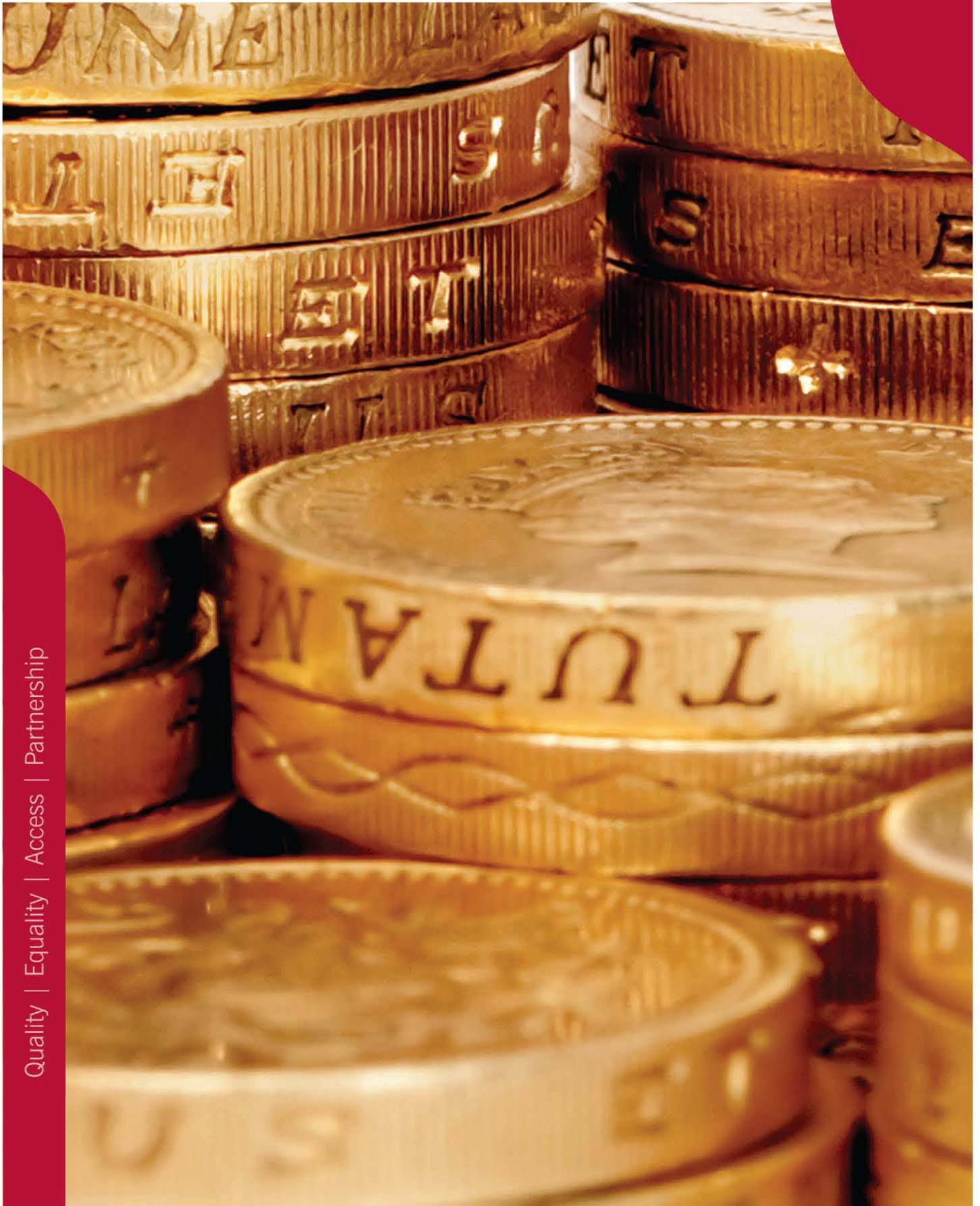




# Budget Consultation 2011/12





## **EAST AYRSHIRE COUNCIL**

**CABINET – 1 DECEMBER 2010**

### **BUDGET CONSULTATION 2011/12**

#### **Report by the Executive Director of Finance and Corporate Support**

## **1 PURPOSE OF REPORT**

- 1.1 To seek approval of a draft General Services Revenue Budget for 2011/12 and a proposed Council House rent increase, to be issued for consultation to all interested parties. The feedback received during the consultation process will be used to inform the Cabinet's final consideration of the Budget on 9 February 2011.

## **2 BACKGROUND**

- 2.1 The Cabinet on 20 October 2010 approved a budget strategy and consultation timetable which envisaged the Council meeting to set the level of Council Tax for 2011/12 on 10 February 2011.
- 2.2 "Scotland's Spending Plans and Draft Budget 2011/12" was published by the Scottish Government on 17 November 2010. This document indicates that the Departmental Expenditure Limit for Scotland for 2011/12, set out by the UK Government in its Comprehensive Spending Review, will reduce by £1.317bn from £29.224bn to £27.907bn. The average cut in revenue budgets from 2010/11 levels for non-protected public services is 6.4%. Negotiations between the Convention of Scottish Local Authorities (COSLA) and the Scottish Government have resulted in proposals which, if accepted would result in a cash cut in grant to local government of 2.6%. If the proposals are not acceptable then a cash cut of 6.4% would ensue. This is further expanded upon in section 5 of this report.
- 2.3 Information on the actual grant for each council is expected to be made available in the form of Finance Circular on 8 December 2010.

## **3 BUDGET CHALLENGES**

- 3.1 In recognising the challenges presented by the positions outlined in Section 2 above, the 2011/12 revenue budget and resulting associated spending reduction proposals has been compiled in accordance with general principles of;
- Continuing to pursue the Council's agreed priorities
  - Continued pursuit of efficiency savings and management action to secure these
  - De-layering and streamlining of management structures in all services
  - Minimisation of Compulsory Redundancies

3.1.1 At the same time there are some areas where resources need to be focussed to ensure that key longer term outcomes are not unduly compromised. These would include;

### 3.1.2 **Children and Families**

All of the significant additional funding previously approved for Social Work to augment services, including Children and Families, Social Work Services supporting parenting and nurturing services is included in the budget, with the profiling of the funding adjusted to reflect actual experience in restructuring services and filling vacancies.

### 3.1.3 **Financial Inclusion**

It is recognised that the economic conditions and actions taken nationally are likely to have an adverse effect on the financial position of many individuals and their families. At present, these difficulties have not fed through to levels of Council Tax or Rent collection and indeed the Council's external auditor has expressed a view that bad debt provisions could be revised downwards. It is proposed therefore that the Council Tax bad debt provision be reduced by 0.2% to 4.3% or £0.100m per annum. The additional funds released would be used to support financial inclusion efforts which should assist in maintaining that position. A further contribution of £0.050m from the Housing Revenue Account, recognising the support which will be provided to tenants in maintaining rent payments, will allow the consolidation of effort across the Council. It will also be important to ensure that this effort together with complementary services provided by external agencies such as the Citizens Advice Bureau and Jobcentre Plus are co-ordinated to maximise the overall impact.

### 3.1.4 **Economic Development**

It is important that available resources within Planning and Economic Development are focussed on inward investment, local business nurture and wider economic regeneration. Any reduction in effort in these areas is likely to result in local economic challenges persisting for longer than they might in the wider economy.

### 3.1.5 **Support for Community Groups**

It is clear that a number of voluntary groups operating in our communities have the vision and enthusiasm to pursue a variety of projects but may lack the experience, know-how and technical support to take them forward. In the current financial position where council funding is limited, progressing such projects is likely to require external funding to be secured. It is proposed to build on existing arrangements and establish a small dedicated team of appropriate officers to work with interested groups to build the capacity to plan, fund and manage appropriate schemes. It is not anticipated that this will involve additional cost but the benefits to community assets could be considerable.

### **3.1.6 Environment and Climate Change**

There are no plans to change the approach to the creation and maintenance of high quality greenspace within East Ayrshire. Equally the Council will continue to invest in energy saving measures and procedures in council buildings, transport and council houses.

## **4 BUDGET CONSTRUCTION**

4.1 The 2010/11 revenue budget, approved by the Council in February 2010, is used as the base for the 2011/12 budget process and requires adjustments for a range of unavoidable cost increases including pay and prices.

### **4.1.1 Pay Inflation**

Employee costs assume a pay freeze for all staff groups. This has been determined nationally for staff groups other than Teachers. In the event that negotiation with Teachers results in a pay increase, further spending reductions would require to be identified to accommodate this. Adjustments have been made to reflect annual increments and changes to employers' pension and National Insurance contributions.

### **4.1.2 Price Inflation**

Price inflation has been applied to the base estimate only where there is a related specific contract requirement.

### **4.1.3 Unavoidable Cost Increases**

This will include full year costs of initiatives implemented during 2010/11 and other obligations.

### **4.1.4 Police, Fire and Valuation Joint Boards and Strathclyde Partnership for Transport**

Funding based on previous grant levels has been included for the Joint Boards for Police, Fire and Valuation together with Strathclyde Partnership for Transport including an assumption that joint boards will also receive a reduction in grant funding similar to local government. Their final budgets are awaited and should be confirmed by them prior to 10 February 2011.

### **4.1.5 Debt Financing Costs**

Provision has been made for the estimated costs of the current year's capital investment programme, together with the recurring costs from prior year investment in the Council's assets. The estimates take account of available forecasts in respect of interest rate movements provided by the Council's treasury advisors.

#### 4.1.6 PPP Schools Funding

The unitary charges in relation to PPP continue to increase in line with the contracted inflationary provisions and additional resources have been included in the budget to meet these costs.

#### 4.1.7 Carbon Reduction Commitment

Following the United Kingdom Government's Comprehensive Spending Review the terms of the Carbon Reduction Scheme are currently under review with the anticipated removal of the refund element. This will result in additional costs for all participating bodies and provision has been made within the 2011/12 budget to meet these costs.

### 4.2 Strategic Review of the Revenue Budget 1 (SRRB1)

4.2.1 The Cabinet on 24 January 2008 agreed that resources should be redistributed over a four year period in line with recommendations made by Professor Arthur Midwinter following a Strategic Review of the Revenue Budget. These adjustments have been included in departmental budgets. The effects are shown below.

	<b>Total £m</b>	<b>08/09 £m</b>	<b>09/10 £m</b>	<b>10/11 £m</b>	<b>11/12 £m</b>
<b><u>Spending Reductions</u></b>					
Pre-School Education	0.350	0.086	0.088	0.088	0.088
Waste Collection	0.100	0.025	0.025	0.025	0.025
Street Cleaning	0.100	0.025	0.025	0.025	0.025
Burial Charges	0.050	0.011	0.013	0.013	0.013
Roads Maintenance	0.500	0.500	0.000	0.000	0.000
Finance	0.295	0.073	0.074	0.074	0.074
Corporate Support	0.292	0.073	0.073	0.073	0.073
<b>Total</b>	<b>1.687</b>	<b>0.793</b>	<b>0.298</b>	<b>0.298</b>	<b>0.298</b>
<b><u>Spending Increases</u></b>					
Additional Teachers	0.787	0.293	0.098	0.198	0.198
Mainstream CHIP Van	0.100	0.100	0.000	0.000	0.000
Social Work Infrastructure	0.400	0.100	0.100	0.100	0.100
HIT Squads	0.200	0.200	0.000	0.000	0.000
Outwith Placements	0.200	0.100	0.100	0.000	0.000
<b>Total</b>	<b>1.687</b>	<b>0.793</b>	<b>0.298</b>	<b>0.298</b>	<b>0.298</b>

### 4.3 Strategic Review of the Revenue Budget 2 (SRRB 2)

4.3.1 Cabinet on 19 May 2010 approved a strategy to review the Council's Revenue Budget with the aim of continuously driving up efficiency levels and ensuring that resources are applied effectively to achieve the Council's key strategic outcomes.

4.3.2 The review consists of a series of strands each containing a number of related reviews. Savings secured to date from this work are shown in the table below.

	<b>2011/12 £m</b>
Strand 1 – Business review programme	(0.410)
Strand 2 – Budget management and review	(1.442)
Strand 3 – Fairer Scotland Fund review	(1.005)
<b>TOTAL</b>	<b>(2.857)</b>

4.3.3 The savings identified above have been removed from departmental budgets and have been used to offset the indicative budget gap.

#### 4.4 **Management and Administrative Costs**

Whilst the draft savings package already contains proposals to reduce management and administrative costs in specific areas, the Chief Executive has in place a Council wide review of management structures in all services. This will ensure that consistent arrangements are in place in terms of guiding principles which govern the number of tiers of management and the numbers in each tier in all services. Those areas where reviews were already planned, notably in IT & Asset Management and in Finance will be the first to implement the new arrangements with other services following on within the next few months. Savings within those two services alone on management and administrative costs are estimated to be in excess of £1m and these will begin to be realised during the course of 2011/12.

### 5 **NATIONAL POSITION**

5.1 “Scotland’s Spending Plans and Draft Budget 2011/12” proposes that in 2011/12 the Scottish Government will make available to local government a total funding package amounting to £11.548 billion. To access the full amount of this package, each local authority will require to agree formally to work with the Scottish Government to deliver the full list of commitments set out below which have been jointly agreed with COSLA's Leadership.

5.2 Under the proposed settlement, the resource support available from the Scottish Government will fall by 2.6% compared to 2010-11. The average fall in resource budgets for non-protected areas of the Scottish Government in 2011-12 is 6.4%.

5.3 The proposed funding package is subject to the agreement of individual councils to the terms and commitments in the following areas:

<b>Commitment</b>	<b>Comment</b>
<b>National outcomes</b>	
<ul style="list-style-type: none"> <li>Local authorities remain committed to the delivery of the current Single Outcome Agreements. (SOA)</li> </ul>	The Council remains committed to achieving the outcomes set out in the SOA.

<b>Council tax</b>	
<ul style="list-style-type: none"> <li>As part of the overall funding package, the Scottish Government will make available £70 million in 2011-12 to those councils which freeze their council tax rates at 2007-08 levels.</li> </ul>	This has been anticipated and planned for.
<b>Police</b>	
<ul style="list-style-type: none"> <li>The total number of police officers will be maintained at 17,234 throughout 2011-12.</li> </ul>	The Chief Constable of Strathclyde Police has indicated an intention to maintain numbers at current levels and that a recruitment programme will commence in early 2011 to replace officers retiring in March. Police Board Members should therefore be mandated to approve a formal commitment from the Board in this regard.
<b>Education</b>	
Councils will;	
<ul style="list-style-type: none"> <li>Maintain the commitment to delivery of the outcomes for children and young people as specified in the Single Outcome Agreements and to implementation of the Early Years Framework and <i>Curriculum for Excellence</i>;</li> </ul>	The Council remains committed to the SOA, Early Years Framework and the Curriculum for Excellence
<ul style="list-style-type: none"> <li>Maintain the pupil-teacher ratio in P1-P3;</li> </ul>	Given the Council's previous investment which has reduced the pupil teacher ratios for Primary 1, 2 and 3, it is envisaged that this proposal would be acceptable and indeed welcomed
<ul style="list-style-type: none"> <li>Protect the number of teacher posts as far as possible in order to secure: <ul style="list-style-type: none"> <li>places for all probationers who require a place under the induction scheme in August 2011;</li> <li>sufficient teaching posts available for all probationers who achieve Standard for Full Registration in summer 2011;</li> <li>a reduction in the total number of unemployed teachers.</li> </ul> </li> </ul>	
	This has been fully achieved previously and it is anticipated that this will continue.
	It is anticipated that the teacher refresh programme will release sufficient posts across both primary and secondary sectors to meet this commitment.
	The Strategic Review of the Revenue Budget (Paragraph 4.2 above) specifically includes resources for additional teachers. Best estimates based

	<p>on information currently available indicate that this together with the measures above would contribute to this.</p>
<p>As part of the deal, the Scottish Government has agreed to consider changes through the Scottish Negotiating Committee for Teachers, on which decisions would be sought by end January 2011 and which would hope to deliver:</p> <ul style="list-style-type: none"> <li>• A pay freeze in 2011/12 and 2012/13 for all employees (teachers and all associated professionals);</li> <li>• An increase in contact time for probationers to 0.9 FTE;</li> <li>• Agreement that all supply teachers are paid on Point 1 of the Main Grade Scale and only for hours worked;</li> <li>• Removal of salary conservation;</li> <li>• Agreement that the Teacher leave year is moved to 40 days per annum for the calculation of family leave entitlements; and</li> <li>• Freeze entry into the Chartered Teacher Scheme</li> </ul> <p>In addition they will work jointly with the teacher unions - through the established national negotiating machinery - to find a way forward on teachers' pay and related issues that will ensure delivery of objectives in this area and control total pay costs. This will include an independently chaired review of the McCrone Agreement, to report by June 2011.</p>	<p>A review of Teachers' Terms and Conditions of Service will be essential in establishing whether they remain appropriate taking account of changes in the work and financial environments since the last review.</p> <p>Payment on the basis of hours worked is included in the Council's consultation proposals.</p>
<p><b>Social care</b></p>	
<ul style="list-style-type: none"> <li>• In recognition of the wider pressures on the health and social care system, the Scottish Government has allocated £70 million for a new change fund in 2011-12. The fund, which will be held by NHS Boards and so be additional to the local government settlement amount, is intended to enable the redesign of services that support shifting the balance of care towards primary and community care. Through a partnership governance arrangement, plans are to be agreed locally between NHS Boards, local government and the independent sector and the detailed guidance in relation to these plans is currently</li> </ul>	<p>It is considered that the Council has robust arrangements in place to facilitate this and builds on our commitment in respect of shifting the balance of care and the Integrated Resource Framework.</p>

being developed in partnership	
<ul style="list-style-type: none"> <li>Local government will continue to deliver commitments on Free Personal Care, for which payments will be uprated in 2011-12.</li> </ul>	The budget has been prepared on this basis
<ul style="list-style-type: none"> <li>Local government will continue to work with the Scottish Government towards implementation of the Carers and Young Carers Strategy at local level, including the maintenance of an extra 10,000 weeks respite provision.</li> </ul>	This commitment has already been met by the Council and there are no plans to alter these arrangements

- 5.4 In return for delivery of these commitments, the Scottish Government will provide a funding package that will limit the reduction in grant to 2.6% in cash terms which is likely to equate around to a reduction of around £6.4m for East Ayrshire Council.
- 5.5 Councils who do not agree to accept the full package of commitments will see a reduction in revenue funding of 6.4% which would equate to a reduction of around £15.7m for East Ayrshire Council.
- 5.6 The proposals include a requirement for each council leader to write to the Scottish Government confirming their council's position by 21 December 2010.
- 5.7 Given the Council's position in respect of the proposed commitments, as set out at 5.3 above, it is proposed that the Council at its next meeting be asked to agree to accept all of them and thereafter to authorise the Leader of the Council to write to the Scottish Government confirming this.
- 5.8 Parliamentary approval of the sum to be made available to councils will be sought by The Scottish Government in March 2011 once all councils have set their budgets and council tax levels for 2011/12.
- 5.9 The Settlement only contains details of funding levels for 2011/12 and no information has been made available for the future years 2012/13 to 2014/15. The document does however show the figures for Scottish spending in those years and it is clear that spending will continue to fall in real terms. It is inevitable therefore that the Council will require to bridge spending gaps in these years by making further significant savings. In the event that funding levels are frozen for example, the savings required are estimated to be in excess of £6m in each year. It will be important therefore to continue to plan for spending reductions into the future and to be in a position to action these as and when required.
- 5.10 Taking these factors into account the outline budget position for the Council can be seen at the table below.

<b>General Services</b>		<b>2011/12 £m</b>
Estimated Net Expenditure 2011/12		247.703
Grant / NDR / Council Tax 2010/11	246.331	
Less Estimated Grant Reduction at 2.6%	(6.405)	
Estimated Grant / NDR / Council Tax 2011/12		239.926
<b>Budget Gap</b>		<b>7.777</b>

The figures above are broad estimates and will require to be adjusted to reflect the council level information to be provided by the Scottish Government on 8 December 2010. As in previous years, it is likely that further advice, clarification and adjustment will continue to be received beyond that date

## 6 SAVINGS PROPOSALS

- 6.1 Proposals have been presented by Executive Directors which would achieve the departmental targets shown in the table below. Details of these proposals are included at Appendix 1. The savings are in excess of the targets which will allow for some flexibility within the consultation process and/or potentially enable the future challenges which will emerge beyond 2011/12 to begin to be addressed now.

Department/Service	Savings Proposals 2011/12		Achievable by Management Action	Achievable by Changes to Services
	£m	%	£m	£m
Educational and Social Services	5.500	3.2	2.468	3.032
Neighbourhood Services	2.087	5.5	0.868	1.219
Finance And Corporate Support	1.198	5.5	0.954	0.244
<b>TOTAL</b>	<b>8.785</b>		<b>4.290</b>	<b>4.495</b>

- 6.2 Departments have been well aware for some time that significant reductions in expenditure would be necessary to balance the budget over the next three years and have been identifying opportunities for savings on an ongoing basis. Management actions have therefore been identified by Executive Directors that continue to be implemented in the normal course of business. Management Action is defined as action which can be taken to reduce costs without having a significant adverse impact on service levels or policies. These are important in meeting the required budget savings, but will not impact on the level of service being provided. They will therefore be included in the information provided in respect of the overall savings package but would be capable of implementation without further Cabinet referral, other than where severance arrangements required to be approved. Any such severance proposals will be brought forward by Executive Directors to the Cabinet for consideration in the normal way. Details of these actions are included in Appendix 1a which will of course be part of the documentation provided to consultees.

Savings by portfolio are shown in the table below. The total value differs from the table at 6.1 as the 2.6% reduction in Police and Fire precepts has been included against the Community Safety line for comparison purposes.

	2010/11 Budget £m	Proposed Saving £m	%
Delivering Community Regeneration	27.489	1.173	4.3
Improving Community Safety	30.863	1.055	3.4
Improving Health and Wellbeing	68.331	2.719	4.0
Promoting Lifelong Learning	117.441	3.253	2.8
Strategic Planning, Management and Resources and Equality	20.613	1.240	6.0
<b>Total</b>	<b>264.737</b>	<b>9.440</b>	<b>3.6</b>

- 6.3 Those savings which will have an impact either on service delivery or through charges being introduced or increased are included in Appendix 1b and will all be subject of full public consultation, discussion and scrutiny.
- 6.4 In terms of posts affected by these proposals, an initial assessment is set out below. It is expected however that once specific areas for savings become apparent that further expressions of interest in voluntary severance will be forthcoming and that the numbers in the Redeployment/ Compulsory Severance category will reduce over the next few months.

DEPARTMENT	NO OF POSTS (FTE)	VACANCIES	VOLUNTARY SEVERANCES CURRENTLY IDENTIFIED	POTENTIAL REDEPLOYMENT/ COMPULSORY SEVERANCES
Educational & Social Services	153.47	17.00	25.95	110.52
Neighbourhood Services	79.80	19.00	2.00	58.80
Finance & Corporate Support	39.31	16.31	21.00	2.00
<b>TOTAL</b>	<b>272.58</b>	<b>52.31</b>	<b>48.95</b>	<b>171.32</b>

- 6.5 As indicated previously the Teachers Refresh scheme will release vacancies to be filled by newly qualified teachers. At present over 100 teachers have expressed an interest in leaving the service. These have been excluded from the above table given that they do not represent a reduction in funded posts.

## 7 COUNCIL TAX

- 7.1 As noted in section 4 above, the proposed Local Government Finance Settlement includes a requirement to freeze Council Tax for 2011/12 at 2007/08 levels.

## 8 HOUSING RENTS

- 8.1 The Cabinet, on 10 February 2010, agreed that Housing Rents should be increased annually by the greater of RPI plus 1% or 3.5%, plus the additional costs for new house building. This builds on the advice of consultants, DTZ Pbeda, which was designed to achieve the Council's target of every house meeting the Scottish Housing Quality Standard (SHQS) by 2015.

RPI at August 2010 was 4.7% and consequently the rent increase under the formula would be 5.7%, plus 8 pence per week for the new builds.

- 8.2 In line with previous years it is proposed however that the need to make efficiency savings should continue to extend to the Housing Revenue Account as for General Services. A 5.5% saving in controllable budget lines is therefore proposed in line with savings proposed for the Department of Neighbourhood Services as a whole. This would reduce the increase to £2.75 over 52 weeks or £2.98 over the 48 week payment cycle.

Our rents continue to compare favourably with our neighbouring authorities, the Scottish average and local Registered Social Landlords as can be seen in the table below.

Council	Average Weekly Rent 2010/11 £
<b>East Ayrshire</b>	<b>52.38</b>
South Ayrshire	52.45
North Ayrshire	55.54
<b>Scottish Local Authority Average (2010-11)</b>	<b>54.65</b>
<b>Registered Social Landlords (Latest figures are for 2009/10)</b>	
Atrium	65.92
Cunningham	69.89
Shire	65.09

- 8.3 The rent increase will generate additional funds which will be reinvested in the housing investment programme in pursuance of the 2015 Scottish Housing Quality Standard achievement of which remains on target. Specifically, the focus will be on energy efficiency measures including boiler and window replacement.
- 8.4 The investment programme for 2011/12 will deliver 850 new kitchens and bathroom installations, 770 new central heating systems, 950 new replacement

windows and 700 replacement doors and screens. In addition 40 new council houses will be constructed across East Ayrshire over the next two years, with a further 50 to follow thereafter.

## **9 RECOMMENDATIONS**

9.1 It is recommended that Members

- (i) recommend to the Council on 16 December 2010 that the conditions set out by the Scottish Government which require to be met to access the maximum amount of grant funding, be accepted and the Leader of the Council authorised to confirm this to the Scottish Government by the due date of 21 December 2010;
- (ii) recommend to the Council on 16 December 2010 that Police Board Members be mandated to approve a Police Board commitment to maintain the number of Police Officers at current levels;
- (iii) remit the Chief Executive to enter into discussions with NHS Ayrshire and Arran regarding the arrangements that require to be put in place to govern distribution of the Social Care Change Fund and to note that a further report will be presented to the Cabinet in due course;
- (iv) note the Management Actions set out in appendix 1a and agree to receive further reports as appropriate;
- (v) approve the proposals set out in appendix 1b as a basis for consultation;
- (vi) approve the proposals in respect of the Housing Rent Increase as a basis for consultation;
- (vii) note that feedback from the consultation process will be presented to the Cabinet on 9 February 2011;
- (viii) agree that whilst the contents of the report are subject to call in procedures in the normal way, the decisions recommended at (v) and (vi) above to issue the draft budget and rent increase for consultation should not be subject to call in procedures due to the urgency of the timescale; and
- (ix) otherwise note the contents of this report.

Alex McPhee  
Executive Director of Finance & Corporate Support  
24 November 2010

**LIST OF BACKGROUND PAPERS**

Scotland's Spending Plans and Draft Budget 2011-12

Letter from John Swinney MSP and Councillor Pat Watters to Council Leaders  
dated 17 November 2010

Members wishing further information should contact  
Craig McArthur, Head of Finance.



## MANAGEMENT ACTION

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
1 a	Roads and Transportation	Negotiate reduction of Communication Costs for data transfer from remote traffic management systems	5,000	CR	N'hood
2 a	Roads and Transportation - Network Management	Additional Income from Permits and Fixed Penalty Notices	5,000	CR	N'hood
3 a	Roads and Transportation - Parking	Additional Income from Parking charges already approved	28,540	CR	N'hood
4 a	Roads and Transportation - Street Lighting	Efficiency savings in delivering maintenance to street lighting assets through more reliable infrastructure	39,150	CR	N'hood
5 a	Planning & Economic Development - Economic Development	Reduce supplies and services budget by 10% year on year	3,640	CR	N'hood
6 a	Roads and Transportation	Review of Capital Works fees in line with external charges	96,000	CR	N'hood
7 a	Roads and Transportation - Transport Services	Redesign of service provision in Transport Services	28,000	CR	N'hood
8 a	Roads and Transportation - Winter Maintenance	Transport savings from reduction in winter routes from 15 to 12	25,000	CR	N'hood
9 a	Roads and Transportation - Street Lighting	Half Hour Passive Metering of Street Lighting	60,000	CS	N'hood
10 a	Community Care - Learning Disability	Day Service sessional support reduced with no reduction in service delivery.	10,000	HW	E&SS
11 a	Community Care - Learning Disability	Residential Service sessional support reduced with no reduction in service delivery	10,000	HW	E&SS
12 a	Resources - Social Work Budget	Change advertising arrangements to reduce advertising costs for social worker posts.	15,000	HW	E&SS
13 a	Resources - Social Work Budget	Reduce computer consumables budget by £11,000 in 2011/12 following move to new office accommodation	11,000	HW	E&SS
14 a	Resources - Social Work budget	Delete minor repairs budget of £32,920 in 2011/12 and transfer responsibility for repairs to the Central Repairs Account.	32,920	HW	E&SS

## Appendix 1a

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
15 a	Community Care - Older People	Assumed saving in respect of nationally negotiated freeze on Care Home uplift.	376,000	HW	E&SS
16 a	Children and Families	Reprofile of additional sustainability monies to reflect actual experience of restructuring services and filling vacancies. No change to overall level of additional investment.	201,000	HW	E&SS
17 a	Children and Families	Remove Council funding for NHS Nurse Advisor post	25,000	HW	E&SS
18 a	Leisure - Community Recreation	Restructure allowing deletion of Community Recreation Assistant post	3,700	HW	N'hood
19 a	Leisure - Leisure Development	Restructure resulting in deletion of vacant posts within the sport, health and recreation partnership service	63,180	HW	N'hood
20 a	Housing - Income maximisation	Redesign of Income Maximisation Team and financial inclusion service	96,500	HW	N'hood
21 a	Social Services	Redesign of Financial Inclusion Services	50,000	HW	E&SS
22 a	Housing Homelessness	Reduce expenditure on Removals and Storage	19,800	HW	N'hood
23 a	Housing	Transfer post covering older persons' supported accommodation to HRA	27,460	HW	N'hood
24 a	Schools - Secondary	Savings arising from expected fall in school rolls	217,744	LL	E&SS
25 a	Schools - Primary	Savings arising from expected fall in school rolls	184,320	LL	E&SS
26 a	Early Education and Childcare Service	Mainstream Fit Ayrshire Babies project	9,600	LL	E&SS
27 a	Additional Support Needs	Planned end of initial support for EAST	32,604	LL	E&SS
28 a	Early Education and Childcare Service	Reduction in funding for Level 9 qualification for SSSC Lead Practitioner / Manager registration	5,000	LL	E&SS
29 a	Resources - Central Education Budget	Change advertising arrangements to reduce advertising costs for teachers posts	17,250	LL	E&SS
30 a	Quality Improvement	Deletion of 16+ Learning Choices Co-ordinator post, following cessation of external funding support	18,055	LL	E&SS
31 a	Arts and Culture	Reduce payment to Ayrshire Chambers of Commerce (ACCI) by 15% of 2010/11 levels from April 2011	4,613	LL	E&SS

## Appendix 1a

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
32 a	Early Education and Childcare	Removal of minor property repairs budget and transfer responsibility for repairs to the Central Repairs Account.	18,000	LL	E&SS
33 a	Resources - Central Education Budget	Removal of minor repairs budget and transfer responsibility for repairs to the Central Repairs Account.	88,000	LL	E&SS
34 a	Schools	Reduce central supply pool costs from August 2011	30,847	LL	E&SS
35 a	Quality Improvement	Reduce central supported study budgets and development budgets recognising focus of devolved CPD budgets on Curriculum for Excellence	45,000	LL	E&SS
36 a	Schools	Review the teachers staffing flexibility budget	30,000	LL	E&SS
37 a	Onsite - Catering - School Meals	Change production arrangements for schools providing less than 60 meals per day to a family service style and transfer production to nearby production kitchens	35,000	LL	E&SS
38 a	Onsite - Cleaning - office cleaning	Reorganise office cleaning around cluster arrangements with mobile team cleaning and improvements in productivity	50,000	LL	E&SS
39 a	Additional Support Needs	Redesign service for alternative educational and vocational training	31,511	LL	E&SS
40 a	Early Education and Childcare	Negotiate reduction in payments to the Avenue Project by 10% of 2010/11 levels to reflect referral rates	9,514	LL	E&SS
41 a	Community Learning & Development Service	Restructure resulting in the deletion of APO post	53,700	LL	E&SS
42 a	Onsite - Catering - all services	Realisation of further efficiency savings through individual location review of staffing levels against production volumes in line with previous savings	32,000	LL	E&SS
43 a	Cross Departmental	Remove 1 FTE SVQ Co-ordinator following review of service	40,300	LL	E&SS
44 a	Resources / Early Education and Childcare Service / Community Learning and Development	Merge and reduce Rennie Street and Crosshouse administration teams, allowing reduction of 1 Senior Administration Officer (G10) and 1 part time clerical post (G3)	49,972	LL	E&SS

## Appendix 1a

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
45 a	Resources - Central Education Budget / Onsite	Centralise property and transport functions within E&SS, under the Head of Facilities Management resulting in reduced staffing levels	161,917	LL	E&SS
46 a	Resources - E&SS Wide	Reduction in administrative staffing levels throughout E&SS	100,000	LL	E&SS
47 a	Learning Communities	Remove materials, administration and CPD budgets relying only on pooled budgets	136,900	LL	E&SS
48 a	Onsite	Reduce the periodic deep clean days for term time cleaning staff from 15 to 10 days	28,800	LL	E&SS
49 a	Onsite	Reduce the catering and cleaning training days from 7 to 5	11,520	LL	E&SS
50 a	Onsite	Reduce absence cover budgets to reflect a reduction in absence levels and reduce level of cover provided, across all onsite services	70,000	LL	E&SS
51 a	Community Learning & Development Service	Restructure resulting in deletion of post of Team Leader (Partnerships) from April 2011	47,930	LL	E&SS
52 a	Early Education and Childcare Service	Deletion of Early Years Childcare Development Support Officer post recognising reduced workload	32,130	LL	E&SS
53 a	Onsite - Corporate Catering	Saving from closure of Lugar canteen following move to Cumnock, and relocation of London Road catering facility. This will assist in boosting lunchtime spend in Cumnock Town Centre	5,000	MR	E&SS
54 a	Central Management Support	Managed Savings from Supplies & Services budgets	37,430	MR	N'hood
55 a	Finance	Renegotiation of engineering inspection and insurance premium	40,000	MR	F&CS
56 a	IT&AM (IT)	Various IT contracts e.g. install wireless point to point link to replace circuit at Barrhill Road, Cumnock and Darvel Library	17,500	MR	F&CS
57 a	IT&AM (AM)	Discontinue subscription and IT support; transfer information and system functions to Technology Forge	6,000	MR	F&CS
58 a	IT&AM (AM)	Non-filling of Vacancies within the Estates Land Survey Team - 1 x Land Surveyor (G9) and 1 x Land Survey Assistant (G6)	55,000	MR	F&CS
59 a	IT&AM (IT)	Various IT contracts including renegotiating rental rates with BT for digital line services	28,600	MR	F&CS

## Appendix 1a

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
60 a	IT&AM (IT)	Various IT contracts including alternative solution to Disaster Recovery hardware	41,290	MR	F&CS
61 a	IT&AM (IT)	Reduced Cisco Switch Maintenance (Capita Contract) by removing obsolete and smaller components and stocking spares in-house	20,000	MR	F&CS
62 a	IT&AM (AM)	Non-filling of 0.5 Vacant Estates Surveyor (G10) within the Estates Team	18,000	MR	F&CS
63 a	LPRS - Environmental Health	Redesign allowing deletion of Environmental Health technician post (G8)	32,000	MR	F&CS
64 a	IT&AM (IT)	Restructure allowing deletion of two Senior Analyst Vacancies	81,700	MR	F&CS
65 a	LPRS - Trading Standards	Restructure allowing deletion of Trading Standards Enforcement Officer post (G8) and Trading Standards Officer post (G10)	73,000	MR	F&CS
66 a	Democratic Services	Service redesign allowing the deletion of Depute Council Officer post	36,600	MR	F&CS
67 a	IT&AM (AM)	Surplus Property security costs	100,000	MR	F&CS
68 a	Democratic Services	Deletion of overtime budget	10,000	MR	F&CS
69 a	IT&AM (IT)	End contract for Commvault Enterprise Backup Software	8,200	MR	F&CS
70 a	IT&AM (AIS)	Restructure allowing deletion of Property Officer post	30,000	MR	F&CS

**Sub total****3,464,437****Management and Administrative Reviews**

71 a	Leisure - Outdoor Amenities Administration	Restructure to allow deletion of 0.5 administration vacancy	10,110	CR	N'hood
72 a	Roads and Transportation Management	Reduced management structure from combining operations	91,490	CR	N'hood
73 a	Planning & Economic Development (all services)	Redesign of Planning & Economic Development Service with deletion of 9 vacant posts to facilitate greater emphasis on economic development	174,720	CR	N'hood
74 a	Leisure -Community Recreation	Restructure resulting in the deletion of Community Recreation Manager post	52,800	HW	N'hood

Appendix 1a

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
75 a	Community Care	As part of review of management structures and in developing partnership arrangements, a reduction in expenditure in professional support services	140,000	HW	E&SS
76 a	Democratic Services	Deletion of 0.11 media and communication contracted hours	4,950	MR	F&CS
77 a	Democratic Services	Restructure allowing deletion of 0.6 Administration Officer (Vacancy)	22,730	MR	F&CS
78 a	Human Resources	Deletion of vacant parts of following posts (0.6 Clerical Asst (H&S) ;0.2 Human Resources Officer (ERS); 0.1 Learning & Development Officer (OD)	25,020	MR	F&CS
79 a	LPRS - Legal	Restructure allowing the deletion of solicitor's post (partial)	39,000	MR	F&CS
80 a	CPPU	Delete vacant Policy Officer Post	42,000	MR	F&CS
81 a	Human Resources	Restructure / Service Review allowing the deletion of six posts within Human Resources	222,150	MR	F&CS

**Sub total**

**824,970**

**Overall Total**

**4,289,407**

Delivering Community Regeneration	506,650
Improving Community Safety	60,000
Improving Health and Wellbeing	1,134,360
Promoting Lifelong Learning	1,592,227
Strategic Planning, Management and Resources and Equality	996,170
<b>Total</b>	<b>4,289,407</b>

<b>PROPOSED CHANGES FOR CONSULTATION</b>
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No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
1 b	Leisure - Community Recreation	Close sports facilities at Christmas / New Year in view of experience of reduced usage.	2,800	CR	N'hood
2 b	Leisure - Outdoor Amenities Bereavement and Streetscene (Street Cleaning)	Provide bereavement services on Bank and Public Holidays in emergency circumstances only.	29,600	CR	N'hood
3 b	Planning & Economic Development Economic Development	Assist annual events run by Mauchline Burns Club / Holy fair; Darvel Music Festival; Cumnock Highland Games to become more self sufficient.	13,750	CR	N'hood
4 b	Planning & Economic Development Economic Development	Reduce core payments to other external bodies by 5%	9,380	CR	N'hood
5 b	Planning & Economic Development Economic Development	Reduce match fund budget by 5%	1,280	CR	N'hood
6 b	Housing - Waste Management	Introduce standard charging for all bulky uplifts	55,120	CR	N'hood
7 b	Housing - Waste Management	Introduce charging to house builders for provision of new bins and communal bins at new developments	22,000	CR	N'hood
8 b	Roads and Transportation Parking	Increase parking charges for on-street parking from 15 pence to 20 pence per quarter hour	52,190	CR	N'hood
9 b	Roads and Transportation Parking	Introduce off-street parking charges in Cumnock and Stewarton	25,000	CR	N'hood
10 b	Leisure - Outdoor Amenities Bereavement (Operational)	Maintain core standards while reducing the operational workforce from 25 FTE to 18 FTE to recognise the introduction of non-manual technology and a reduction in demand	158,640	CR	N'hood

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
11 b	Leisure - Outdoor Amenities Streetscene (Grounds)	Review operational arrangements with the aim of continuing to deliver high quality green space whilst reducing core workforce from 46 to 30 with an increase in seasonal employees for a 20 week summer period	151,250	CR	N'hood
12 b	Leisure -Outdoor Amenities Golf Unit	Reduce total starter cover at Patna and remove the post of Golf Ranger. Explore opportunities for community ownership of golf courses	23,070	CR	N'hood
13 b	Housing -Tenancy Support	Restructure to allow deletion of 2 vacant Housing Support posts	50,490	CR	N'hood
14 b	Roads and Transportation - Road Maintenance Unit	Rationalisation of Road Maintenance Section allowing deletion of vacant post	35,650	CR	N'hood
15 b	Roads and Transportation - Traffic and Road Safety Unit	Redesign of Traffic and Road Safety section	35,670	CR	N'hood
16 b	Housing - Community Safety	Redesign Community Safety Service whilst continuing to deliver core outputs	97,260	CS	N'hood
17 b	Community Safety	Cessation of Community Warden Service (10 posts) in recognition of the commitment to continued enhanced police numbers	240,500	CS	N'hood
18 b	Housing - Waste Management	Change recycling centre opening hours in line with demand	11,500	HW	N'hood
19 b	Community Learning and Development	Reprioritise support in communities, reducing the number of Community Work Assistants by two	52,000	HW	E&SS
20 b	Leisure - Leisure Development	Reduce Grants to External Bodies Budget (Galleon, Visions, Dunlop Park, Dunlop Village Hall) by 5%	18,300	HW	N'hood
21 b	Income from Charges	As part of annual review of charges increase the indicative hourly rate for homecare by £1 above inflation	40,000	HW	E&SS
22 b	Income from Charges	In common with other councils, introduce an administration charge for issuing Blue Badges from 1 April 2011	48,000	HW	E&SS
23 b	Income from Charges - Community Alarms	Introduce equity in charging for Community Alarms by introducing a flat rate charge from April 2011 outwith non residential charging policy	200,000	HW	E&SS
24 b	Income from Charges	Introduce consistency for Day Services Charge in all community care services	114,000	HW	E&SS

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
25 b	Onsite - Transport - SW day care	Reconfigure the Day Care transport arrangements in line with changing needs of the service and develop options to integrate community transport and private providers	50,000	HW	E&SS
26 b	Community Learning and Development / Children and Families	Restructure community worker and social work assistant supports in Learning Communities, reducing post numbers by 12 FTE from April 2011	371,082	HW	E&SS
27 b	Community Care - Learning Disability	Review of day services including redesigned management arrangements from 3 to 2 teams and utilise new Kilmarnock facility to provide more efficient and effective models of support	200,000	HW	E&SS
28 b	Community Care - Older People	Provision of services at Menzies Court to be reviewed with models of care developed within eligibility criteria to meet identified need	100,000	HW	E&SS
29 b	Community Care - Older People	Amalgamate rehabilitation services for older people with our reablement services and move towards a community based model of support utilising Ross Court for an alternative purpose	212,000	HW	E&SS
30 b	Community Care - Older People	For locality based home care services, set a balance of care ratio for paid hours of 65% direct service provision and 35% commissioned	100,000	HW	E&SS
31 b	Community Learning and Development	Review Youth Work Provision in south of the authority	50,000	HW	E&SS
32 b	Leisure - Leisure Development	Reduce Sport and Health Development Budget	10,000	HW	N'hood
33 b	Leisure - Leisure Development	Redesign service provision to reduce recreation development special payments	9,070	HW	N'hood
34 b	schools catering - free fruit	Withdraw provision of free fruit to primaries 2 and 3, but pursue sponsorship of this scheme from major supermarkets	40,000	LL	E&SS
35 b	Community Learning & Development Service	Concentrate peer education in local teams	40,000	LL	E&SS
36 b	Resources / Schools	A restructuring of the library support service across schools to deliver a service supported by two chartered librarian and seven library assistant posts	60,000	LL	E&SS

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
37 b	Schools/Early Education and Childcare/Onsite	Relocate Catrine Nursery School to Catrine Primary School from August 2011.	19,087	LL	E&SS
38 b	Schools/Early Education and Childcare/Onsite	Relocate Drongan Community Centre into the primary school campus.	39,093	LL	E&SS
39 b	Schools/Early Education and Childcare/Onsite	Relocate Muirkirk Nursery Class into Muirkirk Primary School and close Muirkirk Nursery Class Building from August 2011, subject to all necessary statutory consultations.	11,369	LL	E&SS
40 b	Onsite - School Catering - primary 1 free meals	End universal provision of free school meals for P1 in line with the new agreement with the Scottish Government. Free meals will still be provided to those entitled to them.	95,000	LL	E&SS
41 b	Early Education and Childcare Service / Onsite	Closure of Breakfast Clubs outwith targeted areas of deprivation in East Ayrshire	36,000	LL	E&SS
42 b	Onsite - Transport	Reduce mainstream transport provision for all secondary pupils in line with statutory distance of 3 miles where a safe walking route can be identified	189,000	LL	E&SS
43 b	Early Education and Childcare	Level of payments to partner providers to be maintained at 2010/11 levels with payment from the week the child commences at the establishment	32,000	LL	E&SS
44 b	Early Education and Childcare Service	Reduce subsidy to providers of out of school care by 50% from June 2011	39,375	LL	E&SS
45 b	Early Education and Childcare Service	Withdraw funding for wraparound care at Catrine Nursery	47,000	LL	E&SS
46 b	Early Education and Childcare Service	Cease funding for Homestart.	57,870	LL	E&SS
47 b	CLAD / Leisure	Increase letting charges by 10% - 18,500 for CLAD - 7,440 for Leisure	25,940	LL	E&SS / Nhood
48 b	Onsite - Janitorial Services - CLAD Centre supervisors	Implement a cost recovery arrangement with Community Associations where lets incur additional costs for the Council but income is retained by the Community Association	50,000	LL	E&SS

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
49 b	Arts & Culture	Reduce spend on Arts and Cultural education	80,000	LL	E&SS
50 b	Onsite - Schools Catering - Food For Life, sustainable school meals.	Refocus of school meals Food For Life scheme, and reduce Soil Association Accreditation from gold to bronze whilst maintaining commitment to fresh, seasonal and local produce supporting animal welfare and promoting the link between what children eat in school and what they learn	17,500	LL	E&SS
51 b	Community Learning & Development Service	Enhance Essential Skills Service allowing reduction in Adult Literacy & Numeracy provision by external organisations	111,000	LL	E&SS
52 b	Community Support - Additional Support Needs	Reduce the number of classroom assistant numbers by 10 FTE in each of the academic sessions 2011/12 and 2012/13	36,399	LL	E&SS
53 b	Schools	Review models of ensuring maximum efficiency from supply staff costs from August 2011	175,000	LL	E&SS
54 b	Leisure - Arts & Museums	Service redesign integrating Dean Castle Country Park and Arts & Museums	93,600	LL	N'hood
55 b	Leisure - Libraries	Redesign Library, Registration and Information Service	65,800	LL	N'hood
56 b	Democratic Services	Reduce transport costs; streamline admin costs of community engagement; reduce training costs; withdraw photographer services for wedding anniversary events	23,454	MR	F&CS
57 b	IT&AM (AIS)	Reduction in discretionary planned maintenance on the Councils property portfolio recognising the number of new facilities being brought online	24,750	MR	F&CS
<b>Sub total</b>			<b>3,998,839</b>		

### Management and Administrative Reviews

58 b	Resources - Directorate	As part of review of management arrangements reduce & redesign support services provided to directorate including consolidation where appropriate of performance and information services	140,000	LL	E&SS
59 b	Schools	Establishment of joint headships between schools as opportunities arise	93,802	LL	E&SS
60 b	Early Education and Childcare Service	Redesignation of Catrine Nursery School; Drongan Nursery School and Kilmaurs Nursery School to become nursery classes from August 2011 subject to statutory consultation	66,878	LL	E&SS

No	Division of Service	Savings option	2011/12 Saving £	Portfolio	Dept
61 b	Finance	Completion of business review and restructure of management and staffing. Deletion of up to 17 posts	196,000	MR	F&CS
<b>Sub total</b>			<b>496,680</b>		
<b>Overall Total</b>			<b>4,495,519</b>		

Delivering Community Regeneration	665,890
Improving Community Safety	337,760
Improving Health and Wellbeing	1,585,952
Promoting Lifelong Learning	1,661,713
Strategic Planning, Management and Resources and Equality	244,204
<b>Total</b>	<b>4,495,519</b>