



Draft 2012/2013 Administration Revenue Budget Proposals
For Stakeholder and public consultation

Blueprint
For
Local Economic Growth

• FOREWORD

This is the last budget that will be proposed in the term of this administration before the 2012 elections. This budget is set against a backdrop of the biggest global recession since the 1930's yet despite these difficult times we have delivered a budget which we believe will meet the challenges that we all face and will be unique amongst local authorities in Scotland.

In the early days of this administration we knew that there were many difficult financial challenges that lay ahead and we have worked with a large number of people to put this council's finances on a more sustainable footing. While we are not out of the woods yet, I can say that this budget will deliver a **zero council tax rise, continuation of our no compulsory redundancies policy and will deliver innovation.**

This budget will be bold and will aim to set out policies and take decisions that will have a positive impact on the lives of many of our citizens.

Our society and economy for the last 30 years has been based on the concept of consumerism. People consume and through that consumption jobs are created, but as we have seen, if people lose confidence and stop buying, jobs are lost and in turn confidence is eroded even more, and the cycle deepens.

For decades it has been eastern economies that have struggled. Countries like Russia and China have endured years of economic pain and hardship, now it's the west's turn. Like communism, capitalism has considerable flaws a fact that has now been borne out through time. The early eighties saw the collapse of communism and now we are seeing the collapse of capitalism.

Through all of these social experiments our local communities are the people who have been disadvantaged, enduring the hardship and misery when recession happens in a country.

The global banking crisis was inevitable; most people were surprised that it took so long to happen. Everyone blames it all on the banks, but in reality we are all to blame. We all too easily accepted the cheap credit, mortgages and the seemingly never ending supply of it. What is clear though is the failure of governments to properly regulate the banking sector, meant that high risk sectors such as commodities brokers were part of the same bank that provided our personal accounts.

It has been a national disgrace that while huge bewildering sums of public money were given to ensure that the high street banks didn't collapse the individuals caught up in the credit seizure had their homes repossessed and got nothing, while the banks were able to write off the bad debt.

As local leaders we must do what we can to shelter and protect our communities from the financial storm. We must ensure that we minimise where we can the ill effects of unemployment and financial hardship. The Scots were once a nation built on self-reliance and innovation, we must regain that spirit.

For once, its time for the public sector to bail out the people and not the institutions. Failure in the past to intervene where young people and communities were hit hard by recession left deep scars and for a large number, a lifetime dependency on state support.

Craig McLaughlin

Convenor of Corporate Services On behalf of the SNP Group

• JOB CREATION PROGRAMME

Bill Clinton famously quipped “it’s about the economy stupid”. Right now it’s all about “jobs, jobs, jobs”

Research has shown that the longer a person remains unemployed the more difficult it becomes for them to find employment.

In the early eighties during the recession we saw massive job losses and the death of major industries such as shipbuilding and mining. The impact for the communities in those areas is still felt today, decades on.

The government bailed out the banks and as a council I feel that it is our responsibility to bail out our communities.

This budget will focus on the creation of jobs for the most adversely affected demographic group, young people. If a young person fails to enter the job market at an early stage they are at risk of long term unemployment.

In this area, small businesses are struggling and new start ups are struggling to get going. These are the businesses we will depend on to create sustainable employment. Small businesses feel the brunt of a recession because they have no flexibility, as often they only employ one or two people. They need more staff but do not have the financial capacity during a recession to employ extra people.

For some small companies just a small increase in staffing resource or even some start up support can free up time for owners to focus on developing their business.

Job Creation Programme is designed to take these two problems and deliver a unique and unprecedented solution. The proposal will see the council help small businesses and the voluntary sector in this area to create up to **TWO HUNDRED AND FIFTY JOBS**.

This will be done in a very simple way. The proposal is to develop an initiative that will see the council contribute directly to support the employment of a young person by means of a direct grant, to businesses in this area for up to one year.

The proposals at this point are clearly at a high level stage and require work on the terms of the scheme, the eligibility criteria and how businesses and people alike apply etc. I believe that the newly formed Strategic Advisory Board should take the lead role and help to draft recommendations on the operation and administration of the scheme.

This initiative will enable businesses to refocus their energies and might just allow them to expand or look at new potential revenue opportunities that they might not otherwise be able to do. Jobs are created by enterprising individuals who need to be freed from red tape to get on with creating jobs.

Given that we are proposing to take 250 young people off the unemployment register there is a direct benefit to the DWP. I estimate that the DWP will save in the region of £662,000 over the life of Job Creation Programme.

• JOB CREATION PROGRAMME (cont)

Clearly the Department of Works & Pensions (DWP) will be delighted by this, but I believe that with the support of our local MP we could build a case to persuade the department to perhaps divert some of the savings they will make from this scheme back into the project, which could help with perhaps administering it or even expanding the scheme itself.

I am also delighted that in addition to the jobs which will be created by the Job Creation Programme we will also be creating a further 250 jobs and training opportunities through our new modern apprenticeship scheme.

By identifying areas where there are skill shortages we believe that these additional modern apprentices, both Level 2 and Level 3, will be able to achieve longer term job security.

The Council currently has a base budget that assumes the direct employment of 16 Level 3 modern apprentices per year. We propose to increase this figure to 48. In addition to this it is our intention to support a further 200 Level 2 Modern Apprenticeship places across organisations in the West Dunbartonshire area split into two intakes.

The costs of this programme assume financial support will be forthcoming from Skills Development Scotland and the Department for Work and Pensions and we are in discussion with these to confirm their support for this approach.

At this early stage these schemes are estimated to cost around £2.5million, which can be accommodated through the general services fund.

I believe that this initiative taken by the council is unprecedented.

• COUNCIL TAX

Everyone is struggling. That is why now for the FIFTH YEAR in a row there will be NO RISE IN COUNCIL TAX

Each year through our continuous improvement agenda, we have succeeded in improving our collection rates, resulting in some of the highest collection figures since this council was created.

However we cannot be complacent. While I do not propose an increase in the target collection rate at this time, I am proposing that we continue to review our procedures with a view to increasing the amount collected in year.

The Scottish Government have committed to continue to reward councils who freeze their council tax and commit to joint initiatives. I propose that this council agrees that, provided this funding is available, that the Council Tax is FROZEN until the end of the term of the next Scottish Parliament.

This will help save struggling households in West Dunbartonshire hundreds of pounds a year at a time when they are most likely to need it.

• DEVELOPING A BUSINESS SUPPORT CULTURE

The one thing that the public sector does extremely well is create red tape. While it is not the original intention to be cumbersome, often the process that requires to be followed to access a service is overly complicated.

Businesses have to interact with councils on a number of different fronts and their experience with the council can vary considerably across services.

We are currently rolling out a “tell me once” scheme across the council where a family can report the death of a loved one, just once and every required council department and some external agencies are informed.

Developing this concept further, we should aim to learn the lessons of the current scheme and roll it out to businesses. This would mean that when a new company starts trading or requires to change details, they will no longer have to contact different departments providing the same information time and time again; they would “tell us once”.

If we could draw together all the information that each department would require to access their services into one form, this could be accessed by the contact centre staff. This in turn would achieve a “tell me once” approach where businesses could make one call to a specified number and provide their information once and each department would in turn receive that information; services, such as rates, waste management, rent collection, licensing and environmental health services.

In addition to the above we need to work better with businesses, understanding and reducing the demands that we can place on them. Planning, building warrants and environmental health are just some of the regulatory services that businesses require to access at some point.

Yet we treat all businesses the same. We expect small one person operations to do the same processes as big companies who probably have a full team to deal with the relevant matter.

We must continue to train our staff; review our processes and the review the guidance notes that we provide to adjust for the capabilities and capacity of the business. Quite often small businesses have been advised of “good practice” but have been left with an impression that this is a must do action, resulting in small companies operating procedures that are not required and are overly cumbersome.

• CONTACT CENTRE

We are in the final stages of rolling out our one stop shops in our 3 town centres, with the first one scheduled to open before the end of March 2012. This initial one stop shop will allow us to test out the approach, ensuring that all the systems are performing well, with the other two units coming on stream shortly thereafter.

To ensure more rapid roll out of our customer focussed approach, the CMT is instructed to accelerate the development and implementation of a corporate customer services function and supporting strategy covering all council services. This will lead to the removal of all internal department reception desks and the transfer of appropriate staffing and financial resources to the customer services function by the end of March 2012. (Where there is capital investment required this will be should be added to the 2012/2013 Capital Plan)

• CHANGE FUNDS

Change funds have been created to help councils and other public bodies do exactly that, change.

These funds are extremely important and will enable the redesigning of services, delivering a more modern and fit for purpose model.

Two change fund areas are currently being developed. The Health and Social Care Change Fund is designed to look at how we deliver better and more locally provided care and support.

The second fund is for Early Years to review and improve how we deliver services for children and young people across the range of departments and agencies.

In order to facilitate these change funds we should set aside around £360,000 for each fund from the general services account.

• SHOPMOBILITY SCHEME

This scheme was successfully launched earlier this year and has already proved to be a massive success, however the scheme was a pilot and only funded for one year.

We are suggesting that we mainline this project at an annual cost of around £50,000 providing the shopping centre continues with their support in kind.

• ROADS AND INFRASTRUCTURE

We are all acutely aware of the growing problems with our local roads infrastructure, particularly in view of the recent weather conditions.

We are suggesting an additional enhancement of £300,000 one off in year revenue spending on essential road and infrastructure projects.

• FLOOD PREVENTION

In light of the recent flooding it is clear that there is still a large amount of work to be done on flood prevention measures.

We are suggesting an additional annual enhancement of £100,000 to support prudential borrowing of approximately £1million for investment in a major flood prevention scheme.

This fund will go a long way in beginning to address the main high risk areas.

• COMMUNITY CHEST GRANTS

As we help communities to take on more responsibility we expect the demands on this fund to rise. The CVS has done an excellent job of leveraging in additional funds from external sources for groups and projects.

We are suggesting an additional enhancement of £50,000 mainlined revenue spend. This enhancement will enable more groups and individuals to receive support.

• TOURISM & COMMONWEALTH EVENTS

With the imminent arrival of the Commonwealth Games in Glasgow the opportunities for economic benefits to West Dunbartonshire through tourism and events are considerable.

Events such as the Highland Games, Lomond Folk Festival, Pipe Band Championships have given areas a huge economic boost.

We believe that an initial additional £100,000 should be made available to support existing and new events, linked to the commonwealth games, over the coming two years.

• RAISING ATTAINMENT STRATEGY

This council is committed to raising attainment across the whole council area. We have already approved a strategy to raise attainment, and have employed extra teachers to implement this plan.

To further support this, we will devote £80,000 targeted at raising attainment, investing in our future.

We will fund an additional two FTE teaching posts at an approximate cost of £71,000 to allow the department increased capacity and flexibility in implementing the strategy.

Furthermore, we will assist the department to improve literacy skills across poor performing subjects. With the investment of an extra £9000, we can develop specific materials for pupils and staff to improve higher order literacy skills.

• POLICE INVESTMENT

It was recently highlighted that there is a need for a full time resource within the police divisions of West Dunbartonshire for trailbikes to deal with off-roading and trailbikers.

While Strathclyde has a central unit that can be called on - it was felt because of particular problems in Clydebank and surrounding areas that having a dedicated resource would be a considerable boost to solving the problem.

This small enhancement of £12,000 will pay for the equipment needed by the police at a local level to tackle the problem of trailbiking.

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• A Financial summary of our Budget Proposals

WEST DUNBARTONSHIRE COUNCIL						
BUDGET 2012/13 - SNP						
	Expected Reserves	Budget 2012/13			Budget 2013/14	Budget 2014/15
	£	Non Recurring	Recurring	Total	£	£
		£	£	£		
Unearmarked as at 31/3/11	(4,711,000)					
Probable outturn	(2,766,610)					
Projected unearmarked as at 31/3/12	(7,477,610)					
Budget Book				(1,127,400)	3,488,590	224,960
Job Creation Programme		2,500,000				
Change Fund (for older people's services)		360,000				
Early Years and Early Intervention Change Fund		360,000				
Shop Mobility			50,000		50,000	50,000
Roads and Infrastructure		300,000				
Flood Prevention			100,000		100,000	100,000
Community Chest Grants			50,000		50,000	50,000
Tourism & Commonwealth Events		100,000				
Raising Attainment Strategy		80,000				
Police Investment		12,000				
		3,712,000	200,000	3,912,000		
				2,784,600		
From unearmarked reserves	2,784,600			(2,784,600)		
Projected Reserves 31/3/13	(4,693,010)					
Budget gap 12/13				0		
Budget gap 13/14					3,688,590	
Savings required					(3,688,590)	(3,688,590)
Budget surplus 14/15						(3,263,630)

• CLOSING STATEMENT

This budget is a draft of the proposals from this administration for tackling the issues facing our communities.

We seek input from all councillors, communities, individuals, partners, unions and staff and the opportunity exists for all to shape this budget and hopefully provide a united, concerted effort to tackling the inequalities and challenges facing our communities. These budget proposals will require to be assessed under the council's equality impact assessment policy and follow the Council's consultation policy.

We have tried to deliver a sustainable budget that looks forward to the challenges ahead and ensures that we are setting the foundations to tackle the problems that we will face.

For this budget to succeed it will require the support of others and we believe that we have delivered a budget designed to stimulate and grow our local economy in a time of need.

Even with these bold commitments we have delivered a balanced budget while still ensuring that this council remains on a strong financial footing for the future.