
28.20	1,521	30,561	32,081	(32,304)	(223)

Line	A2
Activity	PENSIONS
Description	Pensions and Early Retirement - Contribution to early retirement fixed cost of pension for school staff.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	1,647	1	1,648	(777)	871

Section 2: Summary of Pressures (Form Es)

Line	E1
Activity	Inflation
Description	Cost of 1% pay award

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	32	-	32	-	32

Directorate	CYPF
Service	BUSINESS STRATEGY - CYPF
Planning Entity	RESOURCES SUPPORT SERVICES (Division)

Section 3: Summary of Savings

Line	B1				
Activity	Reductions in Running Costs (Business Strategy)				
Description	Pay award pressure funded through reductions in running costs across the service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(32)	(32)	-	(32)

Line	B2				
Activity	FYE of restructure/Uptake of Primary meals				
Description	Full year effect of last year's restructure and increased traded income for supporting the Schools Meals Service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(45)	-	(45)	(37)	(82)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PREVENTION & EARLY INTERVENTIO (Division)

Description of core purpose of Planning Entity	Providing intensive family projects, working with children on the edge of care, supporting families to achieve their full potential. Working in partnership to ensure families receive effective support, preventing families needing to progress to more intensive statutory services eg Social Care or Child & Adolescent Mental Health Services. Multi Agency Support Teams work to eradicate social exclusion, improve health/wellbeing, address antisocial behaviour for those children and young people at risk
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	12,583	(7,387)	5,196		302.30
Total Savings Made			(1,300)		2.60

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A2				
Activity	PREVENTION AND EARLY INTERVENT				
Description	Responsible for the commissioning and monitoring of citywide early help contracts supports children and families. Responsible for the delivery of children's centre activity across the city. Early Years Best Start and Multi Agency Support Teams work with families to provide whole household advice and support on a range of targeted activities which support the successful families programme and the service ethos of one family, one worker, one plan. A key method of our evidenced based practice is delivered through parenting programmes. Responsible for the commissioning and monitoring of citywide early help contracts supports children and families. The strategy team help develop service delivery through strategic direction and support to individual service development projects. They provide challenge and monitor performance throughout the service.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
302.30	9,705	2,879	12,583	(7,387)	5,196

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Loss of Funding/Income				
Description	Pressure arising from reduced grant allocation in phase 2 of the Successful Families programme.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	700	700

Line	E2				
Activity	Inflation				
Description	Cost of 1% pay award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	78	-	78	-	78

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PREVENTION & EARLY INTERVENTIO (Division)

Section 3: Summary of Savings

Line		B1			
Activity		Strengthening Families BSF Grant Re-profiling			
Description		Re-profiling Phases 1 and 2 of the Building Successful Families Grant.			
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(700)	(700)	-	(700)

Line		B2			
Activity		Strengthening Families - Early Intervention			
Description		Increased joint investment with CCG and other health colleagues in early intervention and prevention strategy to reduce cost within high end social care services.			
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(500)	(500)

Line		B3			
Activity		Best Start Strategy			
Description		Review and integration of Early Years Advice and Support function into Best Start Teams.			
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.60	(100)	-	(100)	-	(100)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	FIELDWORK SERVICES (Division)

Description of core purpose of Planning Entity	Works with families in crisis to prevent breakdown, statutory responsibility around legal orders, child protection keyworkers. Courts impose contact requirements on service for Children in Care during and after proceedings. Hospital Social Work Team covers Jessop's and the Children's Hospital working with pregnant mothers to undertake pre-birth assessments and formulate appropriate plans. Responsible for social worker/young person advisors for looked after children and Care Leavers.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	18,096	(1,145)	16,950	328.60
Total Savings Made			(675)	15.50

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	ASYLUM				
Description	Responsibility for social worker and support worker for Unaccompanied Asylum Seeker Children (UASC) involves supporting and planning UASC through the asylum processes and appeals processes in tribunals and courts; working to asylum legislation and care leavers legislation. Strong operational and strategic relationships with United Kingdom Border Agency and reports through an elected members group. An internal review panel operates to track all cases and keep plan tight within timescales; and linkage with the Immigration Panel.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	250	250	(94)	156

Line	A2				
Activity	CENTRAL MGT & BUSINESS SUPP				
Description	Central Management and Business Support Service consists mainly of the staffing costs supporting the Fieldwork and Fostering and Adoption services. This activity includes business support and business support Management and the administrative running costs of Fieldwork and Fostering and Adoption services. Supporting Fieldwork and Provider services.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
93.80	2,066	318	2,384	(13)	2,371

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	FIELDWORK SERVICES (Division)

Line	A3					
Activity	FIELDWORK STRATEGY					
Description	<p>Contract for services to work with families in crisis to prevent breakdown. Intensive support & counseling around substance abuse. Cost of proceedings including court fees and third party experts. Contact Contracts is demand led as courts impose contact requirement on service for children in care.</p> <p>We work with an intensive programme to keep 11+ at home reducing care and custody numbers.</p> <p>Implementation and development of a service record management system</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	12.10	585	2,934	3,519	(857)	2,662

Line	A4					
Activity	OUT OF HOURS, HOSPITALS & PROJ					
Description	<p>Work with pregnant mothers with their first child or who have none of their previous children living at home to undertake pre-birth assessments and formulate appropriate plans. Referrals from the Children's Hospital on children admitted or identified through Accident and Emergency or wards who are not currently allocated to Social Care for assessment and possible longer term work.</p> <p>The Emergency Duty Service operates links to the 101 Shared Service to receive referrals from Social Care, the general public and other agencies where there is concern about a child's welfare where there is a need for an immediate response as a result of significant harm or the risk of family breakdown.</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	2.10	256	38	294	-	294

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	FIELDWORK SERVICES (Division)

Line	A5					
Activity	PERMANENCE & THROUGH CARE					
Description	Provides social worker/support worker services for Looked After Children (LAC) and Care Leavers and planning and commissioning of services, where decision is for them to remain in care. The age range covers 5 to 25 years, planning for transitions to young adulthood with a wide ranging and varied network of partnerships ; Inclusion and Learning Service and Lifelong Learning and Skills Service; fostering; residential; and private providers of 16 plus accommodation; universities; Further Education colleges, Multi-agency service with midwives; dentist drop-in; apprenticeships; mental health; Multi Agency Psychological Service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	42.10	1,892	1,082	2,974	(151)	2,823

Line	A6					
Activity	SERVICE AREA EAST					
Description	The team is made up of a screening service and the long term teams and include Senior Fieldwork Managers, Social Workers, Support Workers, Practice Teachers and Approved Social Worker Professionals. The types of the assessment/work undertaken include : Children in need - assessing and supporting families and their children. Child Protection - a plan is required in order that children are safeguarded. Looked After Children - either permanency care or further assessment to assess whether children can return home. Children subject to Court Orders or Directives : e.g. section 7 and section 37 of the Children's Act 1989. Families that have no recourse to public funds, unaccompanied asylum seekers, homeless 17-18 year olds, adoption for children.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	63.20	2,410	464	2,874	-	2,874

Line	A7					
Activity	SERVICE AREA NORTH					
Description	The team is made up of a screening service and the long term teams and include Senior Fieldwork Managers, Social Workers, Support Workers, Practice Teachers and Approved Social Worker Professionals. The types of the assessment/work undertaken include : Children in need - assessing and supporting families and their children. Child Protection - a plan is required in order that children are safeguarded. Looked After Children - either permanency care or further assessment to assess whether children can return home. Children subject to Court Orders or Directives : e.g. section 7 and section 37 of the Children's Act 1989. Families that have no recourse to public funds, unaccompanied asylum seekers, homeless 17-18 year olds, adoption for children.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	62.90	2,805	493	3,298	-	3,298

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	FIELDWORK SERVICES (Division)

Line	A8					
Activity	SERVICE AREA WEST					
Description	The team is made up of a screening service and the long term teams and include Senior Fieldwork Managers, Social Workers, Support Workers, Practice Teachers and Approved Social Worker Professionals. The types of the assessment/work undertaken include : Children in need - assessing and supporting families and their children. Child Protection - a plan is required in order that children are safeguarded. Looked After Children - either permanency care or further assessment to assess whether children can return home. Children subject to Court Orders or Directives : e.g. section 7 and section 37 of the Children's Act 1989. Families that have no recourse to public funds, unaccompanied asylum seekers, homeless 17-18 year olds, adoption for children.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	52.40	2,142	359	2,501	(30)	2,471

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Demand					
Description	Field social work requirement due to service demand					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	1,500	-	1,500	-	1,500

Line	E2					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
		149	-	149	-	149

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	FIELDWORK SERVICES (Division)

Section 3: Summary of Savings

Line	B1				
Activity	Field social work requirement				
Description	Reducing caseloads as a result of investment in 11 FTE early intervention and prevention and screening posts, leading to a reduction of 21 FTE social workers.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
11.00	(450)	-	(450)	-	(450)

Line	B4				
Activity	Reorganisation of Transition and CWD Services				
Description	A merger of two teams to provide integrated and improved services.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.50	(225)	-	(225)	-	(225)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	HEALTH STRATEGY (Division)

Description of core purpose of Planning Entity	This service oversees joint commissioning with NHS colleagues of some healthcare and public health services for vulnerable young people and families, primarily substance misuse prevention and treatment services for under 18s, and some sexual health services.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	3,228	(442)	2,786		10.30
Total Savings Made			(150)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A2				
Activity	STRATEGY AND PARTNERSHIP SERVI				
Description	Provision of a statutory service providing impartial advice & guidance for parents of children with Special Educational Needs (SEN) Staffing and associated costs attributed to the implementation of Learning Difficulties and Disabilities (LDD) Strategy Development of short breaks : increasing access, workforce development provider development, commissioning services based on identified gaps. Reducing barriers associated with disabled children's access to childcare Young Carers contract and Direct Payments Social care's contribution to the multi agency information and SIGN (Sheffield Information Giving Network)				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
10.30	507	2,721	3,228	(442)	2,786

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	HEALTH STRATEGY (Division)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Demand				
Description	Demand is increasing for direct payments and short breaks.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	300	300	-	300

Line	E2				
Activity	Inflation				
Description	Cost of 1% pay award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	5	-	5	-	5

Section 3: Summary of Savings

Line	B1				
Activity	Direct Payments and Short Breaks increasing demand				
Description	Implementation of the current Short Breaks Review.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(150)	(150)	-	(150)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	LDD (Division)

Description of core purpose of Planning Entity	This area provides a number of services including a regional resource for children diagnosed with cancer, children with disabilities and practical support for families to support disabled children in a home setting. Provides social work assessment processes and specialist support based on needs.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	1,672	(130)	1,542		40.30
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CHILDREN WITH DISABILITIES					
Description	This area provides a number of services including support for children diagnosed with cancer, children with disabilities and practical support for families to support disabled children in a home setting					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	40.30	1,400	271	1,672	(130)	1,542

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	14	-	14	-	14

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	POLICY & SERVICE IMPROVEMENT (Division)

Description of core purpose of Planning Entity	<p>Improve outcomes for children and families by:</p> <ul style="list-style-type: none"> • Ofsted Inspection preparation • Establishing and maintaining policies & procedures that ensure statutory compliance • Leading & delivering the social work Recruitment and Retention Strategy • Disseminating research evidence to practitioners and managers • Supporting service delivery of information systems e.g. Information Communication Systems, CareFirst • Undertaking reports required as part of Serious Case Review process
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	534	(108)	426	7.40
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	POLICY & SERVICE IMPROVEMENT					
Description	<p>Improve outcomes for children and their families by enabling quality service improvement :</p> <p>Ensuring the delivery of service improvement</p> <p>Ofsted Inspection preparation</p> <p>Establishing and maintaining policies and procedures that ensure compliance with statutory requirements</p> <p>Leading and delivering the social work Recruitment and Retention Strategy</p> <p>Disseminating research evidence to practitioners and managers</p> <p>Supporting the service delivery of information systems e.g. CareFirst</p> <p>Undertaking the reports required as part of the Serious Case Review process</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	7.40	349	185	534	(108)	426

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	3	-	3	-	3

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	POLICY & SERVICE IMPROVEMENT (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PROVIDER SERVICES (Division)

Description of core purpose of Planning Entity	<p>The Provider Service mission statement is to deliver, monitor and provide the highest quality placements and complimentary services that will endeavour to meet specific assessed needs of children and young people within Sheffield.</p> <p>Service is responsible for the recruitment, preparation and assessment of prospective parents and their support once a child is in placement. Provides secure accommodation via Aldine House which is a safe caring environment. Funds service and strategic commissioning for children and young people's emotional health and wellbeing and short break care for children with disabilities in Sheffield.</p>
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	13,146	(5,143)	8,003	249.60
Total Savings Made			(573)	4.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ADOPTION					
Description	<p>Responsible for the recruitment, preparation and assessment of prospective adoptive parents, and their support once a child is in placement, and for searching for a suitable adoptive placement that will meet most of the child's needs, for all Sheffield children with an agreed plan of adoption. The service offers support to adoptive families post placement and post Adoption Order including a wide range of support groups. We also offer support to birth families and adopted adults, including assistance with access to adoption records and counselling. We facilitate the 'letterbox exchange scheme' which assists contact between birth families and adopted children. The service is responsible for administering and reviewing all Residence Order and Special Guardianship Order payments and for undertaking non-agency adoption assessments and providing reports to the Court</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	26.30	936	922	1,857	(547)	1,311

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PROVIDER SERVICES (Division)

Line	A2				
Activity	CHILDRENS RESIDENTIAL HOMES				
Description	<p>We provide residential care for Looked After Children and short break care for children with disabilities in Sheffield in compliance with Children homes regulation 2011</p> <p>We provide care for young people in 5 directly managed mainstream homes and care for and support young people and their families in three directly managed short break care homes.</p> <p>We aspire to provide high quality care for all young people in residential settings; based in thriving communities with opportunities to improve quality of life, life chances and achieve outcomes which meet or exceed national minimum standards.</p> <p>We aim to achieve positive outcomes for children and young people by working in collaboration with parents, carers, and internal and external partnership agencies.</p> <p>Our homes aspire to meet the needs of individual young people within a caring family setting.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
148.40	6,136	1,044	7,180	(2,837)	4,344

Line	A3				
Activity	FOSTERING				
Description	<p>The Fostering Service has to comply with a number of statutory guidelines including Fostering Service, National Minimum Standards and Regulations 2011. The Fostering Service: recruits, trains and approves a high quality cohort of foster carers; retains high quality foster carers; provides placement choice for children who need looking after by the local authority; ensures that best value for money principles are applied. The service provide placements that are needed for a cross section of reasons, long term placements for looked after children (LAC), supporting families within the community, short term placements. The service has to follow legislation in regard to the supervision of staff and foster carers. Marketing and retention activities are supported by the services Key Campaign.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
36.80	1,444	217	1,661	(9)	1,652

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PROVIDER SERVICES (Division)

Line	A4					
Activity	PLACEMENT STRATEGY					
Description	Support for the Corporate Parenting Agenda Board. Looked After and Adopted Children (LAAC) Survey and Pledge. Star Awards Event. Residential provision for Children's Workforce Development. Commissioned service contracts with partnership providers for Care Experience Council and Advocacy/Children's Rights Services / Looked After Nurse provision. Supports schools providing early preventative support to children with emotional and mental health problems.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	39	180	219	(124)	95

Line	A5					
Activity	YOUTH JUSTICE					
Description	The Youth Justice Service provides the city's statutory function for the assessment, supervision and support of young people involved in the criminal justice system. Key statutory functions include: assessment, supervision and risk management of young people on community punishment orders and on release from custody; provision of Appropriate Adult services, provision of reports to court; pre-sentence supervision and bail support; support to parents and carers of young offenders; work with victims of youth offending. Sheffield City Council is the lead agency but the service is funded through a statutory partnership funding formula, including contributions from the Home Office, Ministry of Justice, Department for Education, Probation, Police and Health.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	38.10	1,360	868	2,228	(1,627)	601

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PROVIDER SERVICES (Division)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Loss of Funding/Income				
Description	Reduction of transitional funding				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	333	333

Line	E2				
Activity	Loss of Funding/Income				
Description	Adoption Reform Grant Cessation				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	300	300

Line	E3				
Activity	Loss of Funding/Income				
Description	Youth Justice Grant Reduction				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	140	140

Line	E4				
Activity	Inflation				
Description	Cost of 1% pay award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	77	-	77	-	77

Section 3: Summary of Savings

Line	B1				
Activity	Transition to Independent Living				
Description	Creation of 18-25 Integrated Transition to Independent Living Service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(333)	(333)

Line	B2				
Activity	Adoption Reform Grant Cessation				
Description	Service will be funded through mainstream provision.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(100)	(100)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PROVIDER SERVICES (Division)

Line	B3					
Activity	Youth Justice Grant Reduction					
Description	A cut in funding by Central Government on the Youth Services Grant has been made in 2015/16 and is expected to continue in 2016/17. This will be funded through reductions in the running costs of the service.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	4.00	(140)	-	(140)	-	(140)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	SAFEGUARDING CHILDREN (Division)

Description of core purpose of Planning Entity	The Safeguarding Children Service is an integrated service, formed from child protection functions in Health, Education and Social Care. It incorporates integrated practice and supports and services the Sheffield Safeguarding Children Board (SSCB).
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	2,556	(1,225)	1,331	50.80
Total Savings Made			(90)	2.50

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	SAFEGUARDING CHILDREN				
Description	<p>This is an integrated service, formed from child protection functions in Health, Education & Social Care. It incorporates integrated practice and supports and services the Sheffield Safeguarding Children Board (SSCB). Core functions of the Safeguarding service include:</p> <ul style="list-style-type: none"> Convening, chairing and minuting of child protection conferences Independent Reviewing Service Managing the list of children subject to a child protection plan, performance monitoring and reporting information Serious Case Reviews and Child Death Overview processes Specialist services - Sexual Exploitation, Substance Misuse, Licensing and E-Safety Support, advice, training, procedures and best practice guidance to enable organisations and individuals to understand, prioritise and discharge their safeguarding responsibilities to best effect. <p>The SSCB and other specialist services are joint funded by partner agencies</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
50.80	2,111	445	2,556	(1,225)	1,331

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	SAFEGUARDING CHILDREN (Division)

Section 2: Summary of Pressures (Form Es)

Line	E2					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
		21	-	21	-	21

Section 3: Summary of Savings

Line	B1					
Activity	Running and management costs					
Description	Savings in running and management costs, through the amalgamation of functions.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	2.50	(50)	(40)	(90)	-	(90)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PLACEMENTS (Division)

Description of core purpose of Planning Entity	Purchasing of Foster care, Learning Difficulties and Disabilities (LDD) and Care Leaver beds for Looked After Children, LDD and Care Leavers.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	23,783	(2,142)	21,641	8.60
Total Savings Made			(820)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	PLACEMENTS				
Description	<p>Purchasing of Foster beds for Looked After Children when in house facilities not available or on rare occasions when necessary, for safety reasons, to move a child out of city. Purchasing of residential block contracts and other residential placements in and out of the city.</p> <p>There are a number of children and young people with disabilities who are looked after by the Local Authority who are either placed within or out of city residential home or placed with a private fostering carer.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
8.60	283	23,500	23,783	(2,142)	21,641

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Fostering inflationary pressures				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	80	80	-	80

Line	E2				
Activity	Demand				
Description	Additional demand on placements, linked to demography.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	240	240	-	240

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PLACEMENTS (Division)

Line	E3				
Activity	Legislation				
Description	Costs attached to implementing Staying Put Policy that can enable a young person's foster care placement to be extended beyond their 18th birthday.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	300	300	-	300

Line	E4				
Activity	Legislation				
Description	National policy requires a transition from minimum wage towards living wage.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	500	500	-	500

Line	E5				
Activity	Inflation				
Description	Cost of 1% pay award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	3	-	3	-	3

Section 3: Summary of Savings

Line	B1				
Activity	Fostering inflationary pressures				
Description	Inflationary pressures on fostering allowances to be absorbed by placement budgets				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(80)	(80)	-	(80)

Line	B2				
Activity	Additional Demand on Placements				
Description	To be met within existing placement budgets				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(240)	(240)	-	(240)

Line	B3				
Activity	National Minimum Wage Transition				
Description	Negotiation of contract price with providers ensuring ensuring providers pay their staff the new minimum wage within the existing financial position.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(500)	(500)	-	(500)

Directorate	CYPF
Service	CHILDREN & FAMILIES
Planning Entity	PLACEMENTS (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	ACCESS & PUPIL SERVICES (Division)

Description of core purpose of Planning Entity	The School Organisation Team fulfils the statutory duty to ensure sufficient high quality school places. The Pupil Admissions Team manages all elements of the school admissions process and is supported by the Children Missing From Education Team who work to ensure that all children missing from education are promptly re-engaged with educational provision. The School Liaison function provides a de-escalation service for school issues and includes the lead for services to schools and governors support.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	4,979	(5,069)	(91)		90.10
Total Savings Made			(128)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ACCESS & PUPIL SERVICES					
Description	The School Organisation Team fulfils the statutory duty to plan and provide sufficient high quality Primary and Secondary school places commissioning new provision where it is required and making changes to the organisation of schools. The Pupil Admissions Team provides advice and guidance to parents and schools and manages all elements of the school admissions process from application to appeals and transport. The admissions process is supported by the Children Missing From Education Team who work to ensure that all children missing from education are promptly identified and re-engaged with educational provision. The Services to Schools function oversees the services offer to schools including the redesign and quality assurance of services. It includes the School Liaison Service which deals with problem resolution and de-escalation of school issues.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	90.10	2,661	2,318	4,979	(5,069)	(91)

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	128	-	128	-	128

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	ACCESS & PUPIL SERVICES (Division)

Section 3: Summary of Savings

Line	B1				
Activity	Reductions in Running Costs (ILS)				
Description	Pay award pressure funded through reductions in running costs across the service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(128)	(128)	-	(128)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	LEARNING & ACHIEVING SERVICE (Division)

Description of core purpose of Planning Entity	The Learning and Achievement Service provides advocacy for all children and young people's educational outcomes to ensure that they make good progress, with a particular focus on the most vulnerable. In our role as advocate and champion for children, young people and families the Local authority will support, challenge and intervene in schools where necessary.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,966	(1,966)	-	14.13
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	LEARNING & ACHIEVING SERVICE				
Description	The Learning and Achievement Service (LAS) provides advocacy for all children and young people's educational outcomes in Sheffield, to ensure they reach their full potential. In addition to the role of advocates, LAS also operates a virtual school for looked after children to champion their educational outcomes. Within LAS there are also services such as Every Sheffield Child Articulate and Literate (ESCAL).				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
14.13	1,474	492	1,966	(1,966)	-

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	INCLUSION & TARGETED SERVICES (Division)

Description of core purpose of Planning Entity	The identification of the educational needs of individual children and young people with Special Educational Needs and the provision of high quality statutory services including schools to meet those needs. The provision of targeted services or provision to meet the needs of other identified vulnerable groups at risk of underachievement or exclusion within mainstream schools.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	12,964	(12,964)	-	140.53
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	INCLUSIONS & TARGETED SERVICES					
Description	The identification of the educational needs of individual children and young people with special educational needs and the provision of high quality statutory services including schools to meet those needs. The provision of targeted services or provision to meet the needs of other identified vulnerable groups at risk of underachievement or exclusion within mainstream schools					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	140.53	6,256	6,708	12,964	(12,964)	-

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	CHILDREN'S COMMISSIONING UNIT (Division)

Description of core purpose of Planning Entity	The function works across the Portfolio and with Partners to support service delivery and change; including consultation and engagement with parents, all partnerships and priority work programmes with schools and children's health and well being.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	2,429	(2,429)	-	47.25
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CHILDREN'S COMMISSIONING UNIT					
Description	The function works across the Portfolio and with partners to support service delivery and change; including consultation and engagement with partners, all partnerships and priority work programmes with schools and children's health and well being.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	47.25	1,757	672	2,429	(2,429)	-

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	CHILDREN'S PUBLIC HEALTH (Division)

Description of core purpose of Planning Entity	Public Health aims to improve the health of the population and reduce health inequalities through health protection (stopping people being exposed to risk), health promotion (with individuals, communities and organisations) and through influencing the design of health care services.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	11,571	(11,571)	-	28.25
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	COMM SERVICES - VOLUNTARY				
Description	Services commissioned from Voluntary and Community organisations to promote health in the Early Years and with vulnerable groups.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		301	301	(301)	-

Line	A2				
Activity	ENHANCED SERVICES				
Description	Enhanced Sexual Health Services delivered in Primary Care by GP Practices and Community Pharmacy. Provision of long acting reversible contraception, emergency hormonal contraception and chlamydia screening.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		470	470	(470)	-

Line	A3				
Activity	NHS TRUSTS				
Description	Sheffield residents receiving sexual health services out of city.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		170	170	(170)	-

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	CHILDREN'S PUBLIC HEALTH (Division)

Line	A4				
Activity	PUBLIC HEALTH INFRASTRUCURE				
Description	CYPF Public Health Team staffing who deliver public health planning, health protection, contracting and commissioning activity. Includes other public health contracts as follows: - Healthy Weight Service. Providing the Health, Exercise and Nutrition for the Really Young (HENRY) programme for Early Years and Families; - delivery of Genetics work as part of the Sheffield Infant Mortality Strategy				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
28.25	837	803	1,641	(1,641)	-

Line	A5				
Activity	SCH - SCHOOL NURSING				
Description	Statutory delivery of the 0-19 HCP. Delivery of mandatory Health Visiting functions (new birth visits, post natal visits) and statutory requirements for Safeguarding, National Child Measurement Programme, universal health screening on school entry and Vaccinations and Immunisations. Universal service delivered to 0-4 years and 5-19 years. Provided by a new integrated model through redesign of Health Visiting and School Nursing services.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	903	903	(903)	-

Line	A6				
Activity	STH - GUM				
Description	It is a confidential service at Sheffield Teaching Hospital providing specialist information, advice, counseling, rapid testing and treatment for sexually transmitted infections				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	8,087	8,087	(8,087)	-

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1				
Activity	Reduction in Sheffield Teaching Hospital contract				
Description	Sheffield Teaching Hospital will be delivering a 15% contract value reduction in 2016/17 in return for a 2 year contract				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(547)	(547)	547	-

Directorate	CYPF
Service	INCLUSION & LEARNING SERVICES
Planning Entity	CHILDREN'S PUBLIC HEALTH (Division)

Line	F2				
Activity	Reduced cost of services purchased through SCH				
Description	Sheffield Children's Hospital Trust will be delivering 15% savings through the re-design of the 0-4 Integrated Healthy Child Service.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	(279)	(279)	279	-

Line	F3				
Activity	Service redesign of School Nursing service				
Description	Sheffield Children's Hospital Trust will be delivering 15% savings through the re-design of the 5-19 Integrated Healthy Child Service.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	(209)	(209)	209	-

Line	F4				
Activity	Health Visiting				
Description	Full year effect of 2015/16 re-negotiation of the Health Visiting Contract.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	(261)	(261)	261	-

Line	F5				
Activity	Public Health staffing				
Description	Deletion of vacant posts in CYPF and other roles and responsibilities to be redefined.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
2.00	(126)	-	(126)	126	-

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	EMPLOYMENT & SKILLS (Division)

Description of core purpose of Planning Entity	Secures external funding, designs and commissions employment and skills programmes for the city's residents and in support of city-region strategies.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	8,304	(6,905)	1,399	35.41
Total Savings Made			(200)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	CITY DEAL				
Description	Management of the City Deal programme across the Sheffield City region on behalf of the Local Enterprise Partnership (LEP).				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.69	459	2,263	2,723	(3,023)	(300)

Line	A2				
Activity	EMPLOYMENT & SKILLS				
Description	<p>The team</p> <ul style="list-style-type: none"> - commissions, through the third sector, the SCC Employability Programme targeting vulnerable adults and young people furthest from the labour market, including those with disabilities & mental health conditions, as well as lone parents, ex-offenders and some Black and Minority Ethnic (BME) communities and core learners. - operates Opportunity Sheffield brokering job and training opportunities with the city's employers placing jobseekers in work and sourcing apprenticeships. - implements the Skills Strategy working with stakeholders, including Skills Funding Agency (SFA), to improve the skills levels of the city's workforce. - organises the Sheffield 100 Apprentices programme and manages the City Deal for Skills for the city-region. 				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
22.72	793	4,788	5,581	(3,882)	1,699

Section 2: Pressures (Form Es) - None Identified

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	EMPLOYMENT & SKILLS (Division)

Section 3: Summary of Savings

Line	B1				
Activity	Developing the Skills for Life and Work:Skills Hub				
Description	Re-profile of income from skills and employment services.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(200)	(200)	-	(200)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1				
Activity	Savings in ESA Pathway				
Description	Education Support Allowances (ESA) Pathway is a 2 year programme due to be completed during 2016/17. There is a lower match funding requirement for a DWP funded project.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(88)	(88)	88	-

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	FAMILY & COMMUNITY LEARNING (Division)

Description of core purpose of Planning Entity	Organises adult, community and family learning for the city and manages training units. This is entirely externally funded via the Skills Funding Agency and Education Funding Agency Leads Sheffield's Raising the Participation Age strategy Leads on learning provision for 16-25 year olds with Learning Difficulties and Disabilities for Sheffield
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	9,895	(9,828)	66		83.32
Total Savings Made			(192)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	16 - 19					
Description	- Commissions and delivers provision for young people Not in Education, Employment or Training (NEETs) and other vulnerable learners - Co-ordinates provision for 16-25 year olds with Learning Difficulties and Disabilities including assessment of need and provision of tailored learning programmes such as New Routes					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.78	73	4,348	4,421	(4,453)	(32)

Line	A2					
Activity	ADULT & COMMUNITY LEARNING					
Description	Holds the Skills Funding Agency (SFA) contract for the city and commissions provision for learners on its behalf. To facilitate this, the service manages extensive partnership working across a range of local learning partnerships, Community Assemblies and with other providers, model now been adopted as a national pilot for the Business Innovation and Skills Community Learning Trusts. The programme is partly delivered by the service's tutors, adult learning in community settings, including basic skills, first steps to employment, English for Speakers of Other Languages, vocational learning and learning for leisure. The programme also includes SFA funded Family Learning, delivered in schools, children's centres and other community settings. These are structured programmes to support parents to support their children's learning and to improve their own basic skills and confidence.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	14.42	712	1,214	1,926	(1,926)	-

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	FAMILY & COMMUNITY LEARNING (Division)

Line	A3				
Activity	EMTAS				
Description	<p>The Ethnic Minority and Traveller Achievement Service (EMTAS):</p> <ul style="list-style-type: none"> - designs and delivers support programmes targeted at under achieving young people from vulnerable communities, specifically BME - has strategic and operational responsibility for mentoring programmes for vulnerable young people - develops prevention and intervention strategies to support cohesion and develop resilient communities 				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.79	287	63	350	(350)	-

Line	A4				
Activity	ENRICHMENT PROGRAMME				
Description	<p>Children's University and Enrichment.</p> <p>This service contributes to the increased achievement and participation in learning of targeted cohorts of children and young people by continuing to develop:</p> <ul style="list-style-type: none"> - promoting and celebrating participation in the Children's University, with 8,000 learners currently holding passports, as a direct contribution to school based attainment through enrichment activities. - generating community-based positive activities in partnership with public and third sector agents. 				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.37	158	78	237	(237)	-

Line	A5				
Activity	LEARNING SKILL & EMPLOYMENT				
Description	<p>Management and delivery in SCC's four training centres of Skills Funding Agency /Education Funding Agency funded learning programmes across the majority of vocational areas. This activity includes:</p> <ul style="list-style-type: none"> - the 14 -16 Vocational Skills Programme to enhance the school-based curriculum offer. - work based assessments and further education in vocational sectors. 				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
56.96	1,897	1,064	2,962	(2,864)	98

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	FAMILY & COMMUNITY LEARNING (Division)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Loss of Funding/Income				
Description	Loss of EFA funding to training units				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	160	160

Section 3: Summary of Savings

Line	B1				
Activity	Opportunity Sheffield Re-organisation				
Description	Lifelong Learning - placement officer to move from general fund to grant funding as part of Opportunity Sheffield reorganisation.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(32)	(32)	-	(32)

Line	B2				
Activity	Loss of EFA Funding to training units				
Description	Full year effect of 2015/16 restructure				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(160)	(160)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	PERFORMANCE & PARTNERSHIPS (Division)

Description of core purpose of Planning Entity	Provision of performance management and analytical services in the portfolio to support service planning, delivery, monitoring and development and direct support to schools. Undertakes joint work with statutory partners including NHS, Police and Probation. Partnership working arrangements, such as the 0-19+ Partnership and Children's Trust Executive Board.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,196	(1,115)	82	26.76
Total Savings Made			(100)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	PERFORMANCE & PARTNERSHIPS				
Description	<p>Performance and Partnerships is responsible for:</p> <ul style="list-style-type: none"> - performance management and analytical services, ensuring intelligent commissioning by all services. - providing direct support to schools and undertaking joint work with NHS. - management of partnership working arrangements e.g. 0 -19 Partnership and the Children's Trust Executive Board. - providing support for business plans. - coordinating external inspections. - monitoring and reporting on policy developments. 				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
26.76	1,037	159	1,196	(1,115)	82

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1				
Activity	Review of Performance and Analysis Service				
Description	Strategic realignment of core activities against funding stream and service restructure, including deletion of vacancies in 2015/16 which will have a full year effect in 2016/17. The service will generate income e.g. from Schools				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(77)	-	(77)	(23)	(100)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	PERFORMANCE & PARTNERSHIPS (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	14-24 PARTNERSHIP (Division)

Description of core purpose of Planning Entity	Vocational Skills Programme for young people. The Not in Employment Education or Training (NEET) prevention programme. Develops Foundation level learning policy/practice. Plans 16-19 provision with government agencies. Leads education employer links and the city's 14-24 partnership/working groups. Oversees activity to widen Higher Education participation. Champions/coordinates Science, Technology, Engineering and Maths agenda. Responds to national initiatives (University Technical College/Studio School). Oversees the city's 14-24 strategy.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,895	(1,825)	70	9.27
Total Savings Made			(56)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	14 - 19 PARTNERSHIP					
Description	<p>Commissions and quality assures provision of 14 -16 Vocational Skills Programme for 900 learners as purchased by schools.</p> <p>Organises the city's Alternative Provision for 500 most vulnerable young people e.g. Looked After Children, not on school roll, home educated.</p> <p>Plans the city's 16 -19 provision jointly with government agencies.</p> <p>Leads on education employer links prioritising growth sectors and enterprise.</p> <p>Leads city's 14-24 Partnership.</p> <p>Oversees activity to widen participation to Higher Education. Champions and coordinates the Science, Technology, Engineering and Maths agenda.</p> <p>Responds to national initiatives e.g. University Technical College.</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	9.27	512	1,383	1,895	(1,825)	70

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1					
Activity	14-19 Service					
Description	Post moving from general fund to EFA / SFA grant funding from April 2016.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	(56)	-	(56)	-	(56)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	14-24 PARTNERSHIP (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	STRATEGIC SUPPORT (Division)

Description of core purpose of Planning Entity	Core Team: Winning external grant/contracts, developing strategic programmes, commissioning learning, skills and employment provision and delivering traded services. The team levered a total of £32.8m for City Deal and Ambition SCR over the last 3 years, which the council manages on behalf of the Local Enterprise Partnership and is pursuing other opportunities to secure further funding. Strategic Support & Development is externally funded and comprises the Grant Administration Unit and Administration teams. The team supports managers at all levels in the delivery of service objectives.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,563	(857)	707	21.75
Total Savings Made			(80)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	STRATEGIC SUPPORT					
Description	<p>Lifelong Learning, Skills and Communities Core Team Responsible for:</p> <ul style="list-style-type: none"> - the management of 14-19 learning, Integrated Youth Services, Employment and Skills, Adult, Community and Family Learning and Community Cohesion. - winning external grants and contract, developing strategic programmes, commissioning learning, skills and employment provision and delivering traded services. - undertaking project and performance monitoring, review and evaluation, liaison with funding bodies and compliance with corporate policies, funding body contractual requirements. 					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	21.75	1,261	303	1,563	(857)	707

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Cost of 1% pay award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	80	-	80	-	80

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	STRATEGIC SUPPORT (Division)

Section 3: Summary of Savings

Line	B1				
Activity	Reductions in Running Costs (LLSC)				
Description	Pay award pressure funded through reductions in running costs across the service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(80)	(80)	-	(80)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	YOUTH (Division)

Description of core purpose of Planning Entity	Commissions Community Youth Teams to identify young people at risk of falling out of education, involvement in crime/antisocial behaviour/other poor outcomes and keep them on positive paths through support/advice/guidance. Delivers targeted youth work provision and programmes including street based. Supports voluntary groups to deliver positive activities for young people. Involves Young People in decisions affecting them via Involvement Strategy/Youth Council/Young Inspectors etc.
--	--

	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	4,955	(898)	4,057	23.84
Total Savings Made			(665)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	COMMUNITY YOUTH TEAMS					
Description	Directly employs the council staff who are deployed into Community Youth Teams (CYTs). Identifies and delivers preventative programmes to vulnerable young people at risk of involvement in crime and antisocial behaviour. Supports multi agency management arrangements for CYTs including police and health staff.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	18.97	726	545	1,271	(99)	1,173

Line	A2					
Activity	UNIVERSAL SERVICES					
Description	Commissions activity through Sheffield Futures and other third sector partners including: - Capacity building to grow grass roots development of positive activities focussed on communities where there are gaps in provision - Direct delivery of targeted youth engagement programmes - Identification, tracking and re-engagement of young people Not in Education, Employment or Training (NEETs) into learning or employment - Youth Involvement through the Youth Cabinet and UK Youth Parliament Members, Young Advisers, Young Inspectors and local youth forums - A traded service in Careers Guidance for schools - Information, Advice and Guidance for vulnerable groups, including young people with Learning Difficulties and Disabilities, Looked after Children, young offenders and young parents					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	4.87	190	3,494	3,683	(800)	2,884

Directorate	CYPF
Service	LIFELONG LEARN, SKILL & COMMUN
Planning Entity	YOUTH (Division)

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1				
Activity	Developing Skills for Life and Work:Youth service				
Description	A review of youth involvement and Community Youth Teams and a redesign of Youth Services.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(145)	(489)	(634)	(31)	(665)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Communities

	<u>Gross</u> <u>Expenditure</u> <u>£000</u>	<u>Gross</u> <u>Income</u> <u>£000</u>	<u>Net</u> <u>Expenditure</u> <u>£000</u>
<u>CARE AND SUPPORT</u>			
Access Prevention & Reablement	3,983	824	3,159
Contributions to Care	1,273	34,604	-33,330
Learning Disability Service	61,840	2,687	59,153
Long Term Support	79,049	2,755	76,294
Provider Services	9,996	2,815	7,182
	<u>156,141</u>	<u>43,685</u>	<u>112,458</u>
<u>COMMISSIONING</u>			
Housing Commissioning	10,893	2,225	8,668
Mental Health Commissioning	12,714	1,098	11,616
Public Health DACT	8,105	7,209	896
Social Care Commissioning	8,065	4,162	3,902
	<u>39,777</u>	<u>14,694</u>	<u>25,082</u>
<u>COMMUNITY SERVICES</u>			
Libraries	5,678	1,221	4,456
Locality Management	2,445	1,053	1,392
Public Health Community	1,517	1,506	11
	<u>9,640</u>	<u>3,780</u>	<u>5,859</u>
<u>HOUSING GENERAL FUND</u>			
Business Planning	1,305	519	786
City Wide Housing Service	4,745	2,119	2,625
Neighbourhoods Int & Tenant Supp-Gen	2,026	1,524	502
Sustainable City	1,465	1,596	-130
	<u>9,541</u>	<u>5,758</u>	<u>3,783</u>
<u>BUSINESS STRATEGY</u>			
Executive and Portfolio-wide Services	4,566	682	3,884
Planning and Performance	848	128	720
Quality and Safeguarding	2,510	530	1,980
	<u>7,924</u>	<u>1,340</u>	<u>6,584</u>
	223,023	69,257	153,766

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	ACCESS PREVENTION & REABLEMENT (Division)

Description of core purpose of Planning Entity	The service supports the Care Act's guidance to prevent, reduce and delay the need of care and support by offering early intervention initiatives, information and advice, assessment for new service users, identifying changes in needs following a period of reablement, and preventative and reablement services.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	3,983	(824)	3,159	109.21
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	ACCESS PREVENTION & REABLEMENT
Description	Hospital and Intermediate Care based services. The primary function of this service is to support people to return home from hospital safely, avoid inappropriate hospital admission and provide Social Work support for those with significant health conditions.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
73.15	2,238	121	2,359	(324)	2,035

Line	A2
Activity	ADAPTATIONS, HOUSING & HEALTH
Description	Occupational therapy assessments, provision of equipment for minor and major adaptations, disabled facilities grant team, adaptations to non-council houses, health and housing team assessments for re-housing priorities on health grounds and the sensory impairment team.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
36.06	1,232	391	1,624	(500)	1,123

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	CONTRIBUTIONS TO CARE (Division)

Description of core purpose of Planning Entity	This service delivers financial assessments, payment recovery and resources management and runs the direct payment process.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	1,273	(34,604)	(33,330)		41.97
Total Savings Made			(200)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CHC INCOME					
Description	Income from Clinical Commissioning Group where individuals' care packages are either wholly or partially eligible for Health Funding.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00			-	(8,607)	(8,607)

Line	A2					
Activity	ILF INCOME					
Description	Income from Independent Living Fund where Sheffield City Council acts as the award manager for individuals.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00			-	(373)	(373)

Line	A3					
Activity	INTEGRATED CHARGE INCOME					
Description	Income from service users' contributions for non residential care, as assessed under Sheffield's Fairer Contributions Policy.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	(9,009)	(9,009)

Line	A4					
Activity	RESI, NURSE & PTY INCOME					
Description	Service User Contributions for residential and nursing care as assessed using national regulations.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00			-	(16,587)	(16,587)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	CONTRIBUTIONS TO CARE (Division)

Line	A5				
Activity	PUBLIC HEALTH DIRECT PAYMENTS				
Description	Payments to individual service users funded by public health money and organised through support plans.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00			-		-

Line	A6				
Activity	SOCIAL CARE ACCOUNTS SERVICE				
Description	Cost of the Social Care Accounts Service team which administers the payment for all care packages, manages direct payments to service users and financially assesses individual service users and collects income.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
41.97	1,165	108	1,273	(27)	1,246

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1				
Activity	Maximising Income Options - ASC				
Description	Anticipated increase in benefits will lead a corresponding increase in customers' contributions to care. The majority of this increase will apply to older customers receiving pension credit and an Equality Impact Assessment will be carried out. Any increase in care costs will automatically produce an further increase in customer contributions (from September 2016)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(200)	(200)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LEARNING DISABILITIES (Division)

Description of core purpose of Planning Entity	The Learning Disabilities team assesses needs and provides specialist community based services, accommodation and support, short break services, specialist mental health services and services for fulfilling lives through self directed support and personal budgets.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	61,840	(2,687)	59,153	229.28
Total Savings Made			(2,640)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A6				
Activity	LEARNING DISABILITIES - OTHER				
Description	Specialist support on housing and support on accommodation developments and general support to services				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	18	18	-	18

Line	A7				
Activity	LD PROVIDER SERVICES				
Description	This function provides services to adults assessed as having eligible needs.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
126.28	5,510	529	6,039	(12)	6,027

Line	A9				
Activity	PURCHASING LD				
Description	Care purchased from the independent sector, direct payments and self directed support.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	53,285	53,285	(2,150)	51,135

Line	A11				
Activity	LD A&CM				
Description	Assessment and Care Management teams supporting Learning Disability service users.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
103.00	2,133	366	2,499	(525)	1,973

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LEARNING DISABILITIES (Division)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Care Home Fees 2% increase, based on the 2015/16 estimate.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	107	107	-	107

Line	E3				
Activity	Loss of Funding/Income				
Description	Shortfall in funding to support Independent Living Fund (ILF) service users, as legislation and the level of funding received by the Council change.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	1,922	1,922	-	1,922

Line	E6				
Activity	Legislation				
Description	Cost pressures				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	227	227	-	227

Section 3: Summary of Savings

Line	B1				
Activity	Learning Disabilities Commissioning Project				
Description	The aim of this saving is to improve outcomes for people with a learning disability, ensure best value and achieve savings through improvements to: LD Accommodation Care and Support Market Development Social Inclusion and Family Resilience				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(1,640)	(1,640)	-	(1,640)

Line	B3				
Activity	Reviews and Reassessments				
Description	Continue to make sure that people with learning disabilities have the support they need to live their lives more independently with less reliance on formal services.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(1,000)	(1,000)	-	(1,000)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LEARNING DISABILITIES (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LONG TERM SUPPORT (Division)

Description of core purpose of Planning Entity	The service assesses needs and provides resources for the care and protection of vulnerable older people, including adults with a physical disability or sensory impairment and their carers. The aim is to provide through self directed support and personal budgets care and support for people either in their own homes, or in residential care, by working in close partnership with health colleagues, Sheffield Homes, Care4you, the independent sector and voluntary organisations to assess and provide care as required.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	79,049	(2,755)	76,294		148.00
Total Savings Made			(190)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ADULT SOCIAL CARE PURCHASING					
Description	Care purchased from Independent Sector Providers, via direct payments and self directed support. Primarily provision of services where there is statutory duty to meet the required needs. Some provision of preventative services, to avoid higher levels of need developing (therefore maximising independence and minimising higher cost packages).					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	73,152	73,152	(2,328)	70,824

Line	A3					
Activity	CASE MANAGEMENT FUNCTION					
Description	Provide time limited support/Social Work services to enable people to continue to live as independently as possible. Provision of support/protection for very vulnerable people. Statutory duties associated with Community Care Services define the responsibilities to assess needs and provide services. To assess and manage risks associated with vulnerable service users to agree outcomes with them to keep them free from harm and as independent as possible whilst remaining in their own home. Additionally to support people who have to go into care or who have complex mental health problems. We also work with the Sheffield Clinical Commissioning Group to establish eligibility for either social care or health care funding.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	67.00	2,473	256	2,729	(307)	2,422

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LONG TERM SUPPORT (Division)

Line	A4				
Activity	REVIEW & REASSESSMENT FUNCTION				
Description	The Council must review/reassess users who require Care and Support to determine whether their eligible needs have changed and to ensure that support continues to be provided cost effectively.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
53.00	1,636	76	1,712	-	1,712

Line	A8				
Activity	SERVICE MANAGEMENT				
Description	Cost of Service Management Team				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
28.00	1,157	300	1,457	(120)	1,337

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Demand				
Description	Increase in demand for adult social care services due to demographic changes.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	513	513	-	513

Line	E2				
Activity	Inflation				
Description	Care Home Fees Price Increase.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	127	127	-	127

Line	E4				
Activity	Legislation				
Description	Cost pressures				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	2,409	2,409	-	2,409

Line	E9				
Activity	Loss of Funding/Income				
Description	ILF Funding reduction to SCC but the responsibility to the clients continues				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	778	778	-	778

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	LONG TERM SUPPORT (Division)

Section 3: Summary of Savings

Line	B4					
Activity	Redesign Occupational Therapy					
Description	The proposal is to identify ways to streamline the Occupational Therapy assessment process and the provision of adaptations and equipment, as well as improving the focus on prevention.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(190)	(190)	-	(190)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	PROVIDER SERVICES (Division)

Description of core purpose of Planning Entity	The Social Care Services directly managed by the Council for older people and adults with a physical disability or sensory impairment and their Carers. This includes Home Care, Community Support, City Wide Care Alarms, Adult Placement Shared Lives Service (APSL).
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	9,996	(2,815)	7,182		404.81
Total Savings Made			(2,000)		76.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ADULT PLACEMENT SHARED LIVES					
Description	Provision of long and short term family or community based support provided by approved self employed Carers who have been assessed, trained and supervised by the service. Provision includes day support, befriending, overnight stays and long term placements within the Carers' own home.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	10.00	327	1,010	1,337	(99)	1,238

Line	A2					
Activity	REABLEMENT SERVICES					
Description	Provides reablement services to Sheffield people.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	330.00	4,792	578	5,370	(398)	4,972

Line	A3					
Activity	CARE4YOU 24 HOUR RESPONSE SERV					
Description	Enabling our customers to lead healthy and independent lives through the installation of equipment and provision of emergency care advice, support and practical help 24 hours a day, 365 days per year (helping the individual to remain safe, secure and independent at home).					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	28.85	886	323	1,209	(2,109)	(899)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	PROVIDER SERVICES (Division)

Line	A4				
Activity	CARE4YOU BUSINESS & PERFORMANC				
Description	Provides the Management and Administration support. This support is provided via business support and reception function, quality assurance and performance reporting.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
15.00	553	680	1,233	-	1,233

Line	A5				
Activity	COMMUNITY SUPPORT SERVICE				
Description	In-House provision of social respite via Community Support Services which supports service users to remain in the community as an alternative to residential or nursing care, and respite support for their carers.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
20.96	647	60	706	(209)	497

Line	A6				
Activity	HEAD OF SERVICE				
Description	Includes Major Incident Response and other miscellaneous items managed by the Head of Service which relate to the whole of Adult Provider Services				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	142	142	-	142

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1				
Activity	Hospital Discharge Management				
Description	The proposal is to remodel the support service for people leaving hospital, to be clearly focused on helping people to recover independence and be able to stay well within their own home.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
76.00	(2,000)	-	(2,000)	-	(2,000)

Directorate	COMMUNITIES
Service	CARE AND SUPPORT
Planning Entity	PROVIDER SERVICES (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	HOUSING COMMISSIONING (Division)

Description of core purpose of Planning Entity	Activity to get the best out of the city's existing housing through managing the relationship with social landlords and private landlords, and supporting the Council's Housing Service. Commissioning of supported housing from a wide range of providers across the city, and development of new capacity.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	10,893	(2,225)	8,668		9.84
Total Savings Made			(5,200)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A3				
Activity	HOUSING RELATED SUPPORT				
Description	Maintaining independence for vulnerable people who need additional support to maintain a tenancy.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
9.84	390	10,504	10,893	(2,225)	8,668

Line	A5				
Activity	SOCIAL HOUSING				
Description	Contract payments for partnership working with other providers for services including grounds maintenance, strategy and standards.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	-	-

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1				
Activity	Housing Partnership Financing Debt				
Description	Reviewing the financial arrangement of the Housing Partnership fund (Places for People)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(5,000)	(5,000)	-	(5,000)

Line	B2				
Activity	Reprocurement & consolidation housing independence				
Description	There will be further changes to the portfolio of housing support services next year. The net impact of these changes will be a reduction in overall spend of 200k.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(200)	(200)	-	(200)

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	HOUSING COMMISSIONING (Division)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1					
Activity	PH Floating Support					
Description	Public health investment in floating support will be sustained at the current level as this is a priority area. However, revenue savings from the wider housing support revenue budget will be redirected to the public health budget. This will mean that the planned pilots on better supporting (a) people with very challenging behaviours; and (b) young people needing housing support will be scaled back.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(150)	(150)	150	-

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	MENTAL HEALTH COMMISSIONING (Division)

Description of core purpose of Planning Entity	Investment in services provided by Sheffield Health and Social Care Foundation Trust for people with mental health issues.
--	--

	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	12,714	(1,098)	11,616		92.04
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ASSESSMENT & CARE MGNT-MH					
Description	Social work teams (seconded to Sheffield Health and Social Care Foundation Trust) providing information, care and advice including approved social workers, assessing the support needs of vulnerable people, agreeing and arranging care packages, reviewing care and support. Undertaking statutory assessments under the Mental Health Act.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	79.00	2,080	7,336	9,417	(328)	9,089

Line	A2					
Activity	COMMISSIONING MENTAL HEALTH					
Description	Partnership grants and support for Carers of people with Mental Health issues.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00		506	506	(203)	303

Line	A3					
Activity	COMMUNITY & DAY SERVICES - MH					
Description	Partnership payments to Sheffield Health and Social Care Foundation Trust (SHSCFT) for provision of mental health services on behalf of the City Council under the Section 75 Partnership Agreement and internal provision of day services for adults under 65. Staff employed by SHSCFT.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00		16	16		16

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	MENTAL HEALTH COMMISSIONING (Division)

Line	A4				
Activity	OLDER PEOPLES MENTAL HEALTH				
Description	Resource centre provided by Sheffield Health and Social Care Foundation Trust (SHSCFT) short term care and day care. Staff employed by SHSCFT.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
10.04	219	2,039	2,257	(150)	2,107

Line	A6				
Activity	SUBSTANCE MISUSE SERVICES				
Description	Care and support for people with drug and alcohol issues.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.00	119	400	518	(417)	102

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Legislation				
Description	Cost pressures				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	22	22	-	22

Line	E4				
Activity	Inflation				
Description	Sheffield Care Trust is currently overspending on Social Worker pay expenditure - there is a high risk that this is because the SCC contract funding does not cover the staffing levels prescribed in the s75 Partnership Agreement.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	200	200	-	200

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	PH DRUG & ALCOHOL (DACT) (Division)

Description of core purpose of Planning Entity	Reducing the risk of, and increasing safety around, substance abuse and domestic abuse. Inspiring change to aid recovery from these issues.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	8,105	(7,209)	896		17.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	DRUG & ALCOHOL SERVICES CS					
Description	<p>Public Health and other sources fund a range of community based interventions for drugs, alcohol and domestic abuse. This ranges from brief interventions through to structured medical treatment. Interventions are aimed at both harm reduction and recovery from substance misuse dependence; and reducing risk and providing support to victims of domestic abuse.</p> <p>The service aims to respond to new challenges in terms of drug trends. A key area for the city is in increasing recovery capital and opportunities including links with mutual aid.</p>					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	17.00	472	7,633	8,105	(7,209)	896

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	PH DRUG & ALCOHOL (DACT) (Division)

Section 5:Public Health Savings

Line F1					
Activity Opiate and Non Opiate Service					
Description 1. Services were commissioned with reduced annual value from year 2 of the contract. Already planned. 2. A saving was delivered at the point of tender on drug treatments in addition to reducing the costs in the second contract year.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(184)	(184)	184	-

Line F2					
Activity Reduction of DACT infrastructure					
Description Costs to be absorbed through efficiencies within the team running costs.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(12)	(12)	12	-

Line F3					
Activity DACT Projects					
Description Savings to be achieved through minor cuts					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(8)	(8)	8	-

Line F4					
Activity Drug Intervention Prog (DIP) Addaction contract					
Description 1. 16-17 onwards changes made to contract payments when contract is a) put out to tender or b) extended via waiver for 12 months. 2. Reduced coverage in custody suites (shared coverage arrangement with Rotherham DIP from 2016-17). 3. Reduced post prison release engagement work (role to be taken on by NACRO and funded elsewhere).					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(147)	(147)	147	-

Line F6					
Activity Alcohol Strategy and further investment					
Description The new Alcohol Strategy 2016-2020 aims to raise the profile of alcohol related harms and the need for investment in treatment in the city and encourage more individuals to access interventions. This saving is based on offering the contract out at a standstill price and offering the previously agreed additional investment up as a saving.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(128)	(128)	128	-

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	SOCIAL CARE COMMISSIONING (Division)

Description of core purpose of Planning Entity	Commissioning of services for older people, people with mental health problems and learning disabilities including needs assessment, service redesign, market development and contracting.
--	--

	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	8,065	(4,162)	3,902		67.70
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A2				
Activity	PARTNERSHIP FUNDING & CONTRACT				
Description	Funds a range of projects and programmes delivered internally and by Voluntary, Community and Faith Sector and private providers eg Carers provision, Health and Wellbeing Board, development of Health and Social Integration.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.33	266	1,557	1,823	(606)	1,217

Line	A3				
Activity	STAFF & SUPPLIES				
Description	Contract management and commissioning of adult social care services which are delivered by Voluntary, Community and Faith sectors and private providers. Developing the Joint Strategic Needs Assessment and commissioning strategies, eg Carers, prevention, Black and Minority Ethnic, Quality in Care Homes. Partnership contract management for Adult Mental Health; resource management for independent Home Care; monitoring of care homes and other care providers.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
61.37	2,157	4,084	6,242	(3,556)	2,685

Directorate	COMMUNITIES
Service	COMMISSIONING
Planning Entity	SOCIAL CARE COMMISSIONING (Division)

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1					
Activity	PH VCF Small contracts					
Description	10% reduction in cost of small contracts					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(30)	(30)	30	-

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	LIBRARIES, ARCHIVES & INFORMAT (Division)

Description of core purpose of Planning Entity	Providing welcoming, safe places* where people of all ages can access and share a range of resources, information and knowledge. (*both physical and 'digital' spaces)
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	5,678	(1,221)	4,456		109.69
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ASSOCIATE LIBRARIES					
Description	10 Libraries independent of Sheffield City Council now run by volunteer groups which are not part of the Council's Library Service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	-	-

Line	A2					
Activity	CENTRAL & COLLECTIONS					
Description	The Sheffield Central Library, the Library Theatre, The Business and Intellectual Property Centre and the management of the council's library collections and its' audience development.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	24.03	687	888	1,576	(201)	1,375

Line	A3					
Activity	CO-DELIVERED LIBRARIES					
Description	5 Libraries which are run by volunteers with Sheffield City Council support by maintaining buildings and providing lending materials not part of the Council's Library service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.72	27	93	120	(22)	98

Line	A5					
Activity	HERITAGE SERVICES					
Description	Sheffield's Archives and Local Studies Service which also includes records management.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	14.47	414	186	600	(314)	285

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	LIBRARIES, ARCHIVES & INFORMAT (Division)

Line	A6				
Activity	HUB & HOME LIBRARIES				
Description	12 Sheffield City Council Hub Libraries (Tinsley until end of February 2016), including our Home Library Service to people that are not able to access a community library.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
48.94	1,241	355	1,596	(184)	1,413

Line	A7				
Activity	LEADERSHIP TEAM				
Description	The Management Team for the Libraries Archives and Information Service.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
7.00	318	17	335	(18)	316

Line	A8				
Activity	SERVICE DEVELOPMENT				
Description	Support functions for the Library Archives and Information Service including IT and E-Services, Schools and Children's Library Service and the World Metal Index also come under this section.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
14.53	528	636	1,165	(482)	683

Line	A9				
Activity	SPECIAL: PROJECTS/BUDGETS				
Description	Allocation of three year funding (this being year 2) per the cabinet report to run the shortfall on Associate Libraries				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		287	287		287

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	LOCALITY MANAGEMENT (Division)

Description of core purpose of Planning Entity	Sheffield's wards are grouped into 7 service delivery areas, each made up of 4 wards. Each area has a Local Area Partnership, which will encourage partnership work between Councillors, the public sector, the private sector and the voluntary, community and faith sector. Each Local Area Partnership will focus on tackling 3 or 4 key priorities, which have been informed by the ward plans. To address these priorities service providers will become more integrated and efficient and will work with communities to ensure they become stronger and more resilient.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	2,445	(1,053)	1,392		17.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	CENTRAL COSTS				
Description	Recharged fee income				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	7	7	(45)	(38)

Line	A3				
Activity	LOCALITY AREA				
Description	Sheffield's wards are grouped into 7 Service Delivery Areas, each made up of 4 wards. Each area has a Local Area Partnership which will encourage partnership work between Councillors, the public sector, the private sector and the voluntary, community and faith sector. Each Local Area Partnership will focus on tackling 3 or 4 key priorities, which have been informed by the ward plans. To address these priorities service providers will become more integrated and efficient and will work with communities to ensure they become stronger and more resilient.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
17.00	476	297	774	-	774

Line	A4				
Activity	VOLUNTARY SECTOR				
Description	Supporting the development of the Voluntary Community Faith sector, co-ordination grant funding aid, mainstream council and partnership funding maximising the use of external funding. Cohesion and migration works regionally and nationally to share best practice and ensure a joined up approach to new arrivals to the city. We work with strategic partners on national and international migration issues. We work with Voluntary Community Faith groups on partnership approaches to community cohesion , co-producing a new cohesion strategy for the city.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	1,664	1,664	(1,008)	656

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	LOCALITY MANAGEMENT (Division)

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1				
Activity	PH Sheffield Advice				
Description	Potential to trade for other support and medium term funding arrangements				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
0.00	-	(93)	(93)	93	-

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	PUBLIC HEALTH COMMUNITY (Division)

Description of core purpose of Planning Entity	The specific budgets transferred to Communities Portfolio fund the work of the Drug and Alcohol Advice Team covering prevention and treatment of alcohol and drug dependency. The Public Health Commissioning team is funded through the PH grant and covers mental health promotion, long term conditions and work to promote the health of people with learning difficulties and other vulnerable adults. The funding also includes the work of the Community Wellbeing Programme (CWP) team. The CWP is a community based programme operating primarily in the most disadvantaged parts of the City, which builds on community assets to address root causes of ill health, promote healthier lifestyles and facilitate access to health services. The team also covers work to develop the public health role of council staff. The CWP and contracts have recently been included in Integrated Health and Social Care.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,517	(1,506)	11	6.00
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	COMMUNITIES PH CONTRACTS				
Description	Public Health commissions the voluntary sector to deliver a number of Public Health services for the delivery of the Community Wellbeing Programme, Health Trainers, Health Champions and the Mental Health related services.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(73)	1,336	1,262	(1,262)	-

Line	A3				
Activity	COMMUNITIES PH STAFF				
Description	In house provision includes coordination, governance of the Health Trainers service although the operational work of this service is commissioned through Voluntary Community Faith organisations. Health Trainers are largely funded through the Sheffield Clinical Commissioning Group. Work to support people with HIV is directly provided by social care staff.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.00	229	26	255	(244)	11

Line	A4				
Activity	COMMUNITIES PH NON PAY				
Description	The services and supplies non pay budget covers a range of interventions to support the delivery of the key areas of work team including public health campaigns.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	-	-

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Directorate	COMMUNITIES
Service	COMMUNITY SERVICES
Planning Entity	PUBLIC HEALTH COMMUNITY (Division)

Section 5:Public Health Savings

Line	F1				
Activity	Communities PH Staff				
Description	A process to consolidate pay savings across Commissioning and Community Services. An estimated loss of posts equivalent to 16 fte.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
16.00	(514)	-	(514)	514	-

Line	F2				
Activity	Communities PH Supplies and Services				
Description	Business support, supplies and services - reduced event budget, business support reduction pro rata to staff				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(100)	(100)	100	-

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	BUSINESS PLANNING - GEN (Division)

Description of core purpose of Planning Entity	Rents, charges and back office costs associated with the council housing (HRA) business plan.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	1,305	(519)	786		16.30
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	CENTRAL OVERHEADS				
Description	Costs of running the housing business planning function				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.00	378	4	382	(336)	46

Line	A2				
Activity	SOCIAL HOUSING				
Description	The budgets fall into two categories. 1. The cost of the Housing Business Plan team (much of which is recharged to the HRA) 2. General Fund contributions to the HRA either where services provided benefit not just to tenants but to the wider community, or where the service provided by the Council Housing Service cannot lawfully be funded from the HRA (eg grounds maintenance, nominations to housing associations etc)				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.30	194	729	923	(183)	740

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	CITYWIDE HOUSING SERVICE - GEN (Division)

Description of core purpose of Planning Entity	To provide city wide and specialist housing services focusing on prevention of housing crisis and to support independent living.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	4,745	(2,119)	2,625		61.11
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	ACCOMMODATION & SUPPORT				
Description	Provision of accommodation, support and related services for Refugees under Gateway Programme, temporary accommodation (including bed and breakfast) for customers owed statutory housing duties and access to supported housing. High support service for families.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
25.99	733	1,182	1,915	(1,403)	512

Line	A2				
Activity	HOUSING OPTIONS & ADVICE				
Description	Statutory homeless services including homeless prevention, homeless assessments and advice about housing problems. Local Assistance Scheme - loans for customers in an emergency and grants to support independent living.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
34.12	1,265	1,375	2,640	(554)	2,085

Line	A3				
Activity	GYPSIES AND TRAVELLERS				
Description	Management of gypsy and traveller sites in the City and support to residents of sites.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	60	130	190	(162)	28

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	CITYWIDE HOUSING SERVICE - GEN (Division)

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	N-HOODS INT & TENANT SUPP-GEN (Division)

Description of core purpose of Planning Entity	Services to support thriving communities and neighbourhoods. Additionally works with private sector housing provision to improve quality and standards.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	2,026	(1,524)	502		33.61
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	PRIVATE SECTOR HOUSING					
Description	Work with landlords to ensure private sector properties meet statutory standards: to prevent illegal eviction and harassment of private rented tenants; madatory licensing of Houses in Multiple Occupation (HMO) and enforcement, selective licensing and Empty Homes service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	22.81	936	275	1,211	(604)	607

Line	A2					
Activity	SAFER COMMUNITIES PARTNERSHIP					
Description	This team is responsible for coordinating the Partnership to deliver the city's Community Safety Strategy, Joint Strategic Intelligence Assessment Action Plan and its statutory duties. This partnership has been developed to bring together all strategic partners - Council, Health, Police, Fire, Probation Services, Voluntary Section and range of other support services to achieve the city's ambition.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	10.80	349	167	516	-	516

Line	A3					
Activity	CENTRAL OVERHEADS					
Description	Cost of delivering the services in the neighbourhoods service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	299	299	(921)	(622)

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	N-HOODS INT & TENANT SUPP-GEN (Division)

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings

Line	F1					
Activity	PH Private Sector Housing					
Description	Consolidation of some housing functions across PLACE/Communities					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	1.00	(24)	-	(24)	24	-

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	SUSTAINABLE CITY (Division)

Description of core purpose of Planning Entity	Sustainable City is responsible for developing the City's Housing Strategy, including the wider growth strategy, as well as leading on the related policy development. The service also acts as the lead on the delivery of wider housing and regeneration programmes, including the Council Housing stock acquisition and new build programme, custom build and Successful Centres programme. The service has responsibility for the management of Housing Capital Investment Programmes, including New Homes Bonus and also provides regional loans service to 21 local authorities. The service has a role to lead on the development of housing and neighbourhood-related energy and sustainability projects and programmes.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,465	(1,596)	(130)	30.76
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	INVESTMENT CLIENT				
Description	Delivers client function for investment				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.00	131	2	133	(131)	2

Line	A2				
Activity	LOANS				
Description	The Regional Loans Team provides services to Local Authorities in the wider region which facilitates the provision of loan products to vulnerable households. Loans are funded from a regional fund or by individual local authorities.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.60	147	24	171	(170)	1

Line	A3				
Activity	REGENERATION				
Description	The Housing and Neighbourhood Regeneration Team is responsible for the development and delivery of a number of regeneration programmes.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
10.62	632	27	659	(570)	89

Line	A4				
Activity	STRATEGIC INVESTMENT				
Description	The Strategic Capital Investment Team is responsible for the overall programme management of the Housing and Neighbourhood Investment Programmes. This includes management of the New Homes Bonus Programme.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.54	179	3	183	(154)	29

Directorate	COMMUNITIES
Service	HOUSING GENERAL FUND
Planning Entity	SUSTAINABLE CITY (Division)

Line	A5				
Activity	STRATEGY & POLICY				
Description	The Strategy and Policy team is responsible for the development and delivery of the Councils Housing Strategy as well as other related housing strategies and policies. This includes housing growth and the provision of new homes, how we make best use of our existing stock and how we support vulnerable people.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.00	212	7	220	(113)	107

Line	A6				
Activity	SUSTAINABLE CITY MANAGEMENT				
Description	Responsible for the overall management of the service.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.00	99	2	100	(458)	(358)

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	BUSINESS STRATEGY
Planning Entity	EXECUTIVE & PORTFOLIO-WIDE SER (Division)

Description of core purpose of Planning Entity	Includes the costs of Communities Executive Director and the Business Strategy Management Team (and support), together with central portfolio overheads.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	4,566	(682)	3,884		124.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	EXECUTIVE				
Description	Executive Director and Business Strategy Management Team and support				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.00	943	23	966	(134)	833

Line	A2				
Activity	PORTFOLIO-WIDE SERVICES				
Description	General, 'central' Communities Portfolio overheads, including the provision of business support services and the Mail and Insurance contracts.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
120.00	2,819	782	3,600	(549)	3,051

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Cost of the Sheffield City Council Pay Award for 2016/17.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	400	-	400	-	400

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	BUSINESS STRATEGY
Planning Entity	PLANNING & PERFORMANCE (Division)

Description of core purpose of Planning Entity	Responsible for business architecture and infrastructure, business intelligence, business systems, performance management, service business planning, financial planning, programme/project management and governance for the Communities Portfolio.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	848	(128)	720		23.48
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	INFO MANAGEMENT & SYSTEMS				
Description	Responsible for business architecture and infrastructure, business intelligence and business systems for the Communities Portfolio.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
9.02	408	106	514	(11)	502

Line	A2				
Activity	PERFORMANCE, PLANNING & CHANGE				
Description	Responsible for performance management, service business planning, financial planning, programme/project management and IT system development for the Communities Portfolio.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
14.46	311	23	334	(117)	217

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	COMMUNITIES
Service	BUSINESS STRATEGY
Planning Entity	QUALITY AND SAFEGUARDING (Division)

Description of core purpose of Planning Entity	This service includes the Adult Safeguarding, Mental Capacity Act and Deprivation of Liberty Safeguards (DoLS) teams, which are funded through a joint partnership with health, probation, police and fire services. There is also a training element provided primarily for Adult Social Care. Risk management, equalities, professional practice, service user consultation and involvement are also covered in this area.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	2,510	(530)	1,980	36.01
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	QUALITY AND SAFEGUARDING				
Description	This service includes the Adult Safeguarding, Mental Capacity Act and Deprivation of Liberty Safeguards (DoLS) teams which are funded through a joint partnership with health, probation, police and fire services. There is also a training element provided primarily for Adult Social Care. Risk management, equalities, professional practice, service user consultation and involvement are also covered in this area.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
36.01	959	1,551	2,510	(530)	1,980

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Legislation				
Description	Impact of legislation on Deprivation of Liberty - increased volumes of assessments and reviews to be undertaken by the MCA Team.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	500	500	-	500

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Place

	<u>Gross Expenditure</u> <u>£000</u>	<u>Gross Income</u> <u>£000</u>	<u>Net Expenditure</u> <u>£000</u>
Business Strategy and Regulation	39,815	7,885	31,930
Capital & Major Projects	10,624	10,304	319
Creative Sheffield	2,946	1,104	1,842
Culture & Environment	27,390	14,041	13,349
Marketing Sheffield	2,230	1,605	625
Regeneration & Development Services	99,477	18,440	81,037
	182,482	53,379	129,102

Directorate	PLACE
Service	BUSINESS STRATEGY & REGULATION
Planning Entity	BUSINESS STRATEGY & REGULATION (Service)

Description of core purpose of Planning Entity	To ensure the portfolio is strategically well placed in terms of business planning, performance management, resource and investment management, business improvement and change management, resilience and effective Governance. The city is well protected and safe through effective regulation, enforcement and Licensing and that the Council's statutory obligations in this regard are efficiently and effectively discharged.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	39,815	(7,885)	31,930		148.85
Total Savings Made			(1,295)		47.11

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	CORONER				
Description	The Coroner's service investigates unexplained deaths, carrying out post-mortems and hosts the Coroner's Court.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.70	336	593	929	(475)	454

Line	A3				
Activity	ENVIRONMENTAL REGULATIONS				
Description	Environmental Regulations covers a range of activities including Environmental Protection, Health Protection, Trading Standards and Pest Control. The majority of activity relates to the implementation of legally enforceable measures. The service exists to keep the city safe and healthy while protecting the environment.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
94.55	3,267	913	4,180	(1,043)	3,137

Line	A5				
Activity	LICENSING				
Description	Delivery of the Council's legal / statutory / non-statutory licensing functions in relation to safety of sports grounds, taxi's, alcohol and entertainment (pubs, clubs, theatres, cinemas. Off licence, take aways etc.) gambling premises (Casino's, betting shops, bingo halls etc) sex establishments, street collections, house to house collections, pet shops, dangerous wild animals etc.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
19.18	703	530	1,233	(1,209)	24

Directorate	PLACE
Service	BUSINESS STRATEGY & REGULATION
Planning Entity	BUSINESS STRATEGY & REGULATION (Service)

Line	A6				
Activity	MEDICO LEGAL				
Description	The Medico legal centre provides mortuary services to the Coroner, supporting the investigation of unexplained deaths.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
8.60	376	179	555	(66)	489

Line	A7				
Activity	PORTFOLIO WIDE LEADERSHIP & ST				
Description	Business Strategy which covers the Place portfolio, leading on strategic development, organisational capability, resource management, programme and performance management, and internal and corporate controls.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
16.82	386	86	472	(79)	393

Line	A9				
Activity	WASTE MANAGEMENT				
Description	Household waste collection and treatment services provided through outsourced integrated waste management contract with Veolia. The long term contract, to 2036, included the development of the Energy Recovery Facility, enabling the city to recover energy from waste and achieve one of the highest landfill diversion rates in the country. The budget includes a small client team responsible for the management of the contract and development of the strategy for managing waste in the city.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
7.00	386	32,059	32,445	(5,013)	27,433

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Provision for energy (7.5%) and rent/rates (2.3%) inflation.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	7	7	-	7

Line	E2				
Activity	Inflation				
Description	Provision for Pay increase (1%)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	65	-	65	-	65

Directorate	PLACE
Service	BUSINESS STRATEGY & REGULATION
Planning Entity	BUSINESS STRATEGY & REGULATION (Service)

Line	E3				
Activity	Inflation				
Description	Provision for RPI contract inflation on waste management (1.1%)				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
	-	330	330	-	330

Line	E4				
Activity	Loss of Funding/Income				
Description	Provision to cover falling recycled material prices (£400k) and to reflect revised blue bin contract price (£350k) within the waste management service.				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
	-	350	350	400	750

Line	E5				
Activity	Demand				
Description	Provision for increased costs on the waste management contract reflecting 2% increase in waste volumes and increased households (black bins).				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
0.00	-	550	550	-	550

Line	E6				
Activity	Demand				
Description	Provision for planned budget savings now at risk in waste management				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
	-	2,552	2,552	-	2,552

Line	E8				
Activity	Demand				
Description	Provision for costs associated with enforcement operations in the Environmental Regulation service.				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
	-	150	150	-	150

Line	E9				
Activity	Loss of Funding/Income				
Description	Reduction in fee income offset by staff saving.				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
0.00	-	-	-	39	39

Directorate	PLACE
Service	BUSINESS STRATEGY & REGULATION
Planning Entity	BUSINESS STRATEGY & REGULATION (Service)

Section 3: Summary of Savings

Line	B5				
Activity	Alternative Savings Plan - Place-wide				
Description	Place organisational reviews as follows :- Management rationalisation (£350k), business support review (£150k) (half year impact).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
30.00	(500)	-	(500)	-	(500)

Line	B8				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Sustained improvement review of and reduction in discretionary spend on supplies and services across the service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(75)	(75)	-	(75)

Line	B9				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Deletion of 3 (2.5fte) vacant posts in Environmental Regulations.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.50	(75)	-	(75)	-	(75)

Line	B10				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Inflationary increases to fees and charges. Greater cost recovery for service provision. Mainly to third parties				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(63)	(63)

Line	B11				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Reduction in opening hours of the kennel service (from 13 to 11.5 hrs a day).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(15)	-	(15)	-	(15)

Line	B12				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Sustained improvement through deletion of 3 vacant posts.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.00	(79)	-	(79)	-	(79)

Directorate	PLACE
Service	BUSINESS STRATEGY & REGULATION
Planning Entity	BUSINESS STRATEGY & REGULATION (Service)

Line	B13				
Activity	Alternative Savings Plan - Business Strat & Reg				
Description	Reduction in staffing across the service via VER/VS (9 posts).				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
6.90	(238)	-	(238)	-	(238)

Line	B14				
Activity	Alternative Savings Plan - BSR				
Description	Reviews of night time noise (£200k) and permanently staffed 24 hour mortuary service to cease (£50k).				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
3.71	(250)	-	(250)	-	(250)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	PLACE
Service	CAPITAL & MAJOR PROJECTS
Planning Entity	CAPITAL & MAJOR PROJECTS (Service)

Description of core purpose of Planning Entity	To lead the City Council's major capital projects – city developments, housing, operational and non-operational buildings and infrastructure. Also responsible for property services, design services, energy management and commercial property including markets. The Service through the Director also provides the Chief Property Officer of the Council, for Corporate property matters reporting to the Executive Director, Resources.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	10,624	(10,304)	319		99.30
Total Savings Made			(713)		8.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CAPITAL DELIVERY SERVICE					
Description	The development and delivery agent for all council-led and procured building and construction projects. The service ensures that projects, including building, construction and development projects are scoped, developed, procured, delivered and managed as efficiently, economically and successfully as possible whilst delivering the required outcomes to the highest possible quality and ensuring that the requisite corporate processes are followed.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	76.10	3,280	440	3,721	(4,116)	(395)

Line	A2					
Activity	CARBON REDUCTION					
Description	Carbon Reduction Commitment (CRC) Energy Efficiency Scheme - is a mandatory Government scheme administered by the Environment Agency. The Council qualifies as a CRC 'participating organisation' and is required to report annually on energy used by sites and supplies specified under CRC rules, and to buy 1 'carbon allowance' for each tonne of CO2 emitted as a result of using that energy. The CRC budget is for the purchase of carbon allowances and other fees due under the CRC scheme.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	464	464	-	464

Directorate	PLACE
Service	CAPITAL & MAJOR PROJECTS
Planning Entity	CAPITAL & MAJOR PROJECTS (Service)

Line	A4				
Activity	COMMERCIAL ESTATE				
Description	Corporate Asset Strategy, Management of the Commercial, Rural and Agricultural Estates, Client Management of Kier Asset Partnership Services Property Consultancy including, Valuation, Rating Advice, Acquisitions and Disposals, Asset Rationalisation Work, Major Projects Property Negotiation.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.00	355	2,176	2,532	(2,829)	(298)

Line	A5				
Activity	EMERGENCY PLANNING				
Description	The Emergency Planning Shared Service Rotherham & Sheffield is responsible for leading and co-ordinating the council's preparations for, response to and recovery from a major incident which may affect Sheffield. Their plans and actions comply with the Civil Contingencies Act 2004, other government guidance and also take into account the needs of our residents, the emergency services, neighbouring Local Authorities, and other emergency responders.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.20	85	231	317	(111)	206

Line	A7				
Activity	SHEFFIELD RETAIL QUARTER				
Description	The City Council's Primary Objective is to enable the development of an extensive high quality retail led mixed use scheme incorporating leisure, food and drink uses in the City Centre.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(0)	454	454	(524)	(70)

Line	A8				
Activity	SHEFFIELD CITY MARKETS				
Description	Provision of the City and District markets service including operational and staffing costs associated with wholesale, retail, street trading and visiting markets.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
15.00	475	2,662	3,137	(2,725)	412

Directorate	PLACE
Service	CAPITAL & MAJOR PROJECTS
Planning Entity	CAPITAL & MAJOR PROJECTS (Service)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Loss of Funding/Income				
Description	Vacant property management costs (inc castle market).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	150	150	-	150

Line	E2				
Activity	Inflation				
Description	Provision for Pay increase (1%)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	44	-	44	-	44

Line	E3				
Activity	Inflation				
Description	Provision for energy (7.5%) and rent/rates (2.3%) inflation .				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	70	70	-	70

Line	E4				
Activity	Loss of Funding/Income				
Description	Reduction in grant (Sustainable Development) and fee (Markets) income, offset by saving on staff costs.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	137	137

Section 3: Summary of Savings

Line	B1				
Activity	Council operating costs/infrastructure				
Description	Energy and utilities spend (ref 46). The proposal aims to deliver reductions in the Council's current budget expenditure on Utilities (Electricity, Gas, other heating sources, and Water). This project will help to deliver against the SCC Corporate Plan Priority for "An In-touch Organisation" which states that the Council will "Make the best use of public money to have the greatest impact for Sheffield" and the objective for 2015 – 2018 to access local low carbon energy.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(70)	(70)	-	(70)

Directorate	PLACE
Service	CAPITAL & MAJOR PROJECTS
Planning Entity	CAPITAL & MAJOR PROJECTS (Service)

Line	B2				
Activity	Alternative Savings Plan - Capital & Major Project				
Description	Sustained reduction in cost of Carbon Reduction Tax.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(65)	(65)	-	(65)

Line	B3				
Activity	Alternative Savings Plan - Capital & Major Project				
Description	Reduction in Capital Delivery Service supplies and service spend and reduction of 2 posts within the Sustainability team.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.00	(79)	(50)	(129)	-	(129)

Line	B4				
Activity	Alternative Savings Plan - Capital & Major Project				
Description	Cost savings in Property and Commercial Estate from the deletion of a vacant post, reduction in system support costs and increased fee income.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(45)	(40)	(85)	(65)	(150)

Line	B5				
Activity	Alternative Savings Plan - Capital & Major Project				
Description	Sheffield Retail Quarter (SRQ) - Interest cost savings and increased rental income.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(41)	(41)	(70)	(111)

Line	B6				
Activity	Alternative Savings Plan - Capital & Major Project				
Description	Reduction in staffing across the service via VER/VS (5 posts).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
5.00	(188)	-	(188)	-	(188)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	PLACE
Service	CREATIVE SHEFFIELD
Planning Entity	CREATIVE SHEFFIELD (Service)

Description of core purpose of Planning Entity	Creative Sheffield is the economic development service of the Council. It is responsible for the development, delivery and monitoring of Sheffield's economic strategy as well as delivering business facing services of enterprise, inward investment and sector development. Leads on area regeneration including managing the Council's contractual relationship with the Sheffield Housing Company.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	2,946	(1,104)	1,842		39.18
Total Savings Made			(215)		1.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	ACCOUNTABLE BODY PROJECTS					
Description	Key economic development projects for which Sheffield City Council acts as the accountable body and/or manages external funding on behalf of Sheffield City Region					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	-	-

Line	A6					
Activity	CITY REGENERATION DIVISION					
Description	The service provides a single focus and client role for planning, funding and delivery of major physical and economic regeneration schemes in three Priority Regeneration Areas - City Centre and Upper and Lower Don Valley and also encompasses the in-house team for the Sheffield Housing Company, an innovative partnership with a major house builder to provide some 2,000 new, quality, affordable homes on Council land.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	14.89	368	122	490	(476)	14

Line	A7					
Activity	CS REVENUE					
Description	overheads, management costs and shared resources for the management and operation of Creative Sheffield					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	24.29	1,205	1,251	2,456	(628)	1,828

Directorate	PLACE
Service	CREATIVE SHEFFIELD
Planning Entity	CREATIVE SHEFFIELD (Service)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Provision for energy (7.5%) and rent/rates (2.3%) inflation.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	2	2	-	2

Line	E2				
Activity	Inflation				
Description	Provision for pay increase (1%).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	12	-	12	-	12

Section 3: Summary of Savings

Line	B3				
Activity	Alternative Savings Plan - Creative Sheffield				
Description	Transition to new operating model for the Growth Hub (picking up Business Sheffield costs currently incurred by SCC) and increasing income for Accountable Body projects, moving to full cost recovery model.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(170)	(170)

Line	B5				
Activity	Alternative Savings Plan - Creative Sheffield				
Description	Reduction in staffing within the service via VER/VS (1 post).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(45)	-	(45)	-	(45)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Description of core purpose of Planning Entity	This service area delivers a range of in-house services and also commissions major sports and cultural services from trusts. Services include:- Parks and Countryside, Activity Sheffield, sports and leisure facilities, city centre management, city events (arts, sports and parks), museums, theatres, galleries and the City Hall.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	27,390	(14,041)	13,349	316.11
Total Savings Made			(2,014)	28.47

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	ACTIVITY SHEFFIELD				
Description	Activity Sheffield particularly targets children/young people and older people. It offers a wide choice of activities through sport, play, and physical activity. It makes a major contribution to the city's health improvement agenda and a positive impact on the city's wider regeneration agendas e.g. community programmes, reducing Anti Social Behaviour, and helping older people become more independent. It creates pride in local communities and increases the skills and confidence of local people.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.50	766	128	894	(764)	130

Line	A2				
Activity	ARTS STRATEGY				
Description	Business development and delivering key projects for arts and culture in the city. Specifically, facilitating the implementation of the strategic projects and working with partners and organisations across the city to maximise the impact of culture.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.00	64	79	143	-	143

Line	A3				
Activity	BEREAVEMENT SERVICES				
Description	Providing a burial & cremation service, managing City Road and Hutcliffe Wood Crematoria, and 16 Cemeteries across the city. Provision of memorialisation, including bronze plaques, Book of Remembrance.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
42.50	1,436	1,147	2,583	(3,255)	(672)

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	A4				
Activity	CITY CENTRE MANAGEMENT				
Description	To manage the city centre in an efficient and integrated manner to aim to sustain current investment, footfall and retail spend and to attract future investment opportunities. We will effectively manage the city centre spaces and streets to ensure that not only their potential is fully realised, but also that they are effectively maintained in response to increased use, demands and expectations and to manage the city wide CCTV network to ensure it provides an efficient, reliable service to all partners and stakeholders.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
24.50	755	1,143	1,898	(841)	1,057

Line	A5				
Activity	DIRECTOR CULTURE & ENVIRONMENT				
Description	Leadership of the Culture & Environment service key strategies, projects, partnerships and service-wide costs.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	216	34	249	-	249

Line	A6				
Activity	EVENTS				
Description	To provide a city events calendar including city and community events. Through exploiting present and future opportunities the events team will work to maximise the value that events give to the city in terms of profile, economics, creativity and community cohesion. The team will provide a range of delivery methods which will include direct delivery, support to other event owners and commissioning.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
8.20	310	345	656	(440)	216

Line	A7				
Activity	PARKS AND COUNTRYSIDE				
Description	Management, maintenance and development of the city's parks, green spaces and countryside. Includes parks & public realm, countryside & environment, policy & projects. Key functions include implementing Sheffield's Green & Open Spaces Strategy, tree & woodland management and maintenance, Rangers service, ecology function including biodiversity statutory duty, facility management including sports provision, playgrounds, allotments & community food growing, city, district & local parks, Botanical Gardens, animal farm, community forestry, volunteer partnerships development & support, floral displays, graffiti removal, and visitor and destination facilities.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
218.00	6,831	4,701	11,531	(5,720)	5,812

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	A8				
Activity	PARTNERSHIPS & SPECIAL PROJECT				
Description	The Partnerships and Special Projects section deals with the relationships with the leisure/sports and cultural trusts. They all deliver services that are viewed as important to the Council in terms of its strategic objectives and play a key part in influencing the city's economic, social, educational and health priorities.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	51	6,755	6,806	(395)	6,411

Line	A9				
Activity	PUBLIC HEALTH				
Description	The purpose of the service is to contribute to Sheffield being a healthy and successful city by: tackling social determinants of ill health, health improvement programmes, tackling inequalities in health, increasing access to services and improving services. The service leads public health action on several key policy areas such as tobacco control interventions to help people to live smoke free lives, obesity and food and environment and health. It supports stakeholders by providing a health perspective to ensure that projects and services have a positive impact on health and provide public health support on some of the root causes of ill health, for example, air quality, and transport issues to help prevent health problems and address health inequalities.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
6.41	189	2,440	2,629	(2,626)	3

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Provision for pay increase (1%) on Competitive City activities.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	13	-	13	-	13

Line	E2				
Activity	Inflation				
Description	Provision for a pay increase (1%) on Great Place to Live activities.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	93	-	93	-	93

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	E3				
Activity	Inflation				
Description	Provision for energy (7.5%) and rent/rates (2.3%) inflation on Competitive City activities..				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	30	30	-	30

Line	E4				
Activity	Inflation				
Description	Provision for energy (7.5%) and rent/rates (2.3%) inflation on Great Place to Live activities..				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	37	37	-	37

Section 3: Summary of Savings

Line	B5				
Activity	Streamlining prevention				
Description	Review of Activity Sheffield (ref 183). Proposed option to reduce the service to a small in house team focussed on Community DIY support to groups in targeted deprived areas to fundraise and deliver their own activities.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
22.87	(300)	(200)	(500)	-	(500)

Line	B9				
Activity	Alternative Savings Plan - Culture & Env				
Description	Bereavement - savings arising from sustained improvement in income from fees and charges and an increase in prices from 1 April 2016 to match the South Yorkshire average.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(94)	(94)	(200)	(294)

Line	B10				
Activity	Alternative Savings Plan - Culture & Env				
Description	Partnerships and Projects - Sports Facilities - Reduction in sports facilities costs from the three year funding agreement between Sheffield City Trust (SCT) and Sheffield City Council (SCC) between 2015/16 and 2017/18 and the new management arrangements.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(627)	(627)	-	(627)

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	B11				
Activity	Alternative Savings Plan - Culture & Env				
Description	Reduction in staffing across the service via VER/VS (4 posts).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.60	(135)	-	(135)	-	(135)

Line	B12				
Activity	Alternative Savings Plan - Culture & Env				
Description	Events - Reductions in funding for Athletics, Squash and Off the Shelf events in 2016/17. Possible opportunity for third party to re-model and re-launch Off the Shelf and staffing efficiency.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.00	(53)	(24)	(77)	(29)	(106)

Line	B13				
Activity	Alternative Savings Plan - Culture & Env				
Description	City Centre Management - saving arising from sustained improvement in net cost of service, together with mid evening shut down of fountains and other general efficiencies across the service.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(116)	(116)	-	(116)

Line	B15				
Activity	Alternative Savings Plan - Culture & Env				
Description	Parks and Countryside - 15% reduction in contract payments to Sheffield Wildlife Trust, Green Estate, Yorkshire Wildlife Trust and Sheffield Landscape Trust and increased income from car parking (40p to 50p) and concessions/traders.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(45)	(45)	(30)	(75)

Line	B16				
Activity	Alternative Savings Plan - Culture & Env				
Description	Increased parks Income				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	50	50	(100)	(50)

Line	B17				
Activity	Alternative Savings Plan - Culture & Env				
Description	Parks and Countryside - 2% increase on charges to Housing Contract				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(68)	(68)

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	B18				
Activity	Alternative Savings Plan - Culture & Env				
Description	Director Culture and Environment- Sustained reductions in admin costs.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(43)	(43)	-	(43)

Section 4:Public Health Investments

Line	G1				
Activity	Provision of Business Support				
Description	Provision of minimal business support staffing to the Public Health Service				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	10	-	10	(10)	-

Section 5:Public Health Savings

Line	F1				
Activity	Public Health staffing restructure				
Description	Review of existing staffing resources to include deletion of two posts frozen since 2014/15 and agreement to voluntary severance for two existing posts.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.00	(144)	-	(144)	144	-

Line	F2				
Activity	Not Renewing East End Air Quality of Life contract				
Description	Contract ends 31st March 2016				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(54)	(54)	54	-

Line	F3				
Activity	Not Renewing Tobacco, Kenyon Fraser Comms contract				
Description	Contract ends 31 March 2016.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(50)	(50)	50	-

Line	F4				
Activity	End Tobacco, Unique Improvements contract				
Description	Mutually agreed early termination of contract.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(20)	(20)	20	-

Directorate	PLACE
Service	CULTURE & ENVIRONMENT
Planning Entity	CULTURE & ENVIRONMENT (Service)

Line	F5				
Activity	Not Renewing Physical Activity Movemore Officer				
Description	Movemore officer no longer in post, therefore not requesting further funding for 2016/17.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(34)	(34)	34	-

Line	F6				
Activity	Reduce Weight Management - Henry contract (0-4)				
Description	Efficiency savings in Management costs (should not affect front line service.)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(15)	(15)	15	-

Directorate	PLACE
Service	MARKETING SHEFFIELD
Planning Entity	MARKETING SHEFFIELD (Division)

Description of core purpose of Planning Entity	Strategic marketing of Sheffield as a destination to key target audiences of trade, talent and tourism.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	2,230	(1,605)	625		8.20
Total Savings Made			(119)		1.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	MAJOR EVENTS				
Description	Commissioning major events including World Snooker, DocFest and MADE festival				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	1,250	1,250	(640)	610

Line	A2				
Activity	MARKETING SHEFFIELD				
Description	Strategic Marketing of Sheffield as a destination to key target audiences of Trade, Talent and Tourism. This involves Trade Marketing of the city through the creation of on-line and off-line marketing materials and strategic business events such as the MADE Festival, The Global Manufacturing Festival and the 100 Years of Stainless Steel initiative in 2013. Marketing Sheffield is also responsible for driving the visitor economy, this includes operating the Tourist Information Centre, the Welcome to Sheffield website/guide, and partnerships with national Tourism agency and relevant regional Tourism partners. Marketing Sheffield also operates the Sheffield Convention Bureau - attracting high profile conferences and exhibitions to the city. This activity is spearheaded by a Sheffield Conference Ambassador Programme.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
8.20	396	584	980	(965)	15

Directorate	PLACE
Service	MARKETING SHEFFIELD
Planning Entity	MARKETING SHEFFIELD (Division)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Provision for pay inflation (1%).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	3	-	3	-	3

Line	E2				
Activity	Loss of Funding/Income				
Description	No General Fund for Marketing Sheffield. Savings on staff and events proposed to mitigate this pressure.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	98	21	119	-	119

Section 3: Summary of Savings

Line	B2				
Activity	Alternative Savings Plan - Marketing Sheffield				
Description	Reduction in expenditure on Major Projects				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(21)	(21)	-	(21)

Line	B3				
Activity	Alternative Savings Plan - Marketing Sheffield				
Description	Reduction in staffing costs within the service via VER/VS.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(98)	-	(98)	-	(98)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Description of core purpose of Planning Entity	Regeneration and Development Services is responsible for the physical development of the City and promoting sustainable regeneration. This includes regeneration of Neighbourhoods and the City Centre; Spatial Development plans, development management, urban design and environmental planning; Building Standards and flood prevention; All client Highway Services including car parking and traffic information and control; Transport policy and programmes, and air quality management.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	99,477	(18,440)	81,037		335.32
Total Savings Made			(5,187)		15.55

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A2					
Activity	HIGHWAY MAINTENANCE DIVISION					
Description	Management of the Streets Ahead Contract Provision of a Development Control and Adoptions Service Provision of a Highways Records Service Delivery of Highways related infrastructure programme and works Provision of a Flood & Water Management Regulatory Service					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	51.44	2,880	56,839	59,719	(1,535)	58,184

Line	A3					
Activity	MANAGEMENT & SUPPORT DEVS					
Description	Provides management, administration and general support for Development Services					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	3.43	200	112	312	-	312

Line	A4					
Activity	PLANNING SERVICES					
Description	Statutory planning and building control service, including plan making, development management and projects. Support housing and economic regeneration and delivery and strategic core priorities to achieve a Competitive City and a Great Place to Live. To prepare planning briefs for key sites, protect what is special about Sheffield including it's Conservation Areas and Listed Buildings and achieve design quality in new development. To design major new greenspace and public realm and South Street park. Includes Building Standards trading account, the externally funded South Yorkshire Forest Partnership and the jointly funded South Yorkshire Archaeology Service.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	121.77	4,201	552	4,753	(3,828)	925

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	A5				
Activity	PRECEPTS AND LEVIES				
Description	<p>The Environment Agency charge Sheffield City Council a levy to cover flood defence for main rivers in the Sheffield area. Flood defence money is spent on the construction of new flood defence schemes, the maintenance of the river system and existing flood defences and the flood warning system.</p> <p>Sheffield City Council procures a core bus service via South Yorkshire Passenger Transport Executive to serve Sheffield on Boxing Day and New Year's Day and assist people travelling around the city, when no commercial operators run.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	25,706	25,706	-	25,706

Line	A7				
Activity	TRANSPORT TRAFFIC & PARKING SE				
Description	<p>To plan, administer, co-ordinate and regulate activities on the City's highways in order to provide for the safe and efficient movement of people and goods around Sheffield.</p> <p>Main service areas within Transport, Traffic and Parking Services (TTAPS) are :</p> <p>Transport Planning. Road Safety and School Crossing Patrol Wardens. Highway Network Management, including Highway Coordination and Intelligent Transport Systems. Transport and Traffic Design & Delivery, including Traffic Regulations. Transport Traffic & Parking Services Business Management, including Public Rights of Way and Air Quality. Parking Services.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
158.68	5,312	3,675	8,987	(13,077)	(4,090)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Section 2: Summary of Pressures (Form Es)

Line E1					
Activity Inflation					
Description Provision for Pay increase (1%) on Competitive City activities.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	75	-	75	-	75

Line E2					
Activity Inflation					
Description Provision for Pay increase (1%) on Great Place to Live activities.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	65	-	65	-	65

Line E3					
Activity Inflation					
Description Provision for energy (7.5%) and rent/rates (2.3%) inflation on Competitive City activities.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	25	25	-	25

Line E4					
Activity Inflation					
Description Provision for energy (7.5%) and rent/rates (2.3%) inflation on Great Place to Live activities.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	1	1	-	1

Line E5					
Activity Loss of Funding/Income					
Description Provision for planned budget savings now at risk in Streets Ahead					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	4,683	4,683	-	4,683

Line E6					
Activity Loss of Funding/Income					
Description Shortfall in funding for current staffing establishment to be mitigated through saving proposals that delete vacant posts.					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	438	-	438	-	438

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	E7				
Activity	Loss of Funding/Income				
Description	Loss of funding in South Yorkshire Forest mitigated by a staffing reduction.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	62	62

Section 3: Summary of Savings

Line	B1				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Reduction in staffing costs (Rights of Way and Network Management).				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(67)	-	(67)	-	(67)

Line	B2				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Costs reduced as a result of improvements to the Urban Traffic Control system				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(40)	(40)	-	(40)

Line	B4				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Reduction in staffing across the service via VER/VS.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.55	(451)	-	(451)	-	(451)

Line	B5				
Activity	Contracts				
Description	Public transport levy savings negotiated through efficiencies (ref 192). The SYPTE carry out a 5 stage process for identifying savings to the ITA Levy. The expectation from Local authorities is that this will deliver a 10% saving in 16/17. This would be a £6.839m reduction in Levy. The SYPTE have identified £5.828m of savings to date or 8.4% -. Further work is underway to identify further savings proposals to bridge the shortfall. The majority of savings are non-customer facing (e.g. refinancing - £1.877m) but there are some proposals that will impact on customers				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(885)	(885)	-	(885)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	B6				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Put up Peripheral Parking Zone Charges by 10p from July 2016 and money will be re-invested in the Transport and Parking Services budget.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	-	-	(135)	(135)

Line	B7				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Reduced costs of operating Parking Services from implementation of operational reviews.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	(100)	(75)	(175)	-	(175)

Line	B8				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Increased income in Parking Services from implementing Beats and Routes Review, evening patrols, PCN processing etc				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	-	-	(200)	(200)

Line	B9				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Additional sustained improvement of reduced net cost within Highways and Highway Network Management.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	(262)	-	(262)	-	(262)

Line	B11				
Activity	Contracts				
Description	Cheaper Streets Ahead contract refinancing (ref 112). The proposal is seeking new financing terms from lenders to the Streets Ahead contract. No impact on service provision.				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	(600)	(600)	-	(600)

Line	B12				
Activity	Value Based Commercialisation				
Description	Blue badge anti-fraud initiative (ref 10). Proposal for anti-fraud initiatives to increase "Pay and Display" income from introducing a tightening of the governance and auditory process around "Pay and Display" .				
			Gross Revenue Expenditure	Income	Net Revenue Expenditure
FTE	Staff	Non Staff			
0.00	-	-	-	(100)	(100)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	B13				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Charge more work done by Flood and Water Management Team to capital schemes and developers seeking drainage advice.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(128)	(128)

Line	B15				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Levers to release savings on Streets Ahead.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(745)	(745)	-	(745)

Line	B16				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Cut discretionary spend budgets further				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(140)	(140)	-	(140)

Line	B17				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Commercialise highway assets, advertising on litter bins and street lighting.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(20)	(20)

Line	B18				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Increase HMD charges on capital schemes from 2.5% to 5%				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(60)	(60)

Line	B19				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Highways Development Control - reduce support to Development Management on planning applications/ increased income on Section 278, Section 38 and vehicle crossing applications				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(65)	(65)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	B21				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Not lighting currently unlit areas and implementing new national lighting standards.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(180)	(180)	-	(180)

Line	B26				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Delete Principal, Planning Officer and Admin posts in Forward and Area Planning and replace with 2 Assistant Planning Officer posts				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(38)	-	(38)	-	(38)

Line	B27				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Delete Principal Planning Officer post (Local Plan lead) in FAP				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(50)	-	(50)	-	(50)

Line	B28				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Further income in FAP				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(10)	(10)

Line	B29				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Delete vacant Landscape post in Urban and Environmental Design				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(33)	-	(33)	-	(33)

Line	B31				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	10% cut in South Yorkshire Archaeological Service				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(5)	(5)	-	(5)

Line	B33				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Savings in Development Management Admin				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
1.00	(17)	(13)	(30)	-	(30)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SEF
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Line	B34				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Additional planning application fee income				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(208)	(208)

Line	B35				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Savings in Development Management				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(24)	-	(24)	-	(24)

Line	B36				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Savings in Building Standards				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	(5)	-	(5)	(6)	(11)

Line	B37				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Highway Network Management – sustained improvement in income				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(220)	(220)

Line	B38				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Savings in supplies and Services budgets (Including parking machine replacement)				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(200)	(200)	-	(200)

Line	B40				
Activity	Alternative Savings Plan - Regen & Dev Serv				
Description	Full cost recovery of work within transport capital and revenue programmes. (£90k). Increase fee for H markings (£5k) and additional income from charging external bodies for network management time.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(105)	(105)

Directorate	PLACE
Service	REGENERATION & DEVELOPMENT SER
Planning Entity	REGENERATION & DEVELOPMENT SER (Service)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Policy, Performance & Communications

	<u>Gross</u> <u>Expenditure</u> <u>£000</u>	<u>Gross</u> <u>Income</u> <u>£000</u>	<u>Net</u> <u>Expenditure</u> <u>£000</u>
Policy, Performance & Communications	4,393	2,358	2,035
Public Health	1,453	1,588	-135
	5,846	3,946	1,900

Directorate	POLICY PERFORMANCE AND COMMS
Service	POLICY, PERFORMANCE & COMMS SE
Planning Entity	POLICY, PERFORMANCE & COMMS SE (Service)

Description of core purpose of Planning Entity	The Policy, Performance and Communications service provides a range of strategic support functions to the Council across the broad functional areas of policy, performance, analysis, research, evaluation, equalities and involvement. It also has delivery responsibility for critical elements of the Council's democratic role - elections and scrutiny.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	4,393	(2,358)	2,035	72.70
Total Savings Made			(63)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	COMMUNICATIONS					
Description	The Communications team helps the Council get its message across, to make sure the people of Sheffield know what their Council is doing for them, and what services and support are available to them. We provide a full range of communications support for the Council including liaison with the media; development and implementation of marketing campaigns; print buying and design services; and internal communications with staff (including support for the intranet).					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	37.51	1,325	203	1,528	(1,987)	(459)

Line	A2					
Activity	ELECTIONS					
Description	The elections team is responsible for all aspects of the electoral process, including electoral registration, and the planning and delivery of all local, parliamentary and European elections, as well as any local or national or referenda					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	8.20	315	507	822	(10)	812

Line	A3					
Activity	EQUALITIES & INVOLVEMENT					
Description	The Elections, Equalities and Involvement Team brings together support for key elements of the democratic accountability role of the Council – elections and registration, the Scrutiny function, and policy development on social justice, fairness, equality and involvement issues. It also ensures the council meets the full range of Equalities and Consultation duties.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	4.68	277	122	399	-	399

Directorate	POLICY PERFORMANCE AND COMMS
Service	POLICY, PERFORMANCE & COMMS SE
Planning Entity	POLICY, PERFORMANCE & COMMS SE (Service)

Line	A5				
Activity	PERF & RES				
Description	The Performance and Research Team is responsible for providing performance management, research and analysis functions for the Council. This covers a wide range of areas, including internal performance management, service and business planning, workforce opinion survey, demographic and other statistical analysis, survey & consultation support, and spatial analysis. The team supports work carried out across all portfolios inn the Council				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
4.11	230	51	282	(30)	252

Line	A6				
Activity	POLICY & IMPROVEMENT				
Description	The Policy and Improvement Team has two main goals: Making the case for improvement and public service reform, driving forward new thinking and new ideas across the organisation and across the city, working with a range of partners Supporting the organisation to develop strategy and to plan its business accordingly				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.55	872	155	1,026	-	1,026

Line	A7				
Activity	PUBLIC HEALTH - INTELLIGENCE				
Description	The Public Health Intelligence Team has responsibility for surveillance, monitoring and assessment of health and wellbeing and the determinants of health and wellbeing. It also leads on the development of the public health evidence base and knowledge.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
5.65	320	17	337	(331)	6

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Legislation				
Description	Pay Award				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	32	-	32	-	32

Directorate	POLICY PERFORMANCE AND COMMS
Service	POLICY, PERFORMANCE & COMMS SE
Planning Entity	POLICY, PERFORMANCE & COMMS SE (Service)

Line	E2				
Activity	Legislation				
Description	Impact of introduction of Individual Electoral Registration				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	100	-	100	-	100

Section 3: Summary of Savings

Line	B1				
Activity	Advertising Contract				
Description	Retendering of advertising contract				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(63)	(63)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	POLICY PERFORMANCE AND COMMS
Service	PUBLIC HEALTH - DCEX
Planning Entity	PUBLIC HEALTH - DCEX (Service)

Description of core purpose of Planning Entity	The Director of Public Health office, including spend on key health contracts, such as GP Health checks.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	1,453	(1,588)	(135)		12.19
Total Savings Made			-		2.50

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	PUBLIC HEALTH - DPH				
Description	.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
12.19	837	616	1,453	(1,588)	(135)

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments

Line	G1				
Activity	Public Health -Director of Public health				
Description	Additional 2.5 posts in total: : 0.5 Consultant in Public health/PH Medicine; 1.0 Deputy DPH; 1.0 Health Improvement Principal. This strengthens public health consultant support to portfolios and in addition strengthens health protection.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.50	183	-	183	(183)	-

Directorate	POLICY PERFORMANCE AND COMMS
Service	PUBLIC HEALTH - DCEX
Planning Entity	PUBLIC HEALTH - DCEX (Service)

Section 5:Public Health Savings

Line	F1					
Activity	DPH Office					
Description	Reduction in funding for GP Health checks. Remaining budget of £231k will be targeted at those most in need.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(169)	(169)	169	-

Line	F3					
Activity	PPC Public Health Intelligence					
Description	Deletion of Analyst post					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	1.00	(24)	-	(24)	24	-

Resources

	<u>Gross</u> <u>Expenditure</u> <u>£000</u>	<u>Gross</u> <u>Income</u> <u>£000</u>	<u>Net</u> <u>Expenditure</u> <u>£000</u>
Business Change Information Solutions	3,308	2,346	962
Commercial Services	1,905	1,190	715
Commercial Services Savings	0	2,068	-2,068
Customer Services	5,509	3,788	1,721
Finance	6,792	2,391	4,401
Human Resources	5,097	1,687	3,410
Legal Services	6,101	2,571	3,530
Resources Management & Planning	715	541	174
Transport and Facilities Management	31,592	16,698	14,894
Sub-total	<u>61,019</u>	<u>33,280</u>	<u>27,739</u>
<u>Central Costs</u>			
Central Costs	10,945	8,573	2,372
Finance - Capita	10,734	21	10,713
Housing Benefit	195,985	195,579	406
Human Resources - Capita	2,668	141	2,527
ICT - Capita	10,594	2,127	8,467
Sub-total	<u>230,926</u>	<u>206,441</u>	<u>24,485</u>
	291,945	239,721	52,224

Directorate	RESOURCES
Service	BUSINESS CHANGE & INFO SOLNS
Planning Entity	BUSINESS CHANGE & INFO SOLNS (Service)

Description of core purpose of Planning Entity	The Business Change and Information Solutions Service makes change happen across SCC by supporting the implementation of change across the business. Changes may involve process re-engineering, technology implementation, cultural change and organisational redesign. We provide guidance and support relating to the management of the council's information technology (IT) to ensure that they are exploited effectively; we drive information and knowledge management through the development of a number of strategies, policies and procedures that underpin how information is managed and used across the council; we assure that the service delivered by our ICT Partners meets the agreed SLA performance criteria in terms of day-to-day business, client-driven and planned ICT changes and all elements of charging and billing, driving the improvement of the service delivered by our partner and suppliers.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	3,308	(2,346)	962	51.81
Total Savings Made			(290)	4.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CORE BUSINESS ICT					
Description	Business Information Solutions (BIS) and Business Change and Programme Delivery (BCPD) is responsible for the strategy, governance, assurance and policy setting relating to ICT activity across Sheffield City Council and associated partners. This includes governance and assurance of the outsourced ICT contract with Capita.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	51.81	3,150	158	3,308	(2,346)	962

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Pay Award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	34	-	34	-	34

Line	E2					
Activity	Loss of Funding/Income					
Description	Loss of income from other portfolios as a result of changing activity and demand					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
		-	-	-	150	150

Directorate	RESOURCES
Service	BUSINESS CHANGE & INFO SOLNS
Planning Entity	BUSINESS CHANGE & INFO SOLNS (Service)

Section 3: Summary of Savings

Line	B1				
Activity	IT Rationalisation				
Description	Review of use of IT Applications to consolidate systems and licences				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
0.00	-	(60)	(60)	-	(60)

Line	B2				
Activity	Review of Management Structure				
Description	BCIS will shortly undergo a level of review in order to ensure it is aligned to the new sourcing approach to ICT, the delivery of the digital strategy and recognising the changing needs of the organisation.				
			Gross Revenue		Net Revenue
FTE	Staff	Non Staff	Expenditure	Income	Expenditure
4.00	(230)	-	(230)	-	(230)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	COMMERCIAL SERVICES
Planning Entity	COMMERCIAL SERVICES (Service)

Description of core purpose of Planning Entity	To provide strategic leadership, direction, innovation and control across the full range of the Council's procurement, commercial, contract and supplier management activities in order to deliver value for money and efficiency improvements, whilst ensuring continuity and quality of supply.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	1,905	(1,190)	715	31.16
Total Savings Made			(120)	3.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A3				
Activity	COMMERCIAL SERVICES				
Description	To provide strategic leadership, direction, innovation and control across the full range of the Council's procurement, commercial, contract and supplier management activities in order to deliver value for money and efficiency improvements, whilst ensuring continuity and quality of supply.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
31.16	1,787	118	1,905	(1,190)	715

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Loss of Funding/Income				
Description	Income shortfall in contract management				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	114	114

Line	E2				
Activity	Inflation				
Description	Pay Award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	19	-	19	-	19

Line	E3				
Activity	Loss of Funding/Income				
Description	Loss of income from other portfolios as a result of changing activity and demand				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	120	120

Directorate	RESOURCES
Service	COMMERCIAL SERVICES
Planning Entity	COMMERCIAL SERVICES (Service)

Section 3: Summary of Savings

Line	B1					
Activity	Review of staffing structure					
Description	Review of staffing structure in Commercial Services to meet changing levels of activity and demand					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	3.00	(120)	-	(120)	-	(120)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	COMMERCIAL SERVICES (SAVINGS)
Planning Entity	COMMERCIAL SERVICES (SAVINGS) (Service)

Description of core purpose of Planning Entity	This service is to deliver savings through the tendering of goods and services under contracts which represent best value for the Council.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	-	(2,068)	(2,068)		0.00
Total Savings Made			(200)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	COMMERCIAL SERVICES					
Description	This service is to deliver savings through the tendering of goods and services under contracts which represent best value for the Council					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	(2,068)	(2,068)

Section 2: Pressures (Form Es) - None Identified

Section 3: Summary of Savings

Line	B1					
Activity	Review of Agency Contract					
Description	Contract price negotiations on agency and interim providers pending review of delivery model including exploring the possibility of setting up a council owned agency that would deliver temporary staffing to SCC with the option of wider service to other organisations in the region					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	-	-	(200)	(200)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	CUSTOMER SERVICES
Planning Entity	CUSTOMER SERVICES (Service)

Description of core purpose of Planning Entity	Customer Services fulfils three key roles in delivering the Customer Focus objectives in our Corporate Plan: we provide the Council's In-Person and Telephone customer access services through First Point offices and the Corporate Contact Centre. We also deliver a number of specialist services and support for external and internal customers. We are leading the Council's Customer Focus Transformation Programme.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	5,509	(3,788)	1,721	119.04
Total Savings Made			(200)	2.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	CUSTOMER SERVICES
Description	Provision of the Council's in-person and telephone customer services through First Point offices and the corporate contact centre as well as provision of a number of specialist services and support for external and internal customers
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
119.04	4,238	1,271	5,509	(3,788)	1,721

Section 2: Summary of Pressures (Form Es)

Line	E1
Activity	Inflation
Description	Pay Award

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	43	-	43	-	43

Section 3: Summary of Savings

Line	B1
Activity	Customer Services Redesign
Description	Posts not required as result of change to online applications

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
2.00	(50)	(150)	(200)	-	(200)

Directorate	RESOURCES
Service	CUSTOMER SERVICES
Planning Entity	CUSTOMER SERVICES (Service)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	FINANCE
Planning Entity	FINANCE (Service)

Description of core purpose of Planning Entity	The Finance service provides an effective financial management framework, with financial leadership for the Council through strategic business and financial planning, provision of financial advice and information for service managers and elected members. The Finance service adopts a business partner approach, one of support and challenge, to the Council's service portfolios. It also manages the finance contract with an outsourced provider for finance business transactions, administering housing and council tax benefits and collection of council tax and business rates.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	6,792	(2,391)	4,401		132.05
Total Savings Made			(340)		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	BUSINESS PARTNERING				
Description	The business partner approach develops the strategic link between key financial and accounting requirements and resource planning in the portfolios. It provides financial support, advice and challenge to the normal business in each portfolio				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
54.48	2,337	179	2,516	(1,102)	1,414

Line	A2				
Activity	EXT FUNDING/ CAPITAL				
Description	External funding team undertake a strategic co-ordination and control function with regard to all external funding and develop and ensure compliance with council wide processes for Revenue and Capital external funding				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
11.59	437	21	458	(48)	410

Line	A3				
Activity	FINANCE LEADERSHIP TEAM				
Description	FLT provide the leadership and management for the Finance service, advise the Council Senior Management team and elected members in developing and implementing the strategic plan and support them in resourcing and delivering the Council's strategic objectives sustainably and in the public interest. FLT lead the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
7.00	613	(172)	441	(235)	206

Directorate	RESOURCES
Service	FINANCE
Planning Entity	FINANCE (Service)

Line	A4				
Activity	FSSG/ STRATEGIC FINANCE				
Description	<p>FSSG are responsible for the provision, configuration, maintenance and development of the Council's financial and associated systems as well as maintaining and developing financial processes and provision of financial and system training.</p> <p>Strategic Finance co-ordinate the strategic financial planning processes i.e. the budget setting and medium term planning processes. Co-ordinate the financial reporting processes including the provision of monthly budget monitoring reports and production of the annual statement of accounts, the financial management of the council's balance sheet and fixed and current asset base.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
18.90	949	368	1,316	-	1,316

Line	A5				
Activity	ICAM/ REVS & BENS				
Description	<p>Revenues and Benefits client team are responsible for ensuring the service standards in the Capita contract are achieved, ensuring statutory functions are delivered. Income Collection and Management team are responsible for the centralised debt recovery to collect the Council's sundry debt arrears and developing the protocols and best practice for debt recovery in the council.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
18.13	792	156	947	(378)	570

Line	A6				
Activity	INTERNAL AUDIT				
Description	<p>An assurance function that primarily provides an independent and objective opinion to the organisation on the control environment. The majority of reviews undertaken are risk based audits of services and functions across the Council. They assess management's treatment of risk and undertake reactive (fraud) investigations and pro active counter fraud initiatives. There is a statutory responsibility under the Accounts and Audit regulations for the authority to maintain an adequate and effective Internal Audit function. It contributes to the discharge of the statutory responsibilities (proper financial arrangements) associated with the designated Chief Financial Officer (section 151 officer). Forms a key part of the Corporate Governance arrangements of the Authority and contributes to the production of the Annual Governance Statement.</p>				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
10.35	485	32	517	-	517

Directorate	RESOURCES
Service	FINANCE
Planning Entity	FINANCE (Service)

Line	A7				
Activity	PROJECT & COMMERCIAL				
Description	Provides financial support to large, complex or cross cutting projects and major contractual or partnership relationships to ensure that the benefits are optimised and subject to an appropriate allocation of risk. Also provide taxation advice and support so as to ensure that the Council operates in the most tax efficient way and complies with all relevant legislation and regulations. The management of the Council's banking arrangements, investment and borrowing.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
11.60	574	22	596	(628)	(33)

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Increased annual maintenance charges for AIM income system				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	25	25	-	25

Line	E2				
Activity	Loss of Funding/Income				
Description	Net loss of income from schools bursar service				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	30	30

Line	E3				
Activity	Inflation				
Description	Pay Award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	63	-	63	-	63

Directorate	RESOURCES
Service	FINANCE
Planning Entity	FINANCE (Service)

Section 3: Summary of Savings

Line	B1				
Activity	Replacement Finance System				
Description	To fully replace the existing finance system with an alternative of equal or improved functionality at a reduced cost. The current system is an expensive Enterprise Resource System (ERP) incurring a high level of support costs				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(300)	(300)	-	(300)

Line	B2				
Activity	Review of Recharges				
Description	Review recharges to Combined Authority and Externally Funded projects to ensure all costs are recovered				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	-	-	(40)	(40)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	HUMAN RESOURCES
Planning Entity	HUMAN RESOURCES (Service)

Description of core purpose of Planning Entity	The OD/HR Service comprises Occupational Health, Health and Safety, Learning and Development, HR Policy and Strategy, HR Advisory, Employee Relations and management of the Capita contract. It is responsible for the lead on all people policy and practice within Sheffield City Council.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	5,097	(1,687)	3,410	100.84
Total Savings Made			(150)	4.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A3				
Activity	HR CORE				
Description					
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
67.94	3,375	692	4,067	(1,510)	2,557

Line	A5				
Activity	HR OTHER				
Description					
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
32.90	996	35	1,031	(177)	853

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Pay Award				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	42	-	42	-	42

Directorate	RESOURCES
Service	HUMAN RESOURCES
Planning Entity	HUMAN RESOURCES (Service)

Section 3: Summary of Savings

Line	B1					
Activity	Staffing Reductions					
Description	Offer a VER/VES scheme to generate staff efficiencies that do not impact on service delivery					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	4.00	(150)	-	(150)	-	(150)

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	LEGAL SERVICES
Planning Entity	LEGAL SERVICES (Service)

Description of core purpose of Planning Entity	Legal Services provide best value services and strong leadership, making it "easy to do the right thing". We provide a high quality legal service to meet the needs of the Council and individual portfolios and to ensure the Council carries out all aspects of its functions lawfully. We respond efficiently and effectively to requests for advice and are at the heart of proactive decision making.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	6,101	(2,571)	3,530	85.28
Total Savings Made			(28)	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	DEMOCRATIC SERVICES				
Description	Manage the democratic process and member development programme. This involves supporting and servicing a wide range of Council meetings including Full Council, Cabinet, Scrutiny Committees, Planning and Highway Committees, Licensing Committees, and the Audit Committee.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
10.60	324	69	394	(113)	281

Line	A2				
Activity	LEGAL SERVICES				
Description	To provide high quality legal advice regarding people to ensure the Council acts lawfully and satisfies its statutory obligations				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
53.10	2,716	85	2,801	(1,971)	830

Line	A4				
Activity	LEGAL -BUSINESS SERVICES				
Description	Deliver value for money Statutory and Regulatory Services including the Director and Assistant Directors salaries, Practice Management, trainee solicitor costs, monitoring officer and Local Land Charges.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
8.08	558	301	859	(484)	375

Directorate	RESOURCES
Service	LEGAL SERVICES
Planning Entity	LEGAL SERVICES (Service)

Line	A5				
Activity	MEMBERS' BUDGETS				
Description	Provide a range of support for elected members. Provide and administer allowances for elected members including special responsibility and basic allowances, travel expenses, training and conference costs				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	1,440	1,440	(3)	1,437

Line	A6				
Activity	MEMBER SERVICES				
Description	High quality administrative and secretarial support to Elected Members including running the Lord Mayor's office.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
13.50	515	92	608		608

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Pay Award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	41	-	41	-	41

Section 3: Summary of Savings

Line	B1				
Activity	Members Superannuation				
Description	Changes in pension regulations has resulted in pension cost reductions for Members allowances. This is the full year effect of changes that are already in place.				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(28)	(28)	-	(28)

Directorate	RESOURCES
Service	LEGAL SERVICES
Planning Entity	LEGAL SERVICES (Service)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	RESOURCES MANAGEMENT & PLANNING
Planning Entity	RESOURCES MANAGEMENT & PLANNING (Service)

Description of core purpose of Planning Entity	The service includes the Executive Management for Resources, the Council's insurance and risk service and also the Business Support function for the Resources portfolio.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	715	(541)	174		0.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	IRM & MANAGEMENT					
Description	Management of the Councils insurance service, insurance funds and provisions, risk management strategy and framework and the Resources Business Support function.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	417	148	565	(541)	24

Line	A2					
Activity	MANAGEMENT					
Description	Resources directorate executive management.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	165	(15)	150	-	150

Section 2: Summary of Pressures (Form Es)

Line	E1					
Activity	Inflation					
Description	Pay Award					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	6	-	6	-	6

Directorate	RESOURCES
Service	RESOURCES MANAGEMENT & PLANNING
Planning Entity	RESOURCES MANAGEMENT & PLANNING (Service)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	TRANSPORT AND FACILITIES MGT
Planning Entity	TRANSPORT AND FACILITIES MGT (Service)

Description of core purpose of Planning Entity	The Transport and Facilities Management Service provides effective management and provision of SEN home to school and adult/CYP social care transport services. Procurement and hire of vehicles, management of strategic transport contracts. Vehicle maintenance, servicing and MOT testing, support and advice on vehicle specifications, transport legislation and risk management. We provide facilities services for all Council owned property excluding Housing. This work includes ensuring Health & Safety compliance with respect to property, the management of PFI contracts on schools and offices and the Maintenance contracts and Cleaning contracts.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	31,592	(16,698)	14,894		187.67
Total Savings Made			(800)		9.80

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	ASSET MANAGEMENT				
Description	Facilities Services for all Council owned property excluding Housing. The services include the external contract client Kier Asset Partnership Services. This service includes the management and operation of all buildings including any statutory records and compliance requirements.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
58.99	2,561	18,973	21,534	(7,887)	13,647

Line	A2				
Activity	CENTRAL TRANSPORT				
Description	The service transports children with special needs to school, adults to day venues and residents with difficult access to health, leisure and well being.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
95.35	3,245	679	3,924	(5,107)	(1,183)

Line	A3				
Activity	FLEET MANAGEMENT				
Description	Procurement and hire of vehicles built to manufacturers latest specifications and management of the transport fleet, including management of operator licences.				
Grant Income Source					

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
17.33	347	2,447	2,794	(2,404)	390

Directorate	RESOURCES
Service	TRANSPORT AND FACILITIES MGT
Planning Entity	TRANSPORT AND FACILITIES MGT (Service)

Line	A4				
Activity	WORKPLACE				
Description	Management of the Council's Accommodation Strategy for office provision, conference and meeting room facilities.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
3.00	183	1,416	1,599	(447)	1,152

Line	A5				
Activity	WORKSHOPS				
Description	To service and repair Council vehicles to manufacturers' recommendations. Carry out vehicle testing for licensing.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
13.00	775	965	1,740	(853)	887

Section 2: Summary of Pressures (Form Es)

Line	E1				
Activity	Inflation				
Description	Pay Award				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	74	-	74	-	74

Line	E2				
Activity	Loss of Funding/Income				
Description	Loss of income to traded activities as a consequence of other portfolios implementing savings and delivery models				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	-	-	-	400	400

Section 3: Summary of Savings

Line	B1				
Activity	Workplace				
Description	Annual efficiencies generated from the current Workplace Programme to rationalise use of office accommodation across the Council				
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	-	(300)	(300)	-	(300)

Directorate	RESOURCES
Service	TRANSPORT AND FACILITIES MGT
Planning Entity	TRANSPORT AND FACILITIES MGT (Service)

Line	B2					
Activity	Property and Facilities Management Services					
Description	The current contract for this service expires in June 2016.A new delivery model will give the Council much greater flexibility in terms of accountability and delivery of services in line with our corporate priorities.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00	-	(100)	(100)	-	(100)

Line	B3					
Activity	Transport Reductions					
Description	Reduction in staff as a consequence of savings and changes in service delivery models by other portfolios.					
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	9.80	(400)	-	(400)	-	(400)

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	CENTRAL COSTS
Planning Entity	CENTRAL COSTS (Service)

Description of core purpose of Planning Entity	These are costs managed centrally which are essentially outside of the immediate control of the Council. The key components of the service are: Former Employee Pension Costs; Benefit Payments; Outsourced Services (Capita); Corporate Fees.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	10,945	(8,573)	2,372		0.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A2				
Activity	CENTRAL COSTS				
Description	Council wide costs of which the largest element (£7m) relates to Former Employee pension costs.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00	7,600	3,345	10,945	(8,573)	2,372

Section 2: Pressures (Form Es) - None Identified

Section 4:Public Health Investments (None Identified)

Section 5:Public Health Savings (None Identified)

Directorate	RESOURCES
Service	FINANCE - CAPITA
Planning Entity	FINANCE - CAPITA (Service)

Description of core purpose of Planning Entity	<p>Financial Services in the SCC/Capita contract are:-</p> <p>Council Tax - billing, collection and recovery of local taxes raised by the authority</p> <p>Business Rates - billing, collection and recovery of Business Rates.</p> <p>Housing and Council Tax Benefit - the assessment and payment of state determined benefits that assist low income customers and customers on state benefits with their Council Tax liability and Housing costs</p> <p>Accounts Receivable - print and dispatch and sundry debtor's accounts.</p> <p>Purchase to Pay - the receipt, scanning and indexing of invoices for supplies and services.</p>
--	---

	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	10,734	(21)	10,713	0.00
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	CAPITA CONTRACT 1
Description	Financial Services in the SCC/Capita contract include council tax, business rates, housing and council tax benefit, accounts receivable and purchase to pay.
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		10,734	10,734	(21)	10,713

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	HOUSING BENEFIT
Planning Entity	HOUSING BENEFIT (Service)

Description of core purpose of Planning Entity	Council wide costs relating mainly to Housing Benefit payments and the I2S Capita budget
--	--

	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	195,985	(195,579)	406		0.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1
Activity	CENTRAL COSTS
Description	Council wide costs relating mainly to Housing Benefit payments
Grant Income Source	

FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		195,985	195,985	(195,579)	406

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	HR - CAPITA
Planning Entity	HR - CAPITA (Service)

Description of core purpose of Planning Entity	HR transactions and payroll - recruitment processing, contract changes, starter and leaver processes, management information and payroll.
--	---

	Gross Revenue Expenditure	Income	Net Revenue Expenditure	FTEs
Core Activities	2,668	(141)	2,527	0.00
Total Savings Made			-	0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1				
Activity	CAPITA CONTRACT 1				
Description	HR transactions and payroll recruitment processing, contract changes, starter and leaver processes, management information and payroll.				
Grant Income Source					
FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
0.00		2,668	2,668	(141)	2,527

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

Directorate	RESOURCES
Service	ICT - CAPITA
Planning Entity	ICT - CAPITA (Service)

Description of core purpose of Planning Entity	Strategic and Operational ICT including network and hosting services, application management, service management, project management, strategic lead and service assurance.
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	Gross Revenue Expenditure	Income	Net Revenue Expenditure		FTEs
Core Activities	10,594	(2,127)	8,467		0.00
Total Savings Made			-		0.00

NB all monetary amounts shown in £'000s

Section 1: Summary of Core Services (Form A)

Line	A1					
Activity	CAPITA CONTRACT 1					
Description	Strategic and Operational ICT including network and hosting services, application management, service management, project management, strategic lead and service assurance.					
Grant Income Source						
	FTE	Staff	Non Staff	Gross Revenue Expenditure	Income	Net Revenue Expenditure
	0.00		10,594	10,594	(2,127)	8,467

Section 2: Pressures (Form Es) - None Identified

Section 4: Public Health Investments (None Identified)

Section 5: Public Health Savings (None Identified)

<u>Summary Revenue Budget</u>		
Original Budget 2015/16	Original Budget 2016/17	
£000	£000	
Portfolio budgets:		
65,980	Children Young People and Families	66,423
156,215	Communities **	153,765
126,520	Place	129,101
2,292	Policy Performance and Communications	1,900
54,135	Resources	52,224
405,142		403,413
Corporate Budgets:		
Specific Grants		
-12,399	NHS Funding	-12,399
-73,442	PFI Grant	-74,601
-7,738	New Homes Bonus (NHB)	-9,323
-1,916	Business Rates Transitional Grant	-1,490
-2,500	Small Business Rates Relief	-2,880
-100	Empty New Build Relief (ENBR)	0
-500	Retail Relief (RR)	0
-53	Local Support Services Grant	0
-2,216	Independent Living Fund	-2,216
Corporate Items		
8,200	Redundancy Provision	8,200
-17,289	Pension Costs	-18,846
6,391	New Homes Bonus (NHB)	8,405
-2,000	Public Health Savings / re-investments	-698
3,000	Contingency - Social Care Pressures	4,555
24,913	Schools and Howden PFI	25,094
1,400	Infrastructure Investment in NRQ	600
34	Payment to Parish Councils	27
300	ICT Refresh	300
-1,783	CAPITA Contract Savings*	0
0	Better Care Fund	-9,300
0	Pension Deficit Payment	80,100
3,327	Other	1,067
37,184	Capital Financing costs	31,995
28,073	MSF capital financing costs	28,199
28,032	Contribution to / from Reserves	-53,710
424,060	Total Expenditure	406,492
Financing of Net Expenditure		
-115,837	Revenue Support Grant	-90,592
-105,661	NNDR/Business Rates Income	-106,566
-28,883	Business Rates Top Up Grant	-29,124
-170,379	Council Tax income	-176,467
-3,300	Collection Fund surplus	-283
0	Social Care Precept	-3,460
-424,060	Total Financing	-406,492

* The total Capita savings for 2016/17 are £3.4m but are reflected as a budget reduction within the Resources portfolio instead of a Corporate Saving.

** The Communities portfolio budget includes £131.1m for Adult Social Care (ASC) in 2015/16. The ASC budget will increase by £3.5m in 2016/17, funded by the social care precept.

<u>Description</u>	<u>CHILDREN YOUNG PEOPLE AND FAMILIES</u>		<u>COMMUNITIES</u>		<u>PLACE</u>		<u>POLICY PERFORMANCE & COMMUNICATION</u>		<u>RESOURCES</u>		<u>Total</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<u>Employees</u>											
Salaries/Wages	47,758	36,529	27,335	3,373	25,708	140,703					
Superannuation	7,584	5,634	4,997	670	4,377	23,261					
National Insurance	4,011	3,756	2,543	336	2,341	12,987					
Other Employee Expenses	3,600	1,029	1,066	36	7,667	13,398					
<u>Sub Total</u>	<u>62,953</u>	<u>46,947</u>	<u>35,941</u>	<u>4,415</u>	<u>40,093</u>	<u>190,350</u>					
Premises	2,329	2,139	9,793	75	13,610	27,946					
Transport	5,774	1,395	2,077	14	1,926	11,186					
Supplies & Services	42,123	12,677	13,702	1,481	11,047	81,030					
Third Party Payments	269,053	157,848	115,875	217	221	543,215					
Transfer Payments	731	0	0	0	195,830	196,561					
Central & Departmental Support	25,164	840	4,108	135	28,424	58,672					
Other	9	0	1,259	0	862	2,130					
<u>Gross Expenditure</u>	<u>408,137</u>	<u>221,848</u>	<u>182,755</u>	<u>6,337</u>	<u>292,013</u>	<u>1,111,090</u>					
<u>Income</u>											
Grants	294,906	15,261	3,245	1,895	200,522	515,829					
Other Reimbursements & Contributions	1,352	7,648	1,620	32	1,184	11,835					
Sales	2,675	112	895	0	10	3,692					
Fees & Charges	24,866	27,149	27,070	945	7,533	87,563					
Other Income	2,137	12,940	8,218	0	3,087	26,382					
Corporate Revenue Income	0	0	0	0	0	0					
Recharges	15,778	4,973	12,606	1,565	27,453	62,375					
<u>Income</u>	<u>341,714</u>	<u>68,083</u>	<u>53,654</u>	<u>4,437</u>	<u>239,789</u>	<u>707,677</u>					
<u>Net Expenditure</u>	<u>66,423</u>	<u>153,765</u>	<u>129,101</u>	<u>1,900</u>	<u>52,224</u>	<u>403,413</u>					

Reserves Strategy

INTRODUCTION

1. This appendix reports on the latest position in relation to the level of the Council's reserves. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to present to the authority, in determining council tax levels, a report assessing the adequacy of unallocated reserves in the context of corporate and financial risks facing the Authority. The Authority needs to balance the necessity for reserves against the immediate impact on council taxpayers and arrive at a level it considers adequate and prudent, but not excessive.
2. This Reserves Strategy therefore needs to be considered and agreed by the Authority in setting its 2016/17 budget, capital programme and council tax. The Strategy explores the purpose of the general and earmarked reserves held by the Authority and sets out a recommended approach to optimise their use over the 2016-21 Medium Term Financial Strategy period.
3. This assessment of reserves is even more important in the context of the significant and continuing cuts in central government funding, which is set to last until 2019/20. In addition, there is pressure on the capital programme and ultimately any deficit on the programme would have to be charged to revenue reserves. Reserves can be used temporarily to fund services and this is reviewed as part of the budget strategy. However:
 - reserves are "one off" funds and using them in the budget will only delay the need to make savings. Once used, they are clearly not available to support future years.
 - they are therefore most suited to covering "one off", unexpected costs such as emergencies (e.g. the Sheffield flood in 2007) or costs that are likely to be incurred in the future but the timing is uncertain (e.g. legal or other claims against the council).

TOTAL RESERVES

4. The Council's Statement of Accounts for 2014/15 <https://www.sheffield.gov.uk/your-city-council/finance/statement-of-accounts.html> shows a figure for "usable" reserves in the balance sheet at page 29 of £257m as at 31 March 2015. However, this figure is a technical accounting one and is not relevant for the purposes of setting the General Fund revenue budget. The definition of "usable" is important here – it means usable in some way, but there are very specific rules about what different parts of this type of reserve can be used for. The Council's total spending and total reserves is legally separated in to four main blocks:
 - delegated school budgets, held in trust and only usable for schools spending;
 - Housing Revenue Account (HRA), i.e. spend on council housing, funded by rents;
 - capital spending, i.e. investment in long term assets such as roads and buildings;
 - "General Fund" spend, which is spend on all other services not in the above three categories and is funded from government grants and council tax. It is only this category with which this reserves strategy and budget report to Cabinet and Full Council is concerned.
5. None of the resources for schools, HRA or capital can be used for the Council's General Fund spending, so for the purposes of setting the budget, £168m of the "usable reserves" are irrelevant, namely:
 - Schools reserves of £18m
 - Housing revenue account reserves of £15m
 - Capital reserves of £135m, which are committed to funding schemes planned over a number of years, e.g. school rebuilding, highways, council housing major repairs or rebuilding.
6. This leaves around £89m of General Fund reserves. However, as part of the assessment of the adequacy of reserves referred to above, a number of reserves are set aside or "earmarked" to cover liabilities for

expenditure which is already committed but not yet paid for, as explained below.

7. The table below shows that next year (2016/17), earmarked reserves levels are planned to decrease by £53.6m. This is primarily as a result of the planned temporary use to fund an early pension deficit payment to deliver savings for 2017/18 to 2019/20. This is a repetition of the process followed in 2014/15.
8. The table also highlights the split of earmarked and non-earmarked reserves - of the £116m as at 31 March 2016; all but £12m is set aside as earmarked reserves for future liabilities.

Summary Estimate of Non-Earmarked & Earmarked Reserves at 31 March 2016 & 31 March 2017

Description	Balance at 31/03/16 £000	<i>Movement in 2016/17 £000</i>	Balance at 31/03/17 £000
Non-earmarked Reserves			
General Fund Reserve	12,037	0	12,037
	12,037	0	12,037
Earmarked Reserves			
Invest to Save Post 2015	(2,227)	2,659	432
PFI Reserve	16,979	(32,210)	(15,232)
Highways PFI Reserve	11,331	3,900	15,231
Total PFI Reserve	28,310	(28,310)	(1)
Major Sporting Facilities	14,403	(8,830)	5,573
New Homes Bonus	2,105	918	3,023
Insurance Fund Reserve	8,519	0	8,519
Other earmarked	53,070	(20,085)	32,985
Total Earmarked Reserves	104,179	(53,648)	50,531
Total Revenue Reserves	116,216	(53,648)	62,568

* a negative number (in brackets) indicates that the reserve is in deficit: in this case because of up front investment that is to be repaid in future years from savings.

GENERAL (NON-EARMARKED) REVENUE RESERVES

9. The purpose of general revenue reserves is to provide funding for any unforeseen risks and expenditure which may arise in the year, but only as the last resort for emergency funding. Reserves also provide flexibility in managing fluctuations between budgets and actual expenditure or emergencies: a good example being the Sheffield floods in 2007, when we had to use reserves to fund spending on the recovery operation before reclaiming costs from insurance or the Government. Finally, cash reserves and other working capital generate interest which is used in the funding of the budget.
10. Non-earmarked General Fund Reserves (the “working balance”) are estimated to be £12.0m at 31 March 2016, representing only 2.9% of the 2016/17 budget (at the maximum net budget requirement of £407m). If this £12.0m were ever used, it would have to be replaced as soon as possible as the Council would always need a minimum level of emergency reserves.
11. There is no overall formula that can calculate what the level of reserves should be; it is a matter of judgement based on the known risks, budgetary pressures and local factors. The 2012 Audit Commission report ‘Striking a Balance’ indicated that:

“most Chief Finance Officers in our research regarded an amount between 3 and 5 per cent of the council’s net spending as a prudent level for risk-based reserves...”
12. Sheffield’s level of general fund reserves at 2.9% of the 2016/17 net revenue budget is below this benchmark. It is also low in comparison to most other major cities. The table below shows that Sheffield has the lowest level of General Fund reserves as a percentage of their 2015/16 net revenue budgets when compared to similar councils.

	Estimated Un-Earmarked Reserves 31st March 2015 (£m)	% of Net Revenue Budget (2015/16)
Birmingham	137.8	15.8%
Nottingham	19.5	7.3%
Liverpool	24.7	5.8%
Bristol	20.0	5.7%
Manchester	27.1	5.1%
Leeds	22.3	4.3%
Newcastle	10.1	4.2%
Sheffield	11.2	2.6%

EARMARKED RESERVES

13. Earmarked reserves are set aside to meet known or predicted liabilities, but ones that are not certain enough to create an exact provision in the accounts. The liabilities are, however, likely enough to say that the earmarked reserves are not normally available to fund the budget or other measures.

14. A list of earmarked reserves, their purpose and proposed use are set out below.

Invest to Save Projects – Post 2015 (£0.4m)

15. The Council's Modern and Efficient Council programme has delivered a number of core infrastructure and business transformation projects that are essential to the future success of the Council's business operations. The ongoing successes of these programmes have delivered an additional £5.4m of permanent savings, which have been used to contribute towards the balancing of the 2016/17 budget.

16. Following this success, the council is launching a number of new initiatives aimed at delivering significant long term savings as a result of some upfront developmental investment.

Private Finance Initiative (PFI) Reserve (Balanced)

17. This PFI grant is a good example of why we have earmarked reserves – Government pays us money in advance to pay future years' liabilities, so we set it aside in a reserve until it is needed. If we did not do so, there would be insufficient funds to cover the cost of contracts in future years.

18. The reserve is reporting a balanced position as at 31st March 2017 due to £31m being borrowed to fund the pension deficit early payment in 2016/17. These funds will be fully repaid during 2017/18 and 2018/19 to ensure that sufficient funds are available to meet any outstanding liabilities.

Major Sporting Facilities (MSF) (£5.6m)

19. The remaining funds are required for the future costs of the Major Sporting Facilities debt (re: Ponds Forge, Hillsborough Leisure Centre, etc.). It was agreed at Cabinet in June 2013 to reschedule the leasing arrangements with Sheffield City Trust, as a result of which this reserve has been re-profiled, thus releasing £7m of savings to the revenue budget in 2014/15 to 2016/17.

New Homes Bonus (£3.0m)

20. The Government is paying all Councils "New Homes Bonus" to incentivise them to bring empty properties back into use or encourage new housing to be built. The Council intends to use the payments to promote housing development but also fund economic growth projects. This reserve sets aside the payments until required for agreed projects.

Insurance Fund (£8.5m)

21. This reserve was created in 2013/14 following the audit of the 2012/13 accounts. The External Auditor recommended that the difference between the Council's best estimate of actual losses and the maximum potential liability (around £8.5m) should be classified as an earmarked reserve.

Other Earmarked Reserves (£33.0m)

22. This includes various specific earmarking including:

- equal pay claims
- redundancies

- contingencies for potential budget deficits, including risk of business rate income shortfalls
- pension deficit payments
- portfolio reserves agreed by Cabinet in previous years for service specific issues, e.g. Bereavement Service business plan funds.

23. There is forecast net in-year reduction on these reserves totalling £20.1m predominantly due to the aforementioned borrowing to fund the early pension deficit payment to deliver significant savings.

ASSESSMENT OF LEVEL OF RESERVES

24. The Section 151 officer has carried out an assessment of the adequacy of the level of reserves held by the Authority in light of the principal risks it faces. While the maximum total financial impact of these risks far exceeds the reserve held, the overall likelihood of all these risks being incurred in any one year is low and therefore, it is not deemed prudent nor offers best value to hold sufficient reserves to cover all eventualities. **Appendix 5** details the risks and the level of their potential impact.

25. Given the severely restricted funding outlook for the foreseeable future and the level of risk in the 2016/17 budget, the level of reserves is low but not inadequate. The Section 151 Officer recommended during the 2015/16 budget process that:

- The General Fund Balance, where possible, is increased in line with the recommended level of 3% to 5% of the council's net spending, regarded by most Chief Finance Officers in the Audit Commission's research as a prudent level for General Fund reserves.

26. As aforementioned the General Fund Balance has increased to 2.9% of the 2016/17 net revenue spend from 2.6% the previous year, which is in line with this recommendation and is predominantly due to the reduction in net revenue spend.

CORPORATE RISK REGISTER

This Appendix provides a brief overview of the main financial risks facing the Council in 2016/17. A more detailed schedule of these risks will be monitored by the Executive Management Team to ensure that the risks are mitigated.

Corporate Risks

2016/17 Budget Savings & Emerging Pressures

1. There will need to be robust monitoring in order to ensure that the level of savings required for a balanced budget in 2016/17 are achieved, especially given the cumulative impact of £300m of savings over the last five years (2011-16), and furthermore the backdrop of continuing reductions in Government grant from 2016/17 onwards.
2. Whilst preparing the budget 2016/17, officers identified numerous pressures which, if left unchecked, could lead to significant overspends in 2016/17 and beyond. The following pressures have been highlighted because they present the highest degree of uncertainty.

Capital financing costs

3. The Council currently maintains a substantial but prudent under borrowed position to help support the revenue budget and mitigate residual counterparty default risk on cash investments. In operating with an under borrowed position the Council exposes itself to interest-rate risk. Recognising this, Treasury maintain a regular dialogue with the Director of Finance and the Executive Director of Resources to monitoring the risk and review mitigation opportunities.

Business Rates

4. Following the advent of the Government's Business Rates Retention Scheme in April 2013, a substantial proportion of risk has been transferred to local government, particularly in relation to appeals, charitable relief, tax avoidance, hardship relief and negative growth. The issue of appeals dating as far back as the 2005 rating list is the greatest risk causing concern across all authorities.
5. As at 31st December 2015, there were properties with a rateable value of approximately £179m under appeal in Sheffield. On the 30th September 2014 new government legislation was introduced to cut off any further backdated appeals prior to the 31st March 2015. The impact of this

announcement resulted in 1140 new claims being made in March 2015 resulting in a significant backlog. There have also been large scale national appeals such as GP Surgeries, ATM's and Virgin Media which could have a material impact on income.

6. Due to the uncertainty around these factors a prudent provision was taken during 2015/16 to mitigate the loss of income as a result of successful appeals. Actual trends on appeals will be monitored in year, with any revised estimates of the impact of appeals forming part of the 2016/17 budget process. The risk from appeals should be lower in future years once the backdated element has been finalised.

Implementation of savings proposals

7. The risk of delivering savings in 2016/17 in specific areas such as adult social care and waste management is considerable, given the increasing demand pressures and the levels of savings that have been achieved in previous years. To mitigate this, officers are working on the safe and legal implementation of budget proposals by:
 - Ensuring that there is a thorough understanding of the impact of proposals on different groups and communities, including undertaking Equality Impact Assessments for budget proposals and discussed with Cabinet Members
 - Carrying out appropriate, meaningful consultation activity with affected communities and stakeholders, and ensuring that where the proposal affects a supplier or provider, that they undertake appropriate consultation and equalities work with service users.
 - Discussing budget proposals with affected members of staff in advance of them being made public, and putting in place MER processes where required, in consultation with HR.

One-off funding

8. There is a significant risk about the high level of one-off funding and reserves to balance the budget, particularly with regard to the Better Care Fund. At £9.3m, this is the highest level of one-off funding that the Council has had to use in recent years. However, officers will continue to work with colleagues at the CCG to find more sustainable ways to generate the required level of savings or income, by the end of this financial year and throughout next year so that real savings are identified to replace the one-off use of resources.

Medium Term Financial Position

9. On 14 October 2015 Cabinet considered a report of the Executive Director of Resources entitled Medium Term Financial Strategy (MTFS) 2016/17 to 2020/21. This report provided an update of the Council's MTFS to reflect the budget decision of the Council for 2015/16 and the potential impact on the next 5 years of the Government's plans for deficit reduction. This report set the planning scenario for the medium term.
10. The report on the MTFS indicated that there would be ongoing reductions in Revenue Support Grant (RSG) of 20% or £23.2m per annum over the five year period to 2020/21. Following the autumn statement released in December 2015, the actual RSG cuts have been identified as circa £79m by 2019/20.
11. The Council's financial position is significantly determined by the level of Business Rates and Council Tax income. Each of these may be subject to considerable volatility and will require close monitoring and a focus on delivering economic growth to increase our income and on delivering outcomes jointly with other public sector bodies and partners.

Pension Fund

12. Bodies whose Pension liability is backed by the Council are likely to find the cost of the scheme a significant burden in the current economic context. If they become insolvent the resulting liability may involve significant cost to the Council.
13. As at March 2013 the triennial review for pensions highlighted the total liability underwritten by the Council for external bodies was £9.3m. However more up to date information from the pension fund seems to suggest that these liabilities may have increased as a result of universally low bond yields in the fund. The full liability will not be known until after April 2016 when the next triennial review is complete.

Economic Climate

14. There is potential for current adverse economic conditions to result in increased costs (e.g. increased homelessness cases) or reduced revenues.
15. The Council seeks to maintain adequate financial reserves to mitigate the impact of unforeseen circumstances.

External Funding

16. The Council utilises many different grant regimes, for example central government and EU. Delivering projects that are grant funded involves an element of risk of grant claw back where agreed terms and conditions are not stringently adhered to and evidenced by portfolios. In order to minimise risk strong project management skills and sound financial controls are required by Project Managers along with adherence to the Leader's Scheme of Delegation to approve external funding bids.
17. As SCC funding reduces, portfolios are increasingly seeking out new sources of external funding, both capital and revenue. EU funding contracts have more complex conditions, require greater evidence to substantiate expenditure claims and are less flexible on timescales and output delivery targets. This increases the inherent risk in projects which are EU funded. Furthermore as the Council reduces its staff resources a combination of fewer staff and less experienced staff increases the risk of non-compliance with the funding contract conditions and exposes the authority to potential financial claw back.
18. Moreover, the pressure on the General Fund means that Service Managers are forced to seek more external funding such that the general level of risk associated with grants is increasing because of the additional workload this creates amongst reduced and potentially inexperienced staff.

Treasury Management

19. The Council has been proactively managing counter-party risk since the credit crunch of 2008. Counterparty risk arises where we have cash exposure to bank and financial institutions who may default on their obligations to repay to us sums invested. Counterparty risk has somewhat diminished over the last financial year as banks have been obliged to improve their capital funding positions to mitigate against future financial shocks. The Council is continuing to mitigate counterparty risk through a prudent investment strategy, placing the majority of surplus cash in AAA highly liquid and diversified funds.
20. As part of the 2016/17 budget process, we are developing the Treasury Management and Investment Strategies, both of which were based on discussions with members and senior officers about our risk appetite. This will include a review of our counter-party risk to ensure it is reflective of the relative risks present in the economy without being unduly conservative for the improving UK economic position.

21. The Council is also actively managing its longer term need for cash. Cash flow requirements show that the Council will require new borrowing in the coming years to finance capital investment. With interest-rates expected to rise from their current historic lows the Council is remaining vigilant to interest-rate risk, and will draw down loans in a timely manner to mitigate against borrowing costs rising above our target rates.
22. The Council is continuing its efforts to ensure full compliance with the increasingly stringent requirements of Payment Card Industry Data Security Standard (PCI DSS). PCI DSS is a proprietary information security standard for organizations that handle branded credit cards from the major card schemes including Visa, MasterCard and American Express.
23. As part of the 15/16 and 16/17 savings challenge, the Council is exploring the options of making early payments to some of its major suppliers in return for a saving on the contract cost. To date agreements have been reached with 3 suppliers and others are being considered. There is a risk to the Council that having received payment that these companies may fail to deliver the services. This is mitigated by the existing contract protections, financial evaluations of the companies and parent company guarantees.

Welfare Reforms

24. In April 2013, the government began to introduce changes to the Welfare system, which have had and will continue to have a profound effect on Sheffield residents including council taxpayers and council house tenants. The cumulative impact of these changes is significant. They include:
 - **The Abolition of Council Tax Benefit:** replaced with a local scheme of local Council Tax Support from April 2013. The Council approved the replacement scheme, based on the reduced funding available from Government, and set up a hardship fund in January 2013, but there are risks to council tax collection levels and pressures on the hardship fund which are being closely monitored.
 - **Housing Benefit Changes:** The Government has introduced various changes to the Housing Benefit System since 2013. These changes aim to reduce the level of benefit paid and hence potentially impact on the recipient's ability to pay rent and council tax. Consequently there may be an adverse impact in the level of arrears.

- **Introduction of Universal Credit:** The planned roll out for claimants in Sheffield is January 2016 but initially will only apply to new single jobseekers. Roll out of any other type of claimant will not take place until DWP move to their “Digital Platform” for which there is no known date for Sheffield. The migration of existing Housing Benefit claimants will follow but this is not expected until 2020/21.
- The biggest potential impact is on HRA and collection of rent. Support towards housing costs is currently paid through housing benefit direct to the HRA; in future this will be paid through UC direct to individuals. This will potentially increase the cost of collection and rent arrears. There will also be an impact on the current contract with Capita and internal client teams.

Children, Young People and Families Risks

Education Funding

25. As part of the Spending Review and Autumn Statement 2015, the Government has announced savings of £600 million to be made from Education Services Grant (ESG), including phasing out the additional funding schools receive through the ESG. The government will consult on policy and funding proposals in 2016, but this could reduce the Council’s ESG by £3.3m, with only £1.1m being received for retained duties only.
26. Schools are entitled to receive a proportion of the Council’s Dedicated Schools Grant (DSG) which schools forum have decided can be de-delegated back to CYPF to fund central services. Academies can on conversion choose whether to buy into those services thus creating a potential funding gap. Up to £500k could be at risk to centrally funded services should Academies choose not to buy back those services funded from de-delegated DSG from the local authority.
27. If an academy is a sponsored conversion then the Council will have to bear the cost of any closing deficit balance that remains in the Council’s accounts. In 2016/17 this cost to the Council is estimated at around £300k and remains a risk for any future conversions.
28. Also as part of the Spending Review and Autumn Statement 2015, the government announced that it will introduce a national funding formula for schools, high needs and early years. There will be a transitional phase to help smooth the implementation of the new formula. The government will

launch a detailed consultation in 2016 and will implement the new formula from 2017/18.

Communities Risks

29. In 2015/16 a recurrent gap of £9.3m in the council's funding was bridged using £5m of CCG funding and council reserves. Negotiations are currently underway to establish where this gap will be funded from in 2016/17 between SCC and the CCG. Once this has been resolved there still remains the ongoing issue of developing sustainable savings proposals from within the Better Care Fund in order to balance the budget for future years.
30. There has been increasing pressure in recent months on Mental Health purchasing budgets as a result of some changes to care packages managed by the Care Trust. Whilst these changes are the right thing to do from a system wide perspective, they have a disproportionate impact on SCC. Work is currently underway to assess the viability of managing these budgets under a pooled arrangement within the Better Care Fund.

Place

2015/16 Revenue Budget savings

31. The Place Portfolio's medium term financial strategy is based on reducing the cost of the Streets Ahead programme, waste management contracts and the South Yorkshire Passenger Transport Levy to meet its budgetary allocation. Together these three items account for about two-thirds of the Place budget. Failure to secure these savings will require compensating savings in other services.
32. In light of the above risks, a review of waste services has taken place with a staged strategy agreed. As with any service change, there is a risk to the continuity of service delivery and in the longer term there is a potential financial risk if the expected investment does not result in better value services. In order to mitigate the risks a robust governance structure has been put in place to review progress and issues and make decisions to ensure that the optimum solution is achieved.

Electric Works

33. The Council owns this building and uses it to provide high quality office accommodation to start-up businesses in order to grow the local economy. Once established, the businesses will move elsewhere creating a high turnover of tenants. As the Landlord, the Council is

responsible for the running costs of the business centre apportioned to the void floor space. The approved business plan set-aside contingency monies to cover potential deficits in its early years of operation which has now been fully utilised. Some provision has been made within the existing annual budget but should the void floor space exceed the budgeted provision, this will require compensating savings from the Place portfolio.

Housing Revenue Account Risks

Housing Revenue Account (HRA)

34. There are a number of future risks and uncertainties that could impact on the 30 year HRA business plan. Major changes for social housing have been set out in the Welfare Reform and Work Bill and the Housing and Planning Bill. The full details and resource implications of the policy changes on the HRA are still emerging. In particular changes to the extension of Right to Buy to Housing Association tenants funded by the sale of “high value” council homes as they fall vacant, Pay to Stay proposals – Higher Rents for High Earners, the introduction of fixed term tenancies and further Welfare Reform changes. The impacts on the HRA are continually being assessed.

Other identified risks to the HRA are:

- **Interest rates:** fluctuations in the future levels of interest rates have always been recognised as a risk to the HRA. These are continually re-assessed as part of the overall debt HRA strategy.
- **Repairs and Maintenance:** existing and emerging risks within the revenue repairs budget include unexpected increased demand (for example due to adverse weather conditions). The ongoing programme of proactive repair and improvement on roofing and heating systems in particular should help to mitigate this particular risk. This may be mitigated to some extent in the longer term by the insourcing of the Repairs and Maintenance service scheduled for April 2017.

Capital Programme Risks

Capital Receipts and Capital Programme

35. Failure to meet significant year on year capital receipts targets due to reduced land values reflecting the depressed market and the impact of

the Affordable Housing policy. This could result in over-programming / delay / cancellation of capital schemes.

Housing Regeneration

36. There is a risk to delivering the full scope of major schemes such as Parkhill because of the instability in the housing market. This could result in schemes 'stalling', leading to increased costs of holding the sites involved.

Olympic Legacy Park

37. The Council supports the development of the Olympic Legacy Park to regenerate the Lower Don valley. Some parts of the infrastructure need private party or external funding to realise the vision. The Council has an obligation to provide a number of facilities to the educational establishment facilities on site against a very tight timescale. If the other site developments do not proceed in time, the Council may have to step in with funding which will place additional strain on the funding of the capital programme.

Bus Rapid Transit (BRT) North

38. The project is significantly over budget and a year behind schedule due to the discovery of asbestos on land which was previously thought to have been decontaminated, and, an unchartered sewer which has had to be relocated. The latest estimate of the unfunded spend is £6.3 m. A number of options are being pursued, including applying for additional grant funding, litigation against those at fault and allocation of anticipated future planning related development fees.

Sheffield Retail Quarter

39. The Council is expected to incur around £60m to acquire land, secure planning consent, and appoint a development partner to deliver the new retail quarter in the city centre. The scheme is being funded through prudential borrowing which will be repaid from the increased Business Rates that the completed scheme will produce (known as Tax Incremental financing (TIF)). The financing costs are being capitalised while the scheme is in development. There is a risk that if the scheme ceases to be active that the financing costs of circa £3m pa will have to be provided for from existing budgets. There is also a longer term risk that if the scheme does go ahead that the Business rates generated are not sufficient to cover the financing costs. In order to mitigate these risks the Council is working closely with its advisors and potential tenants to

ensure that a viable scheme is being developed. It is also ensuring that the level of TIF is set at a prudent level.

**Treasury Management Strategy Statement
Minimum Revenue Provision Policy Statement and Annual Investment Strategy
2016/17**

Introduction

Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned for, with cash being available when it is needed. Surplus cash is invested in low risk counterparties and instruments in alignment with the Council's risk appetite. The security and liquidity of our investments are primary concerns before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital programme. These capital plans provide a guide to the borrowing needs of the Council, informing the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any loans or credit liabilities previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

Reporting Requirements

The Council is required to receive and approve a number of reports each year, incorporating a variety of policies, estimates and actuals.

These reports include the:

Prudential and treasury indicators and treasury strategy (this report) – This report covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);

- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

A mid-year treasury management report – This will update members with the progress, amending prudential indicators as necessary, and advise whether any policies require revision

Annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Cabinet Member for Finance.

Treasury Management Strategy for 2016/17

The strategy for 2016/17 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training.

The Cabinet Member for Finance has been provided with treasury management training from officers at the beginning of 2015. Further internal and external training will be considered as necessary.

The training needs of treasury management officers are also periodically reviewed. During the year officers attended workshops and seminars provided by the Council's consultants and CIPFA.

The Council's Treasury Manager and the Acting Assistant Director of Finance with responsibility for treasury management both hold qualifications in public sector treasury awarded by the Association of Corporate Treasurers.

Treasury Management Consultants

The Council uses Capita Asset Services as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Capital Prudential Indicators: 2016/17 – 2017/18

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans.

The following table shows capital expenditure forecasts:

Capital Expenditure	2014.15	2015.16	2016.17	2017.18	2018.19
	Actuals	Current	Budget	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Resources	£3,610	£8,604	£70	0	£0
CYP	£25,941	£35,556	£26,817	£16,418	£363
Communities	£1,479	£352	£0	£0	£0
Place	£22,996	£101,010	£31,925	£3,530	£0
Housing	£33,470	£84,573	£113,085	£95,813	£81,392
Highways General	£27,550	£17,283	£3,396	£529	£0
Highways Capital Contribution	£30,255	£30,850	£26,803	£38,350	£0
Total	£145,301	£278,229	£202,096	£154,641	£81,755

The table shows the Council's on-going commitment to investing in the city.

The Place portfolio shows particularly high numbers in 2015/16, reflecting the asset acquisitions and development costs associated with the flagship New Retail Quarter project. This project will seek to revitalise the city centre retail offer, allowing us to compete with regional and out-of-town alternatives.

The Council also continues to invest in flood defences to provide the city with resilience to the growing threat of adverse weather conditions, and recognising the importance to the regional and city economy of the industrial sector in the Don Valley.

The Council is also embarking on a major housing stock investment programme that will build upon the Decent Homes programme that ended in 2013. This will seek to address affordable housing provision in the city, tackling one of the most significant issues for our communities.

The above financing need does not include other long term liabilities, such as PFI arrangements. Assets will be acquired through PFI arrangements according to the following profile:

Assets acquired through PFI	2014.15	2015.16	2016.17	2017.18	2018.19
	Actuals	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Highways	£39,528	£47,206	£47,059	£11,113	£0
Total	£39,528	£47,206	£47,059	£11,113	£0

The above table shows how we will use innovative financing means to leverage financial support from government to address investment need in our highways infrastructure. The large amounts of money to be invested in highways through PFI

arrangements and more traditional financing represents the Council's prioritisation of the city-wide Streets Ahead programme that will transform the city's road and pathway network.

The table below summarises our capital expenditure plans, and shows how these plans are being financed by capital or revenue resources. Any capital expenditure not funded by grants, receipts, or revenue contributions, results in a need for borrowing.

Capital Funding	2014.15 Actual £'000	2015.16 Current £'000	2016.17 Budget £'000	2017.18 Estimate £'000	2018.19 Estimate £'000
Capital expenditure:					
Non-housing	£111,831	£193,656	£89,011	£58,828	£363
Housing	£33,470	£84,573	£113,085	£95,813	£81,392
Total	£145,301	£278,229	£202,096	£154,641	£81,755
Financed by:					
Capital Receipts	£8,490	£24,072	£11,546	£8,116	£7,640
Capital Grants & Contributions	£67,649	£92,748	£54,810	£20,517	£2,513
Revenue Contributions	£25,788	£64,419	£91,909	£74,132	£61,517
Net borrowing need for the year	£43,374	£96,989	£43,831	£51,876	£10,085
Fund Split					
General Fund	£43,374	£94,293	£39,712	£40,487	£0
HRA	£0	£2,696	£4,118	£11,389	£10,085
Total	£43,374	£96,989	£43,831	£51,876	£10,085

Continued investment in the city is essential to ensure Sheffield remains an attractive place to live and do business. Investment does not simply mean development of our built environment, but also investment in our services to ensure we go about our business in an efficient and cost effective manner.

As in previous years, judicious use of borrowing to support investment remains a prudent financing option when borrowing costs remain low, especially given that those costs can be supported by the increased income we expect to flow from our investments or savings generated by business efficiencies.

The majority of the Council's borrowing need over this period relates to the capital contributions to the Highways Streets Ahead project. This project is essential to enable the Council to maintain its road network in a cost effective manner, moving away from comparatively expensive and inefficient remedial repair work.

Using historically cheap borrowing for the Streets Ahead project has further enabled the Council to make significant savings on what we would have otherwise paid to a contractor under a PFI contract.

The Council will also continue to use borrowing to support the development of the New Retail Quarter. This is a flagship scheme is aimed at kick-starting the regeneration of the city centre and the costs of this borrowing will, in time, be offset by increased income generated from business rates.

The significant use of revenue to fund capital expenditure relates to the use of rental income raised in the HRA to fund capital works on the Council's housing stock. However, in future years this will be supported by additional borrowing to support the level of HRA investment – particularly for new building and acquisition of properties.

The Council's need for borrowing (the Capital Finance Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying need for borrowing that has been built up over time and will be repaid in accordance with statutory rules. Any capital expenditure which has not immediately been paid for from grants, receipts, or contributions, during the year will increase the CFR.

Most of the increase in CFR relates to General Fund expenditure. The HRA finances the significant amount of its capital expenditure through the income it raises from housing rents. Financing expenditure in this way means the HRA has less need for credit.

The CFR does not increase indefinitely. Statute requires the Council to charge an amount each year to the budget known as the minimum revenue provision (MRP). This charge mimics depreciation, reduces the CFR, and ensures the Council has enough cash to repay its debts.

The CFR also includes other long term liabilities such as PFI arrangements. Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of arrangements include a borrowing facility which means the Council is not required to separately borrow for these schemes. The Council currently has £363m of such arrangements within the CFR.

The following table shows CFR projections:

Capital Financing Requirement	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
CFR non-housing	£872,093	£978,857	£1,029,772	£963,980	£930,422
CFR housing	£346,308	£348,977	£353,068	£364,430	£374,488
Total CFR	£1,218,401	£1,327,834	£1,382,841	£1,328,411	£1,304,910
Movement in CFR	£52,651	£109,433	£55,006	-£54,430	-£23,501
<u>Movement in CFR represented by:</u>					
Expenditure not funded by grants, receipts, or contributions	£43,396	£97,332	£45,745	£51,769	£10,085
Additional PFI liabilities	£39,528	£47,206	£47,059	£11,113	£0
- MRP/VMRP and other movements	-£30,274	-£35,105	-£37,798	-£117,312	-£33,586
Movement in CFR	£52,651	£109,433	£55,006	-£54,430	-£23,501

The table above shows that although the Council is taking on additional borrowing and PFI liabilities to create assets through capital expenditure, it is also charging prudent amounts of MRP to the budget to ensure it has enough cash to pay down its debts.

The costs of this debt will be funded through the revenue flows generated from the investment it enabled. These flows will arise from increased rates as new businesses set up in the city, and from cost reductions generated from investment that allows us to conduct our business in a more cost effective and efficient manner.

The significant increase in 2017/18 on the money we put aside for repaying debt (£117m) reflects our anticipation of receiving a large capital receipt following the proposed sale of our interest in the New Retail Quarter development.

Minimum Revenue Provision (MRP) policy statement

Each year statute requires the Council to charge an amount to its General Fund revenue budget to raise cash to reduce the General Fund element of its CFR. This cash then ensures that the Council can pay down its debts.

The statute requires a minimum amount to be charged, but also allows the Council to charge more if it feels it prudent to do so. This is known as a Voluntary Minimum Revenue Provision (VMRP).

Regulations have been issued by the Department for Communities and Local Government that require the full Council to approve an MRP statement in advance each year. This statement sets out how the Council determines how the MRP will be calculated. Guidance affords a variety of options to Councils, so long as the calculation results in a prudent provision.

The Council is recommended to approve the following MRP statement:

For capital expenditure incurred before 1st April 2008, or which in the future will be Supported Capital Expenditure (expenditure which receives income support from government), MRP will be charged on a flat line basis over fifty years. This will ensure that all debt associated with Supported Capital Expenditure is fully provided for up to the Adjustment A level that is required of us by government within fifty years.

This approach better aligns the charges we make to the General Fund with the funding we receive from government and, importantly, accelerates the rate at which the Council will provide for this debt over the Council's previous policy of using the 'regulatory method'. This approach does, therefore, represent a more prudent way of ensuring the Council can pay down debt in good time.

The Council will apply voluntary minimum revenue provisions to realign overall charges to the 'regulatory method' where it is considered prudent to do so.

From 1st April 2008, the MRP on all unsupported borrowing will be based on the 'asset life method'. This means that MRP will be based on the estimated useful life of the assets created.

Where it is considered prudent to do so, the Council will adopt an annuity profile for MRP charges under the asset life methodology. Adoption of this approach will be considered on a scheme-by-scheme basis, and will only be used where adoption will result in costs being better aligned to the benefit flows that will accrue from the investment.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made. The HRA may opt to make voluntary revenue provisions where it is prudent to do so.

Where appropriate, the Council will defer the MRP related to specific projects until the asset(s) for the project become(s) operational. This is known as an MRP holiday and will allow the Council to align borrowing repayments to the economic benefit generated from those assets.

The Council will also withhold MRP payments related to the acquisition of assets purchased under compulsory purchase orders (CPO) where there is a commitment to pass these assets and their costs onto a development vehicle.

Where capital loans are provided by the Council under section 25 of the 'The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003', the Council will, where it is prudent to do so, align MRP profiles to loan repayments.

This will ensure the Council does not unnecessarily charge amounts to its revenue budget.

The Council can at times receive capitalisation directives from the Secretary of State. Where this is the case, the Council's policy will be to provide for MRP as the capitalisation is defrayed, rather than on initial recognition. The 'asset-life' approach will be taken to providing for MRP on capitalisations, but where there is no discernible asset-life the Council will opt for a 20 year life.

Repayments included in annual PFI or finance leases are applied as MRP.

Core Funds and Expected Investment Balances

The application of resources (capital receipts, grants, revenue reserves) to finance capital expenditure will have an associated impact on investment balances, unless resources are supplemented each year from new sources such as asset sales or the receipt of other grants. This is simply because as receipts, reserves, and grants are spent, there is less cash available to place on deposit.

Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

CORE FUNDS AND EXPECTED INVESTMENT BALANCES	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual £'000	Current £'000	Budget £'000	Estimate £'000	Estimate £'000
Year End Resources:					
Cash backed reserves*	£225,682	£227,507	£208,614	£168,262	£150,636
Capital Receipts	£105,494	£60,000	£50,000	£50,000	£50,000
Provisions	£53,785	£45,785	£37,785	£32,785	£32,000
Total Core Funds	£384,961	£333,292	£296,399	£251,047	£232,636
Working Capital	-£104,475	-£110,785	-£87,785	-£82,785	-£72,000
(Under)/over Borrowing	-£154,895	-£190,047	-£136,503	-£100,000	-£96,933
Expected Investments	£125,591	£32,460	£72,111	£68,263	£63,703

**The majority of these reserves are earmarked for future spend, and do not represent available surplus for the budget*

The above table shows that the Council remains 'under-borrowed'. This means that we have not taken loans from banks, government, or other parties to finance all our borrowing needs. Instead, the Council has used its own cash balances that it doesn't need right now.

These balances include grants received in advance that we're yet to spend, reserves and provisions being held over for future spend, and capital receipts that haven't yet been deployed.

Operating in this manner is a good-fit for our wider operating environment. Low interest-rates mean that investment returns from cash held on deposit are poor. This does not provide us with an incentive to hold cash on deposit. Conversely, whilst borrowing costs are still very low, they are still higher than investment returns. So, where possible, it is cheaper to use our own cash balances than use external loans at more expensive rates.

Aligned to this is the residual counterparty risk in the market place. This means that we are still wary about investing with many financial institutions (such as banks and pension funds) following the credit-crunch of 2008 and bank failures. Limiting our exposure to these institutions remains a prudent course of action.

Whilst retaining the under-borrowed position we have also looked to use our cash balances efficiently, as we would any other asset.

This has encouraged us to look at using our cash in more innovative means to both provide revenue savings and support service delivery changes.

In 2015/16 the Council embarked on an early payment for discounts (EPD) programme that looks to pay suppliers in advance in return for price reductions. Deals have, to-date, been secured with several of our major suppliers including Kier and Capita, and will over the course of the arrangements secure savings on contract price of c. £1.2m that is going towards supporting the revenue budget.

These up-front payments, complement those made in prior years relating to the Major Sporting Facilities and the Triennial Pension Deficit, and result in the negative working capital shown in the table above.

The above table shows that the Council's investment balances are expected to rise on the 2015/16 low before falling.

The low in 2015/16 reflects the cash that we have put into the early payment arrangements. As these arrangements unwind (typically over the next 12 months) our cash balances will replenish themselves.

Future cash profiles are consistent with the Council's approach to reducing the General Fund and HRA under borrowed position over time and our expectations around reserve levels.

It is anticipated that the Council's reserves will be called upon in the coming years to support the revenue budget and protect services. As these reserves are used, the cash backing them also falls.

Whilst an under-borrowed position is currently advantageous, it does expose us to a level of risk around interest-rates.

Should the Council's plans change in the future it may need additional cash that is no longer available to support the under-borrowed position. If this occurred the Council would be required to go to the markets to raise cash through loans. The risk is, therefore, that should we need to raise loans they will be more expensive than they are now.

Accordingly, it is important that we manage this risk, and retain exposure at a level we think is appropriate. To mitigate this risk, and to further reduce the under-borrowed position, the Council intends to take additional loans in 2016/17 whilst rates remain historically low. These loans will bring cash into the Council to offset the outflows principally associated with our investments in the Streets Ahead and Sheffield Retail Quarter schemes.

Treasury officers will continue to monitor the financial markets to ensure our cash management plans are properly aligned to the Council's investment decisions and the ongoing risks in the wider economy.

The Council's expected investment balances are likely to fluctuate considerably during the year due to the irregular nature of cash flows, in particular grant income received from government.

Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators. Prudential indicators are also required to assess the affordability of the capital investment plans. These indicators highlight the impact of the capital investment plans on the Council's overall finances.

The Council is asked to approve the following indicators:

Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (principally borrowing and PFI arrangements) against the net revenue stream. The net revenue stream consists of the money we have available from grant, Council Tax, and other sources that is without restriction and can be spent as the Council sees fit.

The indicator below highlights a rise in the amount of the General Fund (non-HRA) and HRA net revenue stream that is being spent on financing costs:

Ratio of Financing Costs to Net Revenue Stream:	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Non-HRA	15.4%	17.2%	18.8%	18.9%	19.2%
HRA	9.9%	9.5%	9.5%	10.2%	10.0%

This reflects two prominent issues:

1. We anticipate incurring more costs into the future on borrowing than we do now; and,
2. The revenue income streams used for this calculation are falling.

At a very high and unsophisticated level, this means that we are spending more on capital financing, and have a smaller income base from which to pay for it.

However, this ratio should not be viewed entirely in isolation from other sources of information.

The increase in financing costs relates largely to the Council's investment in the Streets Ahead project and the Sheffield Retail Quarter (SRQ).

The Streets Ahead project is a huge city-wide investment scheme that will bring up to standard the condition of the city's roads, bridges, pavements, lights, and street scene.

This project not only addresses one of the public's and businesses' principal concerns, but also allows the Council to move away from expensive remedial repair work to a managed affordable maintenance approach based on the up-front investment.

This approach sees costs saved on service budgets which unfortunately are not reflected in the above prescribed ratios.

The Council also plans to continue to invest in the city centre to kick-start the regeneration of the area known as the Sheffield Retail Quarter. This investment will not only help to deliver a revived retail area to enable the city centre to compete with out-of-town alternatives and regional competition, but will also attract rate paying businesses to the city.

The increased rates this investment will generate will help to service the costs associated with the investment.

The HRA's gradual increase reflects that costs are currently largely being funded through housing rents, restricting the need for additional borrowing. Although the HRA has a significant investment programme from 2015 onwards it is anticipated that the initial costs of servicing any borrowing required will be largely offset from the expected increase in its housing rents income base and use of specific reserves built up for this purpose.

Incremental Impact of Capital Investment Decisions on Council Tax

The Council operates a policy of striving to ensure that all new unsupported borrowing funded projects are self-financing. This means that existing budgets are

found to fund new borrowing costs, or that the projects operate on an 'invest-to-save' basis whereby investment in a project enables savings to, at a minimum, service the borrowing costs incurred on that project. As a result of this policy, capital projects funded by borrowing should not, in normal circumstances, add additional costs to the Council's budget.

The Council considers a variety of options when considering how to fund capital projects. Currently, and due to global economic conditions, the Council can borrow money at historically low rates. This has enabled the Council to use borrowing to fund capital projects that will in turn generate revenue savings whilst helping us meet our wider objectives.

As an example, the Council will be using cash raised from borrowing to part finance the Streets Ahead project. By putting our own cash into the project the Council has been able to secure significant savings on the contract cost the PFI provider would otherwise have charged us. This saving arises because borrowing costs are significantly cheaper for the Council than the provider.

Accordingly the following indicator should not be viewed in isolation from the fact that our capital investments are generating revenue savings that are not represented within the figures shown. These saving have, though, contributed towards the Council managing the significant cuts imposed upon it without recourse to large Council Tax rises.

The indicator does, however, show what the cost to an average Band D council tax bill would be if we did not follow the policy and all new borrowing costs had to be met by an increase on council tax:

The average impact upon a Band D council tax bill would be:

INCREMENTAL IMPACT OF CAPITAL INVESTMENT DECISIONS ON COUNCIL TAX	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Council Tax Band D	£8.33	£39.66	£87.20	£89.35	£107.21

Estimates of the Incremental Impact of Capital Investment Decisions on Housing Rent Levels

Following the end of the subsidy system and the move to self-financing HRAs, costs incurred in the HRA are principally funded from housing rents.

This indicator shows the impact of HRA capital investment decisions outlined in this report on weekly housing rent levels.

IMPACT ON WEEKLY HOUSING RENTS	2015.16 Current £'000	2016.17 Estimate £'000	2017.18 Estimate £'000	2018.19 Estimate £'000
Weekly housing rents	£0.02	£0.05	£0.14	£0.22

The table shows a minimal impact on rent levels. This is consistent with the fact that the HRA's plans a significant housing stock investment programme from 2016 onwards that will be supported by borrowing. This is reflected by the increase in the incremental impact on rents from 2017/18.

However, the small charge is also symptomatic of the fact that the HRA is not obliged to charge MRP to its budget as the General Fund does.

It should be further noted that the government largely controls housing rent levels through a prescribed formula. Accordingly, any increase in financing costs would primarily need to be offset by cost reductions in other areas to ensure rents stayed within the given parameters.

Borrowing

The capital expenditure plans set out previously provide details of the Council's investment plans. The treasury management function ensures that the Council's cash is organised in accordance with relevant professional codes, so that sufficient cash is available to meet these plans. This will involve both the organisation of the cash flow, and where required, the organisation of appropriate borrowing facilities.

This section of the strategy covers the relevant treasury and prudential indicators, the current and projected debt position, and the annual investment strategy.

Current Portfolio Position

The Council's debt portfolio position is outlined below. The table below shows actual external debt against the CFR which represents the Council's need to borrow for capital purposes.

Comparing actual debt to the CFR highlights any under or over borrowing.

Under borrowing represents the Council's use of its own cash surpluses rather than external debt, whilst over borrowing represents the Council taking on more debt than it needs at that point in time.

CURRENT PORTFOLIO POSITION	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
External Debt					
Loans at 1st April	£687,999	£679,003	£723,965	£804,721	£789,973
Expected change in Loans	-£8,996	£44,961	£80,756	-£14,748	-£7,597
PFI liabilities at 1st April	£335,603	£363,111	£395,228	£426,155	£426,345
Expected change in PFI liabilities	£27,508	£32,117	£30,927	£190	-£9,023
Transferred Debt at 1st April	£23,912	£21,392	£18,619	£15,570	£12,215
Expected Change in Transferred Debt	-£2,521	-£2,773	-£3,050	-£3,355	-£3,690
Actual Gross Debt at 31st March	£1,063,506	£1,137,812	£1,246,445	£1,228,532	£1,208,222
The Capital Financing Requirement	£1,218,379	£1,327,816	£1,382,948	£1,328,532	£1,305,078
Authority Under/(Over) Borrowing	£154,873	£190,004	£136,503	£100,000	£96,856
HRA under/ (over) borrowing	£52,148	£57,108	£36,503	£0	£0
GF Under / (Over) Borrowing	£102,725	£132,896	£100,000	£100,000	£96,856
Total	£154,873	£190,004	£136,503	£100,000	£96,856

The rise in external loans and PFI liabilities is consistent with the Council's significant investment in the Streets Ahead project. The Council has committed to making MRP charges to eliminate the debt associated with this project by 2038.

The table also highlights that the Council plans to continue to manage an under borrowed position. This means that in the near term the Council will opt to use some of its surplus cash to fund capital expenditure rather than take out new loans.

This policy is helping the Council to meet its budget challenges by allowing us to avoid the interest charges that come with external loans. It does, however, mean that the Council loses investment income from cash that would otherwise be on deposit. As investment returns are currently poor, and default risk from financial institutions still elevated, this represents a prudent use of our cash.

However, as the table shows, the Council intends to reduce its under borrowed position for the General Fund to more manageable levels and move toward eliminating the HRA under borrowed position.

The HRA reduction is a result of the reduction in their Major Repairs Reserve as it is used to fund investment in existing and new housing stock. This reduces the level of HRA reserves that currently fund their under borrowed position. Once the HRA under borrowing has been eliminated, the HRA loan portfolio would be in line with the overall HRA CFR.

This is a deliberate move to mitigate the Council's exposure to interest rate risk. Whilst using our surplus cash in the short term is beneficial, in the longer term we are likely to have to replenish that cash with loans in order for it to be spent as

originally planned for. Interest rate risk is the risk that when we come to raise those loans the cost of servicing them is prohibitively high. This is an issue the Council is monitoring closely, as interest rates are likely to rise in the coming years.

Whilst this approach has been advocated for a while, the use of cash balances to solicit early payment discounts from a number of key suppliers means that the cash to support under-borrowing at current levels is unsustainable and new borrowing will be required to ensure the Council is able to meet its commitments when they become due.

This indicator also serves as a test as to whether the Council complies with the requirement to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2016/17 and the following two financial years.

The Director of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitment, existing plans, and the proposals in this budget report.

Treasury Indicators: Limits to Borrowing Activity

The **operational boundary** is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be similar figure to the CFR but sometimes due to cash flow issues debt can be above or below the CFR.

The operational boundary can be exceeded, but it does serve as a useful indicator to assessing the Council's external debt levels.

The following table shows the Council's estimates for its operational boundary:

Operational Boundary	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Loans	£840,000	£850,000	£950,000	£1,000,000	£1,000,000
Other Long Term Liabilities	£390,000	£420,000	£475,000	£475,000	£475,000
Total	£1,230,000	£1,270,000	£1,425,000	£1,475,000	£1,475,000

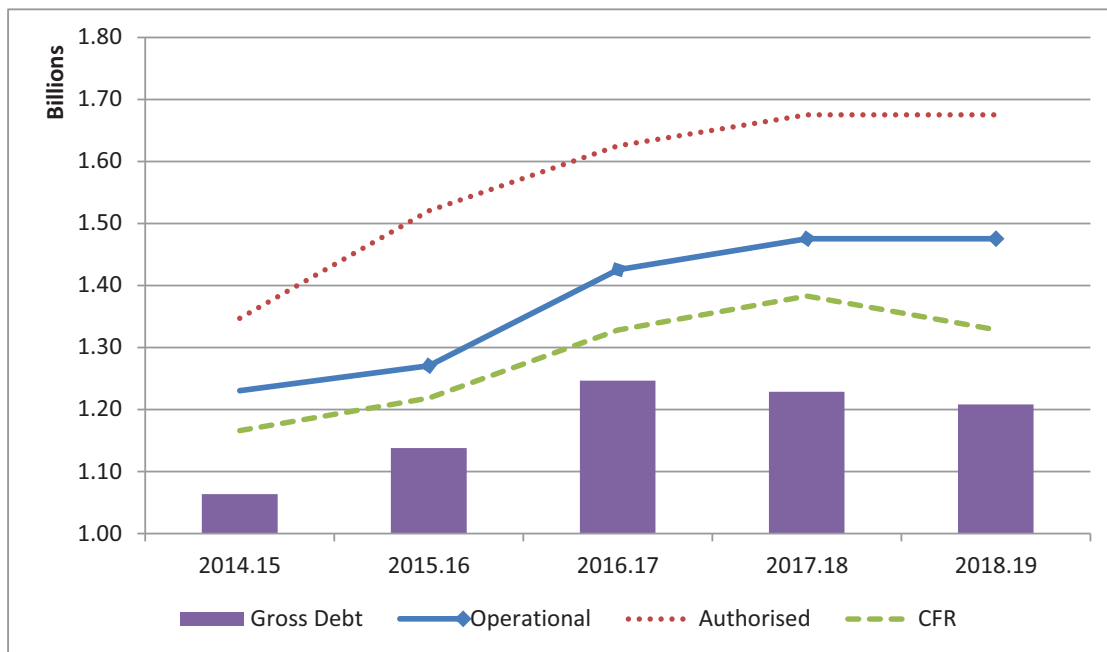
The **authorised limit on external debt** represents a control on the maximum amount of debt the Council can legally hold. Under Section 3 of the Local Government Act 2003 this limit is agreed by full Council and cannot be revised without that body's agreement. The Council is required to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and council rent levels is acceptable.

The authorised limit reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the long term.

The Council is asked to approve the following limit:

Authorised Limit	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Budget	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Loans	£940,000	£1,100,000	£1,150,000	£1,200,000	£1,200,000
Other Long Term Liabilities	£407,000	£420,000	£475,000	£475,000	£475,000
Total	£1,347,000	£1,520,000	£1,625,000	£1,675,000	£1,675,000

These limits, the capital financing requirement (CFR) and the underlying gross debt can be compared on the graph below



The authorised limit is significantly higher than the gross debt to allow us to deal with both planned capital expenditure, and any opportunities that may arise in-year to restructure contracts.

Separately, the government also limits the amount of debt the HRA can hold through a cap that was set in 2013. This debt-cap arose as a result of the HRA's transition from a government supported subsidy system to a self-financing approach.

From 2016/17 onwards, the debt cap has increased slightly following a bid for additional borrowing capacity relating to specific schemes.

The debt cap and the HRA's headroom position are currently:

HRA Debt Limit	2014.15	2015.16	2016.17	2017.18	2018.19
	Actual	Current	Budget	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
HRA Debt Cap	£388,311	£388,311	£392,083	£392,083	£392,083
HRA CFR	£346,336	£346,308	£348,977	£353,068	£364,430
HRA Headroom	£41,975	£42,003	£43,106	£39,015	£27,653

The HRA's debt (CFR position) is currently under the cap. The difference between the government set cap and the HRA's CFR represents the headroom it has to use credit to fund capital investment.

It should be noted that as the HRA investment into new housing stock develops, the amount of headroom will be eroded – reducing from a projected high of £43.1m in 2016/17 to £27.7m in 2018/19.

Economic Backdrop

Economic growth remains slow worldwide; though the UK has performed comparatively well – with growth in 2015 likely to be one of the best in the G7 nations alongside the US.

However, growth prospects outside the UK are unlikely to improve soon as there is a concern that developments in China will have international implications, particularly for developing and commodity supported economies and Eurozone growth continues to be fragile and vulnerable to external shocks. In fact, since the autumn, many of the worldwide economic statistics have been weak and the Bank of England November inflation report noted the concerns for the potential impact on the UK. This reflects that global economies are more intertwined than ever, and an export based recovery will struggle if importing nations don't recover simultaneously.

UK growth has predominately been led by consumer spending, though investment has begun to grow. Productivity remains low though is also showing some signs of improving and we are seeing real increases in income levels. However, the current account deficit remains a problem and will continue to do so as long as Eurozone demand remains depressed. In addition there will be the dampening effect of the Government's continuing austerity programme.

The Bank of England's Monetary Policy Committee (MPC), which is the independent body that determines Bank Rate, currently expects inflation to gradually increase to around 2% over the next 2 to 3 years. However, this may be impacted by recent falls in fuel prices and the uncertainty over pay inflation.

Further information on the economic picture is shown in Appendix 1

Prospects for Interest Rates

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives our central view.

<i>Capita Asset Services Interest Rate View</i>													
	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 18
Base Rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%
5 Year PWLB	2.00%	2.10%	2.20%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%
10 Year PWLB	2.60%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.60%	3.60%	3.70%
25 Year PWLB	3.40%	3.40%	3.50%	3.60%	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.10%	4.10%
50 Year PWLB	3.20%	3.20%	3.30%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	3.90%	4.00%	4.00%	4.00%

- Investment returns are likely to remain relatively low during 2016/17 and only increase gradually thereafter;
- Borrowing interest rates have been highly volatile during 2015 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. Gilt yields have continued to remain at historically phenomenally low levels during 2015. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

Borrowing strategy

The Council is currently maintaining an under-borrowed position, and plans to do so while it remains prudent. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loans and other credit arrangements such as PFI.

Instead cash supporting the Council's reserves, balances and working capital has been used as a temporary measure. This strategy is prudent as investment returns have remained low and counterparty risk is still relatively high. This approach has allowed us to avoid interest costs and thus support the revenue budget.

However, in accordance with the view taken in previous years, the Council recognises the inherent risk in operating to this strategy and has taken additional

borrowing in 2015/16 consistent with the mitigation strategy outlined last year. The Council plans to mitigate its position through a further draw down of loans in 2016/17 to finance the Council's investment plans and to replenish cash balances.

Against this background and the risks within the economic forecast, caution will be adopted. The Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

The Council's under borrowed position is currently supported by reasonable cash balances from reserves, grants unapplied, receipts and other sources. However, these balances are expected to fall, which increases our exposure to interest rate risk.

The Director of Finance will continue to monitor the interest rate environment and market borrowing rates.

If it is felt that there is likely to be a sharp fall in the cost of borrowing, or an extension to the current low cost period, then the Council's plans for its reduction of the internal borrowing position will be reviewed, with consideration being given to maintaining the position at its current levels, or increasing it.

However, if it was felt that there was a significant risk that the cost of borrowing was likely to increase beyond that currently being forecast perhaps arising from an acceleration in the rate of increase in central rates in the USA and a start of rate increases in the UK, an increase in world economic activity or a sudden increase in inflation risks, then the Director of Finance will give consideration to taking on more fixed-rate loans whilst interest rates are still lower than they would be in future years.

The cost of borrowing is likely to continue to be effected by global events. The 2015/16 financial year has seen 'event-risk' consistently effect both borrowing and investment rates as global instability has intermittently pushed investors back into safe-haven assets. The pace of recovery in the global economy will also weigh heavily on demand for sovereign debt.

Any decisions on the drawdown of loans will be reported to the Cabinet Member for Finance at the next available opportunity.

Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments

- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

interest rate exposure	2015.16	2016.17	2017.18	2018.19
	£'000	£'000	£'000	£'000
	Upper	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%	100%
Limits on variable interest rates based on net debt	£178,000	£178,000	£178,000	£178,000

This table indicates our desire not to increase the number of variable rate loans we have beyond our current floating-rate lender option buyer option (LOBO) bank loans.

Maturity structure of fixed interest rate borrowing:	2016.17	
	Lower	Upper
Under 12 months	0%	20%
12 months to 2 years	0%	20%
2 years to five years	0%	20%
5 years to 10 years	0%	40%
10 years to 20 years	0%	40%
20 years to 30 years	0%	20%
30 years to 40 years	0%	20%
40 years to 50 years	0%	20%

This table shows the Council's desire to avoid having too many loans maturing in any one period. The Council currently expects the majority of its loans to mature in the medium term, supporting the HRA business plan and aligning maturities to our CFR profiles to avoid over-borrowing situations.

Maturity structure of variable interest rate borrowing:	2016.17	
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	0%
2 years to five years	0%	0%
5 years to 10 years	0%	0%
10 years to 20 years	0%	0%
20 years to 30 years	0%	0%
30 years to 40 years	0%	0%
40 years to 50 years	0%	0%

This table is reflective of our floating-rate LOBO bank loans. The bank has the option to re-set the interest rate on these loans, typically every six months. As the Council then has the option to accept the rate or repay these loans, we are required to show them as maturing within 12 months for the purposes of this indicator.

The Council monitors the potential for the rates on these loans to re-set, but does not believe this is likely in 2016/17. Accordingly, and despite this indicator, we do not expect to repay these loans in 2016/17.

Policy on Borrowing in Advance of Need

The Council will not borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- * the generation of cash savings and / or discounted cash flow savings;
- * helping to fulfil the treasury strategy;
- * enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

Consideration was given to rescheduling opportunities during 2015/16, but the costs of terminating loans early outweighed any potential gain.

Any rescheduling will be reported to the Cabinet Member for Finance, at the earliest meeting following its action.

Municipal Bond Agency

It is likely that the Municipal Bond Agency, currently in the process of being set up, will be offering loans to local authorities in the near future. It is also hoped that the

borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). The Council may consider making use of this new source of borrowing as and when appropriate.

Annual Investment Strategy

Introduction: changes to credit rating methodology

The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. Commencing in 2015, in response to the evolving regulatory regime, all three agencies have begun removing these "uplifts" with the timing of the process determined by regulatory progress at the national level. The process has been part of a wider reassessment of methodologies by each of the rating agencies. In addition to the removal of implied support, new methodologies are now taking into account additional factors, such as regulatory capital levels. In some cases, these factors have "netted" each other off, to leave underlying ratings either unchanged or little changed. A consequence of these new methodologies is that they have also lowered the importance of the (Fitch) Support and Viability ratings and have seen the (Moody's) Financial Strength rating withdrawn by the agency.

In keeping with the agencies' new methodologies, the rating element of our own credit assessment process now focuses solely on the Short and Long Term ratings of an institution. While this is the same process that has always been used for Standard & Poor's, this has been a change in the use of Fitch and Moody's ratings. It is important to stress that the other key elements to our process, namely the assessment of Rating Watch and Outlook information as well as the Credit Default Swap (CDS) overlay have not been changed.

The evolving regulatory environment, in tandem with the rating agencies' new methodologies also means that sovereign ratings are now of lesser importance in the assessment process. Where through the crisis, clients typically assigned the highest sovereign rating to their criteria; the new regulatory environment is attempting to break the link between sovereign support and domestic financial institutions. While this authority understands the changes that have taken place, it will continue to specify a minimum sovereign rating of A. This is in relation to the fact that the underlying domestic and where appropriate, international, economic and wider political and social background will still have an influence on the ratings of a financial institution.

It is important to stress that these rating agency changes do not reflect any changes in the underlying status or credit quality of the institution. They are merely reflective of a reassessment of rating agency methodologies in light of enacted and future expected changes to the regulatory environment in which financial institutions

operate. While some banks have received lower credit ratings as a result of these changes, this does not mean that they are suddenly less credit worthy than they were formerly. Rather, in the majority of cases, this mainly reflects the fact that implied sovereign government support has effectively been withdrawn from banks. They are now expected to have sufficiently strong balance sheets to be able to withstand foreseeable adverse financial circumstances without government support. In fact, in many cases, the balance sheets of banks are now much more robust than they were before the 2008 financial crisis when they had higher ratings than now. However, this is not universally applicable, leaving some entities with modestly lower ratings than they had through much of the “support” phase of the financial crisis.

Investment Policy

The Council’s investment policy has regard to the government’s Guidance on Local Government Investments (“the Guidance”) and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”).

The Council’s investment priorities will be security first, liquidity second and then return. This ensures we do not chase yield at the expense of the security of our investment.

In accordance with guidance from government and CIPFA, and in order to minimise the risk to investments, the Council clearly stipulates the minimum acceptable credit quality of counterparties for inclusion on the lending list.

The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches, and outlooks, published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using these ratings services, potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically.

Furthermore, officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate.

The assessment will also take account of information that reflects the opinion of the markets. To this end the Council engages with its advisors to maintain a monitor on market pricing such as ‘credit default swaps’, and overlay that information on top of the credit ratings. This is fully integrated into the credit methodology provided by our advisors, Capita Asset Services, in producing its colour codings which show the varying degrees of suggested creditworthiness.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector, in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

The intention of the strategy is to provide security of investment and minimisation of risk. The strategy also enables the Council to operate a diversified investment portfolio to avoid an over concentration of risk.

Investment instruments identified for use in the financial year are listed under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices.

Creditworthiness Approach

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands :

Colour Band	Duration
Yellow	5 years *
Dark pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
Light pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	100 days
No colour	not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

	Colour (and long term rating where applicable)	Money and / or % Limit	Time Limit
Banks *	yellow	100%	5 years
Banks	purple	£30m	2 years
Banks	orange	£30m	1 year
Banks – part nationalised**	blue	£50m	1 year
Banks	red	£15m	6 months
Banks	green	£10m	100 days
Banks	No colour	Not to be used	
Council's banker (Barclays) in the event of the bank being 'no colour'	-	100 %	5 days ***
DMADF	AAA	100%	6 months
Local authorities	n/a	£30m	5yrs
Money market funds	AAA	100 %	liquid
Enhanced money market funds with a credit score of 1.25	Dark pink / AAA	100 %	liquid
Enhanced money market funds with a credit score of 1.5	Light pink / AAA	100 %	liquid

* Please note: the yellow colour category is for UK Government debt, or its equivalent, constant net asset value money market funds and collateralised deposits where the collateral is UK Government debt.

** When placing deposits with part nationalised banks the Council will take care to review when it expects the UK Government to divest its interest in the institution, and the impact this move would have on the Council's view of the institutions security.

*** to cover period to next working day allowing weekends and bank holidays such as Easter

The Council does not expect to place deposits for maturities greater than 12 months during 2015/16. Should it choose to do so, the action will be reported to the Cabinet Member for Finance at the earliest available opportunity.

Our creditworthiness service uses a wider array of information than just primary ratings and, by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of short term rating F1, and a long term rating A. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of the Capital Asset Services creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings, the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. The Council will also use market data and market information, information on government support for banks, and the credit ratings of that supporting government.

Country limits

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in an appendix. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Investment strategy

When considering its investments the Council will consider:

- Its longer term cash balances. This is cash available for use in the medium to long term, and comes from reserves, grants and receipts that are yet to be spent;
- Short term cash flow requirements that arise on a daily basis; and,
- Expectations on interest rates. This is important for the Council when determining a required rate of return on our investments.

The Bank of England base rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 2 2016. Base rate forecasts for financial year ends (March) are as follows:

Year	Base Rate Forecast
2016/17	0.50%
2017/18	1.00%
2018/19	1.75%

There are upside risks to these forecasts (i.e. start of increases in base rate occurs sooner) if economic growth remains strong and unemployment falls faster than expected. However, should the pace of growth fall back, there could be downside risk, particularly if Bank of England inflation forecasts for the rate of fall of unemployment were to prove to be too optimistic.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next five years are as follows:

Year	Proposed Returns
2016/17	0.60%
2017/18	1.25%
2018/19	1.75%
2019/20	2.25%
2020/21	2.50%
2021/22	2.75%

The Council also offers an indicator for the forecast total funds invested for greater than 364 days. These limits are set with regard to the Council's cash requirements and to reduce the need for early sale of an investment.

The Council does not expect to place deposits with maturity dates in excess of 12 months, but should it do so the monetary value of those deposits will not exceed:

INVESTMENTS GREATER THAN 365 DAYS	2015.16 £'000	2016.17 £'000	2017.18 £'000	2018.19 £'000
Maximum Sums	£30,000	£30,000	£30,000	£30,000

Appendix 1 – Economic Backdrop

UK. UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and the 2015 growth rate is likely to be a leading rate in the G7 again, it looks likely to disappoint previous forecasts and come in at about 2%.. Quarter 1 of 2015 was weak at +0.4% (+2.9% y/y) though there was a rebound in quarter 2 to +0.7% (+2.4% y/y) before weakening again to +0.5% (2.3% y/y) in quarter 3. The November Bank of England Inflation Report included a forecast for growth to remain around 2.5 – 2.7% over the next three years, driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a recovery in wage inflation at the same time that CPI inflation has fallen to, or near to, zero since February 2015. Investment expenditure is also expected to support growth. However, since the August Inflation report was issued, most worldwide economic statistics have been weak and financial markets have been particularly volatile. The November Inflation Report flagged up particular concerns for the potential impact of these factors on the UK.

The Inflation Report was also notably subdued in respect of the forecasts for inflation; this was expected to barely get back up to the 2% target within the 2-3 year time horizon. The increase in the forecast for inflation at the three year horizon was the biggest in a decade and at the two year horizon was the biggest since February 2013. However, the first round of falls in oil, gas and food prices over late 2014 and also in the first half of 2015 will fall out of the 12 month calculation of CPI, during late 2015 / early 2016 but a second, more recent, round of falls in fuel prices will delay a significant tick up in inflation from around zero: this is now expected to get back to around 1% by the end of 2016 and not get near 2% until the second half of 2017, though forecasts in the BoE report itself were for an even slower rate of increase. However, more falls in the price of oil and imports from emerging countries in early 2016 will further delay the pick up in inflation. There is therefore considerable uncertainty around how quickly pay and CPI inflation will rise in the next few years and this makes it difficult to forecast when the MPC will decide to make a start on increasing Bank Rate.

The weakening of UK GDP growth during 2015 and the deterioration of prospects in the international scene. Especially emerging market countries, have consequently led to forecasts for when the first increase in the UK Bank Rate would occur being pushed back to quarter 4 of 2016. There is downside risk to this forecast i.e. it could be pushed further back.

USA. The American economy made a strong comeback after a weak first quarter's growth at +0.6% (annualised), to grow by no less than 3.9% in quarter 2 of 2015, but then pulled back to 2.1% in quarter 3. The run of strong monthly increases in non-farm payrolls figures for growth in employment in 2015 has prepared the way for the Fed to embark on its long awaited increase in rates of 0.25% at its December

meeting. However, the accompanying message with this first increase was that further increases will be at a much slower rate, and to a much lower ultimate ceiling than in previous business cycles, mirroring comments by our own Money Policy Committee.

EZ. In the Eurozone, the ECB fired its big bazooka in January 2015 in unleashing a massive €1.1 trillion programme of quantitative easing to buy up high credit quality government and other debt of selected EZ countries. This programme of €60bn of monthly purchases started in March 2015 and it was intended to run initially to September 2016. This appears to have had a positive effect in helping a recovery in consumer and business confidence and a start to an improvement in economic growth. GDP growth rose to 0.5% in quarter 1 2015 (1.0% y/y) but came in at +0.4% (+1.5% y/y) in quarter 2 and looks as if it may maintain this pace in quarter 3. However, this lacklustre progress in 2015 together with the recent downbeat Chinese and emerging markets news prompted comments by the ECB that it stands ready to strengthen this programme of quantitative easing (QE) by extending its time frame and / or increasing its size to get inflation up from the current level of around zero to its target of 2% and to help growth in the Eurozone.

Greece. During July, Greece finally capitulated to EU demands to implement a major programme of austerity and is now cooperating fully with EU demands. An €86bn third bailout package has since been agreed though it did nothing to address the unsupportable size of total debt compared to GDP. However, huge damage has been done to the Greek banking system and economy by the resistance of the Syriza Government, elected in January, to EU demands. The surprise general election in September gave the Syriza government a mandate to stay in power to implement austerity measures. However, there are major doubts as to whether the size of cuts and degree of reforms required can be fully implemented and so Greek exit from the euro may only have been delayed by this latest bailout.

Portugal and Spain: The general elections in September and December respectively have opened up new areas of political risk where the previous right wing reform-focused pro-austerity mainstream political parties have lost power. A left wing / communist coalition has taken power in Portugal which is heading towards unravelling previous pro-austerity reforms. This outcome could be replicated in Spain. This has created nervousness in the bond and equity markets for those countries which as the potential to spill over and impact on the whole of the Eurozone project

Appendix 2

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable.

The following specified investment instruments, along with their minimum credit rating, have been outlined below:

	* Minimum credit criteria / colour band	** Max % of total investments / £ limit per institution
DMADF – UK Government	UK sovereign rating	100%
Bonds issued by multilateral development banks	AAA	100%
Money market funds	AAA	100%
Enhanced money market funds with a credit score of 1.25	AAA	100%
Enhanced money market funds with a credit score of 1.5	AAA	100%
Local authorities	N/A	100%
Term deposits with banks and building societies	Green	£10m
CDs or corporate bonds with banks and building societies	Green	£10m
Gilt funds	UK sovereign rating	100%

NON-SPECIFIED INVESTMENTS:

These are any investments which do not meet the specified investment criteria. Non-specified investments are typically viewed as being riskier than specified investments.

A maximum of £30m will be held in aggregate in non-specified investment

A variety of investment instruments are outlined below. The Council has selected these instruments based on their high credit quality.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	* Minimum credit criteria / colour band	** Max % of total investments/ £ limit per institution	Max. maturity period
UK Government gilts	UK sovereign rating	100%	5 years
UK Government Treasury bills	UK sovereign rating	100%	5 years
Local authorities	N/A	100%	5 years
Gilt funds	UK sovereign rating	100%	5 years
Banks	Purple Yellow	100% 100%	2 years 5 years

Appendix 3

Approved countries for investments:

Based on lowest available rating

AAA

Australia

Canada

Denmark

Germany

Netherlands

Singapore

Sweden

Switzerland

AA+

Finland

U.K.

U.S.A.

AA

Abu Dhabi (UAE)

France

Qatar

AA-

Belgium

PAY POLICY STATEMENT

March 2016

1.0 Background

- 1.1 Sheffield City Council is required under Sections 38 – 43 of the Localism Act 2011 to publish its pay policy; Sheffield City Council has routinely, on an annual basis, published data on all posts which have remuneration above £50,000.
- 1.2 The Council continues to monitor closely its senior management posts and keeps the structure under review to ensure it continues to be fit for purpose.
- 1.3 This policy statement does not cover or include staff employed by schools and is not required to do so.
- 1.4 This policy statement is required to be considered and approved by full Council at the Council meeting on 4 March 2016.

2.0 Definition of Officers Covered by this Policy Statement

- 2.1 This policy statement covers the following posts, full details of these posts is attached at **Annex A**.
 - a) **Head of the Paid Service**, which in Sheffield City Council is the post of:
 - i) Chief Executive
 - b) **Statutory Chief Officers**, which in Sheffield City Council are the posts of:
 - i) Director of Adult Services (under LASSA 1970)
 - ii) Executive Director CYPF (Director of Children's Services under Children's Act)
 - iii) Director of Legal and Governance (Monitoring Officer)
 - iv) Executive Director of Resources (Chief Finance Officer under Sec 151 of LGA1972)
 - v) Director of Public Health
 - c) **Non-statutory Chief Officers** (those who report to the Head of Paid Service or Statutory Officer)
 - d) **Chief Officers** (those who report to Non Statutory Chief Officers)

3.0 Pay Policy Statement

Sheffield City Council's aim on matters of remuneration is to have in place an approach that enables the authority to:

- Recruit and retain people with the skills and expertise to deliver high quality services to the citizens of Sheffield City Council;
- Manage employee remuneration in a manner that is fair, transparent and reasonable;
- Take account of national and regional pay policy and market trends in the context of local government;
- Have a framework for managing the range of pay across the Council's workforce, this is known as pay ratios;
- Have simple uniform packages across all employment groups and to manage pay matters within national guidelines and agreements;
- Protect and remunerate low paid employees at appropriate levels and this includes the Council's commitment to the Living Wage, and;
- Protect jobs and services for as long as reasonably possible and this includes a prudent, affordable and fair approach to pay.

4.0 Policy on Remunerating Chief Officers

- 4.1 Sheffield City Council's policy is to pay Chief Officers' basic annual salary; Chief Officers' salaries do not attract enhancements or bonus of any kind. There are no additional enhancements to redundancy payments, pension contributions or pension payments outside of the Council's normal arrangements for all Sheffield City Council employees. Travel and other expenses are paid through the normal authority procedures.
- 4.2 It is the policy of this authority to establish a remuneration package for each Chief Officer post that is sufficient to attract and retain staff of the appropriate skills, knowledge, experience, abilities and qualities that is consistent with the authority's requirements of the post in question at the relevant time. The Chief Officer Grading Structure is attached as **Annex B**.
- 4.3 Recruitment to posts at Chief Officer Level is undertaken by the Senior Officers Employment Committee which is a sub committee of the Council; membership is agreed by Council on an annual basis. All recommendations for appointment at this level are signed off by Cabinet.
- 4.4 Remuneration and recruitment – all posts will be advertised and appointed to at the appropriate approved salary for the post in question, unless there is good evidence that a successful appointment of a person with the required skills, knowledge, experience, abilities and qualities cannot be made without varying the remuneration package. In such circumstances a variation to the remuneration package may be appropriate under the authority's policy and any variation will be approved through the appropriate authority decision making process.
- 4.5 Pay Increases - the authority will apply any pay increases that are agreed by relevant national negotiating bodies and/or any pay increases that are agreed through local negotiations. The authority will also apply any pay increases that are as a result of authority decisions to significantly increase the duties and responsibilities of the post in question beyond the normal flexing of duties and responsibilities that are expected in senior posts.

- 4.6 Additions To Pay - the authority will not make additional payments beyond those specified in the contract of employment unless varied by the appropriate authority decision making process.
- 4.7 Local Election Fees - the Council sets and makes payment to the Returning Officer for the management and administration of local elections. The Returning Officer will make payments to those officers who undertake specific duties in relation to the elections (including Chief Officers) dependant on their role.

It should be noted that any fees payable for duties in connection with Parliamentary and European elections, election for Police Commissioners or referenda are recouped from Central Government subject to a prescribed aggregate maximum amount, and are not funded by the Council.

- 4.8 Performance Related Pay - the authority does not operate a performance related pay system as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance from its senior officers. Any areas of under-performance are addressed rigorously.
- 4.9 Earn-Back (withholding an element of base pay related to performance) - the authority does not operate an earn-back pay system as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance from its senior officers. Any areas of under-performance are addressed rigorously.
- 4.10 Severance Payments - The authority's normal policies regarding redundancy and retirement apply to Chief Officer posts. From 1 January 2015 to 31 December 2015, one Chief Officer was released from the authority on Voluntary Severance.

5.0 Policy on Remunerating the Lowest Paid in the Workforce

- 5.1 The authority applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of authority decisions, these are incorporated into contracts of employment. The lowest pay point in this authority is Scale 1, point 6; this relates to an annual salary of £13,614 and can be expressed as an hourly rate of pay of £7.06 (April 2015 to March 2016).

A decision was taken at Cabinet on 16 January 2013 to uplift the pay of employees earning less than the nationally recognised Living Wage.

From April 2016 this will increase to £8.25 per hour. The payment will be made as a supplement which will be reviewed on an annual basis.

Pay rates are increased in accordance with any pay settlements which are reached through the National Joint Council for Local Government Services.

6.0 Policy on the Remuneration ratios

- 6.1 Currently in this authority the ratio between the highest salary (£184,588) and the average median salary (£21,871) is 8.44:1. This demonstrates the authority's commitment to a fair approach to pay.

6.2 The authority is conscious of the need to ensure that salaries are kept under review and consistent with the needs of the authority as expressed in this policy statement. The authority's approach to the payment of staff is to pay that which the authority needs to pay to recruit and retain staff with the skills, knowledge, experience, abilities and qualities needed for the post in question at the relevant time, and to ensure that the authority meets any contractual requirements for staff including the application of any local or national collective agreements, or authority decisions regarding pay.

7.0 Approval of Salary Packages in Excess of £100k

7.1 The authority will ensure that, at the latest before an offer of appointment is made, any salary package for any post (not including schools) that is in excess of £100k will be considered by full Council. The salary package will be defined as base salary, any fees, routinely payable allowances and benefits in kind that are due under the contract.

8.0 Flexibility to Address Recruitment Issues for Vacant Posts

8.1 In the vast majority of circumstances the provisions of this policy will enable the authority to ensure that it can recruit effectively to any vacant post. There may be exceptional circumstances when there are recruitment difficulties for a particular post and where there is evidence that an element or elements of the remuneration package are not sufficient to secure an effective appointment. This policy statement recognises that this situation may arise in exceptional circumstances and therefore a departure from this policy can be implemented without having to seek full Council approval for a change of the policy statement. Such a departure from this policy will be expressly justified in each case and will be approved through an appropriate authority decision making route.

9.0 Amendments to the Policy

9.1 As the policy covers the period April 2016 – end of March 2017, amendments may need to be made to the policy throughout the relevant period. As the Localism Act 2011 requires that any amendments are approved by the Council by resolution, proposed amendments will be reported to the Cabinet Member for Finance and Resources for recommendation to the Council.

10.0 Policy for Future Years

10.1 This policy statement will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the authority prior to the start of each financial year.

Julie Toner
Director of Human Resources
January 2016

Annex A

None of the Post holders listed below receives an honorarium payment for increased duties and responsibilities. Nor do any receive a payment related to joint authority duties.

Status	Post	Base Salary (£)	Other Payments
Head of Paid Service	Chief Executive	184,588	The Returning Officer's fee is based upon that payable at a national election and is variable dependent upon the type of election taking place. The Chief Executive will not be taking fees for local elections.
Statutory Chief Officers which in Sheffield City council are the posts of:	Executive Director CYP (Director of Children's Services under Children's Act)	119,984	
	Director of Adult Services under LASSA 1970	93,915	
	Director of Legal and Governance (Monitoring Officer)	81,267	Election duty fees are in accordance with normal authority procedures.
	Executive Director Resources (Chief Finance Officer under Sec 151 of LGA1972)	119,984	
	Director of Public Health	105,494	
Non Statutory Chief Officers (those who report to the Head of the Paid Service or a Statutory Officer) which in Sheffield City Council are the posts of:	Executive Director Communities	132,293	
	Executive Director Place	126,142	
	Director of Policy and Performance	81,267	
	Director of Sheffield First Partnership	82,740	

	Director of Children and Families (CYPF)	95,090	
	Director of Business Strategy CYPF	81,267	
	Director of Lifelong Learning and Skills (CYPF)	78,460	
	Children's Commissioner	75,650	
	Director of Human Resources (Resources)	82,740	
	Director of Commercial Services (Resources)	83,278	
	Director of Finance (Resources)	81,267	
	Director of Business Change and Information Solutions	85,363	
	Director of Customer Services (Resources)	69,853	
	Director of Transport and Facilities Management (Resources)	75,650	
Chief Officers (those who report to Non Statutory Chief Officers) which in Sheffield City Council are the posts of:	Director of Commissioning (Communities)	81,267	
	Director of Business Strategy and Safeguarding (Communities)	81,267	
	Director of Housing (Communities)	85,363	
	Director of Regeneration and Development Services (Place)	86,408	
	Director of Creative Sheffield (Place)	77,524	
	Director of Culture and Environment (Place)	82,740	
	Director of Business Strategy and Regulation (Place)	82,740	
	Director of Capital and Major Projects (Place)	91,628	
	Assistant Director of Legal & Governance (Deputy Monitoring Officer)	56,012 x 2 Directors in same post - only one of these acts as Deputy Monitoring Officer	

Chief Officer Grading Structure

Grade Desc	SCP	Salary
Grade 7	1	£55,335
	1.5	£56,012
	2	£56,689
	2.5	£57,365
	3	£58,041
	3.5	£58,715
	4	£59,390
Grade 6	1	£65,099
	1.5	£65,891
	2	£66,683
	2.5	£67,474
	3	£68,266
	3.5	£69,060
Grade 5	4	£69,853
	1	£74,714
	1.5	£75,650
	2	£76,587
	2.5	£77,524
Grade 4	3	£78,460
	1	£80,333
	1.5	£81,267
	2	£82,202
	2.5	£82,740
Grade 3	3	£83,278
	1	£85,363
	1.5	£86,408
	2	£87,452
	2.5	£88,496
	3	£89,540
Grade 2	3.5	£90,584
	4	£91,628
	1	£93,915
	1.5	£95,089
	2	£96,263
	2.5	£97,467
	3	£98,670
Grade 1	3.5	£99,904
	4	£101,137
	1	£105,495
	1.5	£106,735
	2	£107,976
	2.5	£109,360
	3	£110,744
	3.5	£112,075
Executive Director	4	£113,406
	4.5	£114,767
	5	£116,127
	1	£116,902
	1.5	£119,984
	2	£123,066
	2.5	£126,142
	3	£129,217
3.5	£132,293	
4	£135,368	
4.5	£138,442	
5	£141,516	

Sheffield City Council Equality Impact Assessment



Name of policy/proposal: 2016/17 Revenue Budget

Status of proposal: New **Name of person(s) writing EIA:** Adele Robinson

Date: 26/01/2016

Service: Finance

Portfolio: Resources

What are the brief aims of the Proposal?

The purpose of the Revenue Budget report is to:

- Approve the City Council's revenue budget for 2016/17, including the position on reserves and balances;
- Approve a 2016/17 Council Tax for the City Council; and
- Note the levies and precepts made on the City Council by other authorities.

Background

Section 149 of the Equality Act 2010, the Public Sector Equality Duty says a Public Authority must, in the exercise of its functions, have due regard to:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity
- Foster good relations

Having due regard to these involves:

- Removing or minimising disadvantage suffered by persons
- Taking steps to meet the needs of persons with different characteristics
- Encouraging people to participate in public life
- Tackling prejudice and promote understanding
- Taking steps to take account of disabled persons' disabilities

This is with regard to people who share Protected Characteristics under the Act and those who don't. This means we need to understand the effect of our policies and practices on equality, which will involve looking at evidence, engaging with people, staff, service users and others and considering the effect of what we do on the whole community. One of the ways in which we do this as a Council is through conducting Equality Impact Assessments (EIAs).

The Council-wide EIA and the individual service EIAs on budget proposals that underpin it are focussed on the impact on the protected characteristics in the Equality Act 2010. These include age, disability, race, sex, sexual orientation, religion/belief, gender reassignment, pregnancy & maternity.

In Sheffield, we have decided to go beyond our statutory duty under the Equality Act 2010. We also assess the impact on the Voluntary and Community Sector (VCS), poverty and financial

exclusion, carers, armed forces and cohesion. We believe that this gives us a wider understanding than the statutory framework would without these additions.

Decisions will affect different people in different ways. It is possible that decisions will have a disproportionate impact on some groups in comparison to others, even if this is not the intention. We use the impact assessments to help us identify and to avoid any negative unintended consequences of the proposals developed. These could, for example, be disproportionate impacts on different geographic locations, different communities such as younger or older people, women or men, disabled people or BME (Black & Minority Ethnic) communities as well as the cumulative effect of any decisions made.

A commitment to tackling inequality, ensuring fairness and increasing social justice is at the heart of the Council's values. We have a new [Corporate Plan](#) for 2015-18 which has tackling inequalities as one of the 5 key priorities, we have supported the [Fairness Commission](#) and the resultant Fair City Campaign has produced a new [Tackling Poverty Strategy](#). The Commission report contained a set of Fairness Principles and these, as well as our new Corporate Plan and Tackling Poverty Strategy, have influenced our priorities and decision making across the Council.

The savings we are required to make this year amount to £50million, which is on top of £303 million of savings already made over the past 5 years. This means we are less able to protect front-line services than before. This is particularly relevant in the Communities Portfolio, where Adult Social Care was substantially protected in the first 3 years of cuts by having to make fewer savings than other areas. This means making significant reductions in spending at a time of increasing demand. Therefore Adult Social Care overall, including learning disability services, will be a challenging area for some time and we will have to make changes to the way we do things to ensure that services are as effective and efficient as they can. However protecting those in greatest need still remains one of our top priorities this year and is reflected in our Corporate Plan and budget consultation.

Although not within the scope of our budget proposals, it is important to highlight some other relevant factors which are impacting on people in the city. Research carried out by Beatty and Fothergill at Sheffield Hallam University has evaluated the cumulative impact of the welfare reforms on Sheffield, both at ward level and by household type, and found that the reforms are adding to the financial pressures facing some communities and are widening existing inequalities. They found that over £169m has been removed from the local economy as a result of these welfare reform changes. This equates to £460 per year per every working adult in the city. However, this reduction is not spread evenly, with some people seeing a much larger reduction and others seeing a smaller (or zero) reduction. These changes will be likely to impact on specific groups who already experience inequality such as people on a low income, disabled people and women. For example households with dependent children across the city will experience an average loss of £1,690 per year. This increases for lone parents to an average of just over £2,000 per year.

The State of Sheffield 2015 also highlights there is a growing inequality gap in the city which threatens cohesion and stability despite the many initiatives across the city to prevent or reduce inequality. This issue is considered in the proposals, as one of the strongest mitigations is prioritising those in greatest need.

These substantial reductions in funding mean that progress on work on tackling inequality is much more prioritised on those at risk or in need and focused on ensuring we do not slide backwards or

lose ground in tackling existing areas of inequality. However, it is inevitable when funding levels are cut year on year that there will be an impact on the services we deliver, including some of the work we do with people who are most vulnerable. As far as practically possible within the confines of a cumulatively reduced financial settlement, we have tried to minimise the impact on those in greatest need and most at risk. However, these are extremely challenging choices and difficult decisions have been proposed.

Impact analysis is started early in the process of considering service changes to ensure we involve relevant individuals and groups and understand any negative impact. The action plans for individual EIAs are designed to ensure that the services concerned implement reductions with as little negative impact as possible for the customers involved. There will be careful management control of each reduction. The impact analysis process helps to shape proposals which do not make it forward into the budget as well as those that do.

We have tried as far as possible to target the savings through changes to the way we work, including regionally and with other partners, redesigning and restructuring our services and support teams, and restructuring our contracts, but it is inevitable that there will be some negative impact on service delivery for those in greatest need and on those who share protected characteristics under the Equality Act.

The size and pace of the financial challenge has meant that efficiency savings alone will not enable us to balance our budgets so we will be continuing to reduce the Council's investment in services next year and in future years. Many of these reductions or changes in provision started in previous years and will continue - therefore the impacts on individuals and groups will be monitored to ensure that any potential negative impact is reduced as far as possible. EIAs are 'live' documents and will be subject to change, as proposals or evidence of impact changes.

Impact assessments are made available to all Council Members in advance of any decision being taken at Cabinet or Full Council, including briefing all relevant Cabinet Members on impact assessments related to proposals in their area of responsibility.

We are confident that our budget proposals will mean services for those that most need our help and support will be prioritised. However this does mean significantly reduced universal provision, including in areas like provision for young people, culture and sport. This reduced universal offer may impact especially on those households who although not in the greatest need, are still struggling financially and may not be able to pay for alternatives.

Consultation and evidence to support EIAs

Notwithstanding our legal responsibilities under the Equality Act, we believe that it is critically important that we understand how the difficult decisions taken by the Council impact on different groups and communities within the city, and that we take action to mitigate any negative impacts that might be highlighted.

Tackling inequality is crucial to increasing fairness and social cohesion, reducing health problems, improving wellbeing and helping people to have independence and control over their lives. It

underpins all that we do. The Fairness Commission findings and principles have guided the approach we have taken in developing these proposals such as:

- Those in greatest need should take priority.
- Those with the most resources should make the biggest contributions.
- The commitment to fairness must be a long-term one.
- The commitment to fairness must be city-wide.
- Prevention is better than cure.
- Be seen to act in a fair way as well as acting fairly.
- Civic responsibilities among residents contribute to the maximum of their abilities and ensuring all citizens have a voice.
- Open a continuous campaign for fairness in the city.
- Fairness must be a matter of balance between different groups, communities and generations.
- The city's commitment to fairness must be both demonstrated and monitored annually.

As part of the development of options for the 2016/17 budget, the Council ran a budget conversation between November and January that included a range of consultation activity with local people and partner organisations. This has helped us to ensure that the proposals that we are putting forward have been shaped by people who may be affected by them, and to ensure that they have had an opportunity to put forward other ideas for consideration.

In line with our values as an organisation, we have used consultation to inform people about our proposals, provide the opportunity to give feedback, make suggestions and let people know how their feedback has helped to influence our thinking. In this way we have attempted to ensure that our consultation activity is meaningful and appropriate at all times. Our budget consultation activity has had two main strands this year:

- Two large corporate budget conversation events in the Town Hall, supplemented by additional activity, including a survey.
- Detailed consultation on particular topics and specific proposals, including meetings with VCF and Businesses.

Corporate Consultation

Budget priorities have also been heavily shaped by consultation activity undertaken over recent years that has consistently supported our approach based on the following guiding principles:

- operate efficiently as an organisation
- developing solutions for the longer term
- taking early action because we know prevention is better than cure
- focusing on people with the greatest need
- working with our communities to deliver services in a different way

This year public feedback reconfirmed widespread support for protecting services for the most vulnerable, particularly Adult and Children's Social Care. Other significant areas that people wanted the Council to concentrate on protecting now and in the future included Parks, Housing, Transport & Roads, Education, Employment, and Libraries.

These findings have been arrived at through both budget and non-budget related activity. This includes consultation that informed proposals in last year's budget, particularly where implementation is being phased over two years in areas such as assessments in Adult Social Care.

The first of this year's large budget conversation events in the Town Hall was held in November 2015 and gave an opportunity for the Council to explain the scale of reductions we are facing to members of the public and our partners, to set out our approach to making the reductions, and to invite initial feedback on our approach.

The open event was attended by over 60 people from partner agencies, representatives of community groups and voluntary organisations, as well as members of the public. The second event, held in January 2015, gave us an opportunity to describe our budget proposals in more detail, and included breakout sessions led by each of the Cabinet Members to discuss some of the most significant proposals in their areas of responsibility. To supplement the public events, we also invited people to have their say via an online survey on the following areas:

- What services do you want the Council to concentrate on protecting now and in the future?
- Ideas or comments about how the financial pressure on services in Sheffield should be handled
- Impact of the changes the Council has had to make.

We also produced a short animated video (www.sheffield.gov.uk/budget) designed to broaden understanding of the budget challenge and our approach and we used this alongside social media, and a city-wide poster campaign to signpost people to the consultation and website.

The public events and the survey elicited an extensive range of comments which helped to inform our overall thinking on the budget. These included requests at the public events for further information and explanations, along with people's views on; the Government's approach to cuts; radically different approaches to setting budgets; use of Council reserves, flexibility over charging and contracts; and the impact of cuts on BME communities, disabled people and social housing tenants in the city.

The survey asked people how Sheffield Council should handle the pressure on services which elicited a range of views. Most frequent responses related to reducing management/admin costs and making further efficiencies, alongside reviewing contracts, more community run services, focussing on core services and the most vulnerable, and getting people into employment. Other suggestions included increasing Council Tax, lobbying government, increasing digital/automation, selling off assets, focussing on upstream prevention, more recycling, and encourage business/devolution. There were also comments around appreciation of the scale of the challenge, the need for care over choice of cuts, as well as some views that some of the cuts should have been done earlier.

We also asked people about how changes had impacted on them personally, on their neighbourhoods and on the city as a whole. 85% of people who have responded to the survey so far had seen an impact, though a small but significant proportion of people didn't feel they had felt any impact as a result of the cuts to the council's budget.

The most frequently mentioned area of impact from changes included waste collection, social care, libraries, public transport, and roads. Other frequently mentioned areas included litter and

street cleaning, lack of progress on city centre regeneration, youth services, parks, and physical activity/sports activities.

People also gave their views on the draft proposals presented by Members at the second public event. These comments, and the responses to them, will be made available on the Council's budget webpages. More detail on our approach to budget setting and the points raised by people during this consultation event is available on the Council's website at www.sheffield.gov.uk/budget

This information has been carefully considered by officers and Members in developing and refining the budget proposals.

Topic and service-based consultation

Alongside our corporate budget conversation, we have also consulted with people about proposals on particular themes or in specific areas, and will continue to do so. This consultation takes many forms, depending both on the nature of the proposal and which providers, service users and communities are likely to be affected. This has included, and will include, consultation with employees where we are proposing staffing reductions. We have in the past been able to protect spend, in relative terms, on areas like adult social care.

In Communities, although we continue to prioritise support to the most vulnerable and those at risk, the continued reductions in government funding and continuing demand pressures have meant that this is no longer possible as the reductions needed in other areas would be likely to lead to these services becoming unsustainable. We have therefore spent a great deal of time talking to service users and providers about our proposals in adult social care, as this represents a significant area of change from current service provision. For example, consultation on the Learning Disabilities Commissioning Strategy has taken place with service users, providers and stakeholders to establish principles and overarching commissioning intentions, in order to enable the development of future specific proposals. We are reviewing adult social care reablement so that the service can refocus specifically on reablement. Customer views and involvement will inform recommendations and next steps for the development of the service.

In Children's and Young Peoples' and Families' Services, significant initial consultation and discussion with young people and parents was done last year in relation to changes in Youth Services and our contract with Sheffield Futures. Meetings with Sheffield Futures are taking place to monitor feedback on the potential impact of contract savings.

Within Place, there will be continuing engagement with community organisations and other stakeholders in relation to the proposed redesign of Activity Sheffield, and changes within business strategy and regulation – particularly on the proposed approach to dealing with night noise problems in the city.

We have also consulted with representatives of the **Voluntary, Community and Faith sector (VCF)** and **Business** via the Business Advisory Panel, co-ordinated by Creative Sheffield. Issues and concerns raised in discussion with the VCF representatives includes the need for more/better collaboration and co-production of services/activities and the extent of goodwill in communities that needs tapping into; concerns about the council's commissioning and contracting processes; capacity & capability building funding from the council for small and medium sized organisations; VCF involvement in digital interface between public services and citizens and use of community

buildings; the potential for the idea of a Sheffield safety net of a better set of connections to replace the shrinking welfare state; prevention & early intervention and a more systematic approach to people who live in social and private rented housing and finding themselves in difficulties.

Aspects of the proposed budget and connections to the broader financial sustainability and business growth agendas were discussed with the Business Advisor Panel in October and December 2015. These included the removal of Revenue Support Grant, Business Rates Localisation and potential for self-financing. Concerns were highlighted around business growth, and the uncertainty created by 12 month cycles which limit the ability to plan with confidence. Key issues and concerns related to focussing on the growth agenda, the importance of the city centre and HS2 station, and self-determination, need for longer term financial clarity, social care capacity in the city, and education and skills being an issue for businesses attracted to the city.

Consultation on proposals will not stop once the budget has been agreed by Members. Further consultation with those affected individuals, groups, organisations and staff will take place throughout the year as decisions are implemented through the Council's usual governance processes.

All the results of consultation activity will be taken into account when making individual decisions on the proposals. In some cases this consultation activity is not yet complete and therefore firm proposals will be subject to further decision making in line with the Council's usual governance processes. More information about our approach to consulting on the various budget proposals can be found in individual service EIAs.

Evidence - What do we already know – Sheffield Demographics

As well as consultation evidence, we have used monitoring information we already hold in services to help us identify possible impacts and to help shape and inform the EIA process. To help us identify possible impacts requires an understanding of how the city is made up and the issues people face. The [2011 Census](#), [Sheffield Facts and Figures](#), [State of Sheffield](#), & [Community Knowledge Profiles](#) show:

- Sheffield's population has grown above the national average and the City Region, rising from 513,000 in 2001, 552,698 at the time of the 2011 census and 563,700 by 2014. This is currently projected to increase to around 600,000 by 2020. This has resulted from increases in births, net inward migration, and longer life expectancy.
- Sheffield is a diverse city and the ethnic profile continues to change, with the proportion of residents classifying themselves as non-white British growing from 11% in 2001 to 19% in 2011. BME adults make up 16% of the population and BME children 29%. The Pakistani community is the largest non-white ethnic group. Sheffield's BME population is increasingly dispersed across the city, although there remain geographical areas with high proportions of BME people. These areas tend to correlate with areas of deprivation.
- Sheffield has a higher proportion of its population aged 65 years or over (16.7% or 85,700 people) than the other English Core Cities. This is projected to increase to 20.4% by 2034, with the largest increase in the number of people aged over 85.
- The age group that has increased the most from 2001 to 2011 is 16–24 group; we now have 16.7% of our population in this group and a further 18.2% under 16. Factors most

influencing changing city profile being increasing university students and inward migration of households with young families.

- Sheffield has a geographical pattern of communities that experience differing levels of deprivation and affluence. Generally, the most deprived communities are concentrated in the north and east of the city whilst the most affluent are located in the south and west.
- We have high levels of financial exclusion in almost half of all Council wards, affecting approximately 218,743 people in 48% of wards. Rates of unemployment are highest among those with no or few qualifications and skills, those with caring responsibilities, lone parents, those from some ethnic minority groups, older workers and, in particular, young people
- Around 12 % of all households, 28% of over 60's and 24% of dependent children live in households reliant on Housing and/or Council Tax Support. We have 31,552 working age taxpayers who receive council tax support.
- Fuel poverty is slightly higher than the national average in Sheffield at 11% of households, thereby impacting 25,000. This rises to 30% of unemployed and 25% of lone parent households.
- However there is also increased polarisation of deprivation with over 25% of small areas now within the least deprived national category.
- While the pay gap between men and women has been reducing, there is still evidence that, in general, men are paid more than women; the gender gap in Sheffield is 17.5%. Also the unemployment picture shows gender differences, the male unemployment rate in 2014 was 6.4% (5.8% in GB), but for women this was 9% (5.4% GB total).
- Women pensioners therefore tend to be poorer than male pensioners. Other issues, which cannot be separated from experiences of financial exclusion and poverty, include age, ethnicity, sexuality, disability and domestic abuse etc.
- People within some groups can be disproportionately affected by disadvantage and inequality. For example, children are more likely to live in poverty if they are from Black and minority ethnic (BME) family: 52.8% of Somali and 48.3% of Yemeni children in Sheffield are eligible for Free School Meals compared to 19.9% of all children in poverty in Sheffield¹ and 31.6 % of children with Special Educational Needs (SEN) in Sheffield are eligible for Free School Meals compared with 18.5% of all children in Sheffield.¹
- There are over 105,000 adults with a long term limiting illness, equivalent to around 20% of the population, with 9% saying this limits their activity a lot. This is the closest estimate of disabled people living in the city.
- Although the city is becoming healthier for most people, health inequalities across the city remain, and are in some cases widening, in particular older people, the young, some women, and some ethnic minority groups. People in the most deprived parts of the city still experience poorer health and die earlier than people living in the rest of the city.
- Life Expectancy in the city is 78.8 years for men and 82.4 years for women and there are greater numbers of women than men in the city, due to higher life expectancy for women.

¹ SCC, January School Census 2010

However the healthy life expectancy for women is declining and is now 5 years below the national average.

Impact Analysis

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Overall

Inevitably when funding is reducing year on year at the scale and pace that we are experiencing, there will be an impact on the front-line services we deliver, on those in greatest need and on some of the work we do with groups who share equality characteristic's under the Equality Act 2010. We have tried to minimise the impact on the most vulnerable as far as possible, however we have to make some really difficult choices. This year the savings and demand pressures that are required mean that we are less able to protect front-line services than before.

These substantial reductions in funding mean that progress on work on equality and fairness is much more focused on ensuring fairness and ensuring that we do not slide backwards and lose ground in tackling existing areas of inequality.

We have tried to minimise the impact on front-line services to customers as far as possible by finding more efficient ways to deliver services, including by reducing costs of management, offices, technology and other corporate services, however we have had to make some really difficult choices.

We are being guided in these choices by our values, commitment to fairness, tackling inequality, and by our priorities as outlined and supported by our consultation.

Our approach to the budget is in **Portfolio Areas** which correspond to the way Council is structured:

- Children, Young People and Families
- Place
- Resources
- Communities

There is also the small corporate services function 'Policy, Performance and Communications (PPC)'.

The approach adopted to balancing the 2015/16 budget, namely to require Portfolios to find 15% reductions in their net expenditure, did not identify sufficient amounts to balance the budget, requiring a number of corporate items to be identified to bridge the gap (for example savings from the early payment of pension contributions, reduction in the ITA Levy and additional specific grant income). These difficulties reflected that 2015/16 was the fifth year of the Government's austerity agenda, and so ways of reducing net budgets across the board are becoming harder to find.

Consequently for 2016/17 onwards we are proposing a change in approach. Portfolios are still required to absorb their pressures (so there may well still be a number of Portfolio-based savings schemes), however to achieve the corporate savings necessitated by the anticipated reduction in RSG from Central Government we will concentrate on a discrete number of key areas where we believe resources can be released.

In line with their longer term plans Portfolios have undertaken initial impact analysis on all budget proposals. Where the risk of disproportionate impact has been identified an in-depth impact assessment has been undertaken and mitigations sought. The impact analysis shapes proposals which do not make it forward into the budget proposals as well as those that do.

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Overview of Portfolios Areas

The Place Portfolio has completed Budget EIAs on savings totalling £9.5m identified for 2016/17. We have asked our partners Amey, Veolia and South Yorkshire Passenger Transport Executive (SYPTe) to identify and deliver potential savings on each contract.

The budget proposals are a mix of:

- New ways to deliver the services that support our Strategic Priorities, particularly in respect of Thriving Neighbourhoods & Communities and Strong Economy.
- Making sure that all of our services are operating as efficiently as possible.
- Reviewing existing charges and introducing new ways of generating income.
- Changing or reducing service standards and, as a last resort, stopping some activities altogether.
- Contract negotiations in order to reduce costs.

Some of the most significant savings are anticipated to come from our strategic partners Amey, Veolia and South Yorkshire Passenger Transport Executive (SYPTe). At present, work with Veolia to achieve savings on the waste contract remains in development. Any potential equalities impacts and mitigation will be identified further as the work progresses. Savings on the Streets Ahead contract will mainly be achieved from performance deductions, refinancing and some contractual changes with little impact on service provision or on staffing.

SYPTe are anticipated to put forward potential savings of 10%. The majority of these savings will be non-customer facing, through initiatives such as refinancing and efficiencies, although some of this saving will need to be achieved through proposals which if approved, will directly impact on customers. Any potential equality impacts of the proposals put forward including mitigation will be identified further as the work progresses.

A range of evidence including data and consultation has been used to identify if there are any differential impact proposals. The key areas are:

- SYPTe proposal to increase in child concessionary bus fares from 70p to 80p, which has potential implications for bus use by younger people. There is no clear link between bus fares and patronage and other factors are likely to have a significant influence on bus usage.
- There is a cumulative impact of year on year reduced subsidies on our charitable partners, Museums Sheffield, Sheffield International Venues and Industrial Museums. Although the services continue to be delivered, staffing will be at reduced levels. Any potential leisure or theatre price increases will be minimised for low income users via discount schemes.
- Place Public Health budget savings will have a low level impact on health inequalities especially for those people living in the more deprived areas of Sheffield and the most at risk and in need as this is where the work tends to be targeted. The savings also have the potential to impact on some of our Voluntary, Community and Faith partners due to reduced funding.
- Inflationary increases in fees and charges in Environmental and Regulatory Services and greater cost recovery for service provision may have greater impact on low income households. However, we will continue to deliver free and subsidised pest control services. In respect of

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night time noise, our Service Review will try to ensure protection for those on low income.

- The potential impact on the Voluntary, Community and Faith sector regarding a 15% reduction in revenue funding from Parks and Countryside; this funding has been protected for the previous three years and proportionally is being cut less than other areas within the service.
- The review of Activity Sheffield may impact on financial inclusion, BME groups and on health inequalities as they strategically target their service to those groups and demographic areas with the highest health inequalities. Additionally, the Service has a higher percentage of the BME community accessing its services than the overall BME population levels in Sheffield. When further information is available, detailed plans will need to be drawn up to determine impacts and possible mitigation.
- A broad range of potential impacts may result from the Portfolio Commercialisation activity. Examples may include (but not be limited to) reviewing charging models for service provision, changing or reviewing service standards and ceasing activity altogether. Until more specific proposals are drawn up however, the scope and nature of potential impact negative or positive cannot be fully analysed.

There are number of workforce related changes such as deletion of vacant posts and a number of voluntary staff reductions and changes. There is possibility of wider workforce impact through increased workload. The year on year reduction in workforce has had a positive impact on the workforce diversity profile. This has shown steady improvement for majority of characteristics. However, for 16/17 onwards this has been highlighted as a potential issue dependent on the impact of Commercialisation. As it may be necessary in some areas to use managing employee reduction processes to achieve non-voluntary staff reductions. This will continue to be monitored to manage any mitigation required.

The cumulative impacts in Place are related to socio economic issues, partners and staffing. Most of the budget savings have been implemented with no significant equalities impact due to, for example, ongoing subsidies mitigating any potential barriers to increased charging and more efficient ways of working. Key to this process was well planned quality consultation to inform the decisions and also gain the public and partner's input and understanding of the changes required.

Children Young People and Families have produced a total of 38 Equality Impact Assessments (EIA) across the Portfolio. As well as the pressures of budget cuts required through reductions to our grant CYPF are seeing significant and growing demands set alongside changes in legislation and policy which impact on the way in which we operate and the expectations children, young people and families have of us. These demands and changes in legislation mean a financial pressure of £5.6m across CYPF for 16/17.

The strategy to manage the potential impact of our budget proposals enables us to prioritise services that:

- Keep children, young people and families safe, healthy and strong and give every child a great start in life.
- Develop skills for life and work and encourage active, informed and engaged young people into further education, employment or training.

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- Support schools and children and young people's education in improving the quality of learning outcomes and attainment for all.
- Generate income from our traded services with schools in particular across School Meals and Information Communications and Technology support.

Within Lifelong Learning Skills and Communities, the proposed savings in youth services are part of the programme of reshaping and rationalisation designed to create a service better equipped to engage with vulnerable young people (14-24) and support them into further learning and work, deliver annual savings, attract external income and anticipate the end of the Sheffield Futures contract in 2017 with a view to creating a self-sustaining Youth Trust. Whilst significant, the youth service savings are part of a strategy over several budget rounds that have protected provision to those in the most need.

In addition, there are some small changes to post funding which will allow us to maintain service levels across the 14-19 service and within Opportunity Sheffield. There is also scope to increase income from traded services.

The changes to Public Health in 2016/17 include the first year of a 3 year contract reduction for Health Visiting and School Nursing through a service redesign as well as reductions to the Sexual Health Sheffield contract which will see a service remodeling.

The Children and Families proposals include:

- An integrated approach between Special Educational Need and Disabilities and Children with Disabilities Teams, with realignment of staffing and a new structure across teams to provide services for families.
- Creating an 18-25 Integrated Transitional Independent Living Provision working across Children's SEN, Children's Social Care and Adult Services.
- Integrating Early Years Advice and Support function into Best Start Teams.
- Transformed and joint funded multi agency early intervention Responding to and mitigating pressures on short break and respite.
- Investment in early intervention and prevention and screening teams which will lead to a reduction in total social care caseload across the city.

This should reduce pressures on placements, fostering and adoption, youth justice grants will be met, and enable continuation of provision.

There are also a number of workforce related changes, such as the deletion of vacant posts voluntary staff reductions and change that arise as a result of service redesign and integration (such as in Early Years Advice and Best Start). It will therefore be necessary to use managing employee reduction processes to achieve staff reductions. When changes take place we will assess the impact of these changes and take action to mitigate against any negative impacts including providing staff with support.

There will also be staffing impacts across providers where we are reducing grants or changing contracts, this will be managed by providers. However the transition towards the Living Wage will see some employees of our providers benefit from an increase in pay as a result.

The year on year reduction in workforce has, however, had a positive impact on the workforce diversity

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profile in CYPF as well as across the Council. These have shown steady improvements for the majority of characteristics in the census.

Overall, wherever possible, we have sought to minimise the impact that changes to young people's services will have on young people and their parents/carers. We recognise that some of the children, young people and their families will be using more than one of the services where there are proposed changes and they may be affected by this.

We recognise that there have been year on year cumulative reductions since 2010, for example to youth services.

These have been mitigated by focussing on those in greatest need of support or who are at risk, finding alternative sources of income. Usage data since the start of reductions in 2010/11 highlight an improved take up of youth provision with targeted groups.

Equally, other reductions for example those to the Sexual Health Service can affect multiple characteristics. Dialogue with the provider and the development of a provider led EIA is part of the mitigations.

Our transformational changes, for example with Best Start, will have a positive impact on outcomes for 0 to 5's and for those in the greatest need, which includes some BME groups, women and mitigates against negative impacts from other changes. Best Start is a multi-agency early intervention service jointly funded, commissioned and delivered with key partners including schools. This will result in better targeted support and will contribute towards improved outcomes for Sheffield's children, young people and their families in health, in attainment and in safeguarding.

In terms of work with the VCF sector, Sheffield Futures is the largest contractor of youth services. The reshaping of Youth Services, which started in 2012 has resulted in shared and more effective management as well as savings on overheads. The approach protects services to young people as much as possible and the majority of savings have been achieved through reductions in our contract.

We are now in the final phase of the 5 year programme to transform youth services and are moving towards the creation of a new model of integrated youth support by establishing an innovative, sustainable and independent Youth Trust. We will secure external funding and work with the Government to demonstrate how early intervention supports disadvantaged young people.

Also through Best Start there is the potential for greater involvement and a possible greater role in long term locality based delivery for locally based voluntary, community and faith sectors that are key partners delivering improved outcomes and who have local knowledge of the local area and can help reach the hardest to involve sections of the community.

Our management and staffing levels in both front line and support services have been reduced over the years as we have integrated functions and teams.

Overall the savings made have enabled high quality essential intervention and prevention services for the most vulnerable children and families to continue. Last year although we had difficult choices to

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make, our mitigations and monitoring of impact were effective. Wherever possible we have minimised the impact that the proposed changes on young people's services will have on young people and their parents/carers. We recognise that some of the children, young people and their families will be using more than one of the services where there are changes proposed and may therefore be affected by this. Some people will have received a changed or a reduced service as we focus on the most in need and at risk and wherever possible we have sought to mitigate this but this may have impacted on those families who are struggling financially although not in the most need.

There are completed EIAs which relate to **Public Health savings (approximately £3.2m)**. More detail on the use of our Public Health grant is given in the portfolio sections. There are EIAs for the Director of Public Health Office which mainly cover internal structures and have lower impact. Overall there will be a reduction in investment in this area to reflect Central Government cuts. We are reviewing how and where the funding is spent to ensure that it is targeted to tackle the root causes of ill health and to have the maximum impact on reducing inequalities. This may mean that we will try to save on existing activities in order to reinvest in other areas which have been prioritised.

Some of the proposals involve more cost effective delivery and retendering of contracts, earlier intervention leading to prevention, or internal restructuring and staff reductions that will have fewer equality impacts. Some of the changes have the potential to impact negatively upon some people who share protected characteristics. However, two of the main areas will support are advice and information so the impact of the overall investment will be positive on the groups within the EIA.

In the Resources Portfolio there are EIA which cover all budget savings for 2016/17 which total £2.2m. There are EIAs pending Managing Employee Reduction (MER) processes across services such as Commercial Services, BCIS, HR and Transport services. EIAs on past MERs have all shown no disproportionate impacts on staff within the portfolio.

Over the last few years we have mitigated reductions by:

- Redesigning, restructuring and integrating services and teams to increase efficiency and effectiveness.
- Focusing on service support areas, resulting in staff reductions and reduced office costs. Only a limited number have had potential equality impacts on our customers.
- Taking steps to ensure we get the best value for money and quality in our contracts and commissioning.

In 16/17 there is a Customer Service proposal which covers the redesign of the services, implementation of changes to technology to deliver efficiencies and the implementation of customer experience strategy. There are potential positive impacts from this strategy on certain groups who prefer online services.

There are further proposed changes to the financial system, contracts and a continued reduction in office costs. These have no equality impacts.

There are other EIAs which do have customer impact such as Council Tax and its support schemes. We are proposing this year to continue to keep the same Council Tax Support (CTS) scheme. The CTS scheme continues to be based on the principles of the old CTB regulations and provides for the maximum financial support being made available to those with the greatest financial need. They protect some of the income of the disabled and of families whilst providing assistance to those people who move off benefits into paid employment.

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The Council recognises however that requiring all working age customers to pay a minimum of 23% of their Council Tax may cause financial hardship amongst some households. Therefore the Council is also proposing to increase the Council Tax Hardship Scheme (CTHS) in 2016/17 by 33% (200k) in order to continue to offer assistance to the most financially vulnerable households.

This year we are also proposing an increase in Council Tax by 33p per week on average. Again we are aware that any increase in Council Tax could have a negative impact on those households who are already struggling financially. However, the provision of Council Tax Support (CTS) backed up by the increase in the CTHS will try to ensure that such an impact is minimised.

This year we have also introduced a new social care precept as allowed by National Government of 2% covering part of the funding gap in this area specifically. The impacts will continue to be monitored through the EIA process and action plans developed to mitigate impacts where appropriate.

In the Communities Portfolio there are EIAs against the budget savings of £10.23m. Many of the services in this Portfolio, such as Adult Social Care and Public Health, are by definition providing services to vulnerable, disabled and older people. Savings in the Portfolio therefore have the potential to impact negatively upon those protected groups. However, where there is a risk of impact, full EIAs have been carried out and these will be updated regularly to inform the recommendations as part of the development and implementation of proposals. Over the last few years we have:

- Worked with local people and communities to change how many of our libraries are run.
- Taken steps to ensure we get the best value for money and quality in our contracts and commissioning.
- Reviewed Social Care support to make sure it meets eligible current needs, is fair, equitable and cost effective.
- Continued to invest in Grant Aid to the local voluntary sector, and minimise grant reductions across the sector wherever possible.

During 2016/17, we will continue to support a range of areas such as library services, Grant Aid to the local voluntary sector, Council Housing services, Housing Options and Advice, private sector housing standards, housing related support for vulnerable adults and adult social care.

Within Adult Social Care, we will continue to prioritise those people who need our support and fulfil our statutory obligations. Over recent years we've reviewed hundreds of social care packages. During 2016/17 we will complete reviews and reassessments in the Learning Disabilities Service to ensure customers have the right level of support in place, in order to help them maximise their independence and meet their needs, as well as being good value for money.

We will continue to take steps to ensure we get the best value for money and quality in our contracts in a number of areas. Key examples of this are the Learning Disabilities Commissioning Project and Public Health contracts.

The Learning Disabilities Commissioning Project continues to improve quality and choice for people with a learning disability, and to ensure best value by achieving efficiencies. This area of work sits underneath the overarching 2015-2018 Learning Disabilities Commissioning Strategy. It includes

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building up alternatives to current short breaks and day provision at more cost effective market rates and reviewing the high cost private sector placements. This work has been informed by consultation and customer involvement. Proposals relating to tendering and negotiating cost will ensure fairness and equality of funding, and that people will get the most from personal budgets. Although people want improvement in services, we know change (such as change of provider) can create anxiety. Even when change ultimately results in positive outcomes, it can initially be difficult for service users and their families, and therefore any transitional arrangements need to be managed carefully and sensitively. When mitigating actions have been put in place, the impact of the project should also lead to positive outcomes for people with a learning disability and their carer's.

We are planning a pilot within our Occupational Therapy Service to test out the potential for reducing double-handed care for some adult social care clients. This would explore the impact of prescribing equipment (e.g. hoists) in preference to utilising additional members of staff. Research so far suggests that the pilot should increase the independence, dignity and privacy of customers and carers (as well as leading to financial savings). However, customer feedback will inform the completion of the final EIA and the development of any plans to widen the approach with other customers after the pilot.

Public Health contracts in Communities will see a reduction in some areas, but the impact of this will be limited due to mitigations such as:

- Savings being based on current underuse of services meaning provision will be maintained at current levels (within the carers respite service) and,
- Savings being part of planned reductions in services that providers were aware of when contracts were let (service provision for people with drugs and alcohol misuse problems, which initially included set up costs for new services which is now not required).

We are reviewing adult social care reablement so that the service can specifically refocus on reablement. 92% of people using the service are aged 65 or over. In line with the Care Act, all customers with an eligible care need will have their care needs met, but not all customers will access the Short Term Intervention Team (STIT) service. Ensuring the existing charging policy is implemented will bring the approach in line with the adult social care Fairer Charging policy. A full EIA has been completed and will be updated regularly to inform options/recommendations regarding the remodelling of the service. Customer and stakeholder involvement and views will be central to this ongoing work. Key areas of review are:

- People are sometimes staying in the service longer than they need to due to delays with providers in the independent sector picking up their ongoing care. Some people are also referred into the service when they would actually not benefit from reablement but would be better placed going straight to receiving homecare from an independent sector provider. As well as leading to financial savings, dealing with these issues should lead to positives for people as it will reduce the number of different providers that they people are supported by which will lead to better continuity of care and less disruption and assessments.
- Current policy is to charge for those using the service over 6 weeks but in practice this doesn't happen. Customers who are assessed as not having to contribute towards the cost of their social care would not be affected and only customers who would pay for their care if they were with an independent sector provider will be charged. The charges will be set at the same rate as the independent sector rate. This will be implemented alongside a robust communication plan.

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There will be some staff reductions within Communities and we will work towards minimising the impact on direct provision, for example through more joint working (such as by following a multi-disciplinary team approaches where possible). There will be an impact on staff individually but appropriate HR guidance will followed, which will ensure that this should not have a disproportionate impact on any group already under represented within the staffing profile.

In Policy, Performance and Communications there are less than 100 staff overall and there are therefore limited EIAs. These are mainly internal restructures including public health, and changes to contracts and are not likely to have any customer impact.

In summary there are a number of key themes that run through the proposals:

- The restructuring and integrating of services and teams to increase efficiency and effectiveness.
- Developing solutions for the longer term.
- Taking preventative action and intervening earlier.
- Stopping some functions or activities and working with partners so they can be delivered by others where possible.
- 'Managing Employee Reductions' processes to reduce the number of staff employed especially in, non-front-line and management roles.
- Targeting of resources and prioritising support to those who need it most and those at risk.
- Helping people to be independent, safe and well and to make their own choices.
- Obtaining better value for money in the services we commission or purchase including joint funding.
- Working with other partners to avoid duplication, so people get co-ordinated help and support.
- Fairer contributions and charges to ensure full cost recovery and as a way to maintain services.
- Increasing commercialisation and traded services such as with schools.
- Investing and supporting the Voluntary Community Sector with no reductions in Grant Aid or Equality and Fairness grants but small reductions in specific areas.
- Reducing public health investment and shifting the focus to address the root causes of ill health.
- Supporting individuals to help themselves and their communities.
- Continuing with changes made in the past year to have full year effect.
- Continuing to monitor the impact of changes over the coming year.

Furthermore, we will continue to fund a Local Assistance Scheme and to have a Council Tax Support scheme at 23% in spite of Government funding cuts in these areas. We will also mitigate the impact of the 1.99% increase (33p) in Council Tax and an additional 2% Social Care precept to, by increasing the Council Tax Hardship Fund in 2016/17 by 33% (200k).

Overall, this year the proposals do have the potential to impact negatively in some areas and service. EIAs have sought to mitigate this, however there are also positive impacts which have been identified. Further details of the impacts are contained in individual service EIAs.

Our impact assessments identify and provide mitigations for any potential impacts in services for younger people, older people, disabled people, BME, women and men, religion and belief, sexual orientation, voluntary community and faith sector, cohesion and financial inclusion/ poverty (there is over representation within this last group of disabled people, carers, young people, some women and some BME communities). Further details of the impacts are contained in individual service EIAs which

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are listed at the end.

Multiple and cumulative Impacts

We have looked back at the cumulative impact of changes over the last few years to inform our decision making and found that service transformation, including staff reductions and joined up services, and prioritising those in most need have been the most effective way to mitigate the negative impact of budget reductions and increased cost pressures.

Disabled people, some women such as lone parents and women pensioners, carers, young people and some BME communities who tend to have a lower income and are more likely to be cumulatively impacted.

By definition, older people, disabled people, carers and women will be the most impacted by the changes in Adult Social Care, and Disabled people will also be affected by the changes in the Learning Disability Commissioning Strategy. Young people and parents will be impacted by changes in 'youth' services.

Some people who have been previously receiving a service will receive a changed, reduced or no service as we focus on the most in need. This reduction in universal provision is likely to impact on those who are not in the greatest need, but households who are struggling financially and may find it difficult to pay for alternative provision. Areas where this is likely to cause an impact are youth provision, sport, leisure and culture and with disabled people and carers with changes to care and support.

We are continuing to work with partners to be more efficient and joined up such as with the NHS Clinical Commissioning Group by developing a single pooled budget for Health and Social Care. The changes came into effect in April 2015 and they are helping to mitigate both demand pressures and cumulative impact.

We are continuing to work across the region where appropriate to help save costs and to enable better joined up services.

There are year on year reduced subsidies on our charitable partners, however where charges increase, whether for leisure, cultural or other services, it has the potential to increase barriers to participation to individuals and families on a low income, therefore affecting the groups above.

A further impact across a range of proposals will be the transition from one provider to another, which may include moving from one location to another. These changes have the potential for significant impact on those individuals transitioning. We will take this into account in any changes, undertake risk assessments where necessary and provide support for users and carers.

There are again a number of changes to our strategic contract arrangements (e.g. waste management and highways). Our providers where relevant have undertaken consultation and evaluated impact and we have tried where possible to limit impact on front line services.

There will be an impact on the workforce across all areas given the amount of internal restructuring as a result of the budget proposals and possible staff reductions of up to a further 400 posts in 2016/17. A

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significant number of workforce EIAs are ongoing and a Council wide Managing Employee Reductions (MER) EIA has been completed. Over the last few years changes to staffing has resulted in a positive impact on workforce diversity.

It is difficult to quantify the cumulative level of impact as mitigations have been highlighted in all EIAs and external factors, such as welfare reform, are also impacting negatively on some of the same groups. For example, disabled people, carers, young and older people and women.

Our online consultation has noted that 85% of people who have responded to the survey so far had seen an impact on the continued reductions, though a small but significant proportion of people didn't feel they had felt any impact of the changes.

The most frequently mentioned area of impact from changes included waste collection, social care, libraries, public transport, and roads. Other frequently mentioned areas included litter and street cleaning, lack of progress on city centre regeneration, youth services, parks, and physical activity/sports activities.

As a Council, we cannot invest or provide services in as many areas as we did before the reductions started 5 years ago. Services are targeting those who need support the most and those at risk but that does mean that there is reduced universal provision. This is reflected in the feedback in consultation. We are however remaining proactive in intervening earlier to save costs later such as Best Start and maintain our apprenticeship and employability schemes.

Age

Older People

In 2011 Sheffield had a higher proportion of its population aged 65 years or over (16.7 % or 85,700 people) than the other English Core Cities (the 8 biggest cities in England). The proportion of Sheffield's population aged over 65 is also projected to increase, with the largest increases in the number of people aged over 85.

Across **all Portfolios** impacts on age have been identified; however for older people the impacts are largely in **Communities**. There are currently approx. 8,000 people currently receiving social care support.

Within Adult Social Care, we will continue to prioritise keeping people who need our support safe and well and fulfilling our statutory obligations.

We are reviewing Adult Social Care reablement so that the service can refocus specifically on reablement. 92% of people using the service are aged 65 or over. In line with the Care Act, all customers with an eligible care need will have their care needs met but not all customers will access the SITT service. Ensuring the existing charging policy is implemented will bring the approach in line with the Adult Social Care Fairer Charging policy. A full EIA has been completed and will be updated regularly to inform options/recommendations regarding the remodelling of the service. Customer and stakeholder involvement and views will be central to this ongoing work.

The Better Care Fund partnership with the NHS CCG has continued to develop with the aim to deliver better joint commissioning, to ensure people get the right care when and where they need it. This

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should also lead to more effective and efficient services and lead to positive impacts for older people.

We are investing in Grant Aid to the local voluntary sector and as part of this we are continuing to support lunch clubs to reduce isolation of older people. We are also reviewing existing arrangements across the Council within the next year to ensure we are prioritising available support. The main beneficiaries of grant funded services are BME people, older people, women and people on a low income.

In Place there may be some negative impacts on older people dependent on the savings identified through working with our partners Amey, Veolia and SYPTTE but, wherever possible, we will try to mitigate this by reducing the impact on front-line services. For example where services are reducing we will continue to make sure the people who need our support the most can still access services.

CYPF, Resources and PPC. In Resources the changes to the Council Tax Support Scheme are likely to have a low impact in this area as regulations prescribe that current, and the vast majority of future claimants of a pensionable age are protected. This means that if they are eligible for support, the amount of support that they receive is based on 100% of their net Council Tax liability. Those who receive Pension Guarantee Tax Credit will currently have their full council tax charge covered by CTS, and this will still be the case if council tax increases.

Young People

The age group that has increased the most from 2001 to 2011 is the 16–24 group. We now have 16.7% of our population in this group and a further 18.2% of the city's population is under 16. 28% of BME residents are aged under 16.

Around 20% of people in Sheffield will live in relative poverty at any one time. In 2012 this included 23% of all Sheffield children and almost a third of all Sheffield children under 10.

In Children, Young People and Families Services many of the proposals and subsequent EIA's relate to internal changes or small employee reductions. The proposals with the main differential impact are summarised below:

- The reshaping of Youth Services, started in 2012, was to have shared and more effective management as well as savings on overheads such as buildings. The approach protects services to young people as much as possible and the majority of savings being proposed therefore have been achieved through reductions in our contract with Sheffield Futures. In 2016, we are in the final phase of a 5 year programme to transform youth services in Sheffield and are moving towards the creation of a new model of integrated youth support by establishing an innovative, sustainable and independent Youth Trust. We will secure external funding and work with Government to demonstrate how early intervention supports disadvantaged young people.
- There has, however, been a cumulative reduction in the universal offer to children and young people and this is likely to impact on young people and their families who have a lower income and would struggle to pay for additional activities/ services.
- The Early Years Best Start service redesign will improve outcomes for 0-5 and their families as a part of the approach of targeting services to those in greatest need in order to improve outcomes.

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- There will be increased trading of our services to schools who are increasingly independent from us, including financial independence. We will still continue to provide statutory provision in these areas.
- A number of proposals focus on the internal restructuring of teams which means reduced numbers of posts. We do not expect the changes to have an impact on service provision and details of these changes can be found in service EIAs.

In Resources and PPC, there are mainly none to low impacts, as most of the EIAs relate to internal restructuring. The main areas of customer impact are Council Tax and Customer Services. In relation to Council Tax, it is clear from the collection rates that under the CTS scheme some working age households have found (and will continue to find) it harder to meet their council tax liability than others.

In anticipation of this, the Council introduced a Council Tax Hardship Scheme (CTHS) to offer additional support to those in severe financial need. Analysis of the awards made under the CTHS scheme show that over 90% of awards have been made to working age taxpayers, the group most adversely affected by the introduction of CTS. However, analysis of awards made under the CTHS scheme show that less than 10% have been made to customers aged 18-25. We have increased the hardship fund significantly by 33% (£200k) to £800k in 2016/17.

The changes in Customer Services covers contact centre technology and the implementation of customer experience strategy, which in some cases will lead to positive impacts, such as better access to services online (the preferred contact method of younger people).

In Place there are potentially impacts dependent upon the savings identified through working with our partners Amey, Veolia and SYPTE. Although most impacts will be low, these will be identified in the individual EIAs on proposal. However in the SYPTE proposal there is an increase in child concessionary bus fares from 70p to 80p, which has potential implications for bus use by younger people and families with dependent children who are struggling financially.

In CYPF there will be a reduction in overall investment in the **Public Health Grant** due to National Government funding reductions. Therefore, there will be some services changes which may impact on young people, such as changes to sexual health. The Sheffield Integrated Sexual Health Service (ISHS) is commissioned by Public Health to deliver sexual health services for all ages, including under 16s, as well as Chlamydia Screening which targets the 16-25 age range. Young people are more at risk of poor sexual health due to increased exposure to risk taking behaviours. Dialogue and consultation with the provider and through the development of a provider led EIA is part of the mitigations.

Disability

There are over 103,000 adults with a long term limiting illness in Sheffield, equivalent to around 19% of the population, with 9% saying this limits their activity a lot. Service EIAs have identified a potential risk of negative impact on disabled people, both directly and indirectly, through impacts on people on a low income and noted mitigations to be put in place. Over a third of disabled people live in areas which are in the 10% of the most deprived areas in the country, which is 10% more than the average in Sheffield.

[See Community Knowledge Profile](#)

Across **all Portfolios**, impacts on disability have been identified however for disabled people the

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impacts are largely in the **Communities Portfolio**. Most users of Adult Social Care are disabled by virtue of the eligibility criteria for services. This means that some of the changes within Adult Social Care will have a larger impact upon disabled people. There are currently approximately 8,000 people currently receiving support, including 1,691 people with a learning disability. A lot of the same impacts that were identified for older people are also outlined below for disabled people due to the nature of the services.

Over recent years we have reviewed hundreds of social care packages. During 2016/17 we will be completing the reviews and reassessments that are overdue in the Learning Disabilities Service to ensure customers have the right level of support in place in order to help them maximise their independence, and achieve good value for money.

We will also continue to take steps to ensure we get the best value for money and quality in our contracts in a number of areas. Key examples of this are the Learning Disabilities Commissioning Project and Public Health contracts.

The Learning Disabilities Commissioning Project continues to improve quality and choice for people with a learning disability, and to ensure best value by achieving efficiencies. This area of work sits underneath the overarching 2015-2018 Learning Disabilities Commissioning Strategy. It includes building up alternatives to current short breaks and day provision at more cost effective market rates, and reviewing high cost private sector placements. This work has been informed by consultation and customer involvement. Proposals relating to tendering and negotiating cost will ensure fairness and equality of funding, and that people will get the most from personal budgets. Although people want improvement in services, we know that change (such as change of provider) can create anxiety, even when the change ultimately results in positive outcomes. It can initially be difficult for service users and their families, and therefore any transitional arrangements need to be managed carefully and sensitively. When mitigating actions have been put in place the impact of the project should lead to positive outcomes for people with a learning disability and their carer's.

Public Health contracts in Communities will see a reduction in some areas, but the impact of this will be limited on disability due to mitigations such as:

- Savings being based on current underuse of services meaning provision will be maintained at current levels (within the carers respite services).
- Savings being part of planned reductions in services that providers were aware of when contracts were let (e.g. service provision for people with drugs and alcohol misuse problems, which initially included set up costs for new services which is now not required).

We are reviewing adult social care reablement so that the service can refocus specifically on reablement. 92% of people using the service are aged 65 or over. In line with the Care Act, all customers with an eligible care need will have their care needs met but not all customers will access the STIT service. Ensuring the existing charging policy is implemented will bring the approach in line with the adult social care Fairer Charging policy. A full EIA has been completed and will be updated regularly to inform options/recommendations regarding the remodelling of the service. Customer and stakeholder involvement and views will be central to this ongoing work.

There are some proposals which were implemented following last years' budget, where the reductions did not fully take effect until this year. We have reviewed and updated EIAs from last year to make

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sure that we have implemented EIA action plans and identified what needs to happen next.

The Better Care Fund partnership with the NHS CCG will continue in 2016/17, with the aim to deliver better joint commissioning, to ensure people get the right care when and where they need it. This should also lead to more effective and efficient services which will lead to positive impacts for disabled people.

In Place there may be some negative impacts on disabled people dependent on the savings identified through working with our partners Amey, Veolia and SYPTTE but wherever possible we will try to mitigate by reducing our impact on front-line services and continuing to make reasonable adjustments in our provision for disabled customers, for example in kerb side collection and with concessionary travel for disabled people. Mitigations have been identified and put in place in individual service EIAs.

In Children, Young People and Families, it is recognised that although there are no specific reductions proposed for services for disabled children and young people, changes to the Integrated Sexual Health Service, specifically around reductions to clinics and outreach work, may reduce access for some disabled people.

There are no identified impacts on disabled children as a result of changes to youth services and there are positive impacts identified due to:

- The integrated offer approach between Special Educational Need and Disabilities and Children with Disabilities Teams, with realignment of staffing and a new structure across teams to provide services for families.
- Creating an 18-25 Integrated Transitional Independent Living Provision working across Children's SEN, Children's Social Care and Adult Services.
- Reviewing Early Years Advice and Support function into Best Start Teams.
- A transformed and joint funded multi agency early intervention; responding to and mitigating pressures on short breaks and respite.
- Protecting other areas of targeted support to children and young people and employment projects for example support to those young people Not in Education Employment or Training (NEET) and maintaining individual support for 16-24 year olds with learning difficulties and disabilities.

There are low impacts on disabled people in **Resources**. Most changes are internal restructures or relate to contracts, which will not impact on customers except for Council Tax.

Changes to Council Tax Support (CTS) schemes are likely to only have a low impact to disabled people as Council Tax regulations provide for exemptions or discounts to be applied in relation to the specific circumstances of certain disabled taxpayers. Pension age customers with a disability have not been adversely impacted by this change. Working age customers with a disability are affected as they have their CTS award based on 77% of their Council Tax Liability. The Council recognises that this may cause hardship for some customers in this group. There are in excess of 12,000 taxpayers with a disability who are in receipt of CTS which reduces the amount they have to pay, however, by continuing to closely align our CTS scheme with the principles of the revoked CTB scheme customers in receipt of disability benefits will continue to receive the highest possible level of CTS.

Equally, some disabled customers or households may have a higher net income than other groups and although the Council recognises that this income is intended to meet their wider needs, they may still

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be in a better position to meet their Council Tax Liability than customers on non - disability welfare benefits. To continue to offer the highest possible support to all disabled customers, the Council intends to continue to disregard this as income when calculating eligibility to CTS Attendance Allowance, Disability Living Allowance and War Disablement Pension.

In anticipation of the potential impact that the change to CTS may have on disabled taxpayers the Council introduced the Council Tax Hardship Scheme (CTHS) to offer additional support to those in severe financial need. Under the CTHS, support for disabled taxpayers and carers of disabled taxpayers is prioritised, and this group receives both higher levels of awards and gets awarded support for longer than other customers. In 2013/14 22% of all applicants to the CTHS had a disability. Disabled customers received on average 11% more in financial support than those who are not disabled, and they also received support for longer periods than those who were not disabled (with the average period of support being 42% longer). This year we are increasing the hardship fund by 33% (£200k) to mitigate any impacts.

Race

Sheffield is a diverse city and the ethnic profile continues to change, with the proportion of residents of working age classifying themselves as BME (Black and Minority Ethnic which includes all people who are non-white British) growing from 11% in 2001 to 19.2 % in 2011. BME adults make up 16% of the population and BME children make up 29% of the BME population as a whole. The largest group is Pakistani and the biggest proportional increases are occurring in the Arabic, East European, Indian and Chinese communities. Sheffield's BME population is increasingly dispersed across the city, although there remain geographical areas of the city with high proportions of BME people, these tend to correlate with areas of higher deprivation. See ['BME Community Knowledge Profiles'](#) for more details on this.

There were very few impact assessments which highlighted a direct medium/high impact on race. There are more indirect impacts identified; this is mainly in the areas of impacts on young people and people on low incomes. Mitigations have been identified and put in place in individual service EIAs.

In Children, Young People and Families the change to the Integrated Sexual Health Services may negatively impact on some ethnic groups who are at a higher risk of contracting sexually transmitted infections. This is partially due to cultural differences around sexual health and the often strongly resistant approach of some BME communities to engage with sexual health services or in encouraging young people to access contraception.

There has been an overall low or positive impact by prioritising services to those in greatest need and we will focus on:

- Changes proposed to youth provision will not impact negatively on BME groups who are a priority group due to targeting those who have disadvantaged social economic backgrounds.
- Best Start transformation will positively impact on pregnant women, mothers and parents in particular within some BME communities which have more disadvantaged backgrounds.
- Protecting targeted support to children and young people and employment projects for example support to those young people Not in Education Employment or Training (NEET), diverting young people from offending, maintaining specific individual support for BME groups, protecting apprenticeships and employment programme and external investment.

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The **Communities** portfolio is continuing to invest in Grant Aid to the local voluntary sector. It is proposed that all (apart from one) of the existing Voluntary Sector Grants Fund Funding agreements will be extended for a further 12 months up to 31st March 2017 (the one organisation that will receive less this year is a deduction to account for an advance payment last year). The funding will be targeted at those in greatest need of support. The main beneficiaries of grant funded services are BME people, older people, women and people on a low income.

There is no evidence to suggest that BME people will be disproportionately negatively affected by the reductions in Adult Social Care.

In Place the review of Activity Sheffield may impact on BME groups as they strategically target their service to those groups and demographic areas with the highest health inequalities. Additionally, the Service has a higher percentage of the BME community accessing its services than the overall BME population levels in Sheffield. However they will continue to be prioritised as a result of health inequalities. Further information will be available in service EIAs.

In Resources, the proposal to increase Council Tax will affect all working age taxpayers, irrespective of race. BME communities are more likely to be working age taxpayers rather than of pension age. However, there is no evidence available which would suggest that taxpayers from differing ethnic backgrounds will be disproportionately affected by an increase.

It is, however, clear from analysing overall collection rates that some households from across the City have found (and will continue to find) it more difficult to meet their council tax liability. As the CTS caseload is representative of the City's differing racial make- up, it is reasonable to assume households from different ethnic backgrounds will form part of the overall group of CTS taxpayers who are struggling financially.

Our data shows that around 28% of the CTS caseload are from a BME background whilst around 17% of applications to the CTHS have been received from taxpayers from a BME background. In 2013/14, under the CTHS, 80% of applicants from a BME background were awarded assistance under the scheme, compared to 55% of customers from a White British background. The ongoing provision of the CTS scheme in its present format, allied to the ongoing provision of the significantly increased CTHS, should continue to offer similar levels of financial assistance to taxpayers from different ethnic backgrounds.

In anticipation of the potential impact that the change to CTS may have on taxpayers from differing ethnic backgrounds, the Council introduced a Council Tax Hardship Scheme (CTHS) which has been substantially increased this year to offer additional support to those taxpayers who are in severe financial need including those from differing ethnic backgrounds.

Religion/ Belief

According to the [Census 2011](#) the largest religion/belief held in the city is Christian 52.5 %, followed by no religion 31%, Muslim 7.7% and no religion stated 6.8% etc. Few service impact assessments have

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detailed any disproportionate impacts in this area.

In **Children, Young People and Families** the reduction to the Integrated Sexual Health Service contract highlights the difficulties of sexual health services engaging with some communities which may increase. Further monitoring of the impact is being undertaken as part of the EIA being developed in collaboration with the provider.

There are no identified impacts in **Resources, Place, Communities or PPC**.

Sex – including men, women, pregnancy and maternity

While the pay gap between men and women has been reducing, there is still evidence that, in general, men are paid more than women; the gender gap in Sheffield is 17.5%. Also the unemployment picture shows gender difference, the male unemployment rate in 2014 was 6.4% (5.8% in GB) but for women this was 9% (5.4% GB total). See [‘Women’s Community Knowledge Profile’](#) for more information on this.

Few impact assessments have noted clear direct disproportionate impacts on gender. However, as women have lower incomes overall, are a larger proportion of adult social care service users, carers and lone parents, there will therefore be an indirect impact from multiple proposals such as increasing in charging, changes in Adult Social Care and Council Tax. See the sections on older people and disability for the potential of indirect impact due to multiple disadvantages in Communities Portfolio.

The **Communities** portfolio is continuing to invest in Grant Aid to the local voluntary sector including lunch clubs. It is proposed that all (apart from one) of the existing Voluntary Sector Grants Fund Funding agreements will be extended for a further 12 months up to 31st March 2017 (the one organisation that will receive less this year is a deduction to account for an advance payment last year). As part of this we are continuing to support lunch clubs to reduce the isolation of older people. We are also reviewing existing arrangements across the Council in the next year to ensure we are prioritising support available. The main beneficiaries of grant funded services are BME people, older people, women and people on a low income.

In **Children, Young People and Families Portfolio** reductions to the Integrated Sexual Health Service contract may negatively impact on women who are more likely to access sexual health services. Treating and preventing sexually transmitted infections is critical in both sexes. Dialogue and consultation with the provider and through the development of a provider led EIA is part of the mitigations.

Our transformational changes, for example with Best Start, will have a positive impact on outcomes for 0 to 5’s and those in the greatest need, which includes some BME groups, and women. Best Start is a multi-agency early intervention service jointly funded, commissioned and delivered with key partners including schools and the NHS. It will result in better targeted support and will contribute towards improved outcomes for Sheffield’s children, young people and their families in health, in attainment and in safeguarding.

There are no identified direct impacts on gender in **Place or PPC** however **across Portfolios**, women are more likely to be unemployed and have lower incomes. Any changes impacting on people on a low income will more indirectly impact on women more such as increased charging.

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In **Resources**, the adoption of the Council Tax Support scheme and an increase in Council Tax does not suggest a greater or lesser impact on men or women directly.

However, it is recognised that lone parents in receipt of CTS, the majority of whom tend to be female are likely to be affected not just by the advent of CTS but by other welfare reforms. To mitigate this impact, lone parents can apply for assistance under the CTHS. Analysis of awards shows that over 50% of lone parents who seek assistance from the scheme are successful. Under the CTHS scheme lone parents regardless of gender, who are not classed by DWP as a jobseeker due to the age of their youngest child, are prioritised for assistance from the CTHS. Furthermore by maintaining the scheme in its present format the scheme will continue to include calculating entitlement to support the family premium, which the Government is removing from Housing Benefit. This will ensure we continue to offer the maximum possible support to families. The substantially increased Hardship Fund will help mitigate the increases to Council Tax and the Social Care Precept.

Sexual Orientation

The [Community Knowledge Profiles](#) note that approximately 5 to 7% of people identify nationally as LGB (lesbian, gay or bi-sexual), although we do not have more local information. We think though that Sheffield is likely to have a similar proportion of people who identify as LGB as the national average, so approximately 28, 000 to 38,000 people. This percentage is usually larger for younger people.

Few service impact assessments have identified impacts in this area except the **Children, Young People, and Families portfolio**.

The Sheffield Integrated Sexual Health Service has had ongoing reductions since 2013. It works across several protected characteristics particularly in age, race, religion/beliefs, maternity, sexual orientation, disability, and poverty. There has been mitigation since 2013, including reduced training, communications and rationalising the development of sexual health outreach work, all of which will impact on the access and delivery of services.

Within the Youth Service Budget savings, Lesbian, Gay and Bisexual young people are seen as a particular priority vulnerable group and therefore there are no planned reductions of current levels of support.

Overall across the **Council, in Place, Communities, Resources or PPC** we do not think there will be a negative disproportionate impact for LGB people, but information on our service users in this area is limited, although in the past year we have integrated appropriate monitoring into key areas like social care. Further monitoring will be undertaken as part of individual EIAs to assess this as relevant and appropriate.

Transgender

There are nationally approximately 0.6% of the population that are trans, and so we would expect there to be similar numbers in Sheffield, so 3,300 people. Few service impact assessments have detailed any disproportionate impacts in this area except in the **Children, Young People and Families Portfolio**. The reductions to Integrated Sexual Health Service (ISHS) may negatively impact support on transgender issues, as it is a non-core activity. Further monitoring of the impact is being undertaken.

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Within the Youth Service Budget savings, transgender young people are seen as a particular priority vulnerable group and therefore there are no planned reductions of current levels of support.

Overall across the **Council in Place, Communities, Resources or PPC** we do not think there will be negative disproportionate impact. However we do not have a sufficient amount of monitoring information about our service users in a lot of services so further monitoring will be undertaken as part of individual EIAs to assess this as relevant and appropriate.

Financial Exclusion, Poverty and Social Justice

Around 1 in 5 Sheffield people live in poverty at any one time and the latest data shows that there are around 25,705 children of all ages and almost a third of all children under ten in Sheffield currently living in poverty.

A far greater number of people will experience poverty over the course of ten years, potentially 40%. Despite efforts to reduce poverty, the proportion of people living in relative poverty is stable and reducing slightly, but at the same time the poor are getting poorer. Nationally, income for the bottom fifth of people in 2011/12 was 5% lower in real terms than it was ten years before. The face of poverty has also changed:

- Pensioners are now less likely to be in poverty than previously, but other groups are more likely to be in poverty. Poverty amongst pensioners is directly linked to their experience in earlier life.
- Nationally, poverty rates for disabled people have reversed, with poverty starting to increase.
- People from minority ethnic backgrounds are more likely to be poor.
- Care leavers, and carers (both young carers and adult carers) are at increased risk of poverty.
- Children in large or single parent families are at greater risk of poverty. Almost two thirds of children living in single parent families live in poverty.

There are geographic variations in poverty in Sheffield. 125,000 (22%) of Sheffield people live within areas ranked as the most deprived tenth nationally, and 47,000 (8%) live within the least deprived tenth nationally.

Across **all Portfolios** we have tried to minimise the impact as far as possible especially on those that are in greatest need or at risk, such as those that face financial exclusion and poverty and to ensure the budget proposals are in line with the [Fairness Commission Principles](#) and our priorities outlined in our [Corporate Plan](#).

We have considered the key drivers of poverty and its effects (short, medium, and long term). Our proposals therefore reflect the Councils intentions to tackle poverty and reduce inequality as outlined in the new [Tackling Poverty Strategy](#) 2015. The strategy notes 3 ways we will make an impact and these are areas we have prioritised in our budget proposals by:

- Changing the way we do things so that tackling poverty is always a priority.
- Taking action to make things better for children and adults who are struggling and in poverty now (including providing advice, reducing the cost of essentials and reducing crime).
- Tackling some of the root causes of poverty and giving our children the best chance of a poverty-free future (including improving skills and employability, increasing the supply of good quality jobs, giving children a great start in life and a good education, improving health and

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tackling health inequalities and providing more affordable, decent homes).

Although not within the scope of our budget proposals, it is important to highlight some other relevant factors which are impacting on people in the city. For example research carried out by Beatty and Fothergill at Sheffield Hallam University has evaluated the cumulative impact of the welfare reforms on Sheffield, both at ward level and by household type, and found that the reforms are adding to the financial pressures facing some communities and are widening existing inequalities. These changes are likely to impact on specific groups who already experience inequality such as people on a low income, disabled people and women. Households with dependent children across the city will experience an average loss of £1,690 per year. This increases for lone parents to an average of just over £2,000 per year.

The changes are affecting around one in seven people in the city and again the full extent of these changes have not yet been felt. Of the total of £169m a year that Sheffield is expected to lose when the reforms have come to full fruition, some £108m (approaching two-thirds) is a financial loss faced by households with dependent children. The financial loss in Sheffield arising from DLA and incapacity benefit reform is estimated to be £56m a year (a third of the total financial loss arising from welfare reform). It is estimated that around £75m a year of the financial loss arising from welfare reform might be expected to fall on in-work households. The financial loss to in-work households would therefore account for around 45 per cent of the total financial loss to Sheffield arising from the reforms

National Government has cut funding to Local Authorities over the last 5 years as part of its deficit reduction programme. At the same time, we have had to deal with rising costs and increasing demand for our services. As noted earlier, inevitably when funding is reducing year on year and on the large scale that we are experiencing, there will be an impact on the front-line services. The budget reductions, coupled with welfare reform and the impact of the recession, mean that preventing inequality from worsening or not widening is one of the main aims of the impact assessments.

In **Place** there is a cumulative impact of year on year reduced subsidies on our charitable partners, Museums Sheffield, Sheffield International Venues and Industrial Museums. Although the services continue to be delivered, staffing will be at reduced levels. Any potential leisure or theatre price increases will be minimised for low income users via discount schemes.

SYLTE are anticipated to put forward potential savings of 10%. The majority of these savings will be non-customer facing through initiatives such as refinancing and efficiencies. Although some of these savings will need to be achieved through proposals which if approved, will directly impact on customers, such as an increase in child concessionary bus fares from 70p to 80p. This potentially has implications for bus use by younger poorer people and those families with dependent children who are struggling financially.

Any further equalities impacts and mitigation will be identified as the work progresses. We have used a range of evidence such as data and consultation to identify potential differential impacts and these key areas are:

- Inflationary increase in fees and charges and greater cost recovery for service provision will continue to have more impact on low income households due to less disposable income to manage any additional costs.
- The review of Activity Sheffield may impact on financial inclusion, BME groups and on health

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inequalities as they strategically target their service to those groups and demographic areas with the highest health inequalities. When further information is available, detailed plans will need to be drawn up to determine impacts and possible mitigation.

- A broad range of potential impacts may result from the Portfolio Commercialisation activity. Examples may include (but not be limited to), reviewing charging models for service provision, changing or reviewing service standards and ceasing activity altogether.

In Children, Young People and Families, there are a number of proposals with an impact on financial inclusion and poverty including:

- Best Start's transformed multi-agency early intervention service which is jointly funded, commissioned and delivered with key partners including schools and the NHS, will result in better targeted support and will contribute towards improved outcomes in a range of areas for Sheffield's children, young people and their families.
- Within the proposed reduction to the Integrated Sexual Health Service, the impact between poor sexual health and health inequalities is highlighted.
- The transition towards the Living Wage will see some employees of our providers and the city benefit from an increase in pay to the living wage.
- We will continue to provide support to those young people Not in Education Employment or Training (NEET), diverting young people from offending, maintaining individual support for 16-24 year olds with learning difficulties and disabilities, supporting young people who are at risk of sexual exploitation, protecting apprenticeships and employment programmes.

In Resources we will continue to fund a Local Assistance Scheme and to have a Council Tax Support scheme at 23% despite Government cuts in these areas. However we will increase Council Tax by 1.99% (approx. 33p per week for most households) to enable us to continue to protect services to those who are in greatest need and at risk. The Council recognises, however, that requiring all working age customers to pay a minimum of 23% of their Council Tax may cause financial hardship amongst some households. Therefore the Council is also proposing to increase the Council Tax Hardship Scheme significantly by 33% (200k) in 2016/17 in order to continue to offer assistance to the most financially vulnerable households. There will also be an additional Social Care precept of 2% specifically used to fund the demand pressures in adult social care but again we recognise the impact on working age households.

Spending in **Public Health** is mainly integrated throughout the Portfolios, so more detail on the use of our Public Health grant is given in the specific EIAs. There are some EIAs for the Director of Public Health Office which mainly cover internal structures and have a lower impact. Overall there will be a negative impact which reflects National Government cuts in this grant. We are reviewing how and where the funding is spent to ensure that it is targeted to tackle the root causes of ill health and to have the maximum impact on reducing inequalities. This may mean that we will save on some activities in order to reinvest in other areas which have been prioritised.

Some of the proposals involve more cost effective delivery and contract retendering, earlier intervention leading to prevention, or internal restructuring and staff reductions that will have fewer equality impacts. Some of the changes have the potential to impact negatively upon some people who share protected characteristics. However, there will be continued support for advice and information so impact of the overall investment will be positive on the groups within the EIA.

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The outcomes expected of the public health grant will continue to be assessed under the Public Health Outcomes Framework (PHOF), and broadly fall into the following categories:

- Significantly improving the health and wellbeing of the local population.
- Carrying out health protection functions delegated from the Secretary of State.
- Reducing health inequalities across the life course, including within hard to reach groups.
- Ensuring the provision of population healthcare advice.

Overall however as we target the households in most need there will be an inevitable impact on those who are still struggling financially but are not on the lowest incomes and who will be not eligible for targeted programmes. This universal provision is now able to be funded. The biggest impact is likely to be on families with dependent children.

Carers

According to the [Carers Community Profile](#) and 2011 Census there are 57,373 residents who provide unpaid care, including 4,559 young people under age 25 and 58% of carers are women. Few impact assessments have noted clear direct negative impacts on carers however as carers overall have lower incomes and, by definition, care for a large proportion of adult social care service users, there will be an indirect impact from multiple proposals. See the sections on older people and disability for potential of indirect impact due to multiple disadvantages in **Communities Portfolio**.

The carers respite service (a contract funded in Communities/with Public Health) will see a reduction but the impact of this will be limited as savings are based on current underuse of the service meaning provision will be maintained at current levels.

During 2016/17 we will be completing the reviews and reassessments that are required in the Learning Disabilities Service to ensure customers have the right level of support in place in order to help them maximise their independence and meet eligible unmet needs, as well as being good value for money. Reviews and reassessments have the potential to impact on carers directly and indirectly.

The Learning Disabilities Commissioning Project continues to improve quality and choice for people with a learning disability, and to ensure best value and achieve efficiencies. This area of work sits underneath the overarching 2015-2018 Learning Disabilities Commissioning Strategy. This includes building up alternatives to current short breaks and day provision at more cost effective market rates and reviewing of high cost private sector placements. This work has been informed by consultation and customer involvement. Proposals relating to tendering and negotiating contracts will ensure fairness and equality of funding and that people will get the most from personal budgets. Although people want improvement in services, we know change (such as change of provider) can create anxiety even when change ultimately results in positive outcomes. It can initially be difficult for service users, carers and their families, and therefore any transitional arrangements need to be managed carefully and sensitively. When mitigating actions have been put in place, the impact of the project should lead to positive outcomes for people with a learning disability and their carer's.

The Better Care Fund partnership with the NHS CCG will continue in 2016/17, with the aim to deliver better joint commissioning, to ensure people get the right care when and where they need it. This should also lead to more effective and efficient services which will lead to positive impacts for disabled people and their carer's.

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In **Children, Young People and Families**, with Best Start Carers of disabled people who are pregnant, mothers or parents will benefit from locality based services.

Voluntary and Community Sector

When considering the impact on the VCS the importance of 'social value' is recognised by the 'Best Value' guidance², which was published by the Government in September 2011. This states that authorities have a duty³ to consider the impact of budget reductions on VCF or other organisations that have a 'social value'. The Public Services (Social Value) Act⁴ requires us to take social value into consideration when we commission services. In order to do this effectively we will continue to monitor the impact of changes over the next year on service changes as well as the knock on effects of reductions on other providers, and continue detailed consultation with customers and other stakeholders as specific activities are implemented.

The **Communities** portfolio is continuing to invest in Grant Aid to the local voluntary sector. It is proposed that all (apart from one) of the existing Voluntary Sector Grants Fund Funding agreements will be extended for a further 12 months up to 31st March 2017 (the one organisation that will receive less this year is a deduction to account for an advance payment last year). The main beneficiaries of grant funded services are BME people, older people, women and people on a low income.

In **Children, Young People and Families**, Sheffield Futures is the largest contractor of youth services. In 2016, we are in the final phase of a 5 year programme to transform youth services in Sheffield and are moving towards the creation of a new model of integrated youth support by establishing an innovative sustainable and independent Youth Trust. We will secure external funding and work with government to demonstrate how early intervention supports disadvantaged young people.

Through Best Start, there is the potential for greater involvement and a possible greater role in long term locality based delivery for locally based voluntary, community and faith sectors who are key partners delivering improved outcomes and who have local knowledge of the local area and can help reach the hardest to reach sections of the community.

In **Public Health**, National Government reductions have meant an in year cut to our budget, however we are continuing to address the root causes of ill health by supporting community groups that help people improve their health and wellbeing, These contracts are being reviewed to ensure value for money and this may result in reduced contract values for some organisations.

It is possible that the combination of cumulative budget reductions over the last few years may have the unintended effect of destabilising some organisations that the Council and communities value. We are however working to mitigate this including no reduction to Grant Aid this year. Therefore this

² <https://www.gov.uk/government/publications/best-value-statutory-guidance--4>

³ The Best Value Statutory Guidance has statutory force and must therefore be taken into account in the exercise of funding decisions. It is issued under section 3(4) Local Government Act 1999 which states that, in deciding how to fulfil its Best Value duty (section 3(1) LGA 1999), local authorities have to take into account guidance issued by the Secretary of State which may cover the form, content and timing of consultations <http://www.ncvo-vol.org.uk/news/civil-society/helping-you-understand-new-best-value-guidance> ,

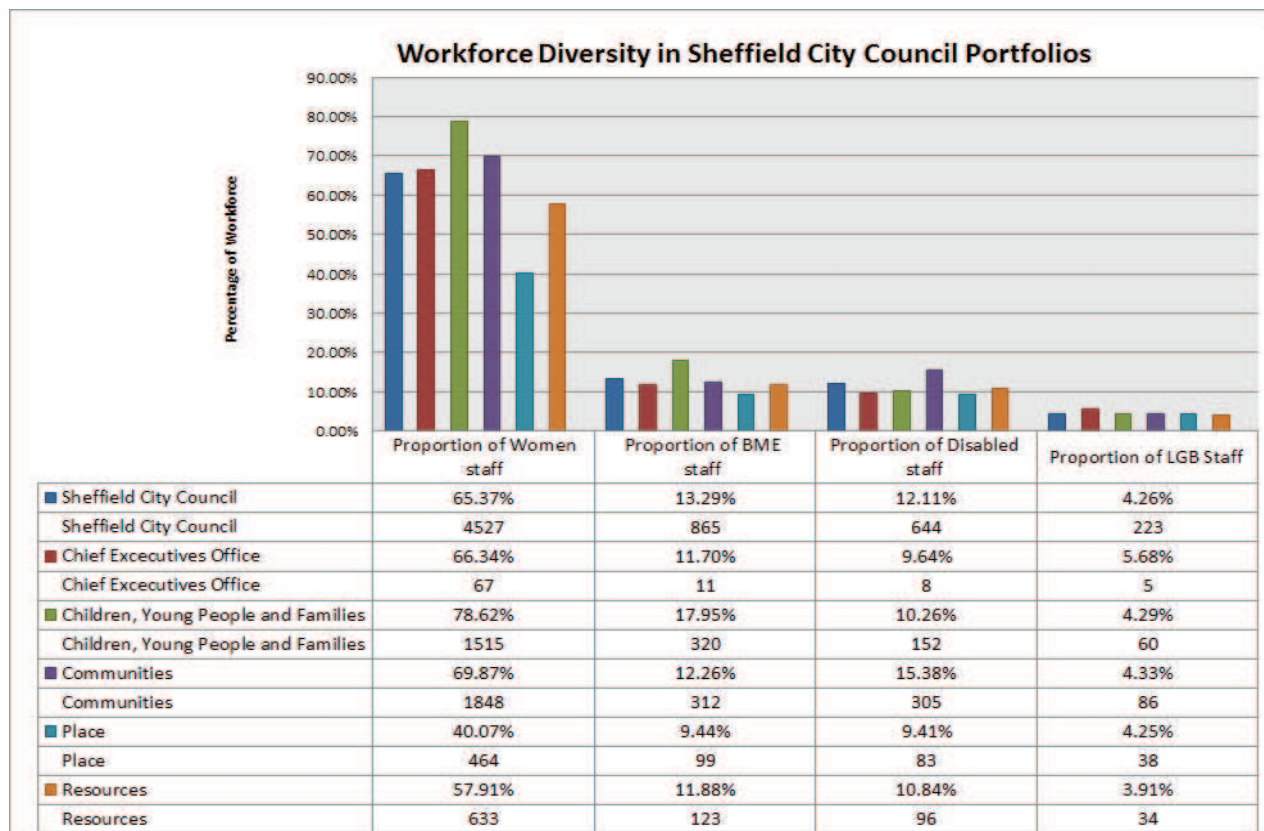
⁴ <http://www.legislation.gov.uk/ukpga/2012/3>

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impact in this area will be low this year and not disproportionate.

Council staffing implications, including workforce diversity

Workforce diversity summary in Sheffield City Council 2015 by Portfolio



In all of the Portfolio areas many of the budget proposals involve staff efficiency savings including service restructuring, and a reduction in management costs by deleting vacancies and reviewing our use of agency staff. In all cases we seek to manage employee reductions through voluntary early retirement and severance in the first instance. We have, across the Council, reduced management costs and minimised redundancies by supporting staff who are vulnerable to redundancy to find alternative employment, and we have taken measures to reduce the impact on front-line staff where possible and appropriate. We have also looked at other opportunities to reduce staffing costs, for example by developing a strategy to manage sickness absence in a more effective way. Unfortunately there may still also be compulsory redundancies in some areas, although this was limited to fewer than 40 last year.

We have also promoted employee led measures such as voluntary reductions in hours, career breaks and annual leave purchase schemes. We are committed to continue to pay a 'Living Wage' to Council employees and to extend this to our contracted providers where possible.

The Council believes that the composition, skills and commitment of the workforce are vital factors in our ability to deliver effective, efficient, responsive and personalised services. We continue to monitor

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workforce issues, and are aware of the need to address:

- The degree of occupational segregation within the workforce, such as a high proportion of women in the Communities and Children and Young People and Families workforces and a high percentage of men in the Place portfolio.
- Under-representation of disabled, BME and lesbian, gay, bisexual (LGB) people in the workforce and especially for women, disabled and BME staff at senior levels.

Given the amount of internal restructuring as a result of the budget proposals, other drivers and possible staff reductions of up to a further 400 posts in 2016/17, a significant number of workforce EIAs within Portfolios have been done and a Council wide Managing Employee Reductions (MER) EIA has been completed.

These show possible changes to the diversity of the workforce as a result of staff restructuring and MERs required from some of the budget proposals. It is not yet possible at this stage to predict the precise impact of these processes upon workforce diversity as this can only be known later in the year as the schemes are all worked through. Last year's monitoring of the MER and VER/VS schemes showed no negative disproportionate impact on people who share a protected characteristic and had positive impacts in line with our workforce diversity strategy. See the corporate MER EIA for full details.

We will continue to work within our current policies and procedures which promote workforce diversity to reflect the demographics of the city. We are also working with managers, staff and trade unions to ensure the workforce is viable and appropriate to the council's future operating and service needs with a balance of skills and experience. Workforce related Impact Assessments are periodically updated and have for example been undertaken as part of MERs including Voluntary Early Retirement (VER) and Voluntary Severance (VS), and the Pay Strategy.

Headline Features

- There are over 100 EIAs on proposals and the groups most likely to be impacted negatively by individual proposals and cumulatively are disabled people, young and older people, women and individuals and families on a low income.
- Many services are continuing to comprehensively restructure services and teams and as a result we have saved money on offices and technology. Staffing levels across the council have also reduced. Last year the majority of changes were managed through voluntary severance schemes. In 2016/17 we will be reducing the workforce by approximately 400 further posts. Monitoring from the past year indicates that there has been no disproportionate negative impact on workforce diversity and only 40 staff were made compulsory redundant. See workforce implications section above.
- Services are continuing to increase charges where appropriate to ensure full cost recovery and to continue with the work to apply costs fairly through our Fairer Contributions Policy. However, increasing changes will impact more heavily on households on fixed or lower incomes.
- National Government have permitted local authorities to raise additional money via a Social Care Precept to pay for the increased costs of Adult Social Care. It is the intention to set the precept at the 2% allowed. This will help us protect those who most need our support, especially older and disabled people.
- We will continue to fund a Local Assistance Scheme and to have a Council Tax Support Scheme

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at 23% despite Government cuts in these areas. However we will increase Council Tax for the second time in 5 years by 1.99%. We will mitigate the impact of this by increasing the Council Tax Hardship Fund significantly (by 33%) in 2016/17.

- Public Health spending is integrated throughout the Portfolios. Overall there has been a cut in funding from National Government so our investment in this area has reduced. We are reviewing staffing and how and where the funding is spent to ensure that it is targeted to tackle the root causes of ill health and to have the maximum impact on reducing inequalities. This means that we will save on existing activities including reducing contract and staffing costs and encouraging efficiencies in order to reinvest in other areas.
- Last year saw the start of the new Better Care Fund between the Council and the NHS Clinical Commissioning Group (CCG) to create a combined budget in Adult Social Care to develop joined up services. This approach aims to ensure people get the right care when and where they need it, but it will also create efficiencies in processes. It focuses on supporting people at home where possible to help increase independence and to delay access to Health and Social Care services. The Council currently receives £12.4m of funding via the NHS to meet the costs of providing adult social care. In addition, with effect from April 2015 the Council has pooled its adult social care budget with that of the local CCG.
- We have a new Learning Disability Commissioning strategy; the project's objectives are to improve outcomes for people with a learning disability, to ensure best value and to achieve savings. As part of this work we are completing all the reviews in the Service to ensure customers have the right level of support in place, in order to help them maximise their independence, as well as being good value for money.
- When considering the impact on the VCS, the importance of 'social value' is recognised by the 'Best Value' guidance⁵, which was published by the Government in 2011. This states that authorities have a duty⁶ to consider the impact of budget reductions on VCF or other organisations that have a 'social value'. The Public Services (Social Value) Act⁷ requires us to take social value into consideration when we commission services. In order to do this effectively we will continue to monitor the impact of changes over the next year on service changes as well as the knock on effects of reductions on other providers and continue detailed consultation with customers and other stakeholders as specific activities are implemented.
- We are continuing to invest in the Voluntary and Community Sector including through Grant Aid and Public Health albeit at reduced levels within Public Health. We will also review existing arrangements across the Council in the next year to ensure we are prioritising support available.
- We are continuing to target resources at those who most need our support and are at risk, help people to become more independent, where possible intervene earlier and do more preventative work, get even better value for money from the services we purchase and pursue innovative approaches in service commissioning and design. This relates to both internal and external services.
- We are continuing to develop our approach to commercialisation, including pursuing external funding where possible to help invest in innovative services such as setting up the new

⁵ <https://www.gov.uk/government/publications/best-value-statutory-guidance--4>

⁶ The Best Value Statutory Guidance has statutory force and must therefore be taken into account in the exercise of funding decisions. It is issued under section 3(4) Local Government Act 1999 which states that, in deciding how to fulfil its Best Value duty (section 3(1) LGA 1999), local authorities have to take into account guidance issued by the Secretary of State which may cover the form, content and timing of consultations <http://www.ncvo-vol.org.uk/news/civil-society/helping-you-understand-new-best-value-guidance>

⁷ <http://www.legislation.gov.uk/ukpga/2012/3>

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independent Youth Trust and continuing to develop employment schemes especially aimed at young and disabled people.

- We are continuing with restructures of Council services and are both internalising and externalising services where appropriate.
- We are continuing to get value for money from our contracts. This is with our major strategic providers but also across Portfolios such as with our advertising contract, housing commissioning, learning disability services and youth services.
- We are continuing to work regionally where appropriate to save costs but also to enable better joined up services.

The Impact Assessment also highlights some positive implications of budget proposals. Examples include improving the process of assessment and supporting planning for existing and future social care customers whilst ensuring choice and control over support to meet their eligible needs, and reshaping transport to provide services which promote independence. The Best Start, Better Care Fund and new Youth Trust partnerships in CYPF and Communities portfolios should continue to develop and will mean better targeted and joined up pathways and services. Also, as we restructure services there should be clearer and more efficient ways to contact services.

Although we are confident that our budget proposals will mean services for those that most need our help and support will be prioritised, it will mean cumulatively significantly reduced universal provision such as in areas like youth services, leisure, culture and sport. This reduced universal offer may impact especially on those households not in the greatest need, but who are still struggling financially and not able to pay for alternatives. Growing inequality is likely to therefore impact on stability and cohesion, this will need further monitoring.

Managing Impact: Mitigation

Our overall approach as noted above is to protect services for those in greatest need and at risk, develop preventive solutions for the longer term, and to change how we manage and deliver services to make savings. This includes working with communities, business and government to do things differently. This will have an impact on what the Council can continue to deliver and especially the universal offer.

The year on year reductions and the scale of the savings required mean there will be impacts which affect the people of Sheffield, including those in greatest need including groups that share equality characteristics. Most impacts relate to age, both younger and older people, disabled people, women and households on lower incomes.

In all of these areas mitigating actions have been identified and will be implemented as part of EIA action plans. For example:

- All proposals have been assessed in line with the Fairness Commission Principles and to take into account the new 2015 Tackling Poverty Strategy.
- Paying a living wage to our staff and encouraging partners and those we contract with to do the same as well as encouraging employers to sign the Fair Employer Charter.
- Working with external providers to achieve savings in our large contracts and to achieve this as much as possible through non front line service functions.
- Working with partners to encourage the private sector to support activities and events and

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encouraging commercial activity to promote Sheffield.

- Working to increase our income through fees and charges, full cost recovery, and increased trading of our services, for example with schools to help keep non-core services.
- Continuing and expanding where possible as a result of our City Deal with successful schemes from last year that impacted positively, such as the apprenticeship schemes and employment programmes.
- Investing in prevention and delivering targeted support for those most vulnerable or at risk such as in our Best Start programmes.
- Following the library review and continuing to invest in local community groups to maintain non- council run libraries.
- Continuing to encourage people to be independent, safe and well in both children and adult social care, such as through direct payments.
- Reviewing care and support arrangements and re tendering services where applicable to ensure fair contributions and value for money.
- Working in partnership with the NHS Clinical Commissioning Group to develop a single pooled budget for health and social care under the Better Care Fund to provide more efficient and joined up services.
- Restructuring management and services to increase efficiencies and create simpler routes of public access. For example in Customer Services, Youth Services, Early Years Advice and Best Start teams, Special Educational Need and Disabilities and Children with Disabilities Teams, and the creation an 18-25 Integrated Transitional Independent Living Provision working across Children's SEN, Children's Social Care and Adult Services.
- Continued regionalisation of services where appropriate.
- Continuing to invest in Public Health but making the significant reductions in line with central governments cuts. We will shift the focus to address the root causes of ill health to help reduce health inequalities and get better value from contracts.
- Continuing to invest in the Voluntary and Community Sector through Grant Aid across the Council.
- Working closely with the Police and Crime Commissioner so we spend our budgets on community safety in a coordinated way to have the most impact.

Inevitably when funding is reducing year on year, and on the large scale that we are experiencing, there will be an impact on the front-line services. The budget reductions coupled with welfare reform and the impact of the recession mean that preventing things from worsening is one of the main aims of the impact assessments.

Although there are very difficult choices, our impact assessments illustrate our approach to fairness principles and to mitigate negative impacts where possible. Through our 'live' EIA process we will be monitoring closely any adverse equality impacts as reductions and changes in provision occur during the next year.

EIA Action plan		
Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
Overall and for specific issues relating to communities sharing characteristics under the Equality Act 2010	<p>Individual proposals have had detailed EIAs and specific mitigation has been devised wherever possible. These will contain the detail of the actions required be monitored as appropriate.</p> <p>In some cases as proposals are developed further and implemented alongside consultation, some impact assessments will be revisited or updated.</p> <p>Continued focus on applying corporate priorities, the Fairness Commission Principles and the Equality and Fairness Objectives</p> <p>Randomly sample 10% of EIAs in the year across portfolios to assess progress and effectiveness</p>	<p>Service Managers within Portfolios as noted in EIAs</p> <p>Performance monitoring within Portfolios - Directors of Business Strategy</p> <p>Strategic Equality and Inclusion Board to examine in more detail the cumulative impact of the budget cuts made on Sheffield over the last 5 years.</p>
Poverty and financial exclusion	<p>Analyse, assess and monitor</p> <ul style="list-style-type: none"> • The impact and effectiveness of the Fairness Principles, and poverty proofing as part of the EIA budget process. • The impact of the reduction in universal provision especially in culture, leisure, sport and young people. • The use and impact of the Council Tax Hardship Fund 	The Tackling Poverty Senior Officer Group to develop further monitoring and analysis arrangements within the year which seek to assess the issues highlighted
Workforce	The corporate workforce EIAs will be monitored annually	Director of HR, annually at the Strategic Equality and Inclusion Board

Approved (Lead Officer): John Mothersole: February 5th 2016

Approved (EIA Lead Officer): Adele Robinson: February 5th 2016

FULL EQUALITY IMPACT LIST BUDGET 2016/17

EIA ID No	Portfolio	Budget Line Ref	Equality Impact Assessment Title
820	Communities	4GM4F1	Public Health funding for Sheffield Advice
634	Communities	4P14B1	LD Commissioning Project
836	Communities	4P14B3	Adult Social Care Reviews and Assessments – EIA update for 2016/17
514	Communities	4P24B4	Occupational Therapy Service
685	Communities	4P34B1	Discharge Management (Discharge / STIT planning project)
824	Communities	4P54B1	Maximising Income Options - ASC
637	Communities	4Q14B2 & 4Q14F1-2	Review Spend Housing Welfare
818	Communities	4Q54F1	PH VCF Small Contracts (Carers Respite - sitting service)
526	Communities	6AT4F1 & 6AT4F6	Opiate and non-opiate contracts (consolidation of drugs treatment contracts) & alcohol strategy and further investment (from DACT drugs and alcohol procurement 2014)
822	Communities	6AT4F2 & 6AT4F3	Reduction of DACT infrastructure and DACT projects
823	Communities	6AT4F6 & 6AT4F4	Drug Intervention Prog (DIP) Addiction contract
840	Communities	6AD4F1	Communities PH Staff
841	Communities	6AD4F2	Communities PH Supplies and Services
842	Communities	6AW4F1	PH Private Sector Housing
636	Communities	4Q14B1	Housing Partnership Financing Debt
267	CYPF	6AB4F1	To reduce the financial value of the contract for delivery of the Sheffield Integrated Sexual Health Service (ISHS) by 15%
602	CYPF	3IA4B1	Fostering Inflationary Pressures
603	CYPF	3IA4B2	Additional Demand on Placements
609	CYPF	3I54B3	Youth Justice Grant Reduction
611	CYPF	3F34B2	Full Year Equivalent of MER (Uptake of Primary Meals)
613	CYPF	3AF4B2	Loss of EFA Funding to training units
615	CYPF	3C14B1	14-19 Service
616	CYPF	3AF4B1	Opportunity Sheffield Re-organisation

617	CYPF	3AN4B1	Review of Performance and Analysis Service (PAS)
618	CYPF	3AQ4B1	Loss of funding transferred to academies- Education Service Grant (ESG)
619	CYPF	3AH4B1 & 3C54B1 & 3F34B1	Reductions in running costs
631	CYPF	3J44B1	Developing the skills for life and work: Youth Service
632	CYPF	3AE4B1	Developing the Skills for Life and Work: Skills Hub
656	CYPF	3I54B2	Adoption Reform Grant Cessation
658	CYPF	3I24B1	Direct Payments and Short Breaks increasing demand
674	CYPF	3I14B1	Field social work requirement
675	CYPF	3IA4B3	National Minimum Wage Transition
676	CYPF	3AP4B3	Best Start Strategy
677	CYPF	3I54B1	Transition to Independent Living
680	CYPF	3AP4B1 & 3AP4B2	Strengthening Families
6710	CYPF	3I14B4	Reorganisation of Transition and Children with Disabilities Services
738	CYPF	3I64B1	Safeguarding running costs and management reviews
811	CYPF	3AE4F1	Savings in ESA Pathway
812	CYPF	6AB4F2 & 6AB4F3 & 6AB4F4	Healthy Child Programme 0-19 years (Health Visiting, Family Nurse Partnership & School Nursing)
839	CYPF	6AB4F5	Public Health Staffing
810	Director Public Health	5P03F1	NHS Health check programme, reduction in budget
527	Director Public Health	5P03F3	Infection prevention and Control
160	Place	2B03B1 & 2B03B4	Review various funds allocated to Streets Ahead Contract
337	Place	2B03B4 & 2B03B12 & 2B03B7	Road Safety - crossing patrols
354	Place	2B03B6	Peripheral Parking Zone fees
361	Place	2B03B1 & 2B03B4	Streets Ahead - identify levers to release contract savings
362	Place	2B03B5	Transport/ITA levy - identify levers to release levy savings
670	Place	2W03B5	Review of Activity Sheffield Significant Reduction/Closure
671	Place	2TA3B1	Utilities savings
678	Place	2B03B11	Cheaper Streets Ahead contract - Refinancing

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694	Place	2B03B12	Blue Badge Scheme Fraud Enforcement
743	Place	2C03B9	Place Recovery Plan - BSR - Deletion of 3 vacant posts ERS
744	Place	2C03B12	Place Recovery Plan - BSR (Business Strategy Team vacant posts)
745	Place	2TA3B4	Place Recovery Plan - C&MP (Property & Commercial Estate)
746	Place	2TA3B3	Place Recovery Plan - C&MP (CDS supplies, services and staffing (MER 235))
747	Place	2TA3B6	Place Recovery Plan - C&MP (4 posts VER/VS)
748	Place	2TA3B2	Place Recovery Plan - C&MP (Sustained reduction cost of Carbon Reduction Tax)
749	Place	2TA3B5	Place Recovery Plan - C&MP (Sheffield Retail Quarter)
750	Place	2W03B9-	Bereavement Services - Review of Fees and Charges
751	Place	2C03B11	Place Recovery Plan - BSR (Kennel reduced opening hours)
752	Place	2W03B16	Increased income from car parking charges and concessions / traders
753	Place	2C03B10	Place Recovery Plan - BSR (inflationary increase on fees and charges)
754	Place	2C03B8	Place Recovery Plan - BSR (Review and reduction of discretionary spend)
756	Place	2W03B10	Reduction in Sports Facility Costs
757	Place	4M03B3	Place Recovery Plan - Creative Sheffield (new operating model and increased income)
758	Place	2C03B13	Place Recovery Plan - BSR (8 posts through VER/VS)
759	Place	1R24B3	Place Recovery Plan - Marketing Sheffield (1 post VER/VS)
762	Place	2W03B18	Sustained Reduction in Admin Costs
763	Place	2B03B31	10% cut in South Yorkshire Archaeological Service.
766	Place	2B03B34	Additional planning application fee income
769	Place	2B03B36	Place Recovery Plan - RDS (Savings in Building Control)
770	Place	2B03B15	Change how Commercial Services work on the Streets Ahead Programme
771	Place	2B03B2	Place Recovery Plan - RDS (Replace old analogue systems with wi fi)
774	Place	2B03B17	Commercialise Highway Assets
775	Place	2B03B16	Cut discretionary spend budgets further
776	Place	2B03B27	Delete Principal Planning Officer post (Local Plan lead) in FAP.
777	Place	2B03B21	Place Recovery Plan - RDS (Lighting standards)
778	Place	2B03B26	Forward and Area Planning Post Changes
779	Place	2B03B18	Place Recovery Plan - RDS (Increase HMD charges on Capital schemes from 2.5% to 5.0%)

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780	Place	2B03B19	Place Recovery Plan - RDS (Highways Development Control - reduce support to Development Management on planning applications/ increased income on Section 278, Section 38 and vehicle crossing applications)
781	Place	2B03B37	Place Recovery Plan - RDS (Highway Network Management – sustained improvement in income)
782	Place	2W03F2	End Air Quality, East End Quality of Life contract
783	Place	2W03F3	End Tobacco, Kenyon Fraser Communications contract
784	Place	2W03F4	End Tobacco, Unique Improvements contract
785	Place	2W03F5	End Physical Activity - Movemore Officer contract
786	Place	2W03F6	Reduce Weight Management - Henry contract (0-4)
787	Place	1R24B2	Place Recovery Plan - Marketing Sheffield (Reduction in expenditure on Marketing Projects / Events)
789	Place	2W03B15	Place Recovery Plan - 15% Reduction in Service Level Payments/Funding
790	Place	2B03B1	Reduction in staffing costs in (Rights of Way and Network Management)
792	Place	2B03B7	Reduced Costs of Operating Parking Services from Implementation of Efficiency Reviews
793	Place	2B03B40	Full Cost Recovery of Time Spent on Transport Capital Programme
794	Place	2B03B33	Savings in Development Management Admin
795	Place	2B03B35	Savings in Development Management
796	Place	2B03B8	Increased income in Parking Services
797	Place	2B03B28	Further income in Forward & Area Planning
800	Place	2B03B38	Savings in Supplies and Services Budgets (Including Parking Machine Replacement) in TTAPS
801	Place	2B03B4	Reduction in staffing across the service via VER/VS (8 posts)
802	Place	2B03B13	Remove Revenue Contribution to Flooding and Increased Income from Developers and the Capital Programme
804	Place	2C03B14	Review of Night Time Noise and 24 Hour Mortuary Service to Cease
805	Place	2W03B12	Events - Reductions in funding for Athletics, Squash and Off the Shelf events in 2016/17. Possible opportunity for third party to re-model and re-launch Off the Shelf.
806	Place	2W03B16	Increased Parks Income

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807	Place	2W03B13	City Centre Management - saving arising from sustained improvement in net cost of service, together with mid-evening shut down of fountains and other general efficiencies across the service.
808	Place	2W03B11	Reduction in staffing across the service via VER/VS.
809	Place	2W03B17	Parks and Countryside - 2% increase on charges to Housing Contract
847	Place	2W03F1	Review of existing staffing resources to include deletion of two posts frozen since 2014/15 and agreement to voluntary severance for two existing posts
843	Place	2C03B5	Place reviews - Management rationalisation and business support review
844	Place	4M03B5	Reduction in staffing within the service via VER/VS (1 post)
845	Place	2B03B9	Additional sustained improvement of reduced net cost within Highways and Highway Network Management
846	Place	2B03B29	Delete vacant Landscape post in Urban and Environmental Design
739	Policy, Performance & Communications	1AA3B1-1	Advertising costs - PPC
627	Resources	1B03B1	Finance and Procurement System replacement (ReFine)
725	Resources	1B03B2	Review Recharges to the Combined Authority and Externally funded projects
568	Resources	1D03B1-1	Customer Experience Strategy
740	Resources	1F03B1	IT Rationalisation/DCT
815	Resources	1F03B2	Business Change and Information Solutions (BCIS) - Review of Management Structure
664	Resources	1H03B1	HR staffing review
324	Resources	1I83B1	Legal Services -Reduction in Members pension costs
816	Resources	1P03B1	Commercial Services - review of staffing structure
429	Resources	2C13B1	Workplace Programme
571	Resources	2C13B1 & 2C13B2	Property & Facilities Management Procurement (PFMP)
814	Resources	2C13B3	Transport reductions
688	Resources	5I03B1-1	Agency Review

Glossary	
Term	Definition
Abbreviations	The symbol 'k' following a figure represents £thousand. The symbol 'm' following a figure represents £million. The symbol 'bn' following a figure represents £billion.
Capital Expenditure	Expenditure that is incurred to acquire, create or add value to a non-current asset.
Capital Financing Requirement	It measures an authority's underlying need to borrow or finance by other long-term liabilities for a capital purpose. It represents the amount of capital expenditure that has not yet been resourced absolutely, whether at the point of spend or over the longer term. Alternatively, it means capital expenditure incurred but not yet paid for.
Capital Receipts	The proceeds from the sale of capital assets which, subject to various limitations (e.g. Pooling Arrangements introduced in the Local Government Act 2003) can be used to finance capital expenditure, invested, or to repay outstanding debt on assets originally financed through borrowing.
Collection Fund	A fund administered by the Council recording receipts from Council Tax, National Non-Domestic Rates and payments to the General Fund. All billing authorities (including the Council), are required by law to estimate the year-end balanced on the Collection Fund by 15 January, taking account of various factors, including reliefs and discounts awarded to date, payments received to date, the likely level of arrears and provision for bad debts. Any estimated surplus on the Fund must be distributed to the billing authority (the Council) and all major precepting authorities (Police, Fire and DCLG) in the following financial year. Conversely, any estimated deficit on the Fund must be reclaimed from the aforementioned parties.
Contingency	A condition which exists at the Balance Sheet date, where the outcome will be confirmed only on the occurrence of one or more uncertain future events not wholly within the Council's control.
Council Tax	A banded property tax that is levied on domestic properties. The banding is based on assessed property values at 1 April 1991, and ranges from Band A to Band H. Around 60% of domestic properties in Sheffield fall into Band A. Band D has historically been used as the standard for comparing council tax levels between and across local authorities, as this measure is not affected by the varying

	distribution of properties in bands that can be found across authorities.
Council Tax Freeze Grant	Grant funding provided by national government to support councils that freeze their Council Tax charges. The grant scheme is open to all billing and major precepting authorities, which decide to freeze or reduce their council tax. If they do, they receive additional funding in 2015/16 equivalent to raising their council tax by 1%.
Council Tax Support	Support given by local authorities to low income households as a discount on the amount of Council Tax they have to pay, often to nothing. Each local authority is responsible for devising its own scheme designed to protect the vulnerable. CTS replaced the nationally administered Council Tax Benefit.
Credit Risk	The possibility that one party to a financial instrument will fail to meet their contractual obligations, causing a loss to the other party.
DCLG	Department for Communities & Local Government
Designated Areas	These are specific parts of the city referred to as the New Development Deal and Enterprise Zone. They are significant because any growth in business rates above the “baseline” established in 2013/14 can be retained in full locally, rather than half being repaid to Government.
Equality Impact Assessment (EIA)	A process designed to ensure that a policy, project or scheme does not discriminate against people who are categorised as being disadvantaged or vulnerable within society.
General Fund	The total services of the Council except for the Housing Revenue Account and the Collection Fund, the net cost of which is met by Council Tax, Government grants and National non-domestic rates.
HR1	Each local authority is required to submit a HR1 form to inform the Government of potential redundancies in the organisation. The Redundancy Payments service then collects the information and distributes it to the appropriate Government departments and agencies who offer job brokering services and/or training services. This happens so that the Government can discharge its obligation to these employees.
Minimum Revenue Provision (MRP)	The minimum amount which must be charged to an Authority's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.
National Non-Domestic Rates (NDR)	These are often referred to as Business Rates, and are a levy on business properties based on a national rate in the pound applied to the ‘rateable value’ of the property. The Government determines the national rate multiplier and the Valuation Office Agency determine the rateable value of each business property. Business Rates are collected by the Local Authority

	and paid into their collection fund, this amount is then distributed 49% to the Local Authorities general fund, 1% to the South Yorkshire Fire and Rescue Authority and 50% to Central Government. The Central Government share is then redistributed nationally, partly back to Local Authorities through Revenue Support Grant.
LAC	Looked After Children
Precepts	The amount levied by another body such as the South Yorkshire Police Authority that is collected by the Council on their behalf.
Private Finance Initiative (PFI)	A contract in which the private sector is responsible for supplying services that are linked to the provision of a major asset and which traditionally have been provided by the Council. The Council will pay for the provision of this service, which is linked to availability, performance and levels of usage.
Provisions	Amounts charged to revenue during the year for costs with uncertain timing, though a reliable estimate of the cost involved can be made.
Public Works Loan Board (PWLB)	A government agency, which provides loans to authorities at favourable rates.
Remuneration	All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash. Pension contributions payable by either employer or employee are excluded.
Reserves	Result from events that have allowed monies to be set aside, surpluses, decisions causing anticipated expenditure to have been postponed or cancelled, or by capital accounting arrangements.
Revenue Expenditure	Expenditure incurred on the day-to-day running of the Council, for example, staffing costs, supplies and transport.
Revenue Support Grant (RSG)	This is a Government grant paid to the Council to finance the Council's general expenditure. It is based on the Government's assessment of how much a Council needs to spend in order to provide a standard level of service.
Specific Government Grants	These are designed to aid particular services and may be revenue or capital in nature. They typically have specified conditions attached to them such that they may only be used to fund expenditure which is incurred in pursuit of defined

	objectives.
Spending power	<p>DCLG measures the impact of government funding reductions against local authorities' combined income from both government funding and council tax. This combined measure of income is called revenue spending power.</p> <p>NB: in a press release from the Chartered Institute of Public Finance & Accountancy (CIPFA) following the Local Government Finance Settlement, CIPFA made the following notable comment: <i>"CIPFA's measure of funding used in this analysis is "unfenced spending power". This is funding that councils have available to meet their priorities and fund existing staff and commitments and which is not already ring-fenced for other use. This includes Revenue Support Grant (RSG), retained business rates, council tax and a number of special grants that authorities are free to spend as they wish. In contrast DCLG's measure also includes Public Health Grant (which can only be spent on public health matters) and the Better Care Fund (which is largely NHS money or budgets that local authorities have pooled with the NHS, and can only be spent on priorities agreed with local NHS managers)."</i></p>
Unsupported (Prudential) Borrowing	Borrowing for which no financial support is provided by Central Government. The borrowing costs are to be met from current revenue budgets.
VCF	Voluntary and Community Sector

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