

 EXECUTIVE 9th FEBRUARY 2011.		Agenda Item No. 15
Title	Impact of Financial Reductions on Warwick District Council and the Area	
For further information about this report please contact	Chris Elliott Chief Executive	
Service Area	Chief Executive's Office	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	Full Council 1 st December 2010 Minute Number 62 B	
Background Papers	Motion to Council 1 st December 2010	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant Deputy Chief Executive, Head of Service, Finance, Monitoring Officer and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott, Andy Jones; Bill Hunt
Head of Service		All
CMT		-
Section 151 Officer		Mike Snow
Monitoring officer		Andrew Jones
Finance		Jenny Clayton
Portfolio Holder(s)		Michael Doody, Andrew Mobbs
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
All Heads of Service, Warwickshire County Council, Warwickshire Police		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
Meetings with various organisations to determine exact impacts and possible areas of mitigation to be held.		

1. **SUMMARY**

- 1.1 This report comes in response to a motion agreed at Council in December 2010, asking that a report be presented as soon as possible identifying the possible impacts of budget proposals by other public agencies on this council and the area of Warwick District. The report identifies a number of key areas of likely impacts and opportunities, and suggests arranging formal meetings in order to address key concerns and possible mitigation and joint work.

2. **RECOMMENDATION**

- 2.1 The Executive notes the proposals now being considered by Warwickshire County Council, the agreed proposals of Warwickshire Police and the key concerns arising from these, as set out at paragraphs 3.2 and 3.3.
- 2.2 The Executive agrees to seek high level meetings with the County Council, Warwickshire Police and any relevant voluntary/community sector bodies to discuss the areas listed below to clarify what is proposed; to discuss what if anything can be done to mitigate the impact of decisions in those areas, including the taking on of responsibility by WDC for providing or funding activities, if appropriate and financially acceptable.
- 2.3 That a further report be brought back with any response to the action proposed at 2.2 above.
- 2.4 That a report and presentation be made when more details are known of various Government proposals which will impact on this Council and the area.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 Since the motion was carried in December 2010, officers have sought information from the key local public agencies on their proposals for achieving financial savings and to consider what effects, if any, there may be on this Council and indeed on the District area. Obtaining clarity has been difficult but at appendix 1 there is a schedule on the proposals being considered by the County Council on 27th January and then later in February; and details of the Police changes have been subject to a presentation to Councillors on 17th January and are also set out at Appendix 2.
- 3.2 The key issues arising from the County Council's proposals appear to be:
- Loss of youth service (whole or part) – and consequent impact in a range of areas, - community safety; health education; sporting activities, etc. These are likely to impact on both the Council and the District area.
 - Rationalisation of Heritage and cultural services especially on museums in Warwick as this may have impact on tourist attraction of the town.
 - Rationalisation of household waste recycling centres – if hours of operation are affected or the 2 facilities in the District are closed this may have an impact on fly-tipping and so on this Council's operations and costs. It may also have an impact on recycling levels generally.
 - Retrenchment of economic development and regeneration work – it is harder to be precise about direct impact at this stage but it could affect the local economic development work and put more emphasis on what is expected of this Council.

- Reduction in proactive trading standards work which may then impact on environmental health work which is closely related.
- Reduction in funding for various forms of community safety work which may impact on crime levels and on the work that this Council often does in partnership to tackle local crime and its prevention.
- Re shaping of grants to voluntary bodies may have an impact depending on which organisations become affected and to what level.
- Cessation of all community transport other than flexi bus and reduction in subsidised public transport. This is likely to affect rural areas more than urban areas and those who are dependent on public transport.
- Reduction in length of time some street lights are on in the evening. This may have an impact on crime levels and on the operation of our CCTV cameras.
- Library service transformation – which is more likely to affect the smaller libraries county wide but which in Warwick District also house the Joint One Stop Shops.
- Closure or outsourcing of care homes is likely to affect the elderly vulnerable in our community but without more detail it is difficult to be precise.
- Supporting People budget reduced – there is no detail on this as yet but as this Council is a supplier it may be affected by reductions in the budget available.
- Rationalisation of property – this may represent an opportunity especially if it also relates to Shire Hall and other properties in Warwick Town Centre.
- Re-enablement of elderly and vulnerable people in their homes which may well represent an opportunity for this Council.

3.3 The key issues arising from the Police's proposals appear to be around the impact on the neighbourhood working. No details have been provided on how the new model will actually work with partners. The information that is available is attached at Appendix 2. This could have an impact on crime levels and on the preventative work this Council undertakes on community safety.

3.4 In both cases, as the level of detail is insufficient to be precise about exactly what is being proposed it is suggested that high level meetings are sought to discuss the areas listed above to clarify what is proposed and what, if anything, can be done to mitigate the impact of decisions in those areas. These discussions will allow consideration to be given as to whether WDC should take responsibility for any of the activities, if appropriate and financially acceptable. This might include direct provision or grant funding to relevant voluntary or community sector bodies.

3.5 A further report should be brought to the Executive on the outcome of those meetings.

3.6 At the same time the Government is making various proposals, changes to legislation and policy that will impact on this Council and the area in a variety of ways. As detail is still lacking in some areas further reports and presentations will be necessary. Briefly the key areas are likely to be:

- The introduction universal Credits which will involve the housing benefits activity being delivered by a national organisation and not Local Authorities;
- The changes to the National Health Service in particular the GPs consortia taking the lead in commissioning of services and the moving of public health activities to the County Council (which may represent an opportunity depending on budget levels);

- The Localism Bill which will have an impact on Councils in a huge variety of ways not least in terms of planning activities and housing finance;
- Proposals for Police Commissioners.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 The Executive could decide not to do anything but, given the possible impacts financial and otherwise, this would seem inappropriate.
- 4.2 The Executive could decide to take stronger action including political lobbying. This is an issue for members to determine but could sit alongside the recommended course of action.

5. BUDGETARY FRAMEWORK

- 5.1 At this stage there is no clear impact on the budgetary framework but it is clearly a significant risk that the decisions of other agencies may lead to financial impacts on this Council in the course of time. A further report should be able to advise more clearly on possible impacts.
- 5.2 The Council has been unable to factor any assumptions into the on-going savings of £2.86 million identified in the Budget Report which is also on this agenda.

6. POLICY FRAMEWORK

- 6.1 The various proposals may have an impact on the ability of the Council to achieve some of its ambitions and those which are shared with other organisations such as in relation to community safety for example.