



**BUDGET CHOICES 2012/13**

Report by Director of Finance and Corporate Resources

**PURPOSE OF REPORT** To propose draft budget choices and the consultation process for the consideration of them as part of the 2012/13 budget.

**COMPETENCE**

- 1.1 The Comhairle is under a legal duty to set a balanced budget. In doing so the Comhairle must observe proper accounting practices and make arrangements which secure best value. A local authority must maintain an appropriate balance among the quality of the performance of its functions; the cost to the authority of that performance; and the cost to persons of any service provided by it for them on a wholly or partly rechargeable basis. In maintaining that balance a local authority shall have regard to efficiency; effectiveness; economy and the need to meet the equal opportunity requirements.

**SUMMARY**

- 2.1 The concurrent Budget Strategy Report sets out the need to identify savings of £2.1m to deliver a balanced budget for 2012/13
- 2.2 These proposals were outlined at the Seminar held on 13 December 2011. At the seminar additional information previously requested by Members (in relation to Waste, Transportation, Home Care, and Community Support) was also circulated.
- 2.3 As set out in sections 5 to 9 of this Report savings are proposed from the following budget areas:
- Private Sector Housing
  - Education
  - Roads
  - Property
  - Waste Services
  - Social & Community Services
  - Members and Ward Priority Funds
- 2.4 If approved these proposals will be subject to detailed risk and equality impact assessments and form the basis for a further round of public consultation in January 2012.
- 2.5 As well as revisiting the original 6 venues it is proposed to hold additional meetings where they have been requested by communities. A draft schedule of these is set out in section 10 of this Report.

**RECOMMENDATIONS**

- 3.1 **It is recommended that the Comhairle agree:**
- (a) **that, following detailed risk and equality impact assessments, the proposals set out in Sections 5 to 9 of this Report form the basis for further consultation for the 2012/13 budget; and**
  - (b) **to hold a second round of consultation meetings in January 2012 at the venues set out in Section 10 of the Report.**

Contact Officers: Robert Emmott

## BUDGET CHOICES

4.1 The budget choices proposed for consultation are broken down by Committee as follows:

Budget Area	£000
Environment and Protective Services Committee	
Waste Services	100
Private Sector Housing	700
Education and Children's Services Committee	500
Transportation Committee (Roads Maintenance)	250
Sustainable Development Committee	33
Policy and Resources Committee	
Property Maintenance	250
Community Care	67
Members and Ward Priority Fund	200
<b>Total</b>	<b>2,100</b>

4.2 Detailed proposals in relation to each are set out in the following sections of the Report.

### ENVIRONMENT AND PROTECTIVE SERVICES COMMITTEE

5.1 A total of £800k of savings are proposed split between Private Sector Housing and Waste Services.

#### Private Sector Housing (£700k)

5.2 The changes to Private Sector Housing Grant Regulation have had a significant impact on this service and consequently the Comhairle could choose to realise savings in this budget.

5.3 The key proposed changes from the overall 2011/12 budget include:

- A reduction in the budget for adaptations for people with disabilities by £110k;
- A reduction in the Below Tolerable Standard grant budget to budget for an estimated 10 grants to be approved under the Scheme of Assistance during the year;
- A reduction in Care and Repair related services by £170k;
- The deletion of the consultancy support budget for the Local Housing Strategy (£15k);
- A reduction in the budget for Demolition Orders by £22k;
- A provision to support an Outer Hebrides House Condition Survey and new affordable Housing Development.

5.4 The proposed overall savings amount to £520k. However, the current year budget is forecasting an underspend and it is recommended that this be retained and that by allocating £180k in 2012/13 this will allow total savings of £700k to be achieved in 2012/13.

#### Waste Services (£100k)

5.5 In relation to Waste Services it is proposed that consideration be given to spend to save proposals with an allocation of £200k of capital to enable these to be implemented. Key areas for consideration will be transportation of waste and waste transfer stations.

## **EDUCATION AND CHILDREN'S SERVICES COMMITTEE**

- 6.1 The proposals within Education and Children's Services have focussed on low risk changes to that will have a minimal service impact:

### **Severe and Complex Provision (£44k)**

- 6.2 The Comhairle has limited scope to reduce the costs associated with this service area. However, a reduction of one post could be achieved with minimal service impact.

### **Mainland Placements (£217k)**

- 6.3 Proposals to achieve savings by on island provision should increase efficiency rather than being a service choice. The Implementation and realisation of savings is likely to make a medium term impact on budgets.

- 6.4 The mainland placement budget has grown consistently over the last 3 years from a base budget of approx £600k to spend of over £2.1 million in 2010/11. Integration of Education and Children's Services has provided a mechanism to improve service delivery and a current review of Additional Support Needs and Social Emotional and Behavioural Difficulties provision suggests that local provision needs to be tightened in the following areas; residential, respite and wrap around support i.e. afterschool, evenings and weekends.

### **Education Administration (£25k)**

- 6.5 Since December 2010 the Department has managed to reduce administrative resources by 3 promoted posts and 1.6 clerical posts. There is little scope here now to make further savings. However, the non-replacement of school security technician post could save £25k.

### **Learning Support (£50k)**

- 6.6 The department has managed to create efficiencies in this through the thorough application of the Additional Support Needs Audit formula and some VERs A reduced school estate, falling pupil population, better training and more effective in-school strategies provide for greater efficiency in deployment.

### **Curriculum Development / Quality Improvement (£55k)**

- 6.7 There will be scope to review this area following the conclusion of the school estate review but savings will be realised from the disestablishment of the post of Quality Improvement Manager

### **Schools' IT Team (£21k)**

- 6.8 This is a support service and any changes would be realised as efficiencies. A reduction in the number of schools is expected to generate savings within this heading.

### **Pre-school services (£33k)**

- 6.9 The Comhairle could reduce the non core support provided to voluntary sector pre-school providers including reducing Early Years Grants, Top up Grants, Transport Grants, Voluntary Management Group Funding and Workplace Nursery funding.

### **Study Support (£25k)**

- 6.10 The Department is working with presenting centres to encourage the use of private study as a period for study support and also looking to do away with study leave so that pupils come in to school for revision/study support. The removal of this budget would save £25k.

### **Parenting Support (formerly Surestart) (£30k)**

- 6.11 The Comhairle has limited scope to reduce the costs associated with this service area. This has been a very strong service providing significant support to vulnerable children and families. Service redesign provides capacity to retain service level with reduced cost and limited impact on service delivery.

## **TRANSPORTATION COMMITTEE**

### **Roads Maintenance (£250k)**

- 7.1 The proposals for the Transportation Committee have been limited to Roads Maintenance since it is recognised that there are already challenges to be addressed within the Bus Subsidy budgets.

- 7.2 Following the approach successfully adopted in 2011/12 it is proposed that the roads maintenance budget be reduced by £250k but that to compensate this a capital allocation of £500k be allocated from within the 2012/13 capital grant which was higher than anticipated.

#### **SUSTAINABLE DEVELOPMENT COMMITTEE**

##### **Leisure and Learning (£33k)**

- 8.1 Savings in Leisure and Learning could be achieved through a reduction of £8k across leisure grants; increased income of £15k, and savings of £10k in operating costs through the disposal of community workshops.

#### **POLICY AND RESOURCES COMMITTEE**

##### **Community Care (£67k)**

- 9.1 Efficiency savings of £50k in integrated transport, together with the third year of the 10% savings package agreed with the voluntary sector and savings from CHASP management costs could realise savings of £67k in Community Care with no impact on services.

##### **Property Maintenance (£250k)**

- 9.2 Following the approach adopted in 2011/12 it is proposed that the property maintenance budget be reduced by £250k but that to compensate this a capital allocation of £300k be allocated from within the 2012/13 capital grant which was higher than anticipated.

##### **Members and Ward Priority Fund (£200k)**

- 9.3 It is proposed that savings of £140k be realised by reducing the Ward Priority Fund for each Ward to £5k per Member and also that consideration be given to reducing the travel and subsistence budget for Members to identify the balance required.

#### **CONSULTATION TIMETABLE**

- 10.1 The Comhairle agreed in October to undertake Consultation meetings in six venues across the islands in November 2011.
- 10.2 For the second round of meetings it was agreed this be extended to include any additional requests and the following timetable is proposed for January 2012.

Monday 9	January	Harris Hotel	at	7.30pm
Tuesday 10	January	Barvas Hall	at	7.30pm
Monday 16	January	Carinish Hall	at	5.30pm
Monday 16	January	Daliburgh School	at	8.00pm
Tuesday 17	January	Castlebay School	at	7.30pm
Thursday 19	January	Council Chamber, Stornoway	at	7.30pm
Tuesday 24	January	Paicr School	at	7.30pm
Thursday 26	January	Uig Community Centre	at	7.30pm