



# 2015-16 Council Fund Revenue Budget

**Lifelong Learning Overview  
and Scrutiny Committee 23<sup>rd</sup>  
January 2015**





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# National Position

- » Final Local Government Settlement published with a marginal reduction in Council funding through the Revenue Support Grant (-£0.065M)
- » Continuing risk of further reductions in specific grants
- » The 'consequential' revenue provision for Wales from the Chancellor's recent budget statement now allocated by Welsh Government with no additional funding for local government for service protection





# Revised Local Position

- » Original Council Fund budget gap for 2015-16 at £16.4M based on the Settlement
- » Following the first draft budget report to Cabinet in December a 'gap' of £1.76M remained
- » Following a final assessment of the under-achievement of the in-year workforce efficiency targets and the reduction of funding in the Settlement the extended gap stands at £3.625M



# Strategy to Close the Extended Gap

- » Corporate financing options (specifically inflation provision, reserves and balances and central loans and investments)
- » Workforce efficiency projects
- » Income opportunities
- » Reserve further service change options



# Up to Date Strategy Position

| Option  | £M           |
|---|--------------|
| Procurement Supplier Charging                         | 0.116        |
| Non Standard Inflation Provision Review               | 0.348        |
| Reduction in Fire and Rescue Authority Levy Provision | 0.124        |
| Council Tax Reduction Scheme Projected Provision      | 0.130        |
| Central Loans and Investments Reviews                 | 1.830        |
| Workforce Efficiency Projects                         | 0.300        |
| <b>Running Total</b>                                  | <b>2.848</b> |
| <b>Remaining Gap</b>                                  | <b>0.777</b> |



# Remaining Strategy Actions

- » Review the rigour of method of calculation, the reliability of the figures and the risks
- » Complete review of any further options
- » Revisit income options including Council Tax
- » Assess options for use of 'bridging' reserves and carry forward of efficiency target risk into the new financial year

# Big Budget Conversation

- » Big Budget Conversation run in August and September
- » Outcomes from the first stage feedback:
  - » Increased public awareness and concern
  - » Social services for the young and vulnerable particularly valued
  - » Support for charging if it protects services
  - » General support for alternative delivery models, merging services with other councils, and considering increasing Council Tax above 3%





# Big Budget Conversation

- » Draft Budget Proposals published mid December
- » Website and Your Council Electronic Newsletter Circulation (9200 newsletter circulation)
- » Public information with the option for feedback (3000 budget website pages 'hits' with 90+ feedback forms received)
- » Equal Impact Assessment work ongoing with consultation with local representative organisations
- » Public feedback to be provided to Overview and Scrutiny Committees to inform budget scrutiny
- » Specific engagement with town and community councils and other local organisations on community assets ongoing





# Member Involvement

- » Budget planning workshops (end October/early November)
- » Group Leaders and Overview and Scrutiny Chair Briefings
- » Drop-in sessions 19 December and 16 January and individual enquiries and follow-ups
- » Staged Cabinet and Corporate Resources Overview and Scrutiny Committee updates



# Final Steps in the Budget

- » Complete work on gap closure options
- » Overview and Scrutiny special budget meetings through January
- » Cabinet finalises the budget – 17<sup>th</sup> February
- » Full Council sets budget – 17<sup>th</sup> February
- » Full Council sets Council Tax – 3<sup>rd</sup> March



# **Specific Portfolio Issues**

## **EDUCATION & YOUTH BUDGET 2015/16**



# Education & Youth (Schools)

- » Main Priorities are:
  - » supporting core teaching and learning in schools;
  - » maximising resources available to support “frontline” work with children, young people and their families;
  - » reviewing operating models, structures and job designs to reflect new working practices and reduce posts;
  - » rationalising of assets supporting efficiency and new ways of working.



# School Funding

- » Specific Grant Funding
  - » Education Improvement Grant – 10% lower than previous grants (incl. SEG, Foundation Phase, 14-19, MEAG, Traveller Ed.)
  - » Post 16/ Sixth Forms – 2.51% lower (supported by increasing student numbers)
  - » Pupil Deprivation Grant - £918 to £1050 per eligible pupil
- » Local Authority Funding
  - » 0.6% uplift in line with Ministerial Expectations



# School Budgeting

- » Schools will face inflationary costs pressures (pay inflation, increase in pensions costs)
- » Schools have choices to make about affordable staffing, local service provision and service subscriptions. There is some supportive analysis e.g. Sutton Trust.
- » Many of the non-staff costs are 'fixed' or unavoidable, for example NNDR. The bulk of the savings would have to come from staffing.

# School Budgeting

| Item                                       | £'m          |
|--|--------------|
| Pay inflation 1%                           | 0.775        |
| Increased employers' teacher pension costs | 0.796        |
| non-pay inflation                          | 0.217        |
| Estimated Demography Adjustment            | 0.350        |
| 0.6% Ministerial Protection                | -0.520       |
| <b>School Level Pressures</b>              | <b>1.618</b> |



# School Budgeting

- » “Central” actions impacting on schools
  - » Resource Provision £90k
  - » PE Equipment £15k
  - » Remissions- General £122k
  - » Remissions- Music £35k
  - » Schools Library Service £189k



# 10% Less Spending Power Over Time

- » Members requested modelling of the impact of reduced spending power over time on pupil teacher ratios.
  - » Two Form Entry Primary School- 26.9 to 30.8
  - » Key Stage 3- 20.36 to 25.45
  - » Key Stage 4- 15.51 to 19.38



# Education & Youth (“Central”)

- » Main Priorities are:
  - » supporting core teaching and learning in schools;
  - » maximising resources available to support “frontline” work with children, young people and their families;
  - » reviewing operating models, structures and job designs to reflect new working practices and reduce posts;
  - » rationalising of assets supporting efficiency and new ways of working.

# Business Plan Efficiencies

## Education and Youth

| No | Specific Proposals  | 15-16 Proposals<br>£m | RISK status for the acceptability and deliverability of the proposal |
|----|---|-----------------------|--|
| 1  | School Management and Information Team - Cease Cognitive Ability Test testing   | 0.030                 | G  |
| 2  | Commissioning & Performance - Clerking to Governors & Legal fees  | 0.012                 | G  |
| 3  | Reduce Subscriptions  | 0.005                 | G  |
| 4  | Reduce Project Support Staffing (0.4)   | 0.012                 | G  |
| 5  | Governor Training Efficiency  | 0.003                 | G  |
| 6  | Primary & Early Years Education - Maximising Deployment of Early Entitlement Foundation Phase Grant (including new model for provision of 10% teacher time in funded early years settings). | 0.317                 | G  |
| 7  | Secondary 14-19 & Continuing Education - Cease funding Clwyd Theatr Cymru Service Level Agreement, with provision made through main Council Service Level Agreement with Clwyd Theatr Cymru | 0.020                 | G  |
| 8  | Further remodelling of Music Service to move to "full cost recovery"  | 0.061                 | A  |
| 9  | Inclusion Services - Autism support – current vacancy - removal of dedicated Autism Spectrum Disorder advisor role  | 0.060                 | A  |
| 10 | English as an Additional Language /Gypsy Traveller Support - current vacancy-removal of post  | 0.045                 | A  |

# Business Plan efficiencies – cont.



|    |   |              |   |
|----|---|--------------|---|
| 11 | Young Peoples' Counselling Service – current vacancy - reduction in full time equivalent counsellors to 3.5   | 0.040        | G |
| 12 | Inclusion Welfare Service – current vacancy - reduction in full time equivalent posts to 8.5  | 0.040        | G |
| 13 | Pupil Referral Service / Behaviour Support Service – reduction of Pupil Referral Unit provision and income generation through traded service for children & young people with Behaviour, social, emotional difficulties | 0.050        | R |
| 14 | Youth Justice Service – education link role to be offered via different model   | 0.050        | G |
| 15 | Learning Inclusion – reduction in Statutory Assessment service  | 0.060        | A |
| 16 | Nant Mawr Satellite – premises, caretaking & cleaning costs   | 0.017        | G |
| 17 | Access (School Planning & Provision) - transfer remissions responsibilities to schools  | 0.157        | G |
| 18 | School uniforms policy change to statutory level  | 0.019        | G |
| 19 | Reduce provision for mobile classrooms  | 0.044        | G |
| 20 | Transfer responsibility for physical education equipment inspection service to schools  | 0.015        | G |
| 21 | 21st Century Schools - Reduction in School Organisation Review Budget (£35k)  | 0.004        | G |
| 22 | Youth Services - Youth Justice Service Staffing Reduction   | 0.028        | G |
| 23 | Youth Service Planned Management Reductions & Vacancy Management  | 0.091        | G |
| 24 | Schools School Library Service - Dedelegation & Cessation   | 0.189        | G |
| 25 | Rationalisation of Resource Provision   | 0.090        | G |
|    | <b>TOTAL</b>  | <b>1.459</b> |   |

|              |                              |              |
|--------------|------------------------------|--------------|
| <b>Total</b> | <b>Education &amp; Youth</b> | <b>1.459</b> |
|--------------|------------------------------|--------------|



# Specific Portfolio Issues

## **ORGANISATIONAL CHANGE (2) BUDGET PROPOSALS 2015/16**



# Organisational Change (2)

## » **Main service priorities:**

- » Leaning service areas
- » Increased income
- » New ways of delivering Facilities Management services
- » Increased marketing and product growth



# Business Plan Efficiencies

## Organisational Change 2

|   |   |              |   |
|---|---|--------------|---|
| 1 | <b>Catering</b><br>Work process changes and office efficiency | 0.005        | G |
| 2 | Staff structural change                                       | 0.042        | G |
| 3 | Stock management and control                                  | 0.140        | G |
| 4 | Increase meal numbers (income)                                | 0.080        | G |
| 5 | Debt recover (income)   | 0.025        | G |
|   | <b>Totals</b>   | <b>0.292</b> |   |
| 6 | <b>Cleaning</b><br>Staff structural change (cost reduction)   | 0.019        | G |
| 7 | Different model of delivery (mobile)                          | 0.002        | A |
|   | <b>Totals</b>   | <b>0.021</b> |   |
| 8 | <b>Security</b><br>Staff reductions                           | 0.116        | A |
|   | <b>Totals</b>   | <b>0.116</b> |   |

|              |                                |              |  |
|--------------|--------------------------------|--------------|--|
| <b>Total</b> | <b>Organisational Change 2</b> | <b>0.429</b> |  |
|--------------|--------------------------------|--------------|--|





# Specific Portfolio Issues

## **ORGANISATIONAL CHANGE (1) LEISURE AND LIBRARIES BUDGET PROPOSALS 2015/16**



# Leisure and Libraries

- » **Proposals equal approximately 9% of leisure and libraries budget**
- » **Approach to 2015/16 proposals is as follows:**
  - » No major facility closures
  - » This will enable at least 12 months discussions about potential alternative delivery models for facilities e.g. community asset transfer
  - » Prioritise those that deliver key outcomes e.g. health, learning
  - » Increase efficiency and consider integration of services
  - » Enabling users to develop capacity to retain provision where feasible

# Business Plan Efficiencies

## Organisational Change 1

| No           | Specific Proposals  | 15-16 Proposals £m | RISK status for the acceptability and deliverability of the proposal |
|--------------|---|--------------------|--|
| 1            | Libraries - Static Libraries                              | 0.049              | A  |
| 2            | Mobile Services   | 0.026              | A  |
| 3            | Library Headquarters                                      | 0.030              | G  |
| 4            | Staffing  | 0.068              | G  |
|              | <b>Totals</b>   | <b>0.173</b>       |  |
| 5            | <b>Leisure</b><br>Sports Development - PE in School Sport | 0.017              | G  |
| 6            | Sports Development - Lets Walk Cymru                      | 0.015              | A  |
| 7            | Nofio Clwyd - Removal of Evening Sessions                 | 0.110              | A  |
| 8            | Leisure Centre - Above inflation increase in tariff       | 0.045              | A  |
| 9            | Deeside Leisure Centre - No ad hoc climbing or high ropes | 0.029              | G  |
| 10           | Deeside Leisure Centre - Security                         | 0.032              | G  |
| 11           | Deeside Leisure Centre - Skate regrind                    | 0.006              | G  |
| 12           | Saltney Sports Centre - Close Saturday                    | 0.004              | A  |
| 13           | Leisure Centre - Facility Manager                         | 0.049              | G  |
|              | <b>Totals</b>   | <b>0.307</b>       |  |
| <b>Total</b> | <b>Organisational Change 1</b>                            | <b>0.480</b>       |  |



# Static Libraries

- » £0.049m
- » Reduce overall opening hours of libraries from 414.5 per week to 337.5 to enable more efficient use of staff to cover the library network and replace caretaking provision with a cleaning service
- » Based on full review of opening hours
- » Ensures one or more libraries are open 6 days a week between 8.15 a.m. and 7.00 p.m.
- » Moving to cleaning provision is more appropriate and cost effective and can be achieved without redundancies



# Mobile Services

- » £0.026m
- » Combine housebound service with library delivery service thereby retaining housebound deliveries to all clients
- » No change in frequency of delivery of books
- » Savings achieved through reductions in vehicles and integration of staff without any redundancies
- » Staff will still be able to address any immediate customer concerns and signpost to other services
- » Deliveries will come from local library not central library



# Sports Development – Lets Walk Cymru

- » £0.015m
- » Cease support to Walkabout Flintshire groups by not providing officer support, promotion, insurance and administration for generic walking routes
- » Sports Development will still be able to provide support to train walk leaders for these groups and to those groups who undertake pram walks, 30 minutes walks, Nordic walks
- » Sports development to provide support to walk leaders and volunteers from Walkabout Flintshire groups to enable the groups to operate more generic walks themselves



## Leisure Centre – above inflation increase in tariff

- » £0.045m
- » The average price increase for 2015 across all Leisure Services activities is 3.5%
- » Some charges to clubs and organisations have been increased by a higher percentage to be more in line with neighbouring areas
- » Some health related activities have been increased less than 3.5%
- » Last years increase was 3%



# Service Budget Proposals

## Clwyd Theatr Cymru Budget 2015/16





# Challenge

- » Flintshire left with the full responsibility for a regional production theatre at last reorganisation
- » A significant investment but also a significant economic generator
- » Highly valued with a national reputation; out of proportion for a medium-sized Welsh Council
- » Without the main theatre the successful Youth Theatre arm is not viable



# Proposal

- » Develop a new and more efficient operating model
- » Set at 1/3 Council budget reduction (£350k) over 2 years with £200k reduction in 2015/16
- » Achieve by: reduction in programme from 8 to 6 in house productions; more efficient operation; increase in income
- » Appointment of new Artistic Director and future consideration of an alternative method of delivery to support changes



# Organisational Change Budget 2015/16

## Business Plan efficiencies

### Clwyd Theatr Cymru

| No | Specific Proposals                                 | 15-16 Proposals £m | Risk status for the acceptability and deliverability of the proposal |
|----|--|--------------------|--|
| 14 | Proposal to reduce shows and increase productivity | 0.200              | A  |