

East Lothian Council Budget 2017-2020

Public Consultation

November 2016

you pay: have your say



Spending Choices

East Lothian Council Public Budget Consultation

You Pay... Have Your Say

Each year, East Lothian Council sets a budget to pay for the wide range of vital services it provides to the community. This involves choice and setting priorities which means difficult decisions need to be made. This is becoming increasingly challenging as we try to balance the needs and wishes of our communities, our growing and ageing population against diminishing resources.

We are already planning a significant number of efficiencies and budget reduction measures for both 2017/18 and 2018/19, however due to continuing austerity measures across the public sector, the amount of funding we receive from the Scottish Government is expected to reduce by more than £5 million with the anticipation that this will increase over the next three years to over £22 million and real potential for this to increase further. We therefore need to act now.

A great deal has already been achieved by the Council whilst operating within budget and continuing to deliver and maintain local services. This has involved doing things differently and working more efficiently in order to minimise the impact upon the public. However, we know that there is a lot more to do, and we need to make some further tough choices. Before the Council takes any decision on reshaping local services we want you to have your say. The next few pages will tell you what we spend our money on. We have also set out some questions which will help us shape our funding priorities going forward. Please take time to have your say.

Your views are important to us....

The Council will set its budget in February 2017, which is why we need you to have your say now on shaping the Council's spending choices for 2017/18 and beyond.

Paper copies of the survey can be handed in to your local libraries, any customer service point or Council offices, or send your comments to:

Head of Council Resources
East Lothian Council
John Muir House
Haddington
East Lothian
EH41 3HA

Email: youpayhaveyoursay@eastlothian.gov.uk

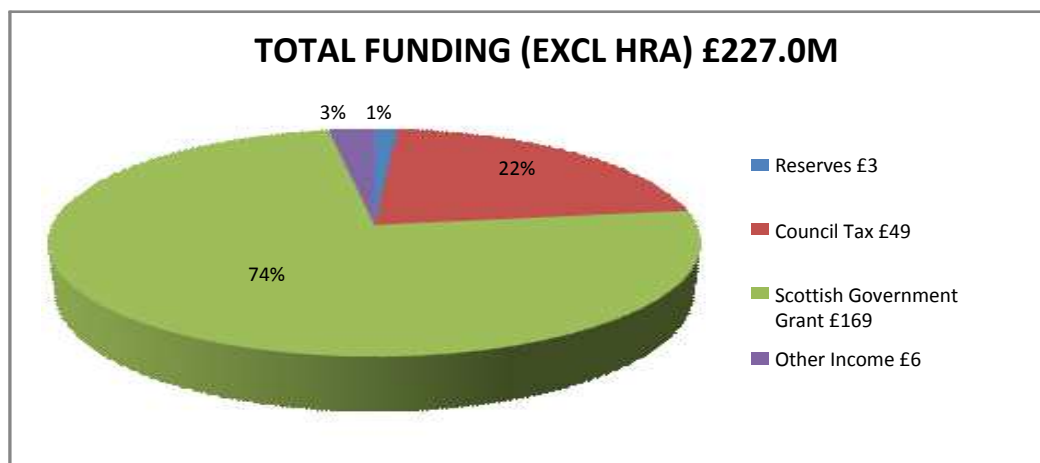
You can also complete the questions online at: www.eastlothianconsultations.co.uk

Our consultation is open until **Friday 6 January 2017**.

It's your Council; you pay – now it's time to have your say.

Some Basic Facts

Where does Council money come from 2016/17?



How is it planned to be spent 2016/17?

Education Services £88.6m	Adults Wellbeing £47.9m	Childrens Wellbeing £12.9m
Planning £2.5m	Economic Development £3.2m	Roads, Transportation & Waste £13.3m
Customer Services, Libraries & Safer Communities £3.4m	Non - HRA Housing £1.8m *	Communities Development and Partnership £6.7m
Landscape & Countryside £4.8m	Asset Planning & Engineering £2.3m	Arts, Museums & Music £1.1m
Healthy Living £3.9m	Support Services £7.0m	Revenues & Benefits £1.6m
Loan Charges £18.7m	Other Services including Property Maintenance, Facilities Management and Corporate Policy £4.0m	Other Corporate Commitments – including Council Tax Reduction & Discretionary Housing £3.3m

PLANNED EXPENDITURE 2016/17 £227.0m

** The Council has a separate budget for Council Housing (HRA) – and this is being considered through a separate budget consultation*

Can the Council just use reserves to get out of its budget difficulties?

The Council can and does hold reserves, and these can be used to balance budgets if they are needed. Despite an increase in our level of reserves in recent years, the level of Council reserves remains relatively low in comparison with other authorities, as highlighted in the recent Annual Audit report by our External Auditors. We are already planning on using some reserves to balance the budget in 2017/18 however it is important to remember that reserves can only be used once, and are not a sustainable way to balance budgets.

Although in recent years our level of reserves has increased, so too has our demand for services. The vast majority of the reserves that we now hold are already 'earmarked' for specific areas of expenditure eg; ensuring that we have in place appropriate levels of insurance, a capital fund to support our significant future infrastructure obligations and an adequate level of contingency for any unforeseen civil emergency.

Council Priorities

The Council's Plan sets out its ambition to make East Lothian an even more prosperous, safe and sustainable place, working with our partners and enabling communities to achieve our shared priorities to influence and deliver services which address local needs within the resources which are available. The Council plan will deliver services which will:

- *Grow our Economy* – to increase sustainable economic growth as the basis for a more prosperous East Lothian
- *Grow our Communities* – to give people a real say in the decisions that matter most and provide communities with the housing, transport links, community facilities and environment that will allow them to flourish
- *Grow our People* – to give our children the best start in life and protect vulnerable and older people
- *Grow the capacity of our Council* – to deliver excellent services as effectively and efficiently as possible within our limited resources.

The Council's Annual Performance report and Annual Audit Report, suggests that progress is being made in meeting the Council's priorities within the context of a solid financial framework and tight budgetary controls. But we have a wide number of challenges facing us including:

- Significant growth in the population with a projected population growth estimated at 23% between 2012 and 2037.
- Demographic pressures arising from; an ageing population with a significant increase in the number of people aged over 75; an increased number of children within pre-school and school rolls; and an increase in the numbers of properties and households;
- Increased obligations arising from new legislative and statutory arrangements;

- Estimated reduction in Scottish Government Grant funding.

So far the Council has made savings by reshaping the way we deliver services and the way we work.

We have:

- Reviewed our staffing structure and the number of people we employ;
- Reviewed and changed the way in which we deliver services;
- Reviewed and changed the way we buy goods and services;
- Worked collaboratively with our partners to deliver services.

We will continue to focus on these areas, but these alone will not be enough and we need to prioritise the limited resources that we have to best meet the needs of our communities.

Proposed Efficiency Savings

The Council has taken an innovative approach to service delivery and by listening and working with communities, and by the end of this year, estimated savings of more than £24 million will have been made since 2012 which has reduced our recurring cost base. A further £6 million savings have been built into our plans for the next 2 years. These are outlined further below and we would welcome your comments on these.

(i) Efficient Workforce Management across all Council services

‘Efficient Workforce Management’ efficiencies refers to savings made to our staffing budget. A significant proportion of the savings identified to date has been through on-going reviews of staffing and the number of people we employ.

Over and above efficiencies identified to date, over 2017/18 and 2018/19 we plan to make further savings of £654,000.

Impact: These efficiencies will have a minimal impact on service users. Efficiencies will continue to be achieved through service redesign and management of vacancies and agency costs.

(ii) Buysmart Reviews

By carrying out ‘Buysmart Reviews’ we plan to make savings on what we spend on buying services and supplies. Significant savings have already been delivered to reduce what and how we buy services.

Over and above efficiencies identified to date, over 2017/18 and 2018/19 we plan to make further savings of £442,000.

Impact: These efficiencies will have a minimal impact on service users.

(iii) Integration of Health & Social Care

Savings from the retendering of services, service reprovision and service redesign will be achieved through the integration of Health and Social Care services. In part this is being made possible by the additional and recurring investment that was provided in 2016/17.

Over 2017/2018 and 2018/19 we plan to make savings of £2,900,000.

Impact: Potential impact on service groups, but this will be minimised as much as possible by working with any affected client groups.

(iv) External Provision of Long Term Placements (Education and Children's Services)

Efficiency to be achieved through enhanced review and redesign of external provision for long term placements.

Over 2017/18 and 2018/19 we plan to make savings of £400,000.

Impact: Potential impact on service groups, but this will be minimised as much as possible by working with any affected client groups.

(v) Use of IT in secondary schools S4 to S6

Efficiency to be achieved through improving the use of IT to support learning to pupils in the 'senior phase' in secondary school (S4 to S6).

Over 2017/18 and 2018/19 we plan to make savings of £160,000.

Impact: Minimal impact to service users.

(vi) Contract Payments to Enjoy Leisure

Efficiency to be achieved through reduced contract payment made to Enjoy Leisure. This has been part of a planned reduction over a number of years in reducing the Council's contribution to support the running of Enjoy Leisure.

Over 2017/18 and 2018/19 we plan to make further savings of £95,000.

Impact: Minimal impact to service users.

(vii) Increase in Fees and Charges and Income

Efficiency would be considered in line with the Council's fees and charges policy, and to be achieved from a combination of:

- Increased income to the Council arising from e.g. applications for building and warrants (fees are set by the Scottish Government)
- Inflationary increase in existing fees across a number of Council services
- Working with service users to introduce new charges for existing Council services

Over 2017/18 and 2018/19 we plan to make further savings of £206,000.

Impact: Potential impact on service groups, but this will be minimised as much as possible by working with any affected client groups.

(viii) Review of Public Convenience Provision

Efficiency would be achieved by a review of how we currently operate and staff the public conveniences across the East Lothian area.

Over 2017/18 and 2018/19 we plan to make savings of £126,000.

Impact: Potential impact on service groups, but this will be minimised as much as possible by working with any affected client groups.

(ix) Transformational Change Programme

Efficiency would be achieved by a programme designed to change the way in which we work and deliver services across the Council. This will include new ways of working with the Council and the promotion and enhanced use of digital technology.

Over 2017/18 and 2018/19 we plan to make savings of £900,000.

Impact: Potential impact on service groups, but this will be minimised as much as possible by working with any affected client groups.

Consultation Questions - Efficiencies

Q1a. We have outlined some of our planned efficiency savings in the previous section. Please share any comments you have on these below.

Q1b. Please provide details of any other efficiency savings you think could be considered by the Council.

Changes to Council Tax Charges

Since 2008/09, the Council has not increased Council Tax levels in line with Scottish Government policy. However, as funding restrictions and cost pressures continue the choices available to us in order to balance the budget become harder.

Whilst the decision to vary Council Tax levels remains with Councils, the Scottish Government has the ability to vary the legislation, and has recently introduced a new statute which will see all properties in bands E-H pay increased council tax ranging from between 7.5% to 22.5% from April 2017. This additional money will be offset by a reduction in grant funding provided by the Scottish Government, which in turn will be redirected to individual schools across the country in an effort to improve education attainment levels. The specific funding mechanism is still being agreed but in practice it may mean:

Additional Council Tax raised in East Lothian	£3 million
Additional money directed to East Lothian Schools	Less than £1.5 million
Other schools across Scotland	Balance circa £1.5 million

In addition, whilst the policy on Council Tax freeze has now come to an end and Councils now have the ability to vary Council Tax, Scottish Government have imposed a cap limiting any proposed increase to a maximum of 3%. The Council has already indicated within its budget approved in February 2016 to support a proposed Council Tax increase of 3% per annum from 2017/18, and we are looking for your views on this.

Consultation Questions – Council Tax

Q2a. The narrative above provides some further context in relation to Council Tax charging. Taking this into account, to what extent would you agree with an annual increase of 3% increase in Council Tax levels from 2017/18 if all the additional funds were used to support service investment or prevent significant service reductions?

Agree

Disagree

Q2b. Would you be prepared to support an increase of 3% Council Tax in 2017/18 only?

Agree

Disagree

Q2c. Please share any comments you have in relation to Council Tax charging.

Consultation Questions – Other

Q3. Below is a list of some of the services provided by East Lothian Council, please rank the top 5 services which are most important to you (1 being the most important)

Arts / cultural activities / museums / heritage activities and events	<input type="checkbox"/>	Roads, pavements and lighting	<input type="checkbox"/>
Community centres / village halls	<input type="checkbox"/>	Schools	<input type="checkbox"/>
Environmental Health services	<input type="checkbox"/>	Services to protect children from harm and to support families	<input type="checkbox"/>
Homelessness services	<input type="checkbox"/>	Support for business start up	<input type="checkbox"/>
Libraries	<input type="checkbox"/>	Support for vulnerable adults including frail / elderly people to allow them to remain in their own home	<input type="checkbox"/>
Parks, gardens and open spaces	<input type="checkbox"/>	Swimming pools / leisure centres	<input type="checkbox"/>
Public transport	<input type="checkbox"/>	Waste and recycling services	<input type="checkbox"/>

Q4. Which of the services listed below would you like to see us spend more on, even if it means spending less on others? (please rank the top five services from 1-5 with 1 being the most important)

Arts / cultural activities / museums / heritage activities and events	<input type="checkbox"/>	Roads, pavements and lighting	<input type="checkbox"/>
Community centres / village halls	<input type="checkbox"/>	Schools	<input type="checkbox"/>
Environmental Health services	<input type="checkbox"/>	Services to protect children from harm and to support families	<input type="checkbox"/>
Homelessness services	<input type="checkbox"/>	Support for business start up	<input type="checkbox"/>
Libraries	<input type="checkbox"/>	Support for vulnerable adults including frail / elderly people to allow them to remain in their own home	<input type="checkbox"/>
Parks, gardens and open spaces	<input type="checkbox"/>	Swimming pools / leisure centres	<input type="checkbox"/>
Public transport	<input type="checkbox"/>	Waste and recycling services	<input type="checkbox"/>

Q5. Do you think it's appropriate that the Council considers both increasing charges and introducing new charges as a way of recovering costs, and if so in which areas do you think this increase would be appropriate (please rank the top five services from 1-5 with 1 being the most important).

Arts / cultural activities / museums / heritage activities and events	<input type="checkbox"/>	Roads, pavements and lighting	<input type="checkbox"/>
Community centres / village halls	<input type="checkbox"/>	Schools	<input type="checkbox"/>
Environmental Health services	<input type="checkbox"/>	Services to protect children from harm and to support families	<input type="checkbox"/>
Homelessness services	<input type="checkbox"/>	Support for business start up	<input type="checkbox"/>
Libraries	<input type="checkbox"/>	Support for vulnerable adults including frail / elderly people to allow them to remain in their own home	<input type="checkbox"/>
Parks, gardens and open spaces	<input type="checkbox"/>	Swimming pools / leisure centres	<input type="checkbox"/>
Public transport	<input type="checkbox"/>	Waste and recycling services	<input type="checkbox"/>

Q6. Finally - please use this box to tell us any other ways in which you think the Council could save some money.

Tell us more.....

Thank you for taking your time to complete this short survey. Your views are important to us.