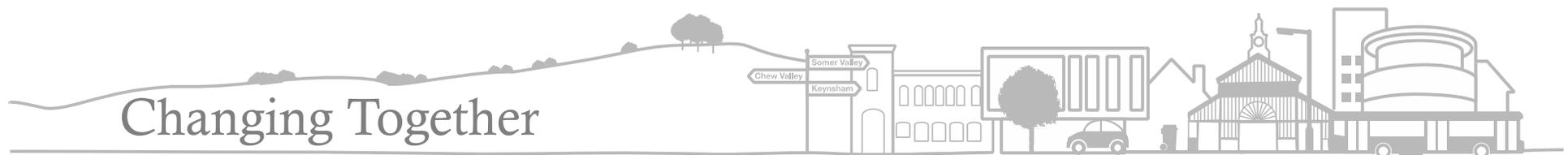
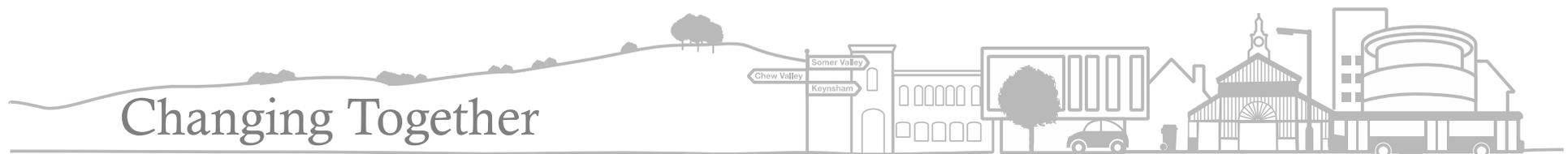


Challenges we face



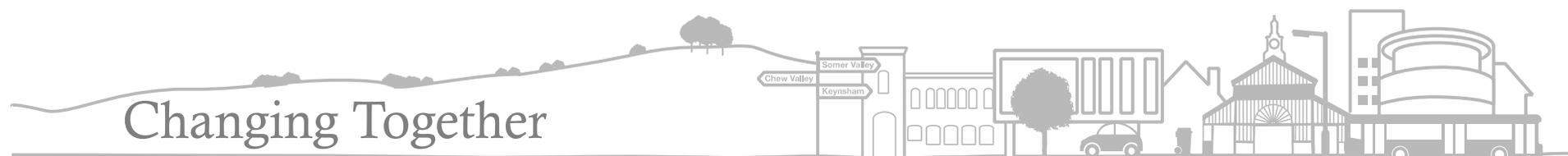
What we will discuss today

- The changing role of the local authority
- Our financial context, the growing funding gap and therefore:
 - The choices and challenges we face
 - What we are doing to address these
 - How we can work together with voluntary and community organisations



The changing role of the local authority

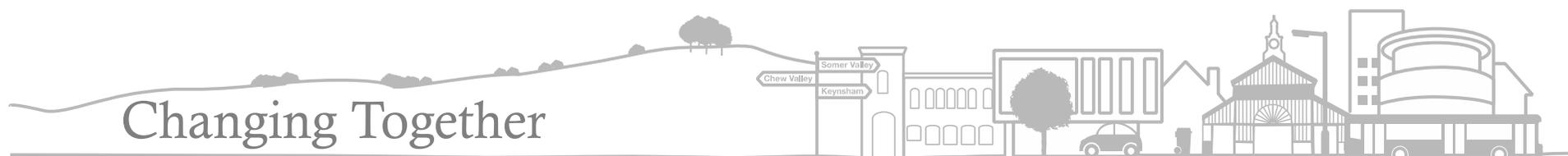
- We are a good local authority but we are financially challenged
- Last year we told you life was becoming tougher: We had to save £49m - this has risen to £58m (reasons later)
- Therefore we have to prioritise what we do - we will change and we will become a smaller organisation
- **We remain committed to putting residents first:**
 - Protecting and caring for our most vulnerable residents
 - Nurturing residents' health, safety and wellbeing
 - Providing ways for everyone in the community to reach their full potential



The changing role of the local authority

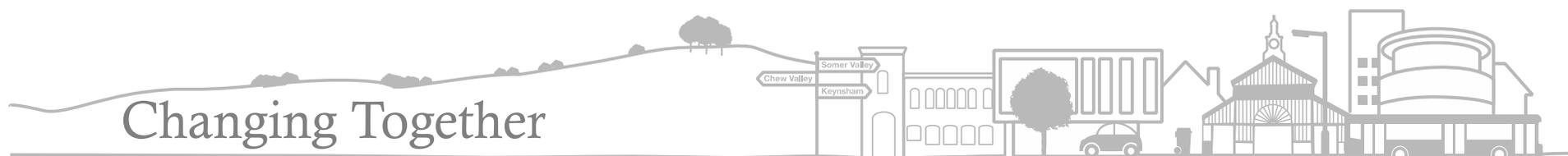
External changes are also impacting:

- Loss of Central Government's Revenue Support Grant (RSG) from 2020 - new funding system not yet clear
- Integration with NHS around Adult Care
- Increasing reliance on Business Rates - depends upon health of local and national economy, so we have to do our bit to grow our economy
- Improving digital connectivity - how the Council links to the public
- More 'players' in the market - new ways of meeting outcomes for public and residents
- Declining role as a 'universal provider'
- Massive pressures in Adult and Children's Care (local and national issue)

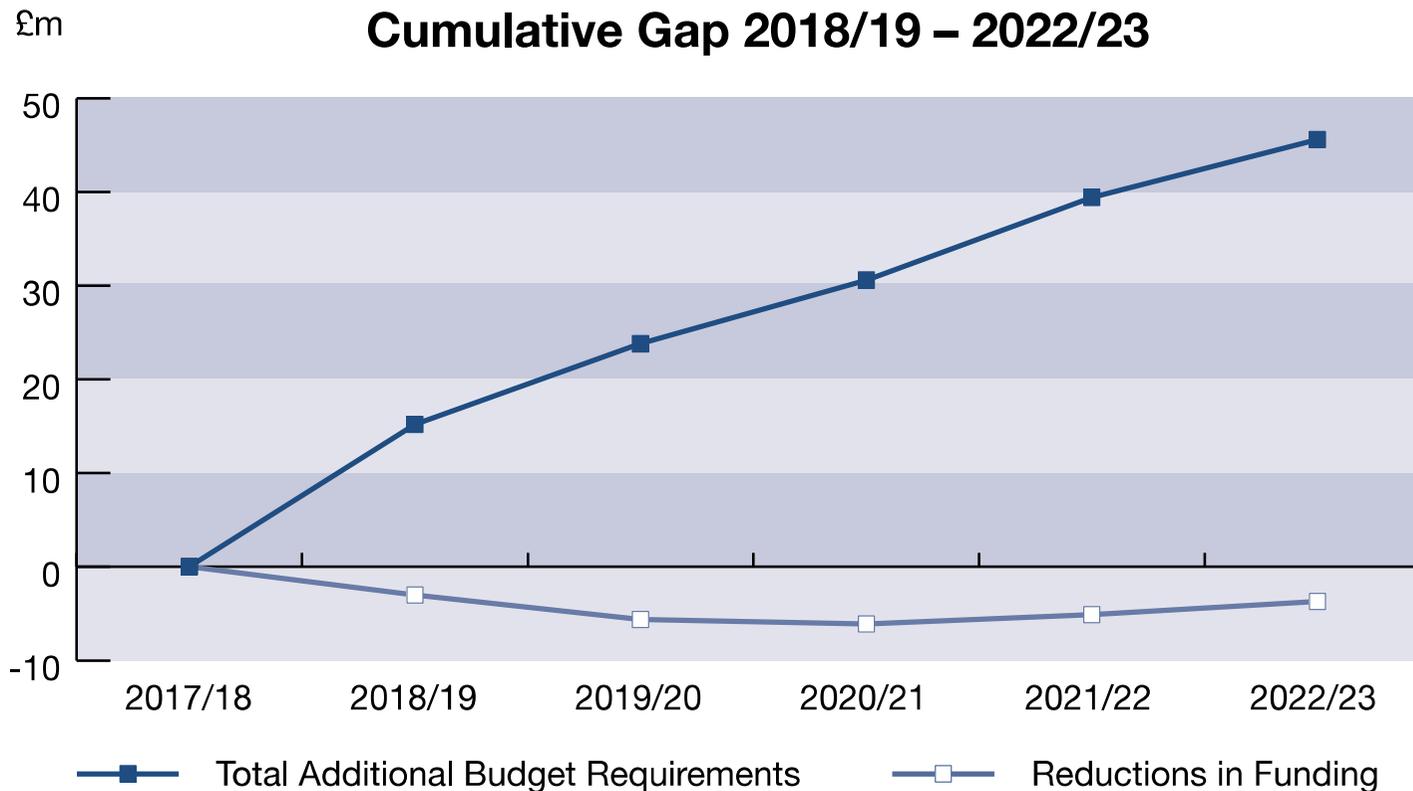


The funding gap is growing

- Additional pressures in Adult Social Care – more people with more complex needs, closure of care homes, rising costs, recent changes to employment laws, etc
- Additional pressures in Children’s Services - more Child Protection cases, more special educational needs, more children in care, Court directed placements, rising costs, impact of regulation
- Pressure on Waste Services re disposal costs of residual waste
- Highway maintenance pressures continue to grow



And, by 2023 this gap will increase without action

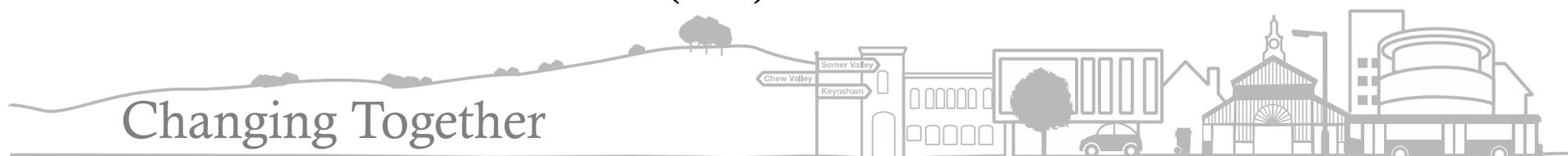


Changing Together



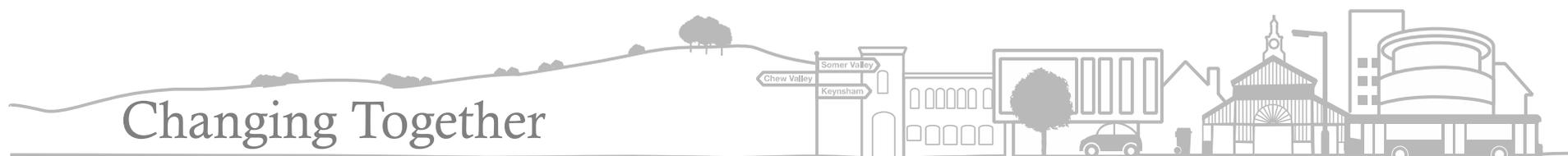
We are taking action to close the gap

- **£27 million** is already being saved
- 2016-17: £12.6m saved
- 2017-18: £14.4m being saved including;
 - Reducing/consolidating our estate (£530k)
 - Service re-design (£2.1m)
 - Improving technology to streamline services (£380k)
 - Changing how we finance capital projects (£3m)
 - Business Rate Retention pilot (£2.5m)
 - Management savings (£2.2m)
 - Social Care efficiencies (£3m)



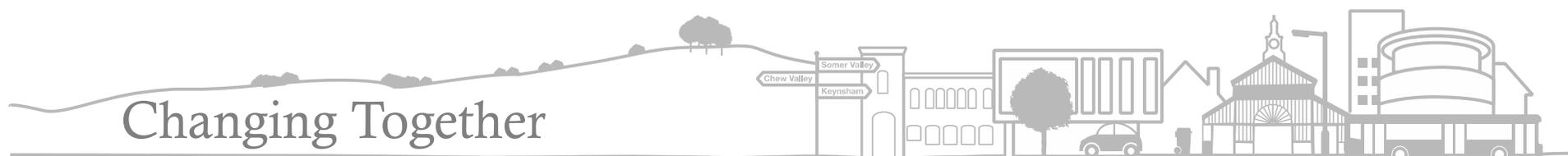
Social care efficiencies (£3m) included...

- Working to make services operate more efficiently and in a more co-ordinated way
- Scrutinising costs of individual care packages
- Developing new ways to assess people at home or in a care setting to free up hospital beds
- Working with providers to strengthen services which help people regain independence after a hospital stay
- Giving people the information and opportunities to stay well and independent
- Looking for more local foster carers
- Investing in more special educational places



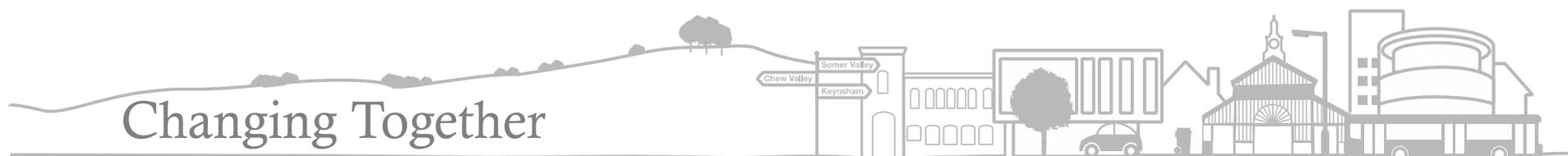
Our existing plans to save £15m by 2020 include:

- Moving to 'Digital by Choice' Customer services (£2.8m)
- Further reviewing management arrangements (£600k)
- Increasing income from our Commercial Estate (£950k)
- Further public transport efficiencies (£1.1m)
- Re-structuring our Youth Connect Services (£500k)
- Managing growth in Adult Care through new commissioning arrangements (£2m)
- Completing our Modern Libraries programme (£800k)

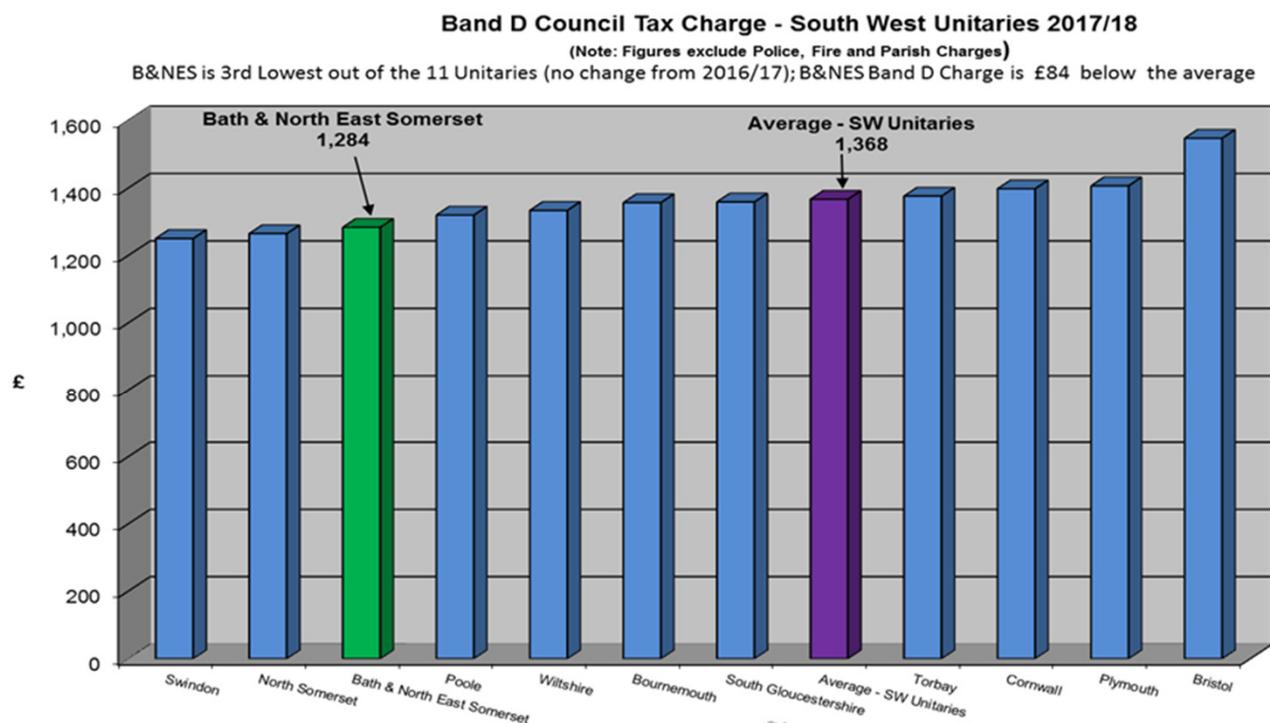


Alongside these savings, we are still delivering:

- Outstanding Fostering and Adoption Services
- Good Child Protection services - Ofsted 2017
- Some of the best schools in the South West
- 4 Green Flag parks and open spaces
- Exceptional award-winning tourist attractions
- Silver standard for our homelessness services
- Transport infrastructure improvements
- New adult skills funding from the West of England Regional Mayor



We've kept Council Tax among the lowest in the South West...



“Although we have marginally higher council tax than Swindon, it has a greater budget gap to bridge and more to save”

Changing Together

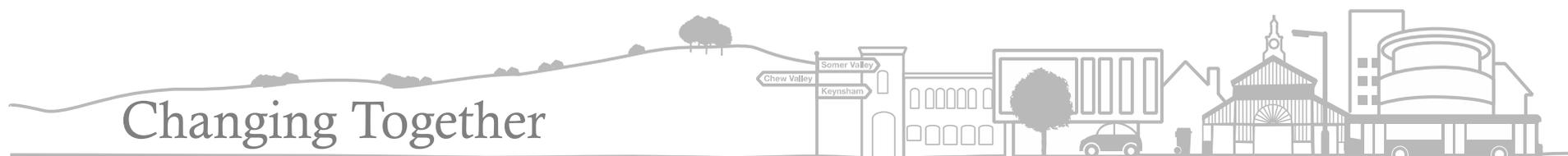


BUT...

A further **£16 million** needs to be found by 2020.

This includes savings we had not fully identified for 2019-20 and a recognition of increasing and ongoing pressures related to Adult Care and Children's Services.

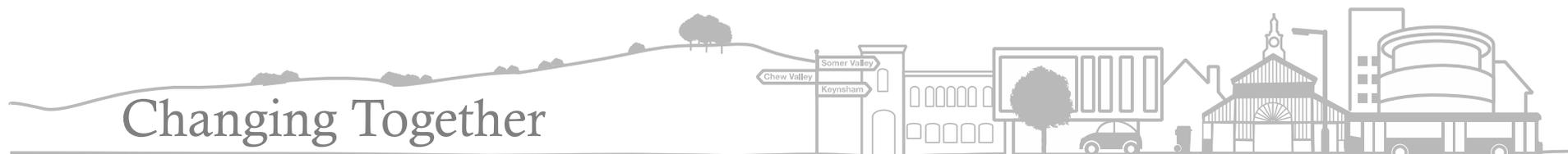
Although the Council has many statutory duties, it has left no stone unturned in seeking greater efficiencies across all services whilst continuing to prioritise caring for our most vulnerable children and adults.



Why is the cost of care rising?

- More people are living longer with complex conditions - this is costly
- More children and young adults are living with complex care and educational needs – an individual case could cost up to £250,000
- There are 14% more children in our care than last year
- We're paying a 'fair price for care' – to secure good quality care services
- The national living wage is rising faster than inflation, which has a big impact on highly staffed services such as social care
- We have more responsibility for children with special educational needs and disabilities
- More families are struggling with low income which adds greater pressures to the system if, for example, additional support is needed with social care or accommodation

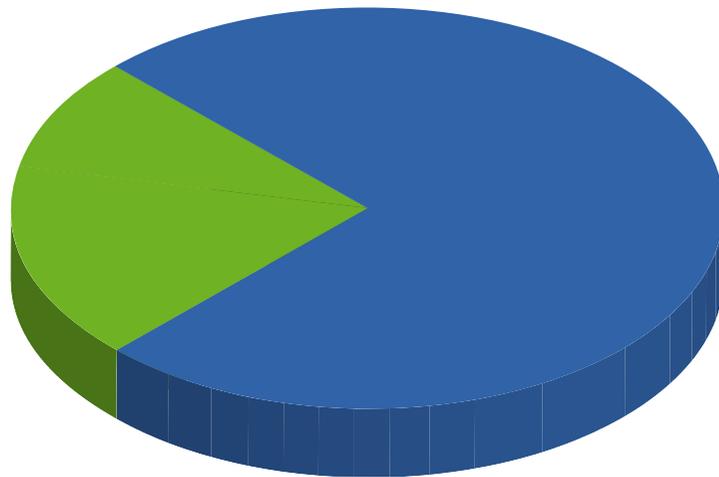
These are national issues affecting all local authorities including B&NES



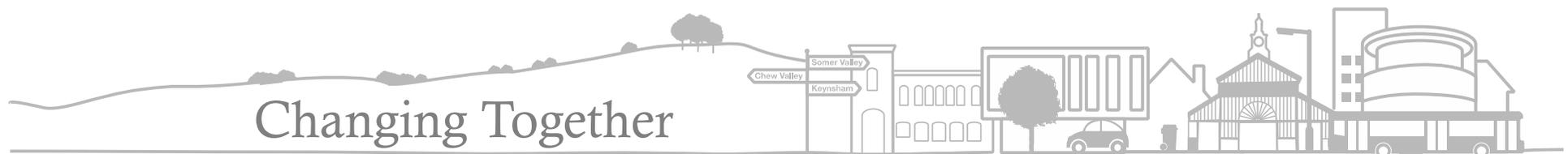
But here's the thing...

75p in every £1 the Council spends is spent on Adult Social Care and Children's Services.

And by next year, we forecast this will rise to **80p in every £1**. For the average resident this is not very visible, the **visible** might be pot holes, grass cutting, waste collection, street lighting... all of which matter.

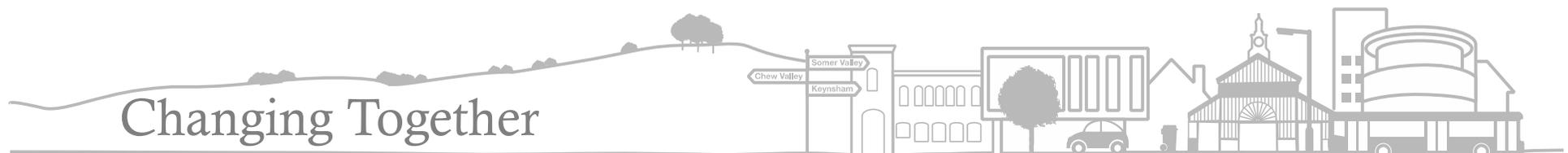


- Adult Social Care/
Children's Services
- All other services



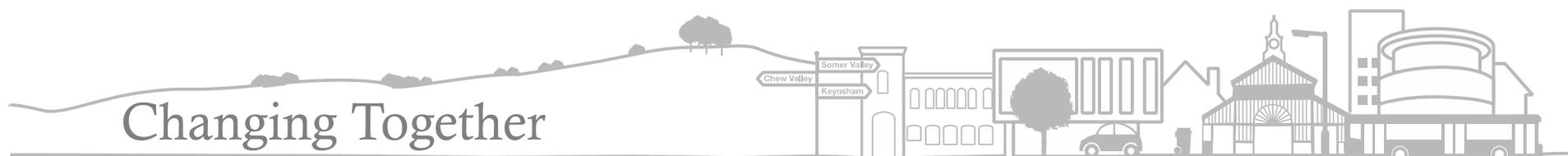
What does this mean for us?

- We have to **manage the demands and costs maximising efficiencies** while continuing to protect our most vulnerable residents.
- We need to look at other areas for savings – what we can **do differently**, what we can **do less of**, what we can **stop** and how we can **earn extra income** to help close the gap.
- We need to work with partners to **share services and expertise**.
- We need to **maximise** our access to **Government funding** through new West of England deals with Government.
- We will **lobby Government** directly and through the LGA to recognise the **challenges** we face and the **solutions** that we believe would help.



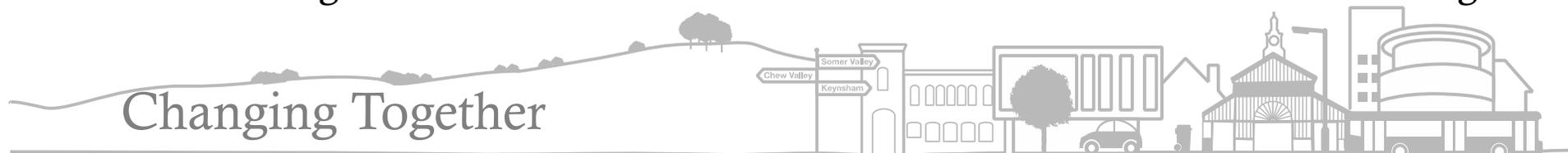
What have we already done to innovate?

- **Income from our Commercial Estate** – Raising **£900k** by 2018 as part of a total gross income £16m
- Achieving greater **New Homes Bonus** from reducing the number of empty properties and increasing the number of new homes in B&NES (**£2m**)
- **Heritage Services** – Our museums and galleries generate significant funds for the Council to be reinvested in services - raising an **extra £740k** by 2018 as part of a total gross income of over £18m
- **ADL Development** – Our development company refurbishing old Council properties and developing new housing on unused Council land - generating capital receipts and revenue income (**£2m**)



And we invest to make long term savings...

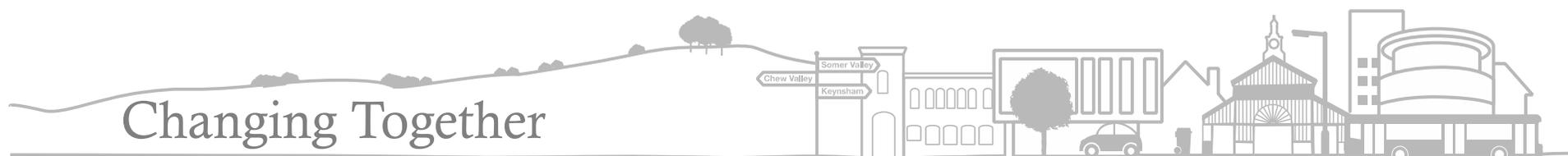
- Bath Quays will bring new jobs, homes and business space - generating spend, Council Tax and Business Rate income for the Council
- We're combining our Libraries and One Stop Shops in Bath, Midsomer Norton and Keynsham and investing in community libraries to save £800,000 a year from 2020
- New leisure facilities for Bath and Keynsham - an investment in health and wellbeing and promoting self-care
- New waste services will increase recycling, reduce landfill waste and contain our costs as landfill taxes rise
- Combining services for children and families - better services from one building



So with this work already underway . . .

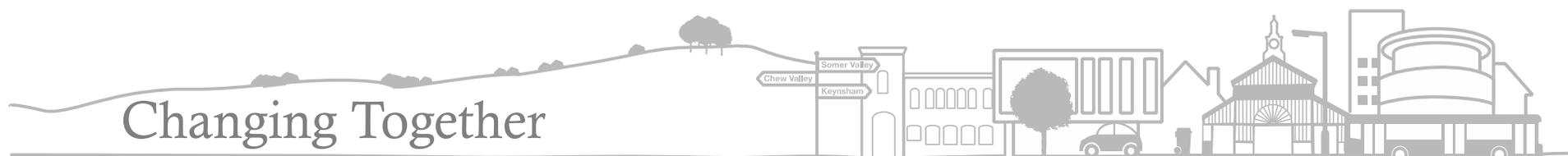
Where can we take the £16m from?

Further reductions will be extremely challenging - we have already made significant efficiencies and protected most service delivery.



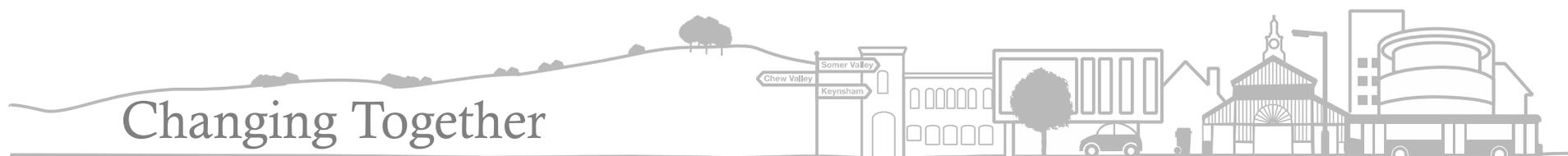
We're developing proposals around:

- Restructuring our workforce and delivering staff savings
- Further reductions to office accommodation
- Seeking further efficiencies within social care while protecting our most vulnerable people.
- Looking at how discretionary services are delivered i.e. can other agencies take over; can the service be re-designed to be cheaper; can the market provide directly?
- Ensuring that statutory functions and front line services are maintained even if in a 'different' form
- Being creative in how we continue to deliver more income
- How the community can play an increasing part in delivering services



How do we propose to restructure?

- We employ about 2,000 FTE (full-time equivalent) staff
- We estimate that we will need to reduce staff by around 300 FTE
- By revising and reducing our management structures, we may be able to reduce this number
- We will also look at more efficient ways to work with partners, including B&NES Clinical Commissioning Group (CCG), the West of England Combined Authority (WECA) and neighbouring authorities
- Because most of our adult social care is delivered through contracts with key providers our restructuring will not affect services for the most vulnerable people and;
- We are committed to protecting our children and young people and other essential front line services



We think there are
four key areas
where communities can help
to reduce demand and make
our money go further.

Do you agree?



Changing Together



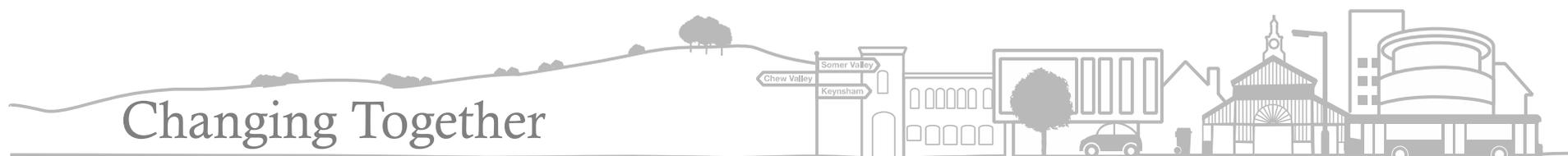
The way forward – Our pledge

We would like to work with you over next 12 months to explore these four areas and any others you suggest.

We will:

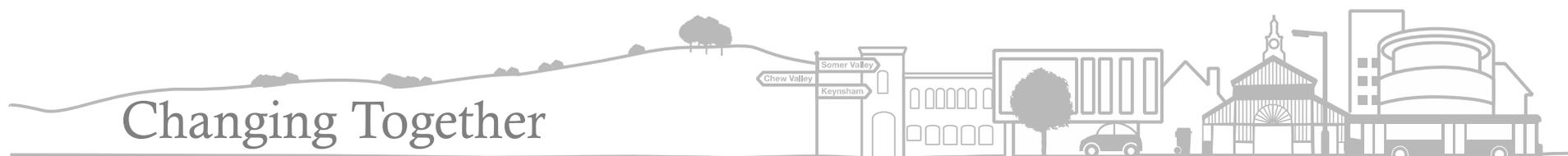
- Run **workshops** to present our ideas and gather yours
- Set up a **Facebook page** to share ideas and start conversations with the community

Once we have agreed a way forward, we will publish a **joint pledge** outlining **what we can do** - and **what the community can do** – to help.



Key questions we'll be discussing over the next 12 months

- Do you think our priorities are the right ones?
- If no, why?
- If yes, why?
- What do you see as the implications of these priorities as we set the budget?
- Are there services we provide that you believe could be stopped?
- Are there services we provide that you believe could be provided by others?
- If there are, who else could provide them and how could this be achieved?
- Are there services that could be reduced either in frequency or quality without significant detriment?
- If the Council were to pursue moving services across to digital platforms, what would the implications be for your area?



If we all work together to re-think services and reduce demand, then our money can go further in the areas that really matter.

**We welcome all ideas and will need your help
and input over the next 12 months -
let us know what you think.**

