

Budget Development 2011/12 to 2013/14

Policy & Strategy Committee

31 August 2010

Purpose of report

- 1 To allow scrutiny of Package 1 of Officer Proposals relating to the Council Budget for 2011/12 to 2013/14 prior to their consideration at the Council meeting of 16 September.

Main report

- 2 The Council's Long Term Financial Plan identifies a funding gap of £90m over the next three years with significant downside risks if Health Budgets are given protection by the Scottish Government.
- 3 Given the scale and range of budget savings that will be required the CMT considers it imperative that the Council considers a range of budget proposals at an earlier stage than in previous budget cycles. These proposals are to be considered by Council on 16 September and, if agreed, could provide an initial contribution to the budget gap and provide clarity to accelerate Workforce Planning with a view to reducing any requirement for compulsory redundancies.
- 4 A summary of the proposals is attached as Appendix 1 and detailed information regarding the proposals are contained in the Budget Book which was circulated to all elected members on 18 August 2010. The relevant officers will be in attendance at Committee to answer questions on the details of the proposals which mainly relate to management layering and efficiency savings in back office support areas.
- 5 Package 1 proposals are considered not to carry publicly sensitive service implications and further proposals are being finalised to form the basis for a public engagement process prior to budget decisions in February 2011.

Financial Implications

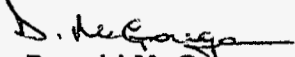
- 6 The total value of Package 1 proposals is around £16m which amounts to a modest but significant contribution to the estimated total budget gap.

Environmental Impact

- 7 Reduced staffing numbers and improved efficiency should assist in reducing the Council's carbon footprint.

Recommendations

- 8 It is recommended that the Policy & Strategy Committee note the proposals to be considered by Council and that elected members raise any questions regarding the proposals with the relevant officers at this meeting.


Donald McGougan
Director of Finance
24th August 2010.

Appendices	1 Summary
Contact/tel/Email	Donald McGougan, Director of Finance - 0131 469 3005 donald.mcougan@edinburgh.gov.uk
Wards affected	All
Single Outcome Agreement	Reduced resources as a result of budget constraints will require prioritisation of services as the SOA is reviewed.
Background Papers	Officer Proposals issued on 18 August

**SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1**

	Total
Summary	£000

Efficiencies to be submitted to Council

Children and Families	2,360
City Development	1,183
Corporate Services	2,002
Finance	1,827
Health and Social Care	5,471
Services for Communities	3,261
Package 1 - TOTAL	16,104

Timescale		
2011/12	2012/13	2013/14
<u>£000</u>	<u>£000</u>	<u>£000</u>

610	1,613	137
737	250	196
1,127	394	481
811	683	333
2,236	1,815	1,420
2,156	1,105	0
7,677	5,860	2,567

Category			
Mgt	Efficiency/	Service	Service
<u>De-layer</u>	<u>Back office</u>	<u>Reduce</u>	<u>Withdraw</u>
<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>

1,123	1,237	0	0
205	466	374	138
672	872	458	0
423	1,404	0	0
420	5,051	0	0
1,725	700	836	0
4,568	9,730	1,668	138

**SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1**

Services for Communities		Total
Ref	Savings Proposals to be submitted to Council	£000
SfC 1	Housing Support (Neighbourhood Support Services)	681
SfC 5	Community Protection Support (Strategy/ Policy)	300
SfC 10	Planning, Performance and Quality/Business Change	400
SfC 11	Community Safety, Management Delayering	1,000
SfC 12	Library and Info Serv: Central library & Strategic Bus. Unit Mgt Delayering	360
SfC 13	Assessment, Homelessness and Support Mgt Delayering	120
SfC 14	Roads Service Management Delayering	245
SfC 15	Roads - DON3 Emergency Service Unit	155
	Services for Communities - TOTAL	3,261

Timescale		
2011/12	2012/13	2013/14
£000	£000	£000
681		
300		
400		
500	500	
	360	
	120	
120	125	
155		
2,166	1,105	0

Category			
Mgt De-layer	Efficiency/ Back office	Service Reduce	Service Withdraw
£000	£000	£000	£000
		681	
	300		
	400		
1,000			
360			
120			
245			
		155	
1,725	700	836	0

SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1

HEALTH AND SOCIAL CARE		Total
Ref	Savings Proposals to be submitted to Council	£000
SW A	Mgt Delaying, 1st to 3rd tier	370
SW B	HQ Back Office reductions - Phase 1	285
SW C	HQ & SWC business services - phase 1	197
SW D	Staffing mix / service redesign	485
SW E	Mainstream home care teams - productivity	422
SW F	Care Homes - sickness absence management	423
SW G	Sheltered Housing wardens - contract efficiency	12
SW H	Learning & Physical disability - sickness absence	150
SW I	Mental Health service development savings	127
SW J	Home Care - Reablement	3,000
	Health and Social Care - TOTAL	5,471

Timescale		
2011/12	2012/13	2013/14
£000	£000	£000
160	160	50
247	27	11
54	76	66
249	217	20
151	141	131
143	141	140
6	3	3
100	50	0
127	0	0
1,000	1,000	1,000
2,236	1,815	1,420

Category			
Mgt De-layer	Efficiency/ Back office	Service Reduce	Service Withdraw
£000	£000	£000	£000
370	0	0	0
0	285	0	0
0	197	0	0
0	485	0	0
0	422	0	0
0	423	0	0
0	12	0	0
0	150	0	0
50	77	0	0
0	3,000	0	0
420	5,051	0	0

SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1

FINANCE		Total
Ref	Savings Proposals to be submitted to Council	£000
FIN 1	Financial Services - Internal Audit	46
FIN 2	Financial Services - Corporate Finance & Business	532
FIN 3	Payroll Services	290
FIN 4	Payments & Procurement	175
FIN 5	Insurance	40
FIN 6	Directorate	156
FIN 7	Systems Administration/ICT Support	320
FIN 8	Non-staff costs	268
	Finance - TOTAL	1,827

Timescale		
2011/12	2012/13	2013/14
£000	£000	£000
46		
92	267	173
240	50	
125	50	
40		
	156	
	160	160
268		
811	683	333

Category			
Mgt	Efficiency/	Service	Service
De-layer	Back office	Reduce	Withdraw
£000	£000	£000	£000
	46		
267	265		
	290		
	175		
	40		
156			
	320		
	268		
423	1,404	0	0

SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1

CORPORATE SERVICES		Total	Timescale			Category			
Ref	Savings Proposals to be submitted to Council	£000	2011/12 £000	2012/13 £000	2013/14 £000	Mgt De-layer £000	Efficiency/ Back office £000	Service Reduce £000	Service Withdraw £000
CS1	HR Operations: HR Service Centre integration with P	280	240	40			280		
CS2	Council Solicitor - H. of Service & Divisional Mgt	77	39	19	19	77			
CS3	Council Secretary (General)	45	23	11	11	45			
CS4	Committee Services	247	98	74	75	98	149		
CS5	Communications	120	100	10	10	100	20		
CS6	PSP management and project staff reductions	87	87			87			
CS7	Director post - 50% reduction	79	79			79			
CS8	HR Central	126			126		126		
CS9	Museums	93		93		48	45		
CS10	Culture and Sport Planning & Performance	11	11				11		
CS11	Rationalisation of Legal Support Staff	84		42	42		84		
CS12	Litigation	50	25	25		50			
CS13	Conveyancing, Council House Sales & HSC Agrment	42	22	10	10		42		
CS14	Arts Development Team	35			35	35			
CS15	Archives and Records Management	27		14	13		27		
CS16	Lord Provost and Members Services	167	56	56	55		56	111	
CS17	Edinburgh Leisure	347	347					347	
CS18	Contact Centre	32			32		32		
CS19	Events & Winter Festivals	53			53	53			
	Corporate Services - Total	2,002	1,127	394	481	672	872	458	0

SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1

Ref	Savings Proposals to be submitted to Council	Total £000	Timescale			Category			
			2011/12 £000	2012/13 £000	2013/14 £000	Mgt De-layer £000	Efficiency/ Back office £000	Service Reduce £000	Service Withdraw £000
	CITY DEVELOPMENT								
CDD 1	Building standards & contingency planning	80	80					80	
CDD 2	Public safety - events planning & civic duties	66	66						66
CDD 3	Asset management - client services	88	88					88	
CDD 4	Development management	84	84					84	
CDD 5	Corporate FM - Admin Support	82	52	15	15			82	
CDD 6	Asset management - investment	40	40					40	
CDD 7	Building standards & contingency planning backfill	10	10				10		
CDD 8	Transport, Traffic & Engineering Revenue	132		79	53		132		
CDD 9	Transport Policy & Planning Revenue	80	40		40		80		
CDD 10	Design Initiative	72	72						72
CDD 11	Transport - business support	45		45			45		
CDD 12	Property services - conservation	358	159	111	88	159	199		
CDD 13	Enterprise & Innovation	46	46			46			
	City Development - TOTAL	1,183	737	250	196	205	466	374	138

SERVICE PRIORITISATION BY OFFICERS
For Consideration by Elected Members - Package 1

CHILDREN AND FAMILIES DEPARTMENT		Total	Timescale			Category			
Ref	Savings Proposals to be submitted to Council	£000	2011/12 £000	2012/13 £000	2013/14 £000	Mgt De-layer £000	Efficiency/ Back office £000	Service Reduce £000	Service Withdraw £000
C+F 2	Various within Planning & Performance service area	307	225	36	46		307		
C+F 3	Various within Resources service area	184	124	22	38		184		
C+F 4	Various within Schools & Community Services	194	147	20	27	40	154		
C+F 5	Community Learning and Development Management	171	114	57	0	171			
C+F 6	Remaining management costs up to 12%	912		912		912			
C+F 9	Remaining business support up to 13.35%	592		566	26		592		
	Children and Families - TOTAL	2,360	610	1,613	137	1,123	1,237	0	0