

EAST AYRSHIRE COUNCIL
CABINET – 9 NOVEMBER 2011
BUDGET STRATEGY 2012/13

Report by Executive Director of Finance and Corporate Support

1 PURPOSE OF REPORT

- 1.1 This report details the budget strategy for 2012/13 and seeks approval, for consultation purposes, of the draft General Services revenue budget and the proposed Council House rent increase from April 2012.

2 BACKGROUND

2.1 United Kingdom

- 2.1.1 The UK Comprehensive Spending Review was presented to Parliament in October 2010 and announced significant reductions in funding across the public services in the UK for the period 2011/12 to 2014/15.

- 2.1.2 Growth, as measured by GDP, in the UK was just 0.5% in quarter 1 of 2011 and fell to 0.2% in quarter 2. Inflation (CPI) rose to 5.2% in September 2011, and wider economic conditions remain unpredictable and challenging. Reductions in public sector spending are likely to continue for the foreseeable future.

2.2 Scotland

- 2.2.1 The “Scottish Spending Review 2011 and Draft Budget 2012-13” was presented to the Scottish Parliament on 21 September 2011. This confirmed that the Scottish Departmental Expenditure Limit (DEL) will increase by 1.2% in cash terms in 2012/13 to £28.304bn. The impact of inflation translates this into a cut in real terms.

2.3 Local Government

- 2.3.1 Local Government spending plans for 2012/13 within the Scottish Budget indicate a broadly cash-flat position in relation to revenue funding. There is however, the regular update of the variable factors which govern how Revenue Support Grant is allocated to individual Councils. These indicators and formulae determine the individual allocations for the 32 Councils and will be detailed in a Local Government Finance Circular expected to be issued in the week commencing 5 December 2011. Last year saw an average budget reduction of 2.6% across Scotland, with East Ayrshire losing 2.8% as a result of changes in distribution variables. The range across Scotland in 2011/12 was a reduction of between 0.3% and 4.9%.

2.3.2 In terms of capital funding the Scottish Government has indicated that capital grant for local government will be reprofiled over the period of the spending review, and indeed for an additional year beyond this. 2012/13 and 2013/14 will see a reprofiling reduction of £120m and £100m respectively, with a £120m increase in 2014/15. The remaining £100m will be added back in 2015/16.

2.3.3 The spending review outlined a number of issues that are likely to feature in the funding package offered to Councils in the Finance Circular. These are likely to include commitments around teacher numbers, police numbers, a council tax freeze, and arrangements surrounding joint Change Funds.

2.4 East Ayrshire Council

2.4.1 The revenue budget approved by Council on 10 February 2011 outlined an indicative gap of £7.7m for 2012/13. This made a number of assumptions both in terms of funding and pressures. It was emphasised that calculations would require to be refined as the year progressed and more information became available.

2.4.2 It has been indicated that the finalised level of grant funding at Council level will be announced during the week commencing 5 December 2011. There are however a number of assumptions that can be made based on the information currently available, to allow an updated indicative budget gap to be identified.

2.4.3 Current year adjustments to Revenue Grant for 2011/12 add around £0.5m to the original figure and it is anticipated that this will feed through to 2012/13. It has also been assumed that the Council Tax for 2012/13 will remain frozen.

2.4.4 The 2011/12 revenue budget as agreed by the Council in February 2011 is used as the base for the 2012/13 budget, subject to adjustments for a number of cost pressures as detailed in the table below.

Pay Inflation	Employee costs assume a pay freeze for all staff groups. Provision has been made to reflect annual increments and potential changes to members' costs and employers' pension contributions, both of which are dependent on external factors.
Price Inflation	Price inflation has been applied to the base estimate only where there is a related specific contractual requirement. In broad terms, inflation at 5.2% against an original estimate of 2% adds an additional £1.0m to expenditure. This includes the Council's Schools PPP commitment.

Unavoidable Cost Increases	This will include full year costs of initiatives implemented during 2011/12, the revenue consequences of capital projects and other obligations including, for example, the costs associated with the carbon reduction scheme. A sum has also been set aside for potential burdens which will be more quantifiable when the Local Government Finance Circular becomes available including Change Fund contributions.
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, Valuation and Strathclyde Partnership for Transport on the assumption that joint boards will receive no increase in grant funding similar to local government. The actual levels of funding will be known when the joint boards set their budgets for 2012/13.
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 and the anticipated reprofiling of support for capital expenditure from the Scottish Government.
Income	The level of income in certain areas, including Planning, Car Parking and School Meals appears uncertain in the current financial year and it is proposed to set aside an Income Contingency of £0.5m which can be drawn on by departments during 2012/13 if no improvement can be achieved.

2.4.5 These high level adjustments outlined in paragraph 2.4.4 above result in the indicative budget gap for 2012/13 increasing from the £7.7m estimated in February 2011, to £11.055m as detailed in the table at section 3.17.

2.4.6 Departments have been working towards the production of savings packages to close the indicative budget gap. Management actions, defined as "action which can be taken to reduce costs without having a significant adverse impact on service levels or policies", totalling £5.493m, have already been identified through this process. These are broken down by department in the table below, and are detailed on a line by line basis at appendix 1.

Department	Savings proposals £'m	%
Educational and Social Services	3.229	1.9
Neighbourhood Services	1.364	4.0
Finance and Corporate Support	0.900	4.3
TOTAL	5.493	

Implementation of these actions would therefore leave a funding gap of £5.562m for 2012/13.

3 BUDGET DEVELOPMENT STRATEGY

- 3.1 In line with previous years and recognising the challenges currently facing the Council, the 2012/13 draft revenue budget has been compiled in accordance with the general principles summarised below:
- the agreed priorities as set out in the Community Plan and Single Outcome Agreement will continue to be pursued;
 - management action will be taken to identify and achieve efficiency savings wherever possible;
 - compulsory redundancies will be minimised;
 - additional investment in social work services will be delivered;
 - management structures will continue to be streamlined and delayered;
 - appropriate levels of reserves will be maintained to meet unforeseen future pressures;
 - established consultation arrangements will continue.
- 3.2 The Efficiency Strategy approved by Cabinet on 19 May 2010, identified a number of strands that continue to be taken forward. These discrete pieces of work allow better ways of working to be identified, performance to be improved and budget savings to be realised. The specific strands that are continuing include:
- Business reviews;
 - Budget management and review;
 - Budget and performance review; and
 - Continuing the engagement.
- 3.3 The budget management and review strand included a detailed review of departmental budget lines that was undertaken during 2010/11. This has been reprised over the last few weeks, with Executive Directors and Heads of Service taking part in detailed line by line reviews of their 2011/12 budgets with the Chief Executive and Executive Director of Finance and Corporate Support.
- 3.4 Most services anticipate net underspends for the year arising from a number of factors. The most common reason is management action which has been taken in-year to prepare services for the implementation of management reviews. This has resulted in savings in employee costs through vacancies being held in anticipation of reduced numbers of management posts in the revised structures.
- 3.5 Within **Educational and Social Services**, significant savings have been identified in respect of employee costs, private contractors and other establishments.

- 3.5.1 Within Social Work Resources £0.076m has been identified from employee budget lines, furniture, equipment and materials and contributions to provisions.
- 3.5.2 Community Care savings relate mainly to care at home employee costs and lower than anticipated spend on residential and nursing care placements, while within Children and Families savings have been possible as a result of the timing in filling vacant posts related to the ongoing service redesign of Children and Families and lower than anticipated spend in relation to secure accommodation where lower levels of activity have been experienced.
- 3.5.3 Within Education, a total figure has been identified which takes account of various favourable variances across the Service. In particular, the teacher refresh programme is starting to have the desired impact with the service recruiting more newly qualified teachers leading to lower average salary costs. In addition, teacher absence has been lower than in previous years and this has had a positive impact on the budget. Within Community Support savings have been made in relation to premises which are currently closed.
- 3.6 Within **Finance and Corporate Support** savings have been identified across a range of headings, with the majority relating to employee costs and savings in respect of Corporate Office Accommodation budget lines.
- 3.6.1 Within Finance the main saving is in relation to employee costs; posts have been held vacant by the Head of Service in preparation for the implementation of the management review. Other savings within the service include delayed purchase of IT equipment, reductions in printing, savings in relation to cash collection, and additional grant income.
- 3.6.2 Savings in Legal, Procurement and Regulatory Services include Council-wide cost reductions in relation to water coolers as a result of procurement action taken in this area. An additional saving was also identified in relation to supplies and services within the service.
- 3.6.3 Within Corporate Infrastructure the majority of savings relate to Corporate Office Accommodation lines. As the Council moves forward with its office accommodation strategy it has been possible to realise savings in relation to energy, rates, water and fixtures and fittings. In particular, the budget was based on an earlier occupancy date for the new offices in Cumnock than is now anticipated.
- 3.6.4 Within Human Resources, the saving identified relates wholly to vacancies held within the service in anticipation of the management review.
- 3.6.5 Savings within Democratic Services have been made against a range of budget lines including employee costs, transport costs, communications and computing and other agencies.
- 3.7 Within **Neighbourhood Services**, the majority of the savings identified relate to employee costs and landfill costs.

- 3.7.1 Housing Services (non-HRA) identified savings in relation to landfill costs; reduced payments to external providers of housing support services in line with demand; lower than anticipated employee costs; and a range of other savings across transport costs, premises, and supplies and services.
- 3.7.2 Within Leisure Services the saving identified reflects a number of vacant posts within the service and reduced overtime.
- 3.7.3 No savings have been taken in respect of Planning and Economic Development or Roads and Transportation. Within Roads and Transportation it is the intention of the Executive Director that any favourable variances in relation to vacant posts would be spent within the service on improving road condition.
- 3.8 It should be noted that these budget reductions are not additional cuts but genuine underspends as a result of the natural consequences of implementing new structures and concerted management action to plan ahead and to minimise spending wherever possible.
- 3.9 A summary of the line by line savings that have been identified is shown in the table below.

Service	Transfers approved £'m	Transfers to be approved £'m
Finance	0.400	
Legal, Procurement and Regulatory	0.044	
Corporate Infrastructure	0.224	
Human Resources	0.060	
Democratic Services	0.039	
Social Work Resources	0.076	
Community Care	0.754	
Children and Families	0.355	0.433
Education (all services)		0.415
Housing (non-HRA)		1.399
Leisure		0.291
Planning and Economic Development		0
Roads and Transportation		0
Neighbourhood Management Support		0.045
TOTAL	1.952	2.583

- 3.10 Cabinet approval for the transfer of £1.952m from departmental budgets to the Uncommitted General Fund balance was given on 26 October 2011; approval for the transfer of the remaining £2.583m is now sought following completion of the exercise.

- 3.11 In line with the reserves strategy, departmental balances have also been reviewed by the Chief Executive and Executive Director of Finance and Corporate Support in consultation with Executive Directors. A separate report has been submitted to Cabinet detailing the outcome of these reviews and, if approved, will release a total of £1.956m, to the Uncommitted General Fund balance.
- 3.12 The non-recurring funding freed up from these reviews amounts to £6.491m and, if retained, would enhance the Council's Uncommitted General Fund balance. At 1 April 2011, this balance was £11.350m or 3.3% of annual budgeted expenditure. The actions outlined in 3.10 and 3.11 together with previously approved in-year commitments would have the effect of increasing the Uncommitted General Fund balance to an estimated £17.591m, as detailed below. This level of general fund balance equates to 5.2% of annual budgeted expenditure which is in excess of the maximum set out in the Reserves Strategy of 4%.

Uncommitted General Fund	£'m	%
Opening balance	11.350	3.3
Make it Kilmarnock	(0.200)	
Shared services development fund	(0.050)	
Line by line savings	4.535	
Balances review	1.956	
Projected balance 31/3/12	17.591	5.2

- 3.13 Given the position highlighted at paragraph 3.12 above, there is an opportunity to bridge the remainder of the budget gap by utilising an element of the Uncommitted General Fund balance.
- 3.14 Members should recognise that the use of balances in offsetting the budget gap is a one-off measure, and indeed will require recurring savings to the same value to be identified as part of the medium term Financial Strategy.
- 3.15 The Council has consistently delivered a sustainable annual budget, effecting savings year on year. The use of balances as part of the budget strategy for 2012/13 is largely facilitated by the Efficiency Strategy approved by the Cabinet on 19 May 2010 which included a number of reviews that have released one-off savings that have contributed to balances, and also recurring revenue savings that support service delivery at lower cost.

The level of expenditure reductions that will be required to maintain progress towards agreed outcomes over the next few years will however, require an even more ambitious review programme possibly requiring transformational change in the way the Council operates. Whilst some development work has already taken place, the future efficiency agenda will require the focus of the Chief Executive and the Extended Management Team, over the next few months.

- 3.16 The Cabinet on 28 September 2011 agreed that the third Council-wide Strategic Self Assessment (SSA) of performance should be undertaken between January and May 2012. The SSA should be “credible and balanced, reflecting the realities of finite resources and competing priorities”. A key part of this process will be the development of a prioritised and risk based programme of Best Value Service Review activity. The Financial Strategy for 2013/14 to 2015/16 will be informed by this process and will be brought forward for Members’ consideration during the 2012/13 financial year to ensure that income and expenditure are balanced on a recurring basis over the longer term, in line with agreed priorities.
- 3.17 While there remain a number of unknowns in relation to the budget in terms of funding levels and expenditure pressures, assumptions have been made based on information currently available. Any variations from these assumptions will impact on the amount which requires to be met from the Uncommitted General Fund Balance. The detailed calculation of estimated expenditure and income for 2012/13, the resulting budget gap and the level of balances currently anticipated to be utilised is detailed in the table below:

Department	Allocation 2011/12 £'m	Pay and Price Inflation £'m	Other Unavoidabl e Pressures £'m	Revenue Estimates 2012/13 £'m
Educational and Social Services	176.293	3.562	3.382	183.237
Neighbourhood Services	34.986	0.762	(0.208)	35.540
Police, Fire, Valuation Board & SPT	27.770	0.022	-	27.792
Finance and Corporate Support	21.540	0.366	(0.168)	21.738
Other Non-Departmental Items	75.945	3.542	(0.104)	79.383
Income pressures	-	-	0.500	0.500
Pressures requiring clarification	-	0.468	1.741	2.209
Total Expenditure	336.534	8.722	5.143	350.399
Government Grant	(237.567)	-	(0.302)	(237.869)
Council Tax Income	(48.687)	-	(0.166)	(48.853)
Other Income	(50.280)	(2.342)	-	(52.622)
Total Income	(336.534)	(2.342)	(0.468)	(339.344)
Indicative gap	-	6.380	4.675	11.055
Management action				(5.493)
Remaining gap (to be met from balances)				5.562

3.18 This would result in the Council's Uncommitted General Fund balance position being as set out below:

Date	Balance £m	%
31 March 2008	6.197	2.1
31 March 2009	6.601	2.1
31 March 2010	8.987	2.7
31 March 2011	11.350	3.3
31 March 2012 (Projected)	12.029	3.6

4 COUNCIL TAX

- 4.1 It is anticipated that there will be a requirement to freeze Council Tax for a further year at 2007/08 levels in order to access the grant funding at the levels outlined previously. The position will be confirmed in the Finance Circular which is expected to be published in the week commencing 5 December 2011.

5 HOUSING RENTS

- 5.1 Cabinet previously 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 Peda, which was designed to achieve the Council's target of every house meeting the Scottish Housing Quality Standard (SHQS) by 2015.

RPI at August 2011 was 5.2% and consequently the rent increase under the formula would be 6.2%, plus 35 pence per week for the new builds. This equates to 6.8%; which would be an increase of £3.77 over 52 weeks or £4.08 over the 48 week payment cycle.

- 5.2 As in previous years however it is proposed, to extend the requirement to make efficiency savings to the Housing Revenue Account at the same level as will be made within General Fund activities within Neighbourhood Services (4%). A further saving of £1.048m arises from the integration of the Housing Asset Service within Housing which allows repairs to be charged at cost with no surplus passing to the General Fund.
- 5.3 These adjustments would allow the rent increase to be restricted to £1.99 over 52 weeks or £2.16 over the 48 week payment cycle, equivalent to 3.6%.
- 5.4 Council House rents continue to compare favourably with neighbouring authorities, the Scottish average and local Registered Social Landlords as can be seen in the table below.

Council	Average Weekly Rent 2011/12 £
East Ayrshire	55.13
South Ayrshire	54.97
North Ayrshire	58.60
Scottish Local Authority Average	56.95
Registered Social Landlords	
Atrium	70.50
Cunningham	76.07
Shire	70.54

- 5.5 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, with plans also being developed for potential further investment in new council houses in accordance with the Council's agreed Strategic Housing Investment Plan.
- 5.6 The investment programme for 2012/13 will deliver 853 new kitchens and bathroom installations, 770 new central heating systems, 250 replacement windows and 300 replacement doors and screens. In addition, the council house building programme will see 50 houses completed by the end of the current financial year with a further 10 houses scheduled for completion by 2013/14.

6 CONSULTATION

- 6.1 As in previous years, a one day Budget Seminar involving all interested parties will be organised for Sunday 27 November 2011 at St Joseph's Academy. This will include discussion of the proposed budget strategy as well as consideration of the consequences for local communities arising from the significant challenges facing public sector organisations in the current economic climate, and the possible response to these.
- 6.2 A budget consultation mailbox will again be in operation for the period of the consultation, with electronic and written submissions welcomed and encouraged. The mailbox will be open for 4 weeks closing at 12 noon on Thursday 8 December 2011.
- 6.3 Employee and trade union consultation will take place in the normal way through central and departmental JCC meetings.
- 6.4 Services will also take advantage of meetings with specific liaison groups to engage with service user representatives on budget proposals in the normal way.

7 TIMETABLE

- 7.1 A report will be submitted to a Special Cabinet meeting on 14 December 2011, to recommend a budget to the Council taking account of feedback received. The Council meeting on 15 December will thereafter consider the budget and set the Council Tax level for 2012/13.

8 HUMAN RESOURCE IMPLICATIONS

- 8.1 In line with recognised practice, any management actions that result in staff reductions will be managed in accordance with the Council's Workforce Planning Arrangements, including relevant consultation with staff and trade unions.

9 EQUALITY IMPACT ASSESSMENTS

- 9.1 Each of the management actions identified in appendix 1 has been subject to an Equality Impact Assessment in accordance with the Council's set arrangements. No proposals have been assessed as being discriminatory in terms of the relevant legislative provisions.

10 RECOMMENDATIONS

- 10.1 It is recommended that Members:
- (i) approve the transfer to the Uncommitted General Fund, balances of £2.583m set out at paragraph 3.10;
 - (ii) note the management actions set out in appendix 1;
 - (iii) approve the use of an element of the Uncommitted General Fund Balance to close any remaining funding gap as indicated in the report;
 - (iv) approve the proposals in respect of the housing rent increase as a basis for consultation;
 - (v) note the timetable and consultation arrangements set out in the report;
 - (vi) note that feedback from the consultation process and final budget recommendations will be presented to a Special Cabinet meeting on 14 December 2011;
 - (vii) otherwise note the contents of the report.

Alex McPhee

Executive Director of Finance and Corporate Support
2 November 2011

LIST OF BACKGROUND PAPERS

NIL

Members wishing further information should contact Craig McArthur, Head of Finance (Telephone 01563 576513)

APPENDIX 1

MANAGEMENT ACTIONS

IDENTIFIED BY OFFICERS

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

DEPARTMENT : NEIGHBOURHOOD SERVICES

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
1	Directorate - Central Management Support	Managed savings from supplies & services budgets	53,240	25% managed reduction in supplies and services	MR	No Impact	L
2	Planning & Economic Development	2012/13 savings achieved through Planning and Economic Development Review of management structures.	200,000	Report approved by cabinet on the 22 June 2011	CR	No Impact	L
3	Roads and Transportation Management	Full year effect of earlier management review	28,960	Report approved by Council 10 February 2011	CR	No Impact	L
4	Leisure Services - Outdoor Amenities/ Hosuing Services - Waste Management	Estimated level of savings to be achieved through Outdoor Amenities and Waste Management review of management structures	200,000	The review of management structures has yet to be completed. Staff reductions will be managed in accordance with Council Workforce Planning Arrangements	CR	No Impact	L
5	Housing Services - Waste Management	Efficiencies arising from a review of operations in refuse collection and the Materials Recovery Facility	307,210	Reduction from 23 to 21 routes. Proposal includes removal of 2 collection vehicles and changes to operation processes in the MRF. This will lead to the deletion of 13 posts; there are 5 vacancies. Staff reductions will be managed in accordance with Council Workforce Planning Arrangements	CR	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
6	Roads and Transportation - Transport Services	2012/13 savings achieved from the efficiency review of Transport.	150,500	Report approved by Cabinet SRRB2 - Transport Budget Review, 20 April 2011	CR	No Impact	L
7	Leisure Services - Leisure Development/Community	Delete Vacant Caretaker Post. Darvel Town Hall	16,900	A previous reduction in opening hours allowed reconfiguration of hours and the use of relief staff. Delete vacant post G2.	CHW	No Impact	L
8	Roads and Transportation - Transport Services	Deletion of G5 vehicle workshop operator post	23,500	Report approved by Cabinet on 23 February 2011; Post holder retired 31 March 2011	CR	No Impact	L
9	Roads and Transportation - Support Services	Deletion of G3 Clerical Assistant Post	19,310	Report approved by Cabinet 9 March 2011; Post holder retired 31 May 2011	CR	No Impact	L
10	Roads and Transportation - Street Lighting	Deletion of G8 Clerk of Works post	30,450	Report approved by Cabinet 4 May 2011; post holder retired 30 September 2011	CR	No Impact	L
11	Leisure Services - Community Recreation	Fireworks Display to be self financing	10,000	Agreed by Cabinet on 23 June 2010 that the annual firework event should be come self financing. Last year the public collection at the event raised £8,000.	CS	No Impact	L
12	Roads and Transportation	Car Allowances - Reduced business mileage payments in line with current level of claims.	10,000	Reduction in business mileage payments due to review of operational practice	CR	No Impact	L
13	Housing Services - Homelessness	Efficiency savings in Homeless Services	49,600	Savings based on current levels of activity.	CHW	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
14	Roads and Transportation	Other Fees and Charges - Additional Income.	25,000	Additional income for external design work for outside bodies and other departments.	CR	No Impact	L
15	Roads and Transportation - Street Lighting	Street Lighting - Additional Income	10,000	Additional income from the Connect Contract to maintain street lighting on a section of the M77 and Glasgow Southern Orbital Road.	CR	No Impact	L
16	Roads and Transportation - Street Lighting	Street Lighting - Energy Efficiencies	11,500	Approved by Cabinet on the 19 May 2010. Street Lighting Efficiencies gained by ongoing replacement of current lamps with energy efficient lamps resulting in savings in energy consumption.	CR	No Impact	L
17	Roads and Transportation - Network Management	Additional Income from Road Opening Permits and Contractual Penalty Notices in respect of Road Works by Utilities and Developers	5,000	New Street Works Legislation will result in increase in number of permits and penalty notices being issued. No staff implications.	CR	No Impact	L
18	Housing Services - Homelessness	Housing Options - deletion of vacant G8 post	32,060	No impact on service levels	CHW	No Impact	L
19	Roads and Transportation - Traffic and Road Safety Unit	Savings arising from the Roads & Transportation Management Review	22,080	Approved by Cabinet on the 14 September 2011. Staff reductions will be managed in accordance with Council workforce planning arrangements	CR	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
20	Leisure Services - Libraries, Registration & Information Services	Efficiencies arising from Libraries, Registration & Information Services	158,630	Reduction of 5 posts, 1 vacancy and 1 temporary post. Staff reductions will be managed in accordance with Council workforce planning arrangements. There will be no changes to the current operations of any facilities.	LL	No Impact	L
NEIGHBOURHOOD SERVICES TOTAL			1,363,940				

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

DEPARTMENT : EDUCATION & SOCIAL SERVICES

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
21	Education	The full year effect of 2011/12 savings achieved in academic year commencing August 2011.	474,040	2011/12 savings were part year - August - March	LL	No Impact	L
22	Community Support - Early Education	Reduction in staff costs due to joint Headship at Bellsbank Primary and nursery and Family Centre, with the deletion of the Head of Family Centre post	44,692	New joint Headship already in post, covering both the Primary and Nursery and Family Centre.	LL	No Impact	L
23	Community Support - CLAD	2012/13 effect of previous budget decision as per Cabinet 9 Feb 2011 re ALLIES. Budget reduction to Women's Aid reflects spend based on last 3 years and has been agreed by the organisations.	63,470	This reduces funding to Allies (£20,000), Women's Aid (£17,600), and general funding available for grants by £25,819, based on 2011/12 activity levels.	LL	No Impact	L
24	Community Support - CLAD	Property cost savings arising from the closure of Glebe Cabin	9,050	Building has already closed.	LL	No Impact	L
25	Facilities Management	Review driver deployment to reduce overtime levels	11,000	This proposal will reduce the budget for driver's overtime based on current levels of activity.	LL	No Impact	L
26	Schools	Delete central swimming instructor post	16,950	Swimming in Auchinleck Academy will be supported by existing P.E. staff.	LL	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
27	Schools	Reduce MC:MC programmes.	50,000	The present budget for MC:MC is £150,000, which is used to deliver a range of programmes to enhance core provision and assist in delivering positive destinations for all young people. The effect of this saving will be mitigated by engagement with a range of partner agencies such as Skills Development Scotland. The £100,000 budget in 2012/13 will continue to support a range of programmes aimed at promoting positive destinations.	LL	No Impact	L
28	Resources	Reduction administrative staffing by 1.5 FTE in Community Learning and Development support functions	27,700	There are presently 1.5 FTE administrative and clerical posts vacant within the CLAD teams. A further review of processes to streamline administrative functions will be undertaken to mitigate effects.	LL	No Impact	L
29	Community Support - CLAD	Reduce CLAD staffing by senior practitioner vacancy	49,405	This option will lead to the deletion of one vacant senior practitioner post in the Community Capacity Building Team. Care will be required to ensure no adverse effect on the "Transforming our relationship with Communities" programme.	LL	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
30	ESS	Savings achieved from more efficient procurement including early years / outwith placements commissioning and a review of requirements and renegotiation of relevant contracts upon renewal.	138,000	Review of requirements and re-negotiation upon renewal of relevant contracts.	LL / CWB	No Impact	L
31	Schools	Implementation of a further Teacher refresh programme	175,000	This proposal will result in existing teaching staff being offered retiral or voluntary severance packages and replaced with newly qualified teachers. The saving accrued results from lower average salary costs for teachers and would be implemented from August 2012.	LL	No Impact	L
32	Children and Families	Review expenditure within the Performance and Development team.	48,000	This proposal will review activities within the Performance and Development Team and ensure integration with the new central Policy, Planning and Performance division. Any reduction in staffing will be managed in accordance with the Council's workforce planning arrangements.	CWB	No Impact	L
33	Schools	Delete 2.4 FTE from the central teacher's flexibility budget for Primary and Secondary schools from August 2012.	60,597	This proposal leaves 1.0 FTE in place to cover staff undertaking union duties for EIS and SSTA.	LL	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
34	Schools	A reduction in teacher entitlement resulting from falling school rolls.	153,120	Savings in staffing and materials that will result from a lower budgetary entitlement as a result of falling pupil rolls. It is projected that secondary school rolls will drop by 100 pupils and primary rolls will remain constant overall.	LL	No Impact	L
35	Schools	Reduce delegated budgets by 0.33% from August 2012 to reflect current patterns of spend.	184,628	Headteachers will have flexibility to determine how these savings should be made within their own establishments.	LL	No Impact	L
36	Community Support - ASN	Re-focus the operation of the EAST team with effect from August 2012 to reflect prevailing circumstances.	50,964	This option will ensure that the maximum staffing resource is available in classrooms for early intervention.	LL	No Impact	L
37	Resources	Reduction in administration support costs.	100,000	A further review of administrative tasks will be completed to assess where further efficiencies can be generated to tasks centralised to reduce costs. There are presently 11.1 FTE vacant, or temporarily filled, administrative and clerical posts in ESS It is anticipated that this proposal will reduce staffing levels by up to 5 FTE.	LL/ CWB	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
38	Schools	Reduce school management time	159,070	This option would reduce the management time available to Principal Teachers and Depute Head Teachers in the secondary sector and increase the length of time they spend teaching. This proposal is linked to the teacher refresh programme proposal. On average this will increase class contact time for Depute Head Teachers by 4 hours per week and for Principal Teachers by 50 minutes.	LL	No Impact	L
39	Schools	Staffing entitlement review	228,787	A review of the staffing formulas of schools to maximise efficiency. This will be implemented from August 2012.	LL	No Impact	L
40	Children and Families	Re-profiling of budgets for children and families based on the time taken to implement the major change programme.	229,408	Monitoring of the Children and Families Social Work sustainability programme evidences in-year opportunities to reprofile financial investment in line with implementation programmes. This saving is non recurring and will apply to 2012/13 only with alternative proposals requiring to be generated for 2013/14 onwards.	CWB	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
41	Community Care	Re-profiling of budgets for elderly residential and home care based on the time taken to implement the major change programme.	700,000	Monitoring of the Community Care elements of the Social Work sustainability programme evidences in-year opportunities to reprofile financial investment in line with implementation programmes. This saving is non recurring and will apply to 2012/13 only with alternative proposals requiring to be generated for 2013/14 onwards.	CWB	No Impact	L
42	Facilities Management	Review of janitorial supports across educational establishments as envisaged in Management Review	255,050	This option would review the use and cost of shift patterns, the number of hours allocated to establishments, overtime, additional payment and the use of different cleaner/janitor posts. This would modernise the service in line with other former manual worker services with a more integrated and flexible, shift based core staffing. This option will mainly be achieved through changes in working patterns and reduction in overtime hours. Any reduction in staffing numbers will be managed in accordance with the Council's workforce planning arrangements.	LL	No Impact	L
EDUCATIONAL AND SOCIAL SERVICES TOTAL			3,228,931				

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

DEPARTMENT : FINANCE & CORPORATE SUPPORT

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
43	LPRS - Environmental Health	Reduce Spend on Chemist and Public Analyst Services	30,000	Savings achieved in previous years as a result of lower sampling/testing requirements and also a review of charging arrangements by Glasgow City Council.	CS	No Impact	L
44	LPRS - Environmental Health	Deletion of 1 x Environmental Health Officer (G10) and 1 x Environmental Health Technician (G8)	73,000	Achieved through voluntary agreement for early retirement.	CS	No Impact	L
45	LPRS - Trading Standards	Deletion of 1 x G3 Clerical Assistant	18,000	Vacant post to be deleted as a result of amalgamation and co-location of Environmental Health and Trading Standards.	CS	No Impact	L
46	Finance	12/13 Savings Achieved from Finance Review of Management Structures	244,000	Report approved by Cabinet 22 June 2011	MR	No Impact	L
47	Corporate Infrastructure	12/13 Savings Achieved from Corporate Infrastructure Review of Management Structures	145,300	Report approved by Cabinet 1 June 2011	MR	No Impact	L
48	Policy, Planning & Performance	12/13 Savings Achieved from Review of Structures and deletion of a part time Community Planning and Performance Assistant post.	188,500	Report submitted to Cabinet 14 September 2011	MR	No Impact	L

**GENERAL SERVICES REVENUE ESTIMATES 2012/13
MANAGEMENT ACTIONS IDENTIFIED BY OFFICERS**

Dept No	Division of Service	Options	2012/13 Saving £	Additional Comments	P'folio	Equality Impact Assessment Outcome	Risk Assessment Overall Rating (H, M, L)
49	Human Resources	12/13 Estimated Savings to be Achieved from Human Resources Review of Management Structures	100,000	Review of Management Structures to be completed.	MR	No Impact	L
50	Democratic Services	Deletion of Vacant G4 Administrative Assistant Post	20,000	Review of Management Structures to be completed.	MR	No Impact	L
51	Democratic Services	50% Reduction in Electoral Promotion and Development Budget	26,500	Previous contribution to Electoral Registration Office no longer required. Local publicity will complement national campaign for 2012 elections.	MR	No Impact	L
52	Corporate Infrastructure	Reduction in discretionary planned maintenance on the Councils property portfolio (Central Repairs Budget)	54,700	Budget reduced to take account of new buildings delivered through the Capital Programme.	MR	No Impact	L
FINANCE AND CORPORATE SUPPORT TOTAL			900,000				