

Administration Budget Proposals

2011/12





ADMINISTRATION BUDGET PROPOSALS 2011/12

This year the Administration took a bold step within its budget planning process by presenting a draft budget for 2011/12 outlining the savings options identified to address the Council's budget shortfall.

We aimed to continue delivering high quality services and outline the potential implications of any savings options going forward. The economic situation has presented challenges for the Council in terms of decisions that need to be made in relation to service priorities, the allocation of our limited resources to deliver these, and the potential impact this has on our communities.

However it equally has provided an opportunity to involve the public at an early stage in this debate, capture their views and assessment of future service provision and savings options.

Our public consultation process earlier this month aimed to raise awareness and understanding of the complexities and difficulties involved in these future decisions. Similarly, it enabled us to understand the public views and interest in the options going forward.

The Administration acknowledges the strength of public feeling towards some options however, it is paramount that any final decisions are balanced with a strategic overview of the social and economic challenges which face our communities in the coming years.

The previously scheduled meeting on 27 January was adjourned due to the proactive engagement with Scottish Government and COSLA to review the significant changes in the allocation of supporting people funding to West Dunbartonshire Council. As a result the Scottish Government have now identified some extra funding to those Councils most affected by the allocations and West Dunbartonshire will be awarded an additional amount of money in the next year 11/12.

We express our sincere thanks and appreciation to all who engaged with us throughout the entire budget process.

Craig McLaughlin
Corporate Services Convener



CHANGES TO THE DRAFT BUDGET GAP

We listened extensively to the public during the consultation period. As a direct result of the strong views expressed on what the Council should be prioritising the Administration has worked with staff to review the targets of the collection of Council tax. As a direct result, the Executive Director of Corporate Services is now able to recommend that the overall Council tax collection level for 2011/12 is increased by 0.25% to 97.25%.

This management adjustment reduces the budget gap of £2.450m advised to Council on the 21st January 2011.

In recognition of the importance of significant milestones and anniversaries, such as the 70th Anniversary of the Clydebank Blitz and Homecoming Parades this Administration wishes to mark and celebrate these events. Financial provisions for these celebrations have been included in the budget.



REVISIONS TO SAVINGS OPTIONS

The original budget options presented in December aimed to prioritise service delivery and protect the most vulnerable residents within our communities.

The option to replace eight Heads of Centre within Early Education Centres, with an alternative service delivery model, provoked strong and emotive views and we have reflected on those issues raised at the public meetings. We listened to the views expressed and reassessed the proposals and will not be selecting that savings option in this budget round.

Again in listening to the public, a clear message was also received in relation to the option to place a targeted reduction on the redesign of the addictions rehabilitation service. We propose that options and a complete review continue to be considered and at this time, however no financial target will be set against any such review.

In removing these savings options we then have to consider alternative measures which deliver equivalent efficiencies whilst focussing on service and community priorities.

During the consultation process a key topic was the reduction of waste across the Council, of which school milk featured heavily. In recognition of this we have targeted a £10k reduction in this expenditure, however we will continue to provide milk in primary schools.

The severe winter weather produced significant challenges for this Council and for Scotland as a whole. The aftermath of the winter has seen a sharp decay in the condition of the carriageways and footways across the entire Council area.

The Scottish Government has announced £166k in the current year of additional financial support to alleviate the pressures of repairs to our roads and carriageways.

The Council will now realign its planned footway repair programme to benefit from this investment.

In addition we propose to add to this additional revenue from the Scottish Government resources. We propose to take the savings option of the £100k footway programme and allocate a total of £300k from available reserves and additional revenue to carry out essential repairs and maintenance on our carriageways. This takes the investment programme in our road and carriageway network to almost £0.5 million over the next few months.

In addition to the above this Council recognises that recent national government changes to the welfare state will add to the financial pressures faced by Social Work services. The Administration is very aware of the potential changes to the Independent Living Funding and impact it could have on our communities. We propose an additional £200k be allocated from available reserves and additional revenue to create a social work contingency fund. We task the



Chief Executive and the Director of Community Health and Care Partnership to consider what additional support can be delivered from this fund.

Community events generate many social and economic benefits within our communities however the public debate recognised that the continued provision of such events needs to reflect the financial context within which we are operating.

We therefore propose to maintain the delivery of key events but scale down activities associated with such events which will save £29k, removing £10k from the Xmas lights switch on and £19k from other activities.

We expressed our commitment to seek new ways of delivering services and ensuring that our workforce operates modern work practices which are more efficient and effective.

Our employees are recognised as our biggest asset and employment costs are our biggest expenditure, therefore it is imperative that potential efficiencies are explored.

Many staff have expressed a desire to voluntarily consider alternative or reduced working patterns which enable a better work-life balance this innovative approach has allowed us to capitalise on a reduction in our staff costs.

We now recognise that officers have put this opportunity in place for those who may wish to apply, however there is no financial targeted savings to be delivered from this in 11/12. This Administration is committed to ensuring

we give maximum opportunities to those employees who are directly affected by the centralisation and restructuring proposals and recognises the need to have significant provision of the redeployment budget to help manage groups and individual roles changing.

We have therefore reduced the projected savings from the draft budget being derived from the redeployment fund.

Council took the decision to progress the Shared Services agenda. We feel that it is prudent that while savings may be generated, we do not set a financial savings target, which may impact on any future decision on how we progress.

**2011/12 General Services Revenue
Estimates Proposals**

| | SPECIAL COUNCIL 21/12/2010 | SPECIAL COUNCIL 09/02/2011 |
|--------------------------------------|-------------------------------|-------------------------------|
| | £000 | £000 |
| Budget Gap per 21 Dec report | 2.450 | 2.450 |
| Improved collection rate | | |
| Increase collection rate to 97.25% | 0.000 | 0.095 |
| Supporting People Funding Adjustment | | 1.005 |
| Revised Gap | 2.450 | 1.350 |
| Enhancements | | |
| Increase investment in major events | | 0.059 |
| Transfer to reserves | 0.000 | 0.500 |
| | 2.450 | 1.909 |

| | SPECIAL COUNCIL 21/12/2010 | | SPECIAL COUNCIL 09/02/2011 | |
|--|-------------------------------|-----------------|-------------------------------|-----------------|
| | £000 | £000 | £000 | £000 |
| SAVINGS/EFFICIENCIES | SELECTED | NOT SELECTED | SELECTED | NOT SELECTED |
| CRP01 Customer engagement strategy | 0.125 | | 0.125 | |
| HED15 Asset Management | 0.250 | | 0.250 | |
| GDC04 Shared Services CVCPP | 0.230 | | | 0.230 |
| GDC02 Procurement | 0.750 | | 0.750 | |
| EDC18 School Meals | 0.400 | | 0.400 | |
| EDC10 Nurseries - remove H of S | 0.200 | | | 0.200 |
| SWK13 Transport - Community Groups | 0.080 | | | 0.080 |
| SWK17 Addictions - levels rehab provision | 0.025 | | | 0.025 |
| General Reduce redeployment provision | 0.250 | | 0.105 | 0.145 |
| HED08 Concessionary leisure-staff only | 0.140 | | 0.140 | |
| SWK03 On site support - Sheltered Housing | | 0.165 | | 0.165 |
| SWK04 Older People day & residential care | | 0.100 | | 0.100 |
| SWK09 Disability day care | | 0.060 | | 0.060 |
| SWK12 Special needs equipment chgs | | 0.075 | | 0.075 |
| SWK15B Other Charges | | 0.200 | | 0.200 |
| SWK18 Youth Justice provision | | 0.020 | | 0.020 |
| EDC11 Garshake & Gartocharn nurseries | | 0.240 | | 0.240 |
| EDC12 Out of school care provision | | 0.100 | | 0.100 |
| EDC13 Whitecrook EECC | | 0.041 | | 0.041 |
| EDC14 Lennox & Auchnacraig EECC | | 0.095 | | 0.095 |
| EDC19 Remove free school milk | | 0.190 | | 0.190 |
| EDC20 Reduce free school transport | | 0.500 | | 0.500 |
| HED02 Balloch public conveniences | | 0.025 | | 0.025 |
| HED03 Outdoor recreation services | | 0.025 | | 0.025 |
| HED04 Xmas lights & switch on events | | 0.035 | 0.010 | 0.035 |
| HED06 School Crossing patrol service | | 0.090 | | 0.090 |
| HED07 Review Events activity | | 0.083 | 0.019 | 0.054 |
| HED08 Concessionary leisure - other groups | | 0.150 | | 0.150 |
| HED09 Care of garden scheme | | 0.140 | | 0.140 |
| HED14 Antonine sports ctr subsidy | | 0.020 | | 0.020 |
| HED16 Footway repairs | | 0.100 | 0.100 | |
| GWM01 Flexible working | | 0.050 | | 0.050 |
| GWM03 Disclosure checks - charge | | 0.050 | | 0.050 |
| GRL02 Grant funding - comm groups | | 0.150 | | 0.150 |
| Elimination of waste - school milk | | 0.010 | 0.010 | |
| | 2.450 | | 1.909 | |

Reserves Enhancement

| | |
|----------------------------------|-------|
| Footway and Road Repairs | 0.300 |
| Support Services for Social Care | 0.200 |



In spite of the challenges we face we believe we can deliver a balanced budget and still provide essential and important services in our community. The budget will allow us to continue to deliver against a number of previously agreed initiatives including:

1 Regeneration Investment Fund

Like most people the Administration is disappointed that the present financial climate has led to a reduction in investment.

Regeneration has remained a key policy of this Administration and the recent financial announcements have proved disappointing for those communities who have been working hard to deliver real change.

It is clear that the Council will have to ensure that we do not lose the momentum gained in our communities who have shown a real appetite for changing their environment.

As a Council we must balance our financial reserves policy against the urgent needs of our communities.

In order to ensure that we maintain the momentum that has been created I propose that we create a **£1m regeneration investment fund** from our current reserves.

This revenue resource requires to be spent in such a manner that it achieves the best outcome for both the communities and the Council in the long term.

The resource should tackle some of the real problems within our communities and should ensure that there is no delay in the master planning framework being developed by communities.

The resource should also look at where it can stimulate and front fund projects such as site clearance and preparations.

The fund should look across all the Council's portfolio to assess land or properties for suitability for demolition or preparatory works that will stimulate investment and regeneration.

The Executive Director of Housing, Environmental and Economic Development and the Head of Regeneration should prepare a report as soon as practical for the HEED committee on how the fund would best operate.

2 Waste Management and Transport

We have introduced an improved recycling service which is being delivered through the alternate weekly collection which will be rolled out to the Clydebank area during March 2011, going forward into the 2011/12 budget.

This has significantly improved our recycling performance to just below the 2013 target of 50%.

The re-routing exercise that is taking place in conjunction with the alternate weekly collection implementation has improved productivity by up to 15% and waste management sits within the top performing areas in terms of best practice



within the Clyde Valley Shared Services. In the report that went to 4 November 2009 HEED committee, the identified reduction of potential penalties relating to the introduction of this service highlighted a potential saving of £2.7million in the period (it should be noted that the Scottish Government suspended the Landfill Allowance Scheme penalties as authorities were making suitable progress to achieving the national picture).

It was also identified that significant savings in landfill tax burden would be achieved and we are on target to have saved approximately £1million in landfill tax payments between 2009 and the end of 2012.

3 Housing and Community Safety

Despite the unprecedented financial challenges facing the Council, we will aim to make improvements to the Homeless, ASB and Repairs Services through the proposed phase 2 restructure of services, whilst at the same time maintaining a contribution to the Council's finances through trading surpluses.

This budget will enable the Council to continue its commitment to controlling and reducing anti-social and criminal behaviours through sustaining our partnership arrangements with Strathclyde Police and maintaining the additional 12 officers over and above our share of the national commitment to be employed directly within West Dunbartonshire.

4 Asset Management

A more effective corporate approach to the management and portfolio of assets will result in better use of our properties, meeting the needs of the departments and delivering services to the Community and a reduction in our revenue costs.

5 Economic Development

We will continue to be at the forefront of Economic Development in the area as a result of the development and introduction of a new Economic Development Strategy for the Council, in its role as lead agency for Local Regeneration.

6 Fostering and Kinship care

We have increased resources underpinning our priority to provide effective support to children and young people within the West Dunbartonshire community, which is supported by our on-going provision of children's homes and our alternatives to care service which has proved to be successful in managing and reducing expensive placements out with the Council area. The enhancements to the fostering scheme recently approved will reduce the need to use fostering agencies over time.



7 Respite care

The draft budget includes provision to allow the Council to meet the concordat commitment to provide an additional 10,000 weeks of respite care.

8 Free personal care

Funding has been invested in services to older people to assist in the process of shifting the balance of Care for older people to allow more people to receive a care service in their own home rather than being placed in a care home.

9 Telecare

The telecare service continues to be rolled out across the authority in order to provide appropriate levels and types of care, again this supports both the shift in the balance of care for older people and the aim of minimising delayed discharges from hospital.

10 Council Tax

This has delivered benefits to many constituents over the last 3 years and this Council is committed to continuing with the freeze.

11 Class Sizes

31% of the children in Primary 1 to Primary 3 are in class sizes of 18 or less. This is well above the 20% national target and is the result of an investment of 260,000.

12 Breakfast Clubs

We will continue to provide breakfast clubs in 24 primary schools at a cost of £200,000.

13 School Transport

The Council will continue to maintain the high level of service and provide free transport for primary children living more than 1 mile from their school and for secondary children living more than 2 miles from their school. This is more generous than the statutory requirement and amounts to an investment of £500,000.

14 Poverty and Unemployment

Key priorities for West Dunbartonshire continue to be tackling poverty and unemployment.

The Council is currently facing unprecedented challenges including weak employment and poor business growth, a highly competitive labour market, and high levels of benefits dependency which is affected by the most significant UK welfare reforms since 1948.

These challenges are impacted by poorly developed local partnerships and areas of



duplication. Influenced by the current financial climate, there is a need for the Council to manage its services as efficiently and effectively as possible.

Services should be coordinated, joined up, strategic and focused on areas where the need is the greatest. By bringing budgets and staff together, the changes described below will improve overall service delivery for the residents of West Dunbartonshire.

We will bring a range of services within the remit of the Chief Executive's Department to reduce duplication, improve service delivery and maximise the impact on the most vulnerable.

The merging of these services within the Chief Executive's Department will reduce duplication of effort; align performance management and ensure that services contribute effectively to the overall delivery of the Single Outcome Agreement.

By bringing a more joined up approach to community work, advice and educational services we can ensure that we connect the employability services to help to tackle this areas deep rooted poverty.

The landscape for wider Youth Services continues to be overly complex and needs to be more cost effective. Partnerships with external agencies are not properly developed. Outcomes are not clearly defined and there is considerable risk of duplication. The relationship between this area of work and wider corporate priorities is not clear.

It is essential that Youth Services contribute more clearly to the priorities for West Dunbartonshire - particularly Employability, Integrated Children's Services and Safer Communities. This can be best delivered through a new coordinated approach to funding and delivering Youth Services within the Chief Executive's Department.

The changes described above will streamline and improve overall services provision. It will bring these services together under a single strategic delivery approach and apply a stricter analysis of performance and costs. It is also essential that the Council and its partners get smarter at maximising income from all external sources. Demonstrating effective partnership working is a fundamental condition of all key funding bodies.

Recommendation

Following consideration of budget information provided, Council is recommended to:

- **Set the band D Council Tax level for 2011/12 at £1,163 which represents a 0% increase and assumes a collection rate of 97.25%**
- **Agree net efficiencies of £1,350,000 delivering savings options of £1,909,000 and enhancements of £559,000**
- **Remit consideration of the forecast funding gap for 2012/14 to the Strategic Finance Working Group.**