

Joint Report of the County Treasurer and Strategic Director Place

2016/17 Budget

Recommendation: that the Scrutiny Committee consider whether it wishes to draw to the attention of the Cabinet any observations on the proposals contained within the draft Revenue Budget 2016/17 and Capital Programme for 2016/17 to 2020/21.

1. Introduction and Commentary

- 1.1 At its meeting of 13th January 2016, Cabinet set Revenue Budget targets for 2016/17. The targets incorporate inflation, commitments and budget reductions required to set a budget within reduced funding levels provided by Government in the recent provisional financial settlement.
- 1.2 A number of major decisions remain to be taken. At this stage, the final outcome of the Local Government Finance Settlement is awaited and details of the council tax base, collection fund surpluses and tax base yield have yet to be confirmed. Information should be available by the time that County Council considers final budget proposals for 2016/17 on 18th February 2016. However, given the late notification of the provisional settlement and in line with arrangements from previous years, 25th February 2016 has been set aside for a second County Council budget meeting if required.
- 1.3 The draft budget attached to this report complies with the targets set by Cabinet on 13th January which total £443.5 millions. The total includes funding for budget pressures of £34.2 millions that mainly relates to additional expenditure to allow for service growth to cater for demographic changes such as increased children and adult service users and unavoidable cost pressures. A further £9.7 millions is included to meet the effect of inflationary pressures within the Authority's service provision. Savings of £34.3 millions are required to set a balanced budget.
- 1.4 The targets set for each service area have been subject to different pressures and influences. The People's Services budget has provided inflation and pressures of £36.1 millions with budget savings set at £19.9 millions. The Place budget provides for pressures and commitments of £6.1 millions with budget savings set at £9.5 millions. Corporate Services provides for inflation and pressures of £1.7 millions with budget savings set at £4.9 millions.
- 1.5 This report provides detailed budget proposals in respect of all Place Services, in line with the targets outlined in paragraph 1.1. The Budget Scrutiny day will provide Members with the opportunity to question further, budget issues for 2016/17 and beyond. In addition, detailed questions can be raised in advance of the Budget Scrutiny day by using the central DCC mailbox scrutiny@devon.gov.uk

2. Influencing Factors for Cabinet Consideration

- 2.1 The Secretary of State for Communities and Local Government announced the Provisional Local Government Finance Settlement for 2016/17 on 17th

December 2015. This was a day earlier than last year, but, unlike previous years the Autumn Spending Review gave little indication as to the size of the settlement or even how many years it would cover.

- 2.2 This is the first year of a new Government with new intentions towards funding Local Government. The Provisional Finance Settlement is the first signal of those intentions. It was widely anticipated that the Settlement would provide figures for one year only and would be followed by a consultation on changes to grant distribution methodology. This has not happened. Instead the Government has gone ahead with some radical changes to grant distribution but also provided grant figures for individual Authorities over a four year period from 2016/17 to 2019/20.
- 2.3 The impact of this revised grant distribution methodology is that Shire Counties have collectively lost funding in 2016/17 of just over £160.6 millions. Conversely, Metropolitan Districts and Inner London Authorities have gained funding of £92.6 millions and £53.4 millions respectively. Within the allocation to County Councils and Upper Tier Authorities there has been a further re-distribution so that funding has flowed from Councils with a higher tax base to Councils with a lower tax base. It is thought that this is to try to compensate those Authorities dealing with Adult Social Care pressures who would raise less income from a 2% precept.
- 2.4 For Devon County Council this means that in 2016/17 government funding (core funding) will reduce from £179.8 millions in 2015/16 to £151.6 millions in 2016/17. This is a reduction of £28.2 millions, nearly 15.7%. This is slightly higher than the average reduction for SCT (Society of County Treasurers) member authorities which is 14.6%. In 2016/17 some specific grants have been included in the funding base of £151.6 millions. If these are excluded to give a more accurate, like for like comparison, then the reduction is 17.4% for Devon compared with an average of 16.6% for Shire Counties.

3. Changes to the 2016/17 Place Services Base Budget

- 3.1 The major changes to the 2016/17 budget are as follows:-

	£'000
Adjusted Budget Approved by the Council for 2015/16	97,329
Inflation and Pressures	6,111
Budget reduction/Savings	(9,506)
Target Approved by Cabinet 13th January 2016	93,934

4. Service Specific Budget Issues

- 4.1 The approach in Place is to ensure a balance between reduced funding to maintain statutory and essential services and preventing future costs rising as a result of demand and demographic pressures. This approach seeks to maximise efficiency, minimise unnecessary spend whilst continuing to look at different ways of delivering the services. Within the budget proposals there are challenges to achieving the reductions especially where significant change is required in a relatively short space of time, for instance, the development of a new delivery model for the library service.

- 4.2 The demand on Place to undertake transformational change whilst continuing to provide services will be testing. The Director's Commentary to the budget pages highlights the demands we face for 2016/17 and beyond. Place are working on a number of "Themes" across the area in order to achieve the target budget. These themes include income generation, review of policies and statutory levels, alternative methods of service delivery, digital by design and community self-help.
- 4.3 The budgets attached to this report represent the sixth year of reductions as part of the public sector savings. Consequently the impact for each service should also be seen in the context of the planned cumulative change of the past few years. The 2016/17 target shows an overall budget reduction/saving of £9.5 millions. A summary of the savings strategies is shown on the page entitled "How the 2016/17 Budget has been built up".
- 4.4 The financial year 2016/17 will see the Library Service externalised into a mutual from 1st April (Cabinet Report SC/15/23) along with the full year effect of the changes to the bus route support introduced in September 2015. The Youth Service has recently transferred to Place as part of the Council's decision to support the establishment of an independent legal entity (Cabinet Report SC/15/20).
- 4.5 A new operating model is sought to enable the School Crossing Patrol service to continue. Although this service is non-statutory it does provide an important community service linked to child safety and travel choices at peak congestion time. Schools will be asked to share the cost by buying in patrols as a discretionary service with support by the County Council through the provision of training and supervisory support.
- 4.6 Highways and Traffic Management will be redirecting resources towards capital for preventative works. The intention is to reduce the reactive works required and therefore reduce the whole life maintenance costs. The principles of Highway Maintenance Policy changes were approved by Cabinet in October 2015 which seeks to align the highways inspection policy with national best practice to facilitate a more practical, risk based approach.
- 4.7 Income generation has been explored in order to reduce the impact on services of the savings required. Current charges will continue to be reviewed to ensure they are reasonable and comparable. All new and increased charges being proposed will be subject to approval by Cabinet in February 2016. The On-street parking (OSP) income and costs are within a ring-fenced account which is shown on the page entitled "Analysis of Total Expenditure for 2016/17". This account is governed by legislation and any excess income can only be used for prescribed activities. A higher level of bus support costs are being funded from the OSP account from increased income.
- 4.8 The Waste Service is showing a net increase in expenditure for 2016/17. This relates to the increase in waste tonnages resulting in an increase in the cost of waste disposal. This is coupled with a reduction in the WEEE income from changes to the regulations and a negative impact from a price fluctuation mechanism within our recycling centres. These issues have been highlighted during 2015/16 and trends indicate this will continue in 2016/17.
- 4.9 The reductions presented to this committee will have an impact on front line services. The key challenge for Place is to ensure effective communication with communities on what can, and cannot, be achieved during another difficult year.

5. Capital Programme

- 5.1 The Council's capital programme has been produced to maximise investment in the county's infrastructure and assets and to support service delivery and priorities. Unlike 2015/16, new starts within the Service have been restricted to those schemes which are funded from external sources such as grant or contributions
- 5.2 Place has developed a capital programme which maximises investment in the county's physical infrastructure and has successfully leveraged significant sources of additional external funding. At the time of writing the report it is anticipated that the contract will be awarded for the Bridge Road widening scheme in the near future and works to construct a new station at Marsh Barton are expected to commence in April 2016. These schemes are significantly funded by the Local Growth Fund allocated by the Heart of the South West Local Enterprise Partnership, developer contributions and contributions from other Local Authorities. A Department for Transport Challenge Fund grant was also secured, to deliver street lighting improvements across the County.
- 5.3 The Local Highways Maintenance capital block funding announced in December 2014 set the needs based formula funding allocation for the period 2015/16 - 2017/18 and indicative allocations for 2018/19 - 2020/21. A new element was also introduced called an Incentive Fund which rewards Councils who can demonstrate they are delivering value for money through efficiencies and the use of good asset management. Indicative allocations have been advised for the period 2016/17 - 2020/21. These sums have been built into the capital programme.
- 5.4 The Department for Transport continues with the policy that it will no longer set aside a proportion of funding for a resilience contingency fund and have recommended that local highway authorities' ensure they retain a contingency for repairing damage to local highways and associated assets caused by incidents such as extreme weather. A sum of £2 millions from Devon's Local Highways Maintenance capital block allocation has been separately identified within the local Transport Plan (LTP) maintenance budget in the capital programme in 2016/17, to address this issue.

6. Equality Impact Assessment

- 6.1 Under the Equality Act 2010, the County Council has a legal duty to give due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations when making decisions about services. This duty applies to the eight 'protected characteristics' of age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex and sexual orientation. Where relevant, Impact Assessments are carried out to consider how best to meet this duty and mitigate against the negative impact of service reductions. The Equality Act 2010 and other relevant legislation does not prevent the Council from taking difficult decisions which result in service reductions or closures for example, it does however require the Council to ensure that such decisions are:
- Informed and properly considered with a rigorous, conscious approach and open mind.
 - Taking due regard of the effects on the protected characteristics with the need to ensure nothing results in unlawful discrimination in terms of access to, or standards of, services or employment as well as considering any opportunities to advance equality and foster good relations.

- Proportionate (negative impacts are proportionate to the aims of the policy decision).
 - Fair
 - Necessary
 - Reasonable, and
 - Those affected have been adequately consulted.
- 6.2 The report Budget 2016/7 Impact Assessment is an assessment of the potential impacts for new savings strategies. With the majority of savings strategies agreed last year, only a handful of new proposals are being put forward this year. Previous years assessments are available at <https://new.devon.gov.uk/impact/> under 'Published Assessments'. The report for 2015/16 provides a detailed analysis of the cumulative impact of cuts on communities.
- 6.3 The Council's vision Better Together and 'operating model' describe how we will change our structure, purpose, processes and culture to meet our key challenges and future opportunities. Better Together has five themes: resilient, healthy, prosperous, connected and safe. Increasingly changes to budgets and how our work is delivered should be viewed not simply as changes the Council is making but as part of a wider local system. The impacts of changes alongside future opportunities and mitigations should be viewed alongside that wider perspective.

Mary Davis

Heather Barnes

County Treasurer

Strategic Director Place

Electoral Divisions : All

Local Government Act 1972

List of Background Papers

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Background Paper Date File Ref

Nil

Date Published 13th January 2016

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Place Services

Director's Commentary

The portfolio of Place Services continues to provide the opportunity to focus on the strategic priorities of Devon County Council: maintaining, operating and improving infrastructure and connectivity to support local enterprise, supporting health and well-being by improving access to countryside, green travel and managing congestion, and supporting stronger, more resilient local communities. Services are diverse from planning the future infrastructure requirements of Devon to providing direct services to its communities. This budget reflects the continuing changes required to achieve the national targets for reductions to public sector spending. In order to achieve a balanced budget, reductions of £9.506 millions have been identified within Place. With each year of reductions it is becoming harder to protect priority areas. The aim of the reductions is to focus on the delivery of essential and statutory services.

Collaboration continues to be a key strategy within Place Services. This focuses on both national and local collaboration to support a range of day to day services along with projects across Devon. Successful collaborations include the Somerset and Devon Heritage Trust, Devon and Somerset Trading Standards service, "Libraries Unlimited" (the new mutual organisation being established to run the library service from 1st April 2016), the joint procurement of the Term Maintenance Contract in Highways, South West Highways Alliance, the Devon Authorities Waste Reduction and Recycling Committee, South West Devon Waste Partnership in the construction and operation of the Energy from Waste facility for Devon, Plymouth and Torbay and construction of South Devon Link Road in partnership with Torbay Council. Regional and multi-agency partnerships enable traffic enforcement across the peninsula and education and training programmes reaching over 25,000 "at risk" individuals per annum at significantly reduced cost to Devon. The County Council also continue to develop commercial opportunities for road safety provision in the private sector, thereby increasing service reach at no additional cost to the Council. Several joint projects are being carried out with the District Councils, these range from a delivery of mixed use development sites (e.g. Sherford) to longer term strategic planning. This joint working helps to secure funding from the development industry for critical infrastructure for which the authority is responsible. Much of the environmental agenda is progressed through collaborative arrangements, such as those for Areas of Outstanding Natural Beauty, the two World Heritage Sites and the Devon Local Nature Partnership; often supported by external grants. Collaborations lead to both funding opportunities and economies of scale across the region and have mitigated service reductions, spread costs across a wider base, ensure capacity and service resilience and offer opportunities for innovation and community enterprise.

Income generation is being explored in order to reduce the impact of reductions on services. Current charges are being reviewed to ensure that they are reasonable and comparable. New areas of charging relating to discretionary services and joint working opportunities link to the collaboration agenda. These areas include charging for disposal of non-statutory waste at recycling centres, selling advertising space in recycling centres, increases to charges in line with traffic strategies to ensure service costs are covered, expansion of Pay and Display parking in the interest of improved traffic management and charging for services provided to other authorities. Charging will be introduced for Pre-Application advice for Planning Applications whilst quarry site monitoring and inspection fees will continue to be reviewed and monitored. The Economy and Enterprise Service is meeting a significant part of its budget reductions through Income Generation. It has entered into a series of Service Level Agreements with the Local Enterprise Partnership, for example providing a leadership role on skills, employment and social inclusion and a programme management service for the Growth Deal Programme. In addition the Service is striving to generate additional income from the Council's industrial estate portfolio, such as generating rental and feed in tariffs through a wind turbine.

Policies and statutory service levels are being reviewed from an operational and procurement perspective, particularly with regard to risk. This area is focusing on the current policy levels and exploring different service delivery models for the future. An extensive project will see the library service externalised into a mutual from 1st April 2016. The Youth Service has recently transferred into Services for Communities as part of the Council's decision to support the establishment of an independent legal entity. Aligning the highways safety inspection policy with national best practice has been approved in order to facilitate a more practical, risk based approach. Other areas where we continue to review activity against statutory responsibilities include the Transport Co-ordination Service, an intelligence led approach to regulation and inspection within Trading Standards, opportunities within the revised procurement of residual waste contract for the North of Devon to maximise opportunity for lower cost solutions and the joint procurement with Somerset and Plymouth of a new Term Maintenance Contract. A new, externalised, model is being sought for the continued operation of the Jurassic Coast World Heritage Site, with transitional arrangements also being explored for the North Devon Biosphere Reserve. The School Crossing Patrols are non-statutory; however they provide an important community service linked to child safety and travel choices at peak congestion times. A new operating model is being sought to enable the service to continue at reduced cost to Devon County Council. Schools will be asked to share the cost by buying in patrols as a discretionary service with support by the County Council through the provision of training and supervisory support. The Devon Travel Academy business and assets are being transferred to Devon and Somerset Fire and Rescue Service in order to protect its long term future.

Longer term strategies currently being explored involve a move towards a more digital approach for services. This will involve increased contacts by the general public via the website and other electronic means. The development of the Highways Systems to collect data and enable web publishing, performance monitor and data management could provide the platform for an authority wide move to "digital by design". Environmental, traffic and accident data systems will continue to be developed online to allow customers direct access. Social media strategies now support traditional intervention formats in order to reduce the costs, and improve the reach, of longer-term support for "at risk" groups. This includes the development of bespoke Apps through collaborative work with other agencies. The Planning Application Portal has recently been refreshed to allow direct access to responses from consultees.

The Community Self-Help scheme is growing with many communities joining to provide minor routine maintenance works which have a local priority. The self-help schemes now cover Road Wardens, Snow Wardens and Public Rights of Way along with a Community Champion for waste reduction. Where communities want local footpath and cycle improvements they will be encouraged to set up community groups to undertake feasibility studies, preliminary design, land acquisition and seek funding opportunities. Following a two year Pathfinder project, community self-help has become an integral element of the approach to flood risk management, with support provided for the launch of the Devon Community Resilience Forum. Working more closely with local communities in relation to the Libraries Service, the newly transferred Youth Service, Public Transport and other service areas has demonstrated the potential to improve outcomes and reduce costs by taking a more community-centred approach which will continue to be developed.

Opportunities arising from external funding continue to be pursued. Highways capital funding has been won through the DfT Challenge Fund to change our street lighting to LED which will generate savings on energy costs. There will also be the opportunity to bid into a DfT Incentive Fund for other highway major schemes. Other opportunities include the Fab Lab, business/IP support to Libraries, skills funding for Learn Devon, sport and physical activity through Active Devon and Total Transport funding to explore collaboration of public sector transport activity. The Economy and Enterprise service continues to lead on external funding opportunities for the Council, including the

European Programme and through this work is seeking to secure additional investment for the Council. Delivering external programmes provides an opportunity to receive a management fee, and undertake consultancy work to support bid writing. Currently the service is delivering two Local Action Groups, funded through the European Agricultural Food and Rural Fund (EAFRD). The County Council is starting to draw down significant levels of national and regional funding to support major flood risk protection schemes (i.e. up to £1.5m for 6 schemes in 2016/17). The County Council has also been very successful at obtaining external funding for schemes to support the infrastructure for Devon including approval for a grant to explore feasibility options for the future development of the North Devon Link Road.

Reductions to services have been inevitable. During 2016/17 the full year effect of the reductions to the bus route support will be seen. A number of grants to outside organisations have been reviewed to ensure they continue to support the priorities of the County Council. As planned in 2012/3 the grants for the Arts will cease in 2016/17. Our contributions to high priority environmental partnerships and projects, such as World Heritage Sites, are continuing, but at a lower level. Funding has also been reduced for waste behavioural work where it is not supported by a strong evidenced business case. The Economy and Enterprise service is reducing the spend on business support and innovation activities. The service will be maintained at a reduced level and additional funding is currently being sought to offset this and indeed increase spend. Staffing levels across Place are reducing which will place a degree of risk on the ongoing ability to proceed with income generation and maintain County Council priorities. The establishment of "Libraries Unlimited" to run the County's library service will offer significant savings opportunities, reducing the risk of service reductions. It is anticipated that this can be mirrored through establishing a similar arm's length organisation to deliver Youth Services. Safety Camera Partnership contributions will fall by 20% as they have for the preceding three years. The business transfer for Devon Travel Academy will lead to a cessation of some road safety training services.

Place Services have achieved the savings identified over the preceding years. There have been some very difficult decisions made to transform or reduce services, against a backdrop of continuing to improve performance in some areas. With austerity a factor for the future, Place Services will continue to assess the needs of the service users whilst taking into account our statutory responsibilities, risk and any opportunity to transform what we do.

Heather Barnes

Strategic Director Place

For more information on the contents of this section of the budget book, please contact Nicky Allen, Assistant County Treasurer (Place) on 01392 382360 or email nicola.allen@devon.gov.uk

How the 2016/17 Budget has been built up

	2015/16 Adjusted Budget	Changes	2016/17 Outturn Budget
	£'000	£'000	£'000
Capital Development and Waste Management	27,637	2,299	29,936
Economy and Enterprise	1,219	95	1,314
Highways and Traffic Management	34,518	(2,199)	32,319
Planning, Transportation and Environment	5,351	(490)	4,861
Services For Communities	28,604	(3,100)	25,504
Total	97,329	(3,395)	93,934

Reasons for the change in the Revenue Budget

	Change £000
Technical & Service Changes	
CDWM - Landfill Tax increase	188
CDWM - Tonnage growth and changed disposal method	1,249
CDWM - loss of income and increased recycling centre costs	900
E&E - technical adjustment for loan guarantee	(40)
E&E - revenue match for BDUK project	291
PTE - Sustainable Urban drainage work	85
Communities - Changed funding for bus routes	132
Inflation and National Insurance	3,200
National Living Wage	106
	6,111
Savings requirements	(9,506)
	(3,395)

Analysis of Savings Strategies

Restructure team, turnover management and digital process changes	(973)
Generating additional income	(368)
Reduction in activity and project budgets	(404)
Public Transport Support reductions (Cabinet SC/15/9)	(781)
Revised Funding for transport and highways	(2,108)
Cuts to arts and heritage support	(306)
Contract savings through efficiencies and revised arrangements	(1,373)
Efficiencies from externalisation of Library Service (Cabinet SC/15/23)	(908)
Reduced spend on Highways activities	(2,285)
	(9,506)

Staffing Data

	2015/16		2016/17		Total FTEs
	Adjusted Total FTEs	Changes FTEs	Revenue Funded FTEs	Externally Funded FTEs	
Economy and Enterprise	14	2	12	4	16
Highways and Traffic Management	257	(1)	256	0	256
Capital Development and Waste Management	102	0	102	0	102
Planning, Transportation and Environment	110	(14)	86	10	96
Services for Communities	472	(196)	177	99	276
Total	955	(209)	633	113	746

Explanation of Movements

Economy & Enterprise

Restructure of team	(2)
Increased external funding	4
	<u>2</u>

Highways & Traffic Management

Restructure of team	(1)
	<u>(1)</u>

Planning, Transportation & Environment

Restructure of team	(4)
School Crossing Patrols externalisation	(10)
	<u>(14)</u>

Services for Communities

Trading Standards - Restructure of team	(5)
Active Devon - Increased external funding	2
Learn Devon - Reduced external funding	(41)
Youth Services - Increased external funding	5
Libraries - Staff transferring to Mutual	(167)
Strategy, Policy and Organisational Change - Commissioner role	1
Strategy, Policy and Organisational Change - Restructure of team	(3)
Public & Community Transport - Transfers in and new posts	12
	<u>(196)</u>

Total	(209)
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The above figures include staff funded from the capital programme

Analysis of Total Expenditure for 2016/17

	Gross Expenditure £'000	Grant and Contribution Income £'000	External Income £'000	Internal Income £'000	Net Expenditure £'000
Capital Development and Waste Management	32,382	0	(1,542)	(904)	29,936
Economy and Enterprise	1,771	0	(453)	(4)	1,314
Highways and Traffic Management	34,126	(118)	(1,131)	(558)	32,319
Planning, Transportation and Environment	5,794	(69)	(841)	(23)	4,861
Services For Communities	30,902	(1,136)	(2,227)	(2,035)	25,504
Total	104,975	(1,323)	(6,194)	(3,524)	93,934

The following services (which are not included above) are wholly self-funded and do not impact on Council Tax.

	Gross Expenditure £'000	Grant and Contribution Income £'000	External Income £'000	Internal Income £'000	Net Expenditure £'000
Economy and Enterprise					
LAG - MIL (Making It Local 2)	58	(58)	0	0	0
LAG - REAL Devon	50	(50)	0	0	0
Highways and Traffic Management					
On Street Parking	5,620	(99)	(5,521)	0	0
Planning, Transportation and Environment					
AONB Blackdown Hills	209	(195)	(2)	(12)	0
AONB North Devon	181	(168)	0	(13)	0
Devon Maritime Forum	24	(15)	(4)	(5)	0
Exe Estuary Partnership	26	(17)	0	(9)	0
Other Countryside Projects	73	(72)	0	(1)	0
South West Coast Path Team	104	(104)	0	0	0
Services For Communities					
Active Devon	1,460	(831)	(70)	(559)	0
Learn Devon	3,277	(3,074)	(203)	0	0
Transport Co-Ordination Service	3,281	(1,146)	(2,075)	(60)	0
Total	14,363	(5,829)	(7,875)	(659)	0
Grand total	119,338	(7,152)	(14,069)	(4,183)	93,934

Grants and Contributions

Some of the costs of providing the above services are funded by external grants and contributions, the table below shows details of the funding expected for 2016/17.

Service and Grant title	Funded by	Amount £'000
Economy and Enterprise		
LAG - MIL (Making it Local 2)	RDPE	58
LAG - REAL Devon	RDPE	50
		108
Planning, Transportation and Environment		
Natural Futures	Heritage Lottery	72
Areas of Outstanding Natural Beauty	DEFRA	291
Areas of Outstanding Natural Beauty	Other Local Authorities	72
Environment and Sustainable Travel	Other Local Authorities	86
Maritime and Fisheries projects	Other	15
South West Coast Path & County Parks	Natural England	104
		640
Highways and Traffic Management		
ExeRail	Other Local Authorities	30
South West Coast Path & County Parks	Other Local Authorities	45
South West Coast Path & County Parks	Natural England	142
		217
Services For Communities		
Learn Devon - Community Learning	Skills Funding Agency	1,939
Learn Devon - Adult Skills Budget (inc Apprenticeships / Additional Learning Support)	Skills Funding Agency	892
Learn Devon - 24+ Advanced Learning Loans Facility	Skills Funding Agency	44
Learn Devon - 14-19 EFA Funding	Education Funding Agency	199
Active Devon	Sport England	748
Active Devon	Other	83
Bus Service Operators Grant	Department of Transport	1,146
Trading Standards	Government Grants	100
Various small projects	Other Local Authorities	113
Transport contributions	Other	923
		6,187
Total		7,152

Service Statistics

Service/Activity	Unit of Measurement	2015/16 Adjusted Estimate	Change	2016/17 Estimate
Highway & Traffic Management				
Size of Network	Km	12,900	15	12,915
Bridges (revised Transport Asset Management definition)	No.	3,240	0	3,240
Structural retaining walls (>1.5m height)	No.	1,619	0	1,619
Structural retaining walls (>1.5m height)	Km	171	0	171
Street lights total	No.	77,350	402	77,752
Street lights to have been converted to part night lighting	No.	50,000	2,000	52,000
Rights of way	Km	5,000	0	5,000
Strategic road salted after route optimisation	Km	2,664	(193)	2,471
Illuminated road markings and signs	No.	12,000	(200)	11,800
Gullies emptied	No.	130,000	0	130,000
Total grass area cut	m ²	1 million	0	1 million
Surface dressed	Km	195	659	854
Resurfacing / reconstruction	Km	100	(75)	25
Capital Development & Waste Management				
Municipal waste disposal to landfill	Tonnes	46,700	7,600	54,300
Municipal waste recycled (excl. soil & rubble)	Tonnes	208,000	6,000	214,000
Municipal waste recovered	Tonnes	14,000	0	14,000
Exeter Energy from Waste	Tonnes	57,000	3,000	60,000
Plymouth Energy from Waste	Tonnes (approx)	60,000	(6,973)	53,027
Recycling, reusing and composting	Percentage	55.0	0	55.0
Recycling centres provided	No.	19	0	19
Landfill sites after care	No.	55	0	55
Planning, Transportation & Environment				
County Matter applications	No.	60	0	60
County Council development applications	No.	40	0	40
Listed building consent applications	No.	10	(5)	5
Strategic Planning consultations	No.	30	10	40
Pre Application advice	No.	160	(35)	125
Discharge of Planning Condition Applications	No.	40	0	40
Non Material Amendments to planning applications	No.	20	0	20
Formal Monitoring visits for Minerals and Waste Sites	No.	70	10	80
Planning application consultations (externally driven by the economy)	No.	12,500	0	12,500
Local Wildlife Sites in positive management	Percentage	69	1	70
Verified historic monument records on Heritage Gateway website	No.	70,235	3,708	73,943
Number of Local Development Frameworks which have successfully progressed through the examination stage	No.	8	2	10
East Devon Traffic Screenline - Average daily no. of vehicles crossing (predicted)	No.	112,000	2,000	114,000
Services for Communities				
Learn Devon - Learner Recruitment	No.	14,600	(4,600)	10,000
Devon Records Office - Parish tithe maps web enabled	No.	518	0	518
Libraries				
Libraries	No.	50	0	50
Mobile Libraries	No.	4	0	4
PCs Available with public access	No.	485	17	502

Service/Activity	Unit of Measurement	2015/16 Adjusted Estimate	Change	2016/17 Estimate
Public Transport				
Local bus services contracts (*)	No.	140	(18)	122
Bus passenger journeys started in Devon	No.	25.7 million	0.8 million	26.5 million
Train trips within Devon and to/from neighbours	No.	4.5 million	0.1 million	4.6 million
Ring and Ride community transport schemes	No. of schemes	16	0	16
Community car schemes	No. of schemes	0	0	0
Shop mobility schemes	No. of schemes	8	0	8
Community buses	No.	8	1	9
Fare car supported taxi schemes	No. of schemes	10	(4)	6
Trading Standards				
Business premises on Trading Standards database	No.	65,152	630	65,782
Programmed interventions at high priority premises	Percentage	100	0	100
Complaints and service requests	No.	20,816	(816)	20,000

(*) subject to consultation

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Capital Development and Waste Management

2015/16 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2016/17 Outturn Budget £'000	2016/17 Net Changes £'000
Engineering, Design and Built Environments Team					
(516)	Engineering and Design Group	466	(904)	(438)	78
83	Schools Estates Work	83	0	83	0
197	Compliance Surveys - School Buildings	196	0	196	(1)
(236)		745	(904)	(159)	77
Waste Disposal and Recycling					
4,175	Recycling Credits	4,280	0	4,280	105
4,679	Landfill Tax on Disposal	5,613	0	5,613	934
13,092	Disposal of Statutory Waste	15,225	(1,288)	13,937	845
4,624	Recycling Centres	5,070	(3)	5,067	443
251	Waste Minimisation Activities	443	(244)	199	(52)
374	Other Site Related Costs	330	(7)	323	(51)
678	Waste Management	676	0	676	(2)
27,873		31,637	(1,542)	30,095	2,222
27,637		32,382	(2,446)	29,936	2,299

2015/16 £'000	Breakdown of Gross Income	2016/17 £'000
(1,986)	Customer and Client Receipts	(1,542)
(1,179)	Internal Recharges	(904)
(3,165)		(2,446)

Service Commentary

Capital Development (Engineering Design Group & Built Environments)

The purpose of the service is to deliver County Council's Capital Programme. The Service provides technical engineering consultancy services. The Group is the authority's intelligent client for the procurement of construction contracts and is focussed on driving efficiency and providing a flexible and responsive service to meet the needs of the council.

Waste services

The purpose of the service is to dispose of local authority collected waste. The service supports and enables waste prevention activity, manages waste contracts for recycling, treatment and disposal, provides new waste infrastructure and manages redundant landfill sites. The service works with Waste Collection Authorities to join up waste collection and waste disposal where possible.

Waste tonnage is extremely volatile and sensitive to both economic and demographic factors and needs to be closely monitored as growth in this area could have a significant impact on the budget.

Analysis of changes:	£'000
Technical and Service changes	
Inflation and National Insurance	487
Price changes from implementation of Energy from Waste plants	63
Waste tonnage growth	1,186
Landfill tax increase	188
Recycling Centres Price Fluctuation mechanism	500
Loss of WEEE income due to a change in the regulations	400
Savings Strategies	
Turnover management and impact of digital changes	(19)
Generating Income from advertising	(10)
Reduction in demand management and waste prevention work	(50)
Reduction in the emergency budget	(50)
Efficiencies in Recycling Centre contracts	(99)
Efficiencies through collaborative working with District Councils	(150)
Contract efficiency savings	(147)
Total	2,299

Economy and Enterprise

2015/16 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2016/17 Outturn Budget £'000	2016/17 Net Changes £'000
Economy and Industrial Estates					
1,224	Economic Development	1,659	(334)	1,325	101
(5)	Industrial Estates	112	(123)	(11)	(6)
1,219		1,771	(457)	1,314	95

2015/16 £'000	Breakdown of Gross Income	2016/17 £'000
(168)	Customer and Client Receipts	(453)
(30)	Internal Recharges	(4)
(198)		(457)

Service Commentary

This service leads the County Council's role in supporting and delivering economic growth and prosperity for Devon's residents and businesses. It provides a strategic overview of the Devon economy and collaborates with a wide range of partners including the Local Enterprise Partnership to support the achievement of growth and employment. Key priorities for the service are improving skills attainment and supporting people into work, innovation and business support, promoting Devon as a business location, the facilitation of strategic employment space and managed workspace, developing growth sectors and supply chains, including energy. The service is delivering significant new revenue and capital projects including Skypark and Exeter Science Park, a Rural Growth Network across Devon and Somerset, Devon Ambassador Programme, Enterprise in Schools grants initiative and the continued development of the existing industrial estates. The Service leads on People Theme activities for the LEP and the Plymouth City Deal and influencing external funding policies, including European, and actively works to draw in additional investment into the County.

Additionally the section is delivering the Superfast Broadband - Connecting Devon and Somerset project. For 2016/17 this means a temporary increase in the budget of £291,000.

Analysis of changes:	£'000
Technical and Service changes	
Inflation and National Insurance	25
BDUK Project increase	291
Technical adjustment - loan guarantee for Exeter Science Park Ltd	(40)
Savings Strategies	
Restructure team, turnover management and digital processes	(111)
Reduction in activity based business support and infrastructure development	(4)
Income generation from contracts	(66)
Total	95

Highways and Traffic Management

2015/16 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2016/17 Outturn Budget £'000	2016/17 Net Changes £'000
Highway Network Management					
6,155	Highway Network Management	7,321	(1,212)	6,109	(46)
182	Management and Support	422	(213)	209	27
6,337		7,743	(1,425)	6,318	(19)
Highway Maintenance					
895	Retaining Walls and Bridges	742	(8)	734	(161)
3,625	Cyclic Maintenance	4,269	(32)	4,237	612
5,594	Highway Lighting	4,476	(30)	4,446	(1,148)
26	Other Highway Services	159	(133)	26	0
610	Maintenance of Public Rights of Way	651	(26)	625	15
3,464	Routine Maintenance	3,002	(30)	2,972	(492)
7,153	Safety Reaction	6,428	(63)	6,365	(788)
6,814	Winter and Emergencies	6,656	(60)	6,596	(218)
28,181		26,383	(382)	26,001	(2,180)
34,518		34,126	(1,807)	32,319	(2,199)

2015/16 £'000	Breakdown of Gross Income	2016/17 £'000
(1,398)	Customer and Client Receipts	(1,131)
(112)	Government and EU Grants	(118)
(603)	Internal Recharges	(558)
(2,113)		(1,807)

Service Commentary

The purpose of the Highways and Traffic Management services is to maintain, improve and operate the existing local highway and public rights of way networks. The service is driving efficiency in the way it works, managing demand and enabling community self-help. The service prioritises safety and meeting the travel needs of businesses, communities and individuals.

To cope with reducing budgets, the service adopts asset management principles to identify priority needs and to focus the available funding on reducing whole life maintenance costs, for example by delivering preventative maintenance rather than repairing roads on a worst first basis. The main road network is being maintained in a good condition however, parts of the minor road network are not holding up so well and some minor roads will continue to deteriorate. Such roads will be kept safe by repairing defects in accordance with adopted policy.

The service works in a collaborative way with its contractors, communities and individuals. This should enable Devon to maximise Government capital funding. Service discipline on spending enables the service to respond to in-year changes and pressures due, for example, to extreme weather events.

	£'000
Technical and Service changes	
Inflation and National Insurance	2,096
Savings Strategies	
Income generation from advertising and sponsorship	(55)
Team restructure, turnover management and savings on oncosts	(284)
Redirection of works packages to capital	(924)
Reduction in routine patching work	(370)
Reduced spend on fencing, hedges, trees, incidents, damage and storms	(743)
Policy changes and efficiencies on safety defect and winter work	(1,172)
Street Lighting operational and contract efficiencies	(725)
Public Rights of Way savings through 'self help' scheme	(22)
Total	(2,199)

Planning, Transportation and Environment

2015/16 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2016/17 Outturn Budget £'000	2016/17 Net Changes £'000
Environment Service					
545	Environment Policy	528	(57)	471	(74)
564	Projects and Partnerships	458	(39)	419	(145)
861	Flood Risk and Surface Water Management	942	(1)	941	80
1,970		1,928	(97)	1,831	(139)
Planning and Transportation					
773	Development Management	1,253	(714)	539	(234)
2,608	Planning and Transportation	2,613	(122)	2,491	(117)
3,381		3,866	(836)	3,030	(351)
5,351		5,794	(933)	4,861	(490)

2015/16 £'000	2016/17 £'000
Breakdown of Gross Income	
(675) Customer and Client Receipts	(841)
(51) Internal Recharges	(23)
(39) Reimbursements	(69)
(765)	(933)

2015/16 £'000	2016/17 £'000
Grants and Contributions Paid	
50 AONB (East, South and Tamar)	39
70 Dorset & East Devon World Heritage site (Jurassic Coast)	60
30 Cornwall & West Devon Mining Landscape World Heritage site	25
39 South West Energy & Environment group	20
5 Wembury Centre	4
2 Tamar Estuaries consultative forum	2

Service Commentary

The Planning, Transportation and Environment service includes strategic infrastructure planning and statutory responses including development of the Education and Transport Plans and other strategic documents, such as the Waste and Minerals plans. Additionally services include development and delivery of large infrastructure projects including planning applications, consultations, overview of planning applications and delivery of projects to enhance the ecology, landscape, marine and historic environment of Devon, and progressing the carbon management agenda. The responsibility for planning schools infrastructure, sustainable travel and road safety resides in this team along with the flood and coastal risk management functions.

Analysis of changes:	£'000
Technical and Service changes	
Inflation and National Insurance	107
Sustainable Urban Drainage work	85
Savings Strategies	
Team restructure, turnover management and impact of digital processes	(124)
Additional income - new fees, increase in current fees and capital works	(237)
Reduced project and activity budgets	(167)
Revised School Crossing Patrol service	(154)
Total	(490)

Service for Communities

2015/16 Adjusted Budget £'000		Gross Expenditure £'000	Gross Income £'000	2016/17 Outturn Budget £'000	2016/17 Net Changes £'000
Information, Heritage and Culture					
745	Heritage Centre and Devon Records Office	687	(11)	676	(69)
234	Arts and Cultural Support	0	0	0	(234)
6,694	Library and Information Service	6,287	(290)	5,997	(697)
7,673		6,974	(301)	6,673	(1,000)
Public and Community Transport					
9,134	National Concessionary Travel Scheme	9,104	(20)	9,084	(50)
4,778	Public Transport Support	4,053	(1,005)	3,048	(1,730)
81	Management Support	1,785	(1,727)	58	(23)
13,993		14,942	(2,752)	12,190	(1,803)
Policy, Performance and Regulatory					
964	Commissioning / Grants	831	0	831	(133)
1,220	Locality / Town and Parish	1,220	0	1,220	0
1,508	Strategy, Policy and Organisational Change	1,642	(181)	1,461	(47)
1,944	Trading Standards	3,154	(1,327)	1,827	(117)
5,636		6,847	(1,508)	5,339	(297)
1,302	Youth Services	2,139	(837)	1,302	0
28,604		30,902	(5,398)	25,504	(3,100)

2015/16 £'000	2016/17 £'000
Breakdown of Gross Income	
(2,610) Customer and Client Receipts	(2,227)
(100) Government and EU Grants	(100)
(2,008) Internal Recharges	(2,035)
(1,206) Reimbursements	(1,036)
(5,924)	(5,398)

2015/16 £'000	2016/17 £'000
Grants and Contributions Paid	
360 Citizens Advice Bureau	360
72 Community Council of Devon	72
189 Councils for Voluntary Services	189
2 Devon's Historic Buildings Trust	0
20 Devon Wheels to Work	3
285 Community bodies	244

Service Commentary

The Communities portfolio brings together services whose intention is to “shape” Devon by providing a mix of policies and activities to increase the capacity and resilience of local communities together with a wide range of direct service delivery including supporting the public and community transport network, safeguarding and promoting cultural, heritage and educational activities , improving the skills of local people, promoting physical activity and sport and safe-guarding public and consumer interests.

Analysis of changes:	£'000
Technical and Service changes	
Inflation and National Insurance	485
National Living Wage	106
Funding for bus services previously paid under S106	132
Savings Strategies	
Team restructure, turnover management and impact of digital processes	(440)
Reduction of funding to Heritage Trust	(72)
Reduction of support to the Arts	(234)
Reduced library service costs through externalisation (Cabinet report SC/15/23)	(908)
Reduced Public Transport Support (Cabinet Report SC/15/9)	(781)
Redirection of bus support costs to the On-Street Parking account	(1,184)
Review of output payments to third sector	(137)
Contract and project work reduction and efficiencies	(67)
Total	(3,100)

Capital Programme

The following table details the medium term capital programme for this service and how that programme is being funded.

Project	*Total Scheme Approval £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Economy & Enterprise						
Devon and Somerset Superfast Broadband	13,500	1,300	3,500	0	0	0
Devon employment space strategy		70	0	0	0	0
Total		1,370	3,500	0	0	0

Highways, Capital Development & Waste Management

Highways

Challenge Fund Street Lighting Improvements	13,156	5,079	3,962	0	0	0
Depot Strategy		300	150	150	0	0
Local Transport Plan (LTP) Maintenance		41,493	40,779	39,005	37,587	36,169
		46,872	44,891	39,155	37,587	36,169

Waste Service

Ivybridge recycling centre	3,703	44	210	4	0	0
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Schools Maintenance and Improvements

Marland School - Main block improvements	89	71	0	0	0	0
South Tawton Primary School - Replace Blocks	1,207	274	100	0	0	0
Bowhill Primary School - External Refurbishment	141	75	0	0	0	0
Dartington C of E Primary School - Remedial work	6,240	1,600	1,124	0	0	0
Marwood School, Drainage Improvements	195	96	0	0	0	0
Okehampton College - Underground Gas Supply	217	56	0	0	0	0
Sidmouth College - Block 09 - Replace Windows	414	190	0	0	0	0
The Park Community School Sports Hall Improvements	331	250	0	0	0	0
Bishops Tawton Primary - Double Classroom	239	61	0	0	0	0
Cullompton Community College - Fenestrations	498	249	0	0	0	0
Holsworthy Community College - Blk 01 Heat, Blk10 Windows, Roof, Ext, Rewire	728	217	30	0	0	0
Kingsbridge Primary School - Block 04 Replacement	368	285	0	0	0	0
St Leonards Primary School - Blk01 Hot Water, Roof, Blk03 Fan Heaters	261	162	0	0	0	0
The Axe Valley Community College - Refurb. blocks 03 & 13	102	91	0	0	0	0
The Axe Valley Community College - Replace blocks	1,913	692	500	0	0	0
Alphington Primary School - Block 01 - Replace Roof	281	225	56	0	0	0
Ashleigh Primary School - Block 06 New Double Mobile Classroom	300	240	60	0	0	0
Bishops Nympton Primary School - Replace Boiler and Wet Heating System	78	63	15	0	0	0
Cullompton Community College - Renew Boilers and Heating System	210	168	42	0	0	0
Dawlish Community College - Block 01 - Replace Windows, Roof & Hot and Cold Water System	221	177	44	0	0	0
DDA Projects Contingency		200	200	0	0	0
Decoy Primary School - Replace Windows & Roof	60	48	12	0	0	0
King Edward VI Community College - Site Refurbishment and Roof improvements	250	200	50	0	0	0
Marland School - Expansion	3,600	1,000	2,400	199	0	0
Marland School - Renew Heating System & Boiler.	228	183	45	0	0	0
Newton St Cyres Primary School - PSBP Contribution	532	200	300	0	0	0
Pathfield School - Replace Sliding External Doors.	194	156	38	0	0	0
Ratcliffe School - Replace Water Mains	66	53	13	0	0	0
Stoke Hill Junior School - Block 01 - Replace Fluorescen	228	183	45	0	0	0
Tedburn St Mary School - Replace Fenestrations.	51	41	10	0	0	0
Ugborough Primary School - Replace Windows, Fascias & Redecorate	65	52	13	0	0	0
		7,558	5,097	199	0	0

Project	*Total Scheme Approval £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Highways, Capital Development & Waste Management						
Schools Maintenance and Improvements continued						
Whimple Primary School - Replace Windows	52	42	10	0	0	0
MUMIS (contingency)		90	90	0	0	0
Other Schools Maintenance Schemes		1,128	35	0	0	0
Capital Maintenance Contingency		108	210			
Estimated Capital Maintenance Schemes		0	5,500	6,000	6,000	6,000
		1,368	5,845	6,000	6,000	6,000
Total		55,842	56,043	45,358	43,587	42,169
Planning, Transportation & Environment						
Large and Major Schemes - Highways						
A303/A30 Improvements - Design		810	0	0	0	0
A361 North Devon Link Road Improvements - Design		255	95	300	300	0
A361 Portmore to Landkey Stage 1	1,580	307	0	0	0	0
A38 Deep Lane - junction, Phase 1, Northern Side,	3,100	2,280	0	0	0	0
A380 South Devon Link Road	114,997	3,002	2,830	1,420	898	0
A382 - A383 Link Road Design		100	0	0	0	0
A382 Widening, Southern Phase, Newton Abbot	13,000	628	907	4,400	6,765	0
A39 Westaway Plain, Hospital Junction, Barnstaple	1,000	533	0	0	0	0
Blackhorse Lane Link Road (Tithebarn Link Road	6,900	200	0	0	0	0
Blundells Road, Tiverton	805	434	0	0	0	0
Bridge Road Widening, Exeter	13,455	2,895	769	0	0	0
Crediton Link Road	8,421	69	8	6	5	0
Growth Deal Infrastructure Preparation and Match		0	50	500	500	0
Roundswell Phase 2 - Barnstaple	2,600	2,150	0	0	0	0
Tiverton Eastern Urban Extension - Design		150	0	0	0	0
		13,813	4,659	6,626	8,468	0
Sustainable Transport						
Around Devon Cycle Route - Ruby Way		42	0	0	0	0
Around Devon cycle route - Teign Estuary		60	216	226	226	0
Cycling - Exe Estuary		300	0	0	0	0
Dawlish Town Centre Link from Exeter Road		631	0	0	0	0
Marsh Barton Station, Exeter	7,400	4,922	0	0	0	0
Okehampton East Station		0	247	0	0	0
		5,955	463	226	226	0
LTP						
Local Transport Plan (LTP) Integrated transport block		3,601	3,601	3,601	3,601	3,601
Environment						
Exeter Flood Alleviation Scheme		1,250	0	0	0	0
Schools Expansion						
Estimated Basic Need		0	16,271	3,742	3,742	3,742
Advanced Design Fees		180	500	0	0	0
Bassetts Farm Primary School - Expansion Ph 2	370	350	0	0	0	0
Bassetts Farm Primary School expansion (Phase 1)	1,325	70	0	0	0	0
Bishopsteignton Primary School - Expansion PAN 30	358	350	0	0	0	0
Cranbrook New Community - Education Campus	1,394	332	500	0	0	0
Digital Free School (West Clyst)	278		278	0	0	0
Energy cost reduction initiative		266	0	0	0	0
Exmouth Community College Accommodation	822	400	0	0	0	0
Gatehouse Primary - Internal Remodelling	143	143	0	0	0	0
Haywards (Credition) Primary - Expansion to 420	915	80	775	0	0	0
Highweek Primary - Additional Capacity	1,575	1,333	102	0	0	0
Honiton Primary School - Phased Expansion	1,200	200	1,000	0	0	0
Kingsteignton - New Primary School site	1,739		1,518	0	0	0
Landscore Primary (Credition) - Expansion up to 420	1,300	1,131	29	0	0	0
Loddiswell Primary School - Replacement School	80	30	0	0	0	0
Marpool Primary School - Expansion (Phase 3)	95	75	0	0	0	0
Mill Water Community School - Relocation	9,608	40	0	0	0	0
Newcourt - New school	5,818	624	4,157	0	0	0
Okehampton Primary - Additional Classroom	517	397	100	0	0	0
Proposed new primary Okehampton	1,470	1,455	0	0	0	0
South Molton Infants - Expansion to 420	51	51	0	0	0	0
South Molton Junior - New School site purchase	64	19	0	0	0	0
Total		7,526	25,230	3,742	3,742	3,742

Project	*Total Scheme Approval £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Planning, Transportation & Environment						
Schools Expansion continued						
Southmead Primary (Phase 2)	899	17	0	0	0	0
St Andrews Primary (Cullompton) - Phased Expansion to PAN 60	1,036	96	900	0	0	0
St Johns CofE Primary School - Expansion to PAN 45	30	15	0	0	0	0
St Leonard's C of E Primary expansion (Phase 1)	1,085	32	0	0	0	0
St Leonards Primary School - Expansion	1,253	150	0	0	0	0
Sticklepath Primary School - Expansion	635	370	30	0	0	0
Teignmouth Community School - Expansion	700	200	480	0	0	0
Tiverton High School- Expansion / Arts Centre	40	30	0	0	0	0
Westcliff School - Expansion to 420	51	51	0	0	0	0
Willowbank Primary (Cullompton) - Expansion	442	285	0	0	0	0
Withycombe Primary School, Exmouth - Expansion	1,001	103	885	0	0	0
Other Schools Expansion Schemes		134	0	0	0	0
		1,483	2,295	0	0	0
Total		33,628	36,248	14,195	16,037	7,343
Services For Communities						
Libraries						
Cranbrook Library		0	230	0	0	0
Library modernisation partnership schemes - Bideford	1,580	0	1,280	0	0	0
Library Modernisation Programme		90	0	0	0	0
		90	1,510	0	0	0
Vehicle Equipment Loans Pool (Fleet Management)		946	1,000	1,000	1,000	1,000
Youth service minor capital works		37	37	37	35	0
Investing in Devon						
Countess Wear Community Centre		100	0	0	0	0
Dartmouth Swimming Pool		1,000	0	0	0	0
		1,100	0	0	0	0
Total		2,173	2,547	1,037	1,035	1,000
Total		93,013	98,338	60,590	60,659	50,512
Financed by:						
Borrowing - Unsupported		4,504	7,768	746	573	0
Borrowing - VELP		946	1,000	1,000	1,000	1,000
Capital Receipts - General		3,662	1,282	960	835	0
Capital Receipts - IID		1,202	463	226	226	0
External Funding - Contributions		1,601	1,415	710	330	0
External Funding - Grants		73,195	81,389	56,948	51,195	49,512
External Funding - S106		7,903	5,021	0	6,500	0
Total		93,013	98,338	60,590	60,659	50,512

* Scheme Approvals have been included for individual projects.

This table does not show expenditure on capital projects currently programmed in financial year 2015/16 which may be deferred to 2016/17 owing to changes in project delivery timescales.

Place - Risk Assessment

Service	Budget 2016/17 £'000	Risk and Impact	Mitigation
Winter Maintenance and Emergencies	Approx. 6,596	Winter maintenance and other emergencies which are typically weather related, cannot be predicted. There is a risk of overspend in the event of severe weather conditions. Proportions of this budget are based on a mild to average winter. Therefore a worse than average year will place additional pressure on this budget.	There is limited scope for management action as the bulk of the costs tend to fall in the latter part of the financial year thus precluding funding by deferral of planned maintenance work. DCC policy is to respond appropriately to such events and wherever possible divert resources from other works in order to mitigate some of the costs. Scenario modelling is undertaken to assess any potential overspend.
Safety Defect Repairs	Approx. 6,365	This continues to be a volatile service area. Prolonged adverse weather conditions significantly affect the level of safety defects needing attention. Over the last 3-4 years significant extra resources from both central government and DCC have been targeted towards this area. A change to the policy with regard to Highways Safety Inspections may increase the risk in this area.	New ways of providing this service continue to be explored. Works are closely monitored during the year and funds diverted from planned works where possible.
Ash Die Back Disease – impact on Highways	Nil	Ash dieback could have an effect on DCC budgets and resources. This impact will not be immediate but the effects will probably be dealt with over a 10 year period. There is evidence that Ash Die Back is infiltrating into Devon’s tree population. Ash trees make up approx. 20% of Devon’s tree population. If 20% of those trees are the responsibility of DCC this could result in a £350k cost per annum.	The rate of the spread of disease will be monitored closely and will ensure that all trees not owned by DCC are dealt with by the land owner.
Waste Management	30,095	Waste tonnage levels and growth rates are volatile and difficult to predict as they are subject to a range of influences	Extra resources have been targeted towards this area to deal with an, above average, increase in the

		<p>outside the control of DCC. Due to the current economic climate a small growth level has been assumed based on current levels of tonnage going to landfill disposal. Similarly, the extent to which contractors will meet recycling targets is uncertain. These risks may result in the budget being over or under provided. A variation in tonnages of +/- 1% could result in a financial variation of £315k.</p>	<p>tonnage levels. Budgets reflect recent trends. Other than undertaking work to influence behaviours there is limited scope for management to alleviate financial pressures should tonnage increase. Tonnage levels are closely monitored. More cost effective ways of disposing of waste are continually explored such as the recent Energy from Waste Plants at both Exeter and Plymouth which are now open.</p>
Public & Community Transport	4,437 (budget and other funding)	<p>Around 75% of passenger journeys are on commercial bus services with no DCC control over them. The remainder are on supported (contracted) bus services. The commercial sector therefore shapes the network, and DCC responds to fill in gaps, optimising the scope for an integrated network. The reductions will have an impact on Devon communities as 19% of Devon residents have no access to a car, this places an increased strategic pressure on supported services.</p>	<p>Budget is based on actual services each year. Service support is based upon criteria related to DCC strategic objectives. Wherever possible Commercial Operators are encouraged to take up services. DCC supported services are developed to achieve commercial viability where possible.</p>
National Concessionary Travel Scheme	9,084	<p>Under statutory provision Commercial Bus Operators are reimbursed for the use of free travel passes by more than 178,000 pass-holders in Devon and by non Devon residents travelling in the County. Travel levels and patterns are subject to a range of influences which are outside the control of DCC so cannot be predicted precisely.</p>	<p>Budgets reflect recent trend data. Fixed fee contracts with bus providers have been negotiated to alleviate most of the uncertainty around costs.</p>
Flood Risk Management – surface water	941	<p>DCC is the Lead Local Flood Authority (LLFA) as defined by the Flood and Water Management Act and the Flood Risk Regulations. Consequently there would be costs associated with statutory requirements in the event of a major incident.</p>	<p>DCC has processes in place to undertake the required duty should there be a significant flood incident. However funding over and above the Place budget might need to be identified.</p>

Exeter Science Park (loan guarantee)	Max 2,652	Construction has been completed by Exeter Science Park Limited (ESPL) on a Science Park Innovation Centre. This was partially funded via a loan from the Growing Places Fund through the Local Enterprise Partnership (LEP). DCC have guaranteed 50% of the loan and interest. It is likely that part of the guarantee will be required and to date budgetary provision has been made to cover £800k. This figure is based on the current shortfall shown in the ESPL business plan which is now two years old and due to be revised.	The guarantee is based on development monies being generated in the future to repay the loan. If the budgeted requirement increases further funds may need to be set aside. This will be monitored during the year via ESPL Business Plans which have to be approved by the Board at regular intervals. However, the existing plan is now two years old.
Budget Reductions (incl. Policy Changes)	9,506	An extensive programme of budgets cuts is planned for 2016/17. This is the sixth year of reductions for Place. Reductions are becoming harder to achieve with the time and capacity needed to achieve the outcomes greater than at the start of the austerity process. Some reductions are reliant on collaboration and co-operation from partners which cannot be fully guaranteed or controlled by DCC. In order to achieve budget reductions, policies are continually being reviewed using a more risk based approach. This may lead to an increase in risk of challenge or failure. The main policy review affected 2016/17 relates to the Highways Safety Inspection Policy which is being aligned with national standards on a risk based approach.	The first priority is to maintain statutory compliance. A rigorous programme with risk assessment has been developed and will be continually monitored during 2016/17 with particular emphasis on high risk, or under developed, strategies. Continuous efforts to influence and negotiate with partners will be maintained. All policy changes are developed and tested/piloted prior to full implementation. An Equality Needs Impact Assessment is undertaken for each change. The effects and impact of the changes is continually monitored.

Partnership Risk Assessment

	Partnership	Purpose	Partner	Gross Value £'000	Risk Analysis / Mitigation
Place	Safety Camera Partnership	To encourage road safety in the region.	Devon County Council, Cornwall Council, Torbay Council, Plymouth Council Devon and Cornwall Police, Highways England	126 (DCC only)	There is a legal agreement in place between the partners. The Road Safety Partnership board decides which schemes to fund and Cornwall Council is the Accountable body. There is no risk of unexpected material costs arising unless the partnership is disbanded where liability for exit costs will be shared between partners. This risk is partially mitigated by a partnership reserve to part fund exit costs.

Abbreviations

Abbreviations used within the budget:

ACC	Adult Care Commissioning
ACL	Adult & Community Learning
AONB	Area of Outstanding Nature Beauty
ASC	Adult Social Care
ASYE	Assessed and Supported Year in Employment (for children's social workers)
BACS	Bankers automated clearing services (electronic processing of financial transactions)
BCF	Better Care Fund - a national arrangement to pool existing NHS and Local Government funding, which started in April 2015.
BDUK	Broadband Delivery UK
CCG	Clinical Commissioning Group
CDWM	Capital Development & Waste Management
CIPFA	The Chartered Institute of Public Finance & Accountancy
C of E	Church of England
CSR	Comprehensive Spending Review
CSW	Careers South West
DAF	Devon Assessment Framework
DBS	Disclosure & barring service
DCC	Devon County Council
DCLG	Department for Communities and Local Government
DDA	Disability Discrimination Act
DEFRA	Department for Environmental Food & Rural Affairs
DFC	Devolved Formula Capital
DPLS	Devon Personalised Learning Service
DSG	Dedicated Schools Grant
E&E	Economy & Enterprise
EESI	Energy Efficiency Schools Initiative
EFA	Education Funding Agency
EfW	Energy from Waste
EH	Early Help
ESPL	Exeter Science Park Ltd
EU	European Union
EY	Early Years
FABLAB	Fabrication Laboratory at Exeter Central Library
FGC	Family Group Conferencing
FM	Facilities Management
FTE	Full Time Equivalent
HTM	Highways & Traffic Management
HORSA	Hutting Operation for the Raising of the School Leaving Age
HR	Human Resources
ICT	Information & Communications Technology
IID	Investing in Devon funds
ILF	Independent Living Fund

IT	Information Technology
KS1	Key Stage 1
KS2	Key Stage 2
LA	Local Authority
LAG	Local Action Group
LEP	Local Enterprise Partnership
LIBOR	London Interbank Offered Rate
LLPA	Lead Local Flood Authority
LOBO	Lender Option Borrower Option
LTP	Local Transport Plan
MARAC	Multi-Agency Risk Assessment Conference
MASH	Multi Agency Safeguarding Hub
MIL	Making it Local
MMF	Money Market Funds
MRP	Minimum Revenue Provision
MTCP	Medium Term Capital Programme
MTFS	Medium Term Financial Strategy
MUMIS	Major Unforeseen Maintenance Indemnity Scheme
NDL	North Devon Link
NEWDCCG	Northern, Eastern and Western Devon Clinical Commissioning Group
NHS	National Health Service
OFSTED	Office for Standards & Education, Children's Services and Skills
OP & D	Older People and Disability
PE	Physical Education
PEGASEAS	Promoting effective governance of the Channel seas
PFI	Private Finance Initiative
PTE	Planning Transportation & Environment
PWLB	Public Works Loans Board
REAL	Rural Enterprise and Local Livelihoods
RDPE	Rural Development Programme of England
RFID	Radio Frequency Identification (self service kiosks and tags in libraries)
RSG	Revenue Support Grant
S106	Funding from developers resulting from planning obligations authorised by section 106 of the Town and Country Planning Act 1990
s256	Section 256 of the National Health Act - allows CCGs to enter into arrangements with local authorities to carry out activities with health benefits
SCOMIS	Schools Management Information Service
SEACS	Sustainable Energy across a Common Space
SEN	Special Education Needs
SEND	Special Educational Needs and Disabilities
SfC	Services for Communities
TUPE	Transfer of Undertaking (protection of employment)
VAT	Value Added Tax
VELP	Vehicle Equipment Loan Pool
VMS	Variable Message Sign
WEEE	Waste Electrical and Electronic Equipment Regulation
YISP	Youth Inclusion and Support Panel