

2018/19 Revenue Budget

Conservative Proposed Recommendations to County Council

The County Council is recommended to plan its budget framework for 2018/19 on the following basis:

1. Financial Direction of Travel

- 1.1. We plan our budgets over the medium term. This allows for a more focussed and planned approach to prioritisation. Services can focus on delivery knowing the financial environment within which they will be required to operate. We began this approach with the One Organisation Plan 2014-18 which has generally been successfully implemented. We intend to continue with this approach through our 2020 One Organisation Plan taking us through to the end of 2019/20.
- 1.2. To successfully deliver the Plan there is a need for certainty and a sure footed direction of travel. We intend to continue with the Plan as agreed last year, only making changes where necessary. We recognise that some additional pressures have surfaced over the last year and some adjustment is needed to accommodate these.
- 1.3. In response we will continue with our sound financial management throughout the organisation. We will:
 - Invest in £5.7 million in our children's social care services, providing resources to meet higher numbers of Looked After Children, the limited options to tackle the foster care / placement mix and generally increasing demands on the service. We will also support the most vulnerable young people and their families through our investment providing increased stability of funding for family support workers, family conferencing and family information services as well as our partnership working through the Regional Adoption Service.
 - Invest £0.2 million in the education system in response to the rising demand from our most vulnerable learners
 - Protect our elderly citizens and vulnerable adults by raising the levy for adult social care to fund additional demand whilst still continuing to make progress on our vision of greater integration between health and social care.

- Invest £1.4 million in home to school transport to ensure we continue to provide services in line with our policy whilst being able to respond to the increasing demands on the service.
- Invest in the Fire and Rescue Service, by reducing their savings target in recognition of the difficulties experienced in moving towards increased collaboration to provide capacity to shape proposals for the delivery of efficiencies and in preparation for and in response to the forthcoming inspection.

1.4. We will also continue to invest in Warwickshire's future, so that the economy is vibrant and we can use the proceeds from that to ensure our most vulnerable citizens are safe and that children and young people across the county have the opportunity to thrive and fulfil their potential.

1.5. We will invest:

- £2.5 million in an ambitious Digital Transformation Programme. Expectations around digital access and ease of doing things online have increased and will continue to grow at pace. The services we provide have to be part of this. We also recognise we have an opportunity to invest in our digital infrastructure to help pinpoint customers who need support, improve their outcomes and enable them to transact with the Council on line. Digital transformation will provide capacity to deal with the huge volumes of requests for data and information we face and enable us to work more efficiently. We need to make sure we provide our customers with seamless integration across council services; this means customers verifying who they are once. Investment in digital platforms and data sharing will help us to become an enabler for our residents to help themselves.
- Generate additional capital so we can invest in the infrastructure of our County, including investing £200,000 in digital fibre optic hubs to enhance access to high speed communications in local communities and £330,000 to convert six school-based children's centres into specialist provision for pupils with special educational needs.
- £100,000 to expand the capacity of our transport planning team to maximise the funding received from developers to deliver the infrastructure requirements associated with housing and business growth across the county.
- £108,000 to maintain our library network, including Sunday opening, and to work with local communities to support the enhanced delivery of services from across our authority and community-managed libraries.
- £150,000 to work with partners on a joint project to integrate help for those in need of support due to mental health issues, homelessness and drug abuse.
- £100,000 to support the digitalisation of our heritage collection

- £75,000 to work with partners to support the year of well-being.
- 1.6. The level of savings to be delivered and the choices we have made have not been taken lightly. But we will continue to be responsible and commit ourselves to targeting resources that will support our vision to make Warwickshire the best it can be. We are all consumers of the services the County Council provides. We also represent the tax payers of Warwickshire.
 - 1.7. Unless there is a compelling invest-to-save business case we will only fund additional spending where there is no alternative. We will continue to invest in service improvement and redesign for the benefits of citizens. To do this, we will work with partners in Health, other local authorities, Police and other public agencies to deliver services. We will require services to focus on the preventative agenda to manage demand downwards, so we can secure even more value for money.
 - 1.8. This keeps costs down, but we do acknowledge the need for an increase in local tax. We will use the opportunity provided by the government to levy a 2% council tax to provide additional ring-fenced resources to fund Adult Social Care services. In addition, we require an increase of 2.99% on the council tax for all other services too. In total, this 4.99% council tax increase is equivalent of an increase of £1.25 per week for a Band D dwelling.

2. Adult Social Care

- 2.1. Adult social care is our largest consumer of resources. In November 2015 the Government announced that local authorities would be able to levy an additional 2% on top of their normal council tax increase each year, with this additional funding to be ring-fenced for use in adult social care.
- 2.2. We will continue to implement our plan to take the additional 2% levy for adult social care each year for the period 2017 to 2020 and will increase the resources available to deliver adult social care by at least the amount raised from the levy. We know that, both locally and nationally, this is a top priority for citizens. We expect the Service to manage within these funds and the additional funding provided by the Government through the Better Care Fund, meeting all demographic, statutory and inflationary pressures or through the delivery of the identified savings proposals. We expect the Service to continue to work with partners to manage the extent of any emerging demand-led spending pressure, thereby reducing the level of savings needed.
- 2.3. We believe this approach provides the flexibility needed by the Service to manage its resources in the most effective way. Our focus is the

transformation of adult social care pathways, the way we deploy social workers and the enhancement of information and advice to enable people to shape their own solutions.

3. Revenue Allocations

- 3.1. To reflect the significant pressures on communities and the increasing demand for services we are responsible for, whilst ensuring we continue to develop so we can deliver the public services expected for the future, we are making allocations totalling £32.643 million.
- 3.2. We will provide £12.158 million for the estimated cost of pay and price inflation in 2018/19, allocated between Business Units as shown in **Appendix A**. In making this allocation it is acknowledged that the allocation to Business Units for inflation is an approximate cost, recognising that some costs will increase above the standard rate and some below. Once the overall allocation has been agreed, a Business Unit will have the opportunity to allocate the funding provided to reflect where inflation will impact at a local level.
- 3.3. The Medium Term Financial Plan sets aside a further £12.590 million to meet the estimated cost of inflation in 2019/20. We recognise that we are likely to face rising inflationary pressures. Any inflationary pressures that cannot be managed from within this provision would need to be met by reducing spending by an equivalent amount.
- 3.4. In addition to meeting the estimated cost of inflation we will also provide £20.485 million to meet additional spending need, of which £8.562 million is time-limited. Details of the allocations and how we expect the funding to be used are also detailed in **Appendix A**.
- 3.5. We expect business units to manage all other issues from within existing financial resource levels and support their planned use of £5.680 million of service reserves to provide capacity to invest in service change and to allow space to effectively implement service redesign/reprioritisation.

4. Dedicated Schools Grant

- 4.1. We continue to expect the cost of funding schools and relevant pupil-related services to be contained within the level of the Dedicated Schools Grant (DSG) over the period of the Plan. We do not intend to subsidise or write-off any overspends over the period of One Organisation Plan 2020. We have committed, within our Medium Term Financial Planning Framework to work

with schools and the Schools Forum on a long term solution for the sustainability of services funded from DSG. We have put in place a review, to be completed by June 2018, of current DSG spend against the Government's Operational Guidance and our strategic outcomes, with a view to improving the deployment of DSG resources for maximum impact.

5. Funding Sources

- 5.1. Our savings plan will generate £8.889 million in 2018/19 and approval is given to the plans for the delivery of these savings in **Appendix B**. If during 2018/19 any of the savings do not materialise to the degree shown, the Head of Service in conjunction with the relevant Joint Managing Director, Strategic Director and Portfolio Holder should identify alternative proposals to ensure the savings targets are delivered and report this as part of quarterly monitoring.
- 5.2. There are clear risks with the deliverability of the projects that will be undertaken to deliver savings at this level on an annual basis. We are also therefore outlining costed savings proposals for 2019/20 that enable a greater understanding of the impact of savings plans and the difficult choices we have to make. These are also detailed in Appendix B.
- 5.3. Just under half of the authority's spending each year is on staffing. Therefore, any proposals to deliver savings of this level will require, in some areas, a reduction in the number of posts. Policies and processes are in place to enable us to effectively redeploy people. However, it has to be recognised, some redundancies will be necessary, resulting in a need to fund redundancy costs. Within these budget proposals we will retain £12.3 million in a Fund for realigning services, or more specifically to fund the up-front costs of redundancy. All allocations from the Fund must be made in accordance with the protocol issued by the Joint Managing Director (Resources).
- 5.4. We will use the £9.690 million Revenue Support Grant received from the Government to support these proposals. In doing so we recognise 2018/19 is the last year in which we will receive a general government grant of this nature and therefore the higher level of savings planned for 2019/20 partially reflect the loss of this funding.
- 5.5. Included within the roll-forward budgets are a number of other grants we receive from the Government for specific purposes. Any variations to the levels of funding received will be matched by an equivalent adjustment in the budget for the respective service.

- 5.6. We will use business rates funding of £65.285 million to support the overall budget of the County Council.
- 5.7. In the event of final central government funding allocations and levels of business rates being above or below the provisional settlement level the variation will be managed by an adjustment to the Medium Term Contingency during 2018/19.
- 5.8. We will use the £2.124 million surplus from the collection of council tax to support the budget on a one-off basis.
- 5.9. We will provide sufficient resources to ensure the level of General Reserves is at least consistent with that stated by the Head of Finance as the minimum level of general reserves given the financial risks facing the authority. We will use £8.206 million of the Medium Term Contingency and available General Reserves to support our spending plans.
- 5.10. **The council tax will increase by 4.99%.** With the other funding resources identified, this will fund the proposals contained within this resolution.

6. Medium Term Financial Planning Framework

- 6.1. We plan our budgets over the medium term. This allows for a more focussed and planned approach to prioritisation. This means services can focus on delivery knowing the financial environment within which they will be required to operate. We have continued with this approach in the 2020 One Organisation Plan taking us through to the end of 2019/20.
- 6.2. We recognise that beyond 2019/20 the changes to the system of local government finance as a result of the increasing moves towards self-sufficiency and the localisation of business rates means our financial planning processes will need to change as the level of income from local taxation will become increasingly variable and unpredictable. We therefore ask Corporate Board to begin the preparatory work to ensure the organisation is in the best position to remain financially robust as we move into this more volatile funding environment.
- 6.3. In preparing this budget and savings plan we have recognised that continuing austerity alongside growing demand for and expectations of public services will continue beyond 2020. We know this means significant challenges for the organisation, beyond those that we have already faced including the changing way in which people want to access services. We will need to consider how we deliver such a fundamental shift in the capacity of local government and

public services more generally. This will take time, investment and a broad engagement with all those affected, both inside and outside the organisation.

6.4. Whilst the Plan provides a financially sustainable basis through to the end of 2019/20 we recognise there are areas where work is still needed. There are a number of areas where we expect Corporate Board to develop more detailed plans in time for the 2019/20 refresh of the Medium Term Financial Plan. These include:

- The identification of a long term solution to bring the Dedicated Schools Grant (DSG) back into balance. This should include an assessment of the future for services previously funded by the Education Services Grant and Early Years central funding.
- A review of the Fire and Rescue Service to shape proposals for the delivery of efficiencies and in response to the forthcoming inspection
- A feasibility study into the County Council undertaking a more commercial approach to the use of its property and land assets.
- A digital transformation pathway that outlines the benefits to the people of Warwickshire, service users and service providers as well as identifying the contribution that digital transformation can make to the delivery of savings beyond 2020.
- The development of a collaborative approach to end-to-end service redesign of the collection and disposal of waste across Warwickshire and neighbouring authorities with a view to delivering additional savings for all partners.

7. Head of Finance Statement

7.1. That the following statement from the Head of Finance be noted.

“The 2003 Local Government Act places specific responsibilities on me, as “Chief Financial Officer”, to report on the robustness of the budget and the adequacy of proposed financial reserves when the authority is considering its budget requirement. The Council is required to have regard to this report when it sets the budget. There are a range of other safeguards that I must also consider to prevent the Local Authority from over committing itself financially, including:

- *the balanced budget requirement (England, Scotland and Wales) (sections 32, 43 and 93 of the Local Government Finance Act 1992);*

- *the legislative requirement for each local authority to make arrangements for the proper administration of their financial affairs (section 151 of the Local Government Act 1972).*

Given the uncertainties of the economic environment and the scale of the expenditure reductions required and the growing demands on services, there are significant risks facing the Authority in delivering a balanced budget. In fulfilling the various responsibilities placed on me as Chief Financial Officer, I have set out below, what I see as the key risks associated with the proposed budget and how they can be managed, so that Members are clear on the risks associated with these budget proposals when making their budget decision.

Risk 1 – Delivery of the Savings Plan

The savings plan needs to be fully implemented to ensure the Council’s 2018/19 budget remains balanced and over the period of the One Organisation Plan 2020. To mitigate this risk:

- *key policy changes associated with major savings proposals have been identified;*
- *Heads of Service, the Joint Managing Directors, Strategic Directors and Portfolio Holders have been charged with ensuring that processes are in place to ensure that savings proposals are delivered to timetable, and*
- *If savings proposals are not delivered, Heads of Service, Joint Managing Directors, Strategic Directors and Portfolio Holders are required to identify alternative ways of meeting the savings targets.*
- *Monitoring of the delivery of the savings plan will be extended to include the monitoring of consultation timelines to ensure decisions are taken in a timely manner and implementation timescales are met*

Risk 2 – Business Rates Retention Scheme and Local Government Funding

The changes to the funding of Local Authorities, making us more dependent on the level of business rates collected locally, is likely to result in volatility to the Council’s funding to a greater extent than in previous years. This places greater importance on the need to maintain reserves to manage any volatility. There is also greater uncertainty with the announcement of a Fair Funding review of local government and how this may affect the resources available to the Council.

Risk 3 – Pensions

Given the range of possible changes to the Local Government Pension Scheme, this remains a key risk for the Council, in terms of possible costs arising from any new scheme and the financial consequences of large numbers of staff leaving the scheme.

Risk 4 - Treasury Management

The level of interest receipts and return on Treasury Management activities and borrowing costs are subject to market rates. Members are advised of this risk each year and this is mitigated by application of the Council's annual Treasury Management Strategy. However, actual interest returns/costs are determined by a variety of factors largely outside the Council's control.

Risk 5 – Repayment of Overspends

Arrangements have been put in place through the quarterly One Organisation Plan progress reports to Cabinet and this budget resolution to stabilise the financial position of those services overspending. If overspends occur in future years, services will be faced with seeking to deliver additional savings to repay overspends as well as delivering considerable savings targets in 2018/19. The flexibility to manage this through service reserves is reduced as a result of the use proposed in this resolution.

Risk 6 – Impact on the Medium Term Financial Planning Framework

The Medium Term Financial Planning Framework outlines the significant additional financial challenge to the authority in future years. Given the extent of this challenge Members are advised it is important that decisions taken in agreeing the 2018/19 budget do not increase this financial risk. The commitment of Members to meet the financial challenges ahead and take the decisions needed to ensure the finances of the authority remain robust into the future is welcomed.

The budget information used in preparing this budget resolution has undergone extensive scrutiny by:

- *Heads of Service and their staff*
- *Staff within the Finance Service*
- *Corporate Board*

In addition to this I have worked closely with members in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust, albeit challenging, budget.

I have also undertaken a risk analysis of the adequacy of financial reserves, taking account of the financial risks above. This highlighted the need to retain a minimum of £18.5 million in general reserves in 2018/19. This resolution makes provision for this level of reserves. I am therefore of the view that this budget does provide for an adequate level of reserves.”

8. Summary of Service Estimates

8.1. Approval be given to the individual service net revenue estimates of:

	Controllable Budget £	Revenue Allocations £	Funding Sources £	Total £
Community Services	26,030,112	1,282,000	(747,000)	26,565,112
Education and Learning	95,185,164	1,289,000	(733,000)	95,741,164
Fire and Rescue	18,703,117	513,000	0	19,216,117
Transport and Economy	25,212,383	1,244,000	(689,000)	25,767,383
Children and Families	56,698,493	5,665,000	(2,985,000)	59,378,493
Public Health	22,691,623	681,000	0	23,372,623
Social Care and Support	132,594,995	11,478,000	(2,562,000)	141,510,995
Strategic Commissioning	12,997,833	255,000	(406,000)	12,846,833
Customer Services	8,406,740	470,000	(10,000)	8,866,740
Finance	3,625,189	120,000	(65,000)	3,680,189
Human Resources and OD	4,507,271	120,000	(75,000)	4,552,271
Information Assets	8,581,097	579,000	(363,000)	8,797,097
Law and Governance	766,811	37,000	(49,000)	754,811
Performance	3,483,478	81,000	(55,000)	3,509,478
Property Services	8,388,383	1,184,000	(50,000)	9,522,383
Other Services - spending	41,857,416	7,645,000	(100,000)	49,402,416
Other Services - schools and funding	(127,198,092)	0	(74,975,000)	(202,173,092)
	342,532,013	32,643,000	(83,864,000)	291,311,013
Contributions to/(from) reserves:				
- Service Reserves	(5,680,000)	0	0	(5,680,000)
- Medium Term Contingency	0	0	(8,206,397)	(8,206,397)
Budget Requirement	336,852,013	32,643,000	(92,070,397)	277,424,616

9. Council Tax Requirement

9.1. Approval is given to a council tax requirement and a Band D Council Tax for the County Council for the year ending 31 March 2019 as follows:

	£
Budget Requirement	277,424,616.00
Less Council Tax Surplus on Collection	(2,124,338.00)
Council Tax Requirement for the year ended 31 March 2018	275,300,278.00
Divided by aggregate Council Tax Base for the County Area	201,880.41
Basic Amount of Council Tax (Band D)	1,363.6800

10. Council Tax

10.1. The council tax for 2018/19 is increasing by 4.99%. Therefore, approval is given to Council Tax amounts for each category of property as follows:

	£
Band A	909.1200
Band B	1,060.6400
Band C	1,212.1600
Band D	1,363.6800
Band E	1,666.7200
Band F	1,969.7600
Band G	2,272.8000
Band H	2,727.3600

11. Precepts

11.1. The Joint Managing Director (Resources) is authorised to issue the 2018/19 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	28,031,615.22
Nuneaton and Bedworth Borough Council	50,711,577.35
Rugby Borough Council	49,462,269.19
Stratford-on-Avon District Council	74,289,481.87
Warwick District Council	72,805,334.37

12. Budget Management

12.1. The Joint Managing Director (Resources) is directly responsible for the implementation of the budget.

12.2. Cabinet will continue to receive quarterly reports on service performance, financial performance and progress on the delivery of the savings plans.

12.3. The Joint Managing Director (Resources) and Head of Finance are authorised to vire revenue budgets between Services where such virements are as a direct consequence of the specific spending allocations, delivery of the savings targets, invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.

- 12.4. The Joint Managing Director (Resources) and Head of Finance, in consultation with the Leader, are authorised to reverse allocations made as part of this budget process where the investment does not progress.
- 12.5. The Joint Managing Director (Resources) and Head of Finance are authorised to draw down from reserves accumulated from previous years' savings and vire money between reserves where these adjustments are as a direct consequence of the specific spending allocations, delivery of the savings targets (including where there are revenue savings from using the receipt from the sale of assets to repay debt and savings from the pro-active management of the authority's cash balances and the transfer of functions between business units), invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 12.6. The Joint Managing Director (Resources) and Head of Finance are authorised to make the necessary budget adjustments to fund the new responsibilities given to the County Council during the year, or where responsibility for services transfers out, up to the level of Government funding provided/withdrawn.
- 12.7. The Joint Managing Director (Resources) is instructed to remind the Joint Managing Director (Communities), Strategic Directors, the Chief Fire Officer and Heads of Service that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Services' work to secure value for money.
- 12.8. Services, and also schools, are encouraged to take a medium term view of spending commitments and ensure a prudent approach is adopted in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 12.9. All member bodies, Members and officers are instructed to comply with the prescriptive legal duties placed upon the Council. The Joint Managing Directors, Strategic Directors, Chief Fire Officer and Heads of Service are instructed to ensure that the implementation of policies complies with legal requirements.
- 12.10. That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget, subject to compliance with Contract Standing Orders, Financial Regulations and the key decision regime.

13. Pay Policy

- 13.1. Section 38 of the Localism Act 2011 requires us, as a local authority to prepare and approve an annual pay policy statement by 31 March, immediately preceding the year to which it relates.
- 13.2. The pay policy statement must set out the authority's policies for the financial year relating to the remuneration of chief officers (*which, in the case of the County Council, includes the Head of Paid Service, Strategic Directors and Heads of Service*) and the remuneration of employees who are not chief officers.
- 13.3. Our pay policy statement that meets these statutory requirements is set out in **Appendix C** and the County Council agrees the application of these remuneration policies for the financial year 2018/19. It also sets out our proposed approach to the payment of exit payments in Section 9.

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Community Services		
Inflation	608	608
Waste Management - allocation to mitigate the direct impact of housing growth and contract inflation	252	252
Waste Management - 1 year allocation to allow further work to be done to seek a permanent resolution to budget pressures by 2019/20	322	0
Digitising Heritage - 1 year allocation	100	0
Community Services Sub-total	1,282	860
Education and Learning		
Inflation	496	496
SENDAR Budget Pressures - funding to maintain existing commissions of statutory work funded from the SEND Implementation Grant which ended in 2017/18	599	599
Quality of Early Years Education and Family Support Workers - 1 year allocation improve the quality of early years education and continue the work of family support workers pending the review of the Dedicated Schools Grant in 2018/19.	194	0
Education and Learning Sub-total	1,289	1,095
Fire and Rescue		
Inflation	513	513
Fire and Rescue Sub-total	513	513

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Transport and Economy		
Inflation	609	609
Recoverable funds from HS2 will not cover all costs of supporting all of the council services and communities affected by HS2 - 2 year allocation to allow the current work to continue, pending a further review after this time	235	200
Skills for Employment Project Extension - 2 year allocation to extend the project for a further 2 years.	300	300
Transport planning - allocation to ensure contributions from developers to meet the cost of infrastructure demands resulting from their developments are met as part of rebalancing transport and development activities	100	100
Transport and Economy Sub-total	1,244	1,209
Children and Families		
Inflation	1,277	1,277
Child Sexual Exploitation and Local Authority Designated Officer (LADO) - an allocation to provide funding for the missing children's teams, to meet statutory requirement to provide a return home interview to all missing children and to fund an additional LADO to meet demand and OFSTED recommendations.	214	214
School Transport for Looked After Children - an allocation to meet the rising demand for the service	200	200
Adoption Service and the Regional Adoption Agency (ACE) - an allocation to fund shortfall from ending of the Hard to Place Grant until spend activity changes as a result of the planned efficiencies that the ACE will bring and a 1 year allocation of £94,000 in 2019/20 to meet the higher unit cost of ACE whilst the new working arrangements are embedded	204	298
Children's Social Care - an allocation to address structural overspend from 2017/18 in relation to the numbers of Looked After Children, the pressure on the foster carer/placement mix and to support the recruitment and retention of social workers	2,000	2,000
Family Support Workers - an allocation to provide sustainable funding which would otherwise be at risk by the move to the National Funding Formula given the general pressure on the funding available to support pupils with high needs	834	834

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Family Group Conferencing - a 2 year allocation to develop the Family Group Conferencing service by funding a further 3 Family Group Conference co-ordinators, to be funded from savings thereafter.	146	146
School Transport for Looked After Children - a 1 year allocation to fund back-dated claims for additional support by foster carers following a decision of the Local Government Ombudsman	240	0
Specialist Equipment For Children with Special Educational Needs and Disabilities (SEND) - A 1 year allocation, pending further work being carried out, to improve understanding of the cost drivers that have resulted in increased spend	125	0
Priority Families and Family Support - a 2 year commitment to continue to provide match funding for Early Help Officer support and four Family Support Workers	425	425
Children and Families Sub-total	5,665	5,394
Public Health		
Inflation	456	456
A 1 year allocation to support the Year of Well-Being	75	0
A 1 year allocation to a joint project with partners to identify opportunities for joining up support for those with mental health, homelessness and drug abuse problems.	150	0
Public Health Sub-total	681	456

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Social Care and Support		
Inflation	6,174	12,033
Adult social care demand pressures	3,996	7,053
Additional investment in the development of an integrated health and social care service, with commitments agreed with health partners and funded from additional government grant	1,308	2,012
Social Care and Support Sub-total	11,478	21,098
Strategic Commissioning		
Inflation	255	255
Strategic Commissioning Sub-total	255	255
Customer Service		
Inflation	260	260
Family Information Service (FIS) - an allocation to provide additional capacity in the FIS service to deliver cost effective early intervention	102	102
Libraries - retention of Sunday opening and retaining the Warwick district local library network	83	83
Libraries - a 1 year allocation to support the development of community hubs in Libraries	25	0
Customer Service Sub-total	470	445
Finance		
Inflation	120	120
Finance Sub-total	120	120

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Human Resources and Organisational Development		
Inflation	120	120
HR and OD Sub-total	120	120
IT Services		
Inflation	230	230
Information management including subject access requests - an allocation to meet new Data Protection legislation and the updated Information Commissioner's requirements.	149	149
Digital fibre option network - 1 year allocation	200	0
IT Services Sub-total	579	379
Law and Governance		
Inflation	37	37
Law and Governance Sub-total	37	37
Performance		
Inflation	81	81
Performance Sub-total	81	81

2018/19 Revenue Spending Allocations

Description	Cumulative	
	2018/19 £'000	Indicative 2019/20 £'000
Property Services		
Inflation	184	184
An allocation to fund the up-front costs of bringing strategic sites through to disposal, including seeking outline planning permission	1,000	0
Property Services Sub-total	1,184	184
Other Services		
Inflation (the 2019/20 allocation is for all services excluding adult social care)	738	7,469
Capital Investment Fund - provision for the revenue costs of the increased borrowing	1,872	1,872
An allocation to provide capacity to meet our civic responsibilities. In 2018/19 this will be focussed on commemorating the end of World War One and the diversity of the Commonwealth	10	10
Impact of policy changes for transport costs of looked after children - 1 year allocation pending a decision on the Council's policy going forward.	125	0
Digital First Customer Transformation Programme - to deliver further improvements in service redesign using digital capabilities	2,500	0
Fire - a 1 year provision to provide transitional capacity to shape proposals from review of the Fire Service for implementation in 2019/20	1,000	0
A 1 year allocation to finance additional temporary borrowing as a result of delay in the Europa Way asset disposal	1,400	0
Provision for indicative spending pressures in 2019/20	0	3,615
Other Services Sub-total	7,645	12,966
Total Revenue Spending Allocations	32,643	45,212

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Community Services Business Unit		
Youth Justice Service - a service redesign focussed on reactive court ordered activity with a reduction in staffing and management costs as a result	0	222
Community Services Management - a reduction in the funding for training, legal costs and projects and a reduction in management posts consistent with the redesign of the Business Unit	206	206
Trading Standards - implementation of a service redesign focussed on generic roles for trading standards officers and a 'one team' approach removing specialisms, partially offset by additional investment in intelligence to aid assessment and resilience, as a result there will be a reduction in staffing and management costs. Activity that delivers internet safety for vulnerable people will be protected	203	203
Waste Management - a reduction waste tonnage to landfill, an increase in trade waste and third party income, an increase in recycling and a change in the allocation of recycling credits for green waste and food waste	36	679
Communities Resources - a reduction in activity and staffing to focus on statutory activity such as freedom of information requests and information governance matters.	22	43
Heritage and Culture - a refocus of services on the Market Hall Museum, the County Records office and income generation	280	360
Total for Community Services	747	1,713

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Education and Learning Business Unit		
Attendance, Compliance & Enforcement Service (ACE): Reduce the number of cases that require intervention, effective use of funding from the priority families programme, increase trading with academy schools outside Warwickshire and reductions in the service	139	139
Reduction in management and administration and the removal of the funding set aside for school-based projects that arise during the year.	110	110
Restructure of the school improvement and early years quality improvement functions and the post-16 team to reflect the approach to school-led improvement approach and policy outlined in the Education for All Bill.	101	101
Access and Organisation; a reduction in planning costs, the removal of funding for vacant sites and removing the provision for the set-up costs of new schools	35	70
Stop funding redundancy costs for schools and only provide for existing commitments	100	221
Reduction in the Home to School Transport Budget.	248	248
Total for Education and Learning	733	889
Fire and Rescue		
Alternative savings to be identified	0	1,520
Total for Fire and Rescue	0	1,520

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Transport and Economy Business Unit		
Increased income as a result of pricing changes in Design Services, bringing our charges in line with the sector norm.	50	100
Generate income by an increase in the fees payable for licences and permits, including skips, scaffold, street café licenses and vehicular access requests.	5	10
Increase income targets to reflect current activity levels from Section 184 and Minor Works, Section 38 Agreements and pre application advice for highways.	10	20
Increase parking income as a result of re-tendering for the Civil Parking Enforcement operation, increased residential parking permits and on-street parking charges	44	88
Increased income from the permit scheme for working on the highway as a result of systems development efficiencies and a more targeted site inspection regime will ensure compliance with permit scheme approvals.	85	250
Commissioning of the cycle training service to an external provider.	5	5
Energy savings as a result of the capital investment into LED technology within our street lighting stock.	400	700
Increased income from the current portfolio of business centres as a result of sustained higher levels of occupancy and through pro-active measures to improve service quality to enable increased rents in line with market conditions.	20	50
Increased income and surplus from County Fleet Maintenance following the installation of an MOT test facility at the new Hawkes Point site.	25	50
Develop the market for pre application advice, with the introduction of the pre-application charges in Flood Risk	20	20
Generate new income from the implementation and operation of a highway permit scheme for Solihull MBC. The County Council currently manages a similar permit scheme for Coventry City Council.	25	50
Winter gritting route optimisation as a result of rationalising depots to a single south depot.	0	25
Reduction in depot maintenance costs as a result of rationalising depots to a single south depot.	0	75
Increased income by the introduction of a new charging schedule for parking permits, including a consideration of a business parking permit scheme.	0	698
Increased income by developing portfolio of business centres, creating new units in areas of demand to support local economic growth and generate a positive financial return to the Council	0	80
Total for Transport & Economy Business Unit	689	2,221

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Children and Families Business Unit		
Reductions, savings and efficiencies in the operation of the Business Unit including a refocus of council-led parenting training, efficiency savings from the establishment of a regional adoption agency and fully integrating the Priority Families team into the management and operational structures of the Business Unit	149	209
Delivery of a reduction in the need for children to become or remain looked after in Warwickshire	1,592	4,792
Children's Centres - a redesign of the service to reflect targeting support on those with greatest need	748	1,120
Changes to the placement mix of Children Looked After and improved management of placements, including building on best practice to improve the numbers of women that go on to successfully parent or make a positive choice not to have further children and delivery of a specialist single placement fostercare scheme	140	860
Savings in the commissioning of services including a reduction in external residential placement costs through a move to more collaborative provision and the development of a framework agreement to reduce the cost of psychological assessments	215	215
Increase the income generated from traded services including new income generation opportunities within the CAMHS contract	110	160
Children's Centres	0	0
Integration of the support services provided to the Adult and Children's Safeguarding Boards	31	31
Total for Children and Families	2,985	7,387

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Public Health Business Unit		
Drugs and Alcohol - a reduction in costs, prioritised through a redesign and recommissioning process	0	923
Healthwatch - re-tendering and redesign of the service to allow greater use of different channels, of volunteers and alignment with other similar agencies	0	45
Dietetics - retain the acute provision and move community provision towards the preventative approach with access criteria and lower priority requirements accessed through other community provision.	0	200
Reduce staffing and overheads across the Business Unit	0	200
Smoking Cessation - redesign services to accommodate the changes in how the public are choosing to quit smoking	0	100
Health Visitors and Family Nurse Practitioners - reduction in costs, prioritised through a redesign and recommissioning process	0	735
Advocacy - retendering and redesign of the service, combining the two advocacy approaches into one (see proposed saving from Healthwatch)	0	85
Total for Public Health	0	2,288

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Social Care and Support		
Redesign contract arrangements for short breaks for people with disabilities, ensuring more consistent use of residential respite	0	0
Ensure the personal budget offer is consistent and appropriate to need, including the use of the Resource Allocation System	352	500
Increased reliance on mainstream transport solutions to enable customers to access the services they need	165	408
Service redesign for Social Care and Support teams (except Reablement - separate savings plan), reshaping the workforce to meet the future model of adult social care	0	550
Management of the National Living Wage and inflation impacts through the development of a revised commissioning approach	0	0
Use alternative 24 hour care options e.g. extra care housing and supported living	669	1,294
Develop and shape community alternatives and improve social capital to reduce demand on statutory social care services	960	1,200
Alternative solutions for low level needs for home care e.g. assistive technology, information, advice and community resources	416	600
Consideration of alternatives to day opportunities	0	0
Remodel direct payment employment support services	0	150
Reshaping the information and advice contract aimed at supporting people to return home safely from hospital	0	100
Integration of the support services provided to the Adult and Children's Safeguarding Boards	0	0
Total for Social Care and Support	2,562	4,802

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Strategic Commissioning Business Unit		
Reduction in the Housing Related Support Programme through a further redesign of the service to ensure support is provided to the most vulnerable, supporting individuals to become more independent and self-sufficient. Review of contracts with a view to reducing costs/services, including decommissioning some specialist services and re-modelling and recommissioning generic housing related support services.	0	400
Reduce and reshape the staffing structure within the Business Unit and a reduction in programme and management support	49	171
All Age Disabilities - commission only statutory advocacy services and redesign appointee services	49	49
Integration of existing commissioning functions into a single commissioning service and generation of an income stream through joint commissioning with and on behalf of partner organisations	125	150
Reduction in historic pension costs that will decline naturally over time	12	24
Reduction in the contingency and projects budget of the Business Unit and the delivery of a rationalised Head of Service structure once the redesign and transformation work has been delivered.	22	204
Reduction in the funding allocated to provide training for the Adults and Children's Safeguarding Boards	80	80
Rationalisation of the system supporting the Local Authority Designated Officer function with the main social care ICT systems to enable a saving in licensing costs and reductions in Google licence costs	4	24
Redesign of the support function for Care Records ICT Systems	65	65
Reduction in business redesign and collaboration functions and funding for service specific learning and development activity	0	66
Total for Strategic Commissioning	406	1,233
Customer Services Business Unit		
Increase income from the Registration Service	10	45
Reduction in Library and One Stop Shop and Customer Service Centre management and support staff consistent with the restructure and redesign of these services	0	90
Total for Customer Services	10	135

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Finance Business Unit		
The service will reduce the number of staff it employs to support both service managers and Elected Members for budget setting, quarterly financial monitoring and final accounts, by focussing more on training and on-line support and redesigning services to improve the "financial literacy" of the organisation.	35	40
The service will reduce the need for current staffing capacity by focussing on greater use of standardised processing of transactions, less manual intervention and exploring the benefits of a broader transactional service across the organisation.	30	120
Total for Finance	65	160
Human Resources Business Unit		
Workforce Strategy and Organisational Development Service - Redesign the service reducing management and team capacity; streamlining learning and development processes with the HR Service Centre and reducing spend on corporately funded learning.	27	76
Implement a new HR and payroll system to replace HRMS and restructure the HR Service Centre. This will include the review of charges for all external customers	0	229
The purchase of the new HR and payroll system will provide an alternative learning management and e-learning option resulting in the decommissioning of WILMA and a reduction in the current licence costs.	0	31
Employee welfare - Review the employee welfare service, including seeking a more cost effective provider of staff care and a reduction of support to managers in health and safety and well-being.	48	48
Total for Human Resources	75	384

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
IT Services Business Unit		
Savings in the costs associated with the management of the Information Assets Service. This includes options to rationalise the management structure associated with the refocused operational activity and a more commissioning style structure. It also includes an option to offer staff alternative working arrangements such as reduced hours.	58	123
Reduction in the costs associated with the management and support of the ICT Infrastructure equipment that is used to deliver our ICT systems and related facilities. This includes savings associated with the introduction of a new modern telephony service, further contract benefits and adoption of a capital approach for some projects/products.	110	210
Reduction in the funding associated with the provision of ICT Help Desk and Support Services, and a further reduction in the volume and costs of the personal computing facilities provided to staff and elected members.	145	285
Savings in the staffing budget for the Strategy, Programme and Information Team as Project and Programme management support capacity is reduced as part of the general reduction in size of the Council.	50	150
Total for IT Services	363	768
Law and Governance Business Unit		
Internal Audit - Savings achieved through streamlining processes and restructure of service	20	20
Increased surplus from external legal work - combination of reducing operating costs, increasing utilisation and delivering more external hours to external customers at increased hourly rates.	29	63
Total for Law and Governance	49	83
Performance Business Unit		
Reduction in management and operational capacity through streamlining processes and redesigning the service.	45	90
Reduction in software tools and procured data sets which are used to provide insight and intelligence in support of transformation and service delivery for the Council.	10	20
Total for Performance	55	110

Description of change proposed	Cumulative Cash Saving	
	2018/19 £'000	2019/20 £'000
Property Services Business Unit		
Reduction in the Council's borrowing costs as a result of using capital receipts from the sale of land and buildings (both urban sites and smallholdings) to reduce long term debt	0	1,140
Reductions in WCC's landlord maintenance budget commensurate with the reduction in property holdings	50	100
Total for Property Services	50	1,240
Other Services		
Management restructure	100	100
Total for Other Services	100	100
CUMULATIVE TOTAL	8,889	25,033
IN-YEAR TOTAL	8,889	16,144

Warwickshire County Council – Pay Policy Statement 2018/19

1 Statutory Requirement

- 1.1 Section 38 of the Localism Act 2011 requires that local authorities must prepare and approve an annual pay policy statement, applicable to all staff except those employed in schools, by 31 March immediately preceding the year to which it relates.
- 1.2 The pay policy statement must set out the authority's policies for the financial year relating to:
- ◆ the remuneration of its chief officers (which for the purposes of this Act and in the case of the County Council, includes Joint Managing Directors, Strategic Directors and Heads of Service)
 - ◆ the remuneration of its lowest paid employees, and
 - ◆ the relationship between:
 - the remuneration of its chief officers and
 - the remuneration of its employees who are not chief officers
- 1.3 The pay policy statement must state:
- ◆ the definition of "lowest paid employees" adopted by the authority for the purposes of the statement, and
 - ◆ the authority's reasons for adopting that definition
- 1.4 The statement must include the authority's policies relating to:
- ◆ the level and elements of remuneration for each chief officer
 - ◆ remuneration of chief officers on recruitment
 - ◆ increases and additions to remuneration for each chief officer
 - ◆ the use of performance-related pay for chief officers
 - ◆ the use of bonuses for chief officers
 - ◆ the approach to the payment of chief officers on their ceasing to hold office under or be employed by the authority
 - ◆ the publication of and access to information relating to the remuneration of chief officers
- 1.5 A pay policy statement may also set out the Authority's policies relating to the other terms and conditions applying to the authority's chief officers.

- 1.6 The following paragraphs seek to meet these statutory requirements by setting out County Council policy in the above prescribed areas, having firstly summarised the background to pay issues within this Authority.

2 Remuneration Policies

- 2.1 In seeking endorsement of the pay policies summarised below, the wider picture of job reductions and reductions in benefits and allowances needs to be taken into account.
- 2.2 The savings proposals contained within the Council's One Organisation Plan 2017- 20 involves an anticipated reduction of 317 posts.
- 2.3 The Council has also implemented the National Living Wage for all staff regardless of age.
- 2.4 The County Council's policy in respect of the vast majority of its employees is to pay staff in accordance with pay frameworks and terms and conditions agreed by the national negotiating bodies representing local authorities and recognised trade unions. Review of Pay and Conditions and any Discretionary pay awards to Hay graded staff are agreed by the Staff and Pensions Committee which has delegated authority for all issues relating to remuneration of staff
- 2.5 For the majority of its employees the Council's policy is to implement the pay framework and terms and conditions, unless locally agreed otherwise, prescribed by the National Joint Council for Local Government Services ('NJC'). For Hay graded staff pay awards ordinarily follow the NJC national recommended award.
- 2.6 An NJC pay agreement for 2018-19 is expected to be reached during 2018. The NJC pay agreement 2015-17 adjusted the salary 'spine' removing the 3 lowest points so the framework now comprises 43 salary points, currently between £15,014 pa and £43,821 pa for a full-time employee (based on a 37 hour week). The Council's policy is to evaluate posts in accordance with the job evaluation scheme agreed by the NJC and then to allocate them to one of the incremental pay points within the salary spine.
- 2.7 It is the Council's policy to pay a temporary and reviewable 'market supplement' to salary levels within the NJC pay framework where there is clear and demonstrable evidence that the salary level otherwise attached to the post creates substantial recruitment, retention or 'market un-competitiveness' difficulties.

- 2.8 Other groups of employees are paid in accordance with salaries or salary scales agreed by the relevant national negotiating bodies. These groups include uniformed fire and rescue staff, youth workers, craft workers and those falling within the ambit of the Soulbury Committee or School Teachers' Pay and Conditions agreements.
- 2.9 For all groups of staff paid in accordance with pay frameworks agreed by the national negotiating bodies, the Council's policy is to implement such salary increases as are agreed by those bodies without further local negotiation. Staff and Pensions Committee will consider pay and remuneration which falls outside of the recognised national frameworks and recommendations.
- 2.10 The only exception to the Council's policy of determining remuneration in accordance with national pay agreements, relates to senior professional or managerial employees whose posts are evaluated at more than 760 points under the NJC job evaluation scheme (see paragraph 2.4 above) and for which it would therefore be inappropriate to accommodate within the NJC salary 'spine'. (The relationship between posts covered by the NJC pay framework and this group of employees was supported by the Staff & Pensions Committee on 27th May 2010).
- 2.11 The policy of the Council is to pay this group of employees, which includes the Joint Managing Directors, Strategic Directors and Heads of Service, within a framework of six locally determined incremental salary grades (known as 'Management Bands'), or in the case of the Joint Managing Directors and the Chief Fire Officer a 'spot' salary payment. Each post is evaluated using a proprietary job evaluation scheme devised by Hay Management Consultants and used widely in the public and private sectors both in the UK and abroad.
- 2.12 The salary levels attached to each Management Band are determined with reference to the independent advice of Hay Management Consultants having regard to salaries paid elsewhere in the public sector, predominantly in local government. Currently, the pay framework for Management Band staff covers a salary range from £40,580 to £172,866.
- 2.13 The above policies apply save in cases where the operation of the Transfer of Undertakings (Protection of Employment) Regulations, or other statutory provision, dictate otherwise.
- 2.14 Where a person is appointed under a 'contract for service', rather than as an employee, the Council's Contract Standing Orders are followed to ensure that maximum value for money is secured.

- 2.15 **It is proposed that the County Council applies the remuneration policies set out above for the financial year 2018/19.**

3 Relationship between the highest and lowest paid employees

- 3.1 The policy of the Council to pay employees in accordance with the NJC pay framework means that its 'lowest paid employees' are paid an annual salary of £15,014 pa, or on a pro-rata basis if they work for less than 37 hours per week. This definition does not include those working as apprentices undergoing a recognised national training scheme, those on work experience or those on other placements related to training, which are not established posts within the Council. The reason for excluding those individuals from the definition of 'lowest paid employees' is that the primary aim of their engagement is training and as such, they are not considered to be carrying out the full range of duties when compared to employees in established posts.
- 3.2 This means that the 'salary ratios' between the Council's lowest paid staff and its Joint Managing Directors and Strategic Directors are 1:11 and 1:9 respectively.
- 3.3 The salary differentials between the highest and lowest paid staff in the County Council, and local government in general, are very much less than in similar sized private sector businesses.
- 3.4 The salary ratios between the Council's median salary level (£24,210 pa) and that of its Joint Managing Directors and Strategic Directors are 1:7 and 1:6 respectively.

4 Specific policy and practice: The level and elements of remuneration for each chief officer

- 4.1 The Joint Managing Directors are paid a spot salary of £162,000 pa and will be reviewed annually in accordance with other Hay graded staff as outlined in 2.5. No other salary payments are made to the Joint Managing Directors.
- 4.2 The Chief Fire Officer is paid a 'spot' salary of £122,264 pa (including the 1 January 2017 pay award) based on Hay evaluation. No other salary payments or benefits are made to the Chief Fire Officer. With the exception of paragraph 4.3, further references in this document to Strategic Director includes the Chief Fire Officer.

- 4.3 The Strategic Directors are paid on the same five point incremental scale under Hay, (currently £126,911 - £140,383 as agreed in December 2015) agreed by the Council in 2005 in accordance with independent advice from Hay Management Consultants and increased annually thereafter. (See paragraphs 2.5 and 2.11 above). No other salary payments are made to the Strategic Directors. Published information for other County Councils suggest the average salary for posts equivalent to Strategic Directors is £142,000, and most Councils have a larger number of posts at this level.
- 4.4 Heads of Service are paid on one of two five point incremental scales (£94,609 - £107,223 or £82,390 - £93,372) agreed by the Staff and Pensions Committee in December 2015. No other salary payments are made to Heads of Service.
- 4.5 Progression through incremental pay scales is on an annual basis, save that progression to the fourth and fifth points of the scale is subject to service in the post being certified as fully satisfactory.
- 4.6 Subject to the approval of the Joint Managing Directors or Strategic Directors for Heads of Service; Joint Managing Directors for Strategic Directors; Staff and Pensions Committee for the Joint Managing Directors, a temporary honoraria payment may be made where a Chief Officer undertakes duties outside the scope of their normal job.
- 4.7 It is not the Council's policy to increase the pension benefits of the Joint Managing Directors, Strategic Directors or Heads of Service.
- 4.8 It is not the Council's policy to provide benefits in kind to the Joint Managing Directors, Strategic Directors or Heads of Service.
- 4.9 The maximum car mileage allowance paid to the Joint Managing Directors, Strategic Directors and Heads of Service is that prescribed for 'casual users'.
- 4.10 Details of the salary scales attached to the roles of Joint Managing Directors, Strategic Directors and Heads of Service are accessible on the Council's website.
- 4.11 The appointment of all employees is made in accordance with the Council's Officer Employment Standing Orders.

5 Specific policy and practice: Remuneration of chief officers on recruitment

- 5.1 Where recruitment is to a new post or the duties of the post have changed significantly, the post is re-evaluated and placed on the appropriate Management Band salary scale. Otherwise, the recruitment is to the existing salary scale.
- 5.2 Ordinarily, appointment is to the minimum point of the scale unless there are compelling reasons to do otherwise, e.g. the person we wish to appoint is already on a higher salary elsewhere and is not prepared to take a salary reduction.
- 5.3 Where a new salary package exceeds £100,000 this will require specific approval by the Council in advance of adoption.

6 Specific policy and practice: Increases and additions to remuneration for each chief officer

- 6.1 The salary scale attached to a post currently occupied would only increase in the event that the duties attached to the post changed significantly and this resulted in a fresh job evaluation suggesting that the post should be on a higher Management Band.
- 6.2 Any increases to the salary levels attached to Management Band salary scales are made in accordance with paragraph 2.10 above.

7 Specific policy and practice: The use of performance-related pay for chief officers

- 7.1 It is not the Council's policy to make performance related payments to the Joint Managing Directors, Strategic Directors or Heads of Service. The performance of all staff, including all senior staff, is managed via the Competency Framework and the Appraisal system.

8 Specific policy and practice: The use of bonuses for chief officers

8.1 It is not the Council's policy to make bonus payments to the Joint Managing Directors, Strategic Directors or Heads of Service.

9 Specific policy and practice: The approach to the payment of chief officers on their ceasing to hold office under or be employed by the authority

9.1 The Council's policies in respect of the payment of the Joint Managing Directors, Strategic Directors or Heads of Service ceasing to hold office are the same as for its other employees, as follows:

- ♦ In the case of an employee whose employment is terminated on grounds of redundancy or efficiency, any redundancy or severance payment should be based upon actual earnings.
- ♦ In the case of an employee whose employment is terminated on grounds of redundancy and who is aged 54 or less, or is aged 55 or over and is unable to immediately access accrued pension benefits, a severance payment based on applying a multiplier of 1.75 to the statutory redundancy payment formula, should be made.
- ♦ In the case of an employee whose employment is terminated on grounds of redundancy and who is aged 55 or over and is able to immediately access accrued pension benefits, a severance payment based on applying a multiplier of 1.75 to the statutory redundancy payment formula, should be made for the first £26,539 of the employee's salary. Thereafter, the following multiplier should be used at the following ages:
 - 55 - 1.65,
 - 56 - 1.55,
 - 57 - 1.45,
 - 58 - 1.35,
 - 59 - 1.25,
 - 60 - 1.15,
 - 61 - 1.05,
 - 62 - 0.95,
 - 63 - 0.85,
 - 64 - 0.75

- 65 - 0.65
- 66 - 0.55
- 67 - 0.45
- 68 - 0.35
- 69 - 0.25
- 70 - 0.15

- 9.2 In the case of an employee whose employment is terminated on grounds of efficiency, Strategic Directors (or where the employee is a Strategic Director, the Joint Managing Directors; or where the employee is a Joint Managing Director, the Staff & Pensions Committee) have discretion to make severance payments up to the levels described above.
- 9.3 Regulation 31 of the LGPSR 2013 allows a scheme employer to award to a) an active member or b) a member who was an active member who was dismissed by way of redundancy or business efficiency additional pension in total not more than £6,500. It is the County Council's Policy that the award of additional pension should only be applied in exceptional circumstances where this is necessary to address a situation where there would otherwise be a significant risk of harm to the County Council's services or objectives.
- 9.4 The County Council will no longer apply the abatement rule save in exceptional circumstances where it determines that to not abate the pension in payment could lead to a serious lack of confidence in the public service.
- 9.5 Where an employee has to give up work in order to care for a chronically ill spouse or partner the Council's policy is to give consideration to waiving the actuarial reduction that would otherwise attach to the early payment of pension benefits.
- 9.6 Other discretions are exercised in accordance with the Council's scheme of delegation on a case by case basis.
- 9.7 The Council recognises that the One Organisational Plan 2020 may need to be refreshed and updated in light of any new financial settlement for local government and emerging budget priorities. Where it is within its power to do so the Council will dis-apply any applicable legal restriction in relation to the payment of exit payments under the Programme where the Joint Managing Director (Resources) is satisfied that the savings which it contributes to need to be made to ensure the delivery of the service within budget and that the payment concerned will be recouped within two years or in exceptional circumstances, with the approval of the relevant Portfolio Holder, within three years.

10 Specific policy and practice: The publication of and access to information relating to the remuneration of chief officers

- 10.1 The Council's policy is to provide information on the remuneration of its Joint Managing Directors, Strategic Directors and Heads of Service on its website (www.warwickshire.gov.uk) in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency and as required by s.7 of the Accounts and Audit (England) Regulations 2011.

11 Specific policy and practice: The Council's policy relating to the other terms and conditions applying to chief officers

- 11.1 Except in respect of pay and pay related arrangements (see paragraphs 2.10 and 2.13 above), and car allowances, the terms and conditions that apply to the Joint Managing Directors, Strategic Directors and Heads of Service are those agreed by the Joint Negotiating Committee for Chief Officers of Local Authorities.