

East Lothian Council Budget 2016-2019

Public Consultation

November 2015

you pay: have your say



Spending Choices

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East Lothian Council Public Budget Consultation

You Pay... Have Your Say

Introduction

Each year, East Lothian Council sets a budget to pay for the wide range of vital services it provides to the community. In any circumstances, the budget setting process involves difficult decisions, but this is becoming increasingly challenging as we try to balance the needs and wants of our communities as the overall level of funding is expected to reduce. We make sure that the budget always balances (i.e. that our proposed spending plans are within our expected income levels) and we spend around £218 million in total each year.

In common with all public sector organisations, the Council is expecting our funding levels to reduce over the next 3 years, however as our population continues to grow, so does demands on council services.

A great deal of work has already been done by the Council which has allowed us to continue to deliver and maintain local services. We have taken an innovative approach to service delivery and by listening and working with communities saving the council over £19 million since 2012 and a further £4.27 million of efficiencies is already built into our plans to be delivered until 2018, mainly by doing things differently and working more efficiently in order to minimise the impact on the services which the public sees. However, we know that there is a lot more to do, and we think that we will need to find a further £20 million of savings by 2019. Given this, we need to identify what is important now and for future prosperity. This budget consultation is your chance to become involved, and tell us what you think.

Budget Consultation

Full details of the efficiencies already planned within years 2 and 3 of the existing 3 year budget have been included at **Appendix A**. We want to hear your views on our proposals and also any ideas you might have on how we can further cut costs or increase income while maintaining the key services our communities depend upon.

This year's budget consultation is your opportunity to have your say on how we prioritise our spending and develop new, cost-effective ways of delivering local services. Please take the time to read through this *Spending Choices* paper and give us your views. You pay – now it's time to have your say.

This consultation is about the part of the budget that is funded by the Council Tax, which we usually call "General Services". This excludes spending on Council Houses which is funded by the rents charged. We call that the "HRA" (Housing Revenue Account) and that is subject to a separate statutory tenant consultation that is currently underway.

Below we present some basic facts about the Council finances. We then ask you to consider some specific questions.

Your answers to these questions will help guide all councillors when they come to consider future budgets.

Some Basic Facts

What does the Council spend?

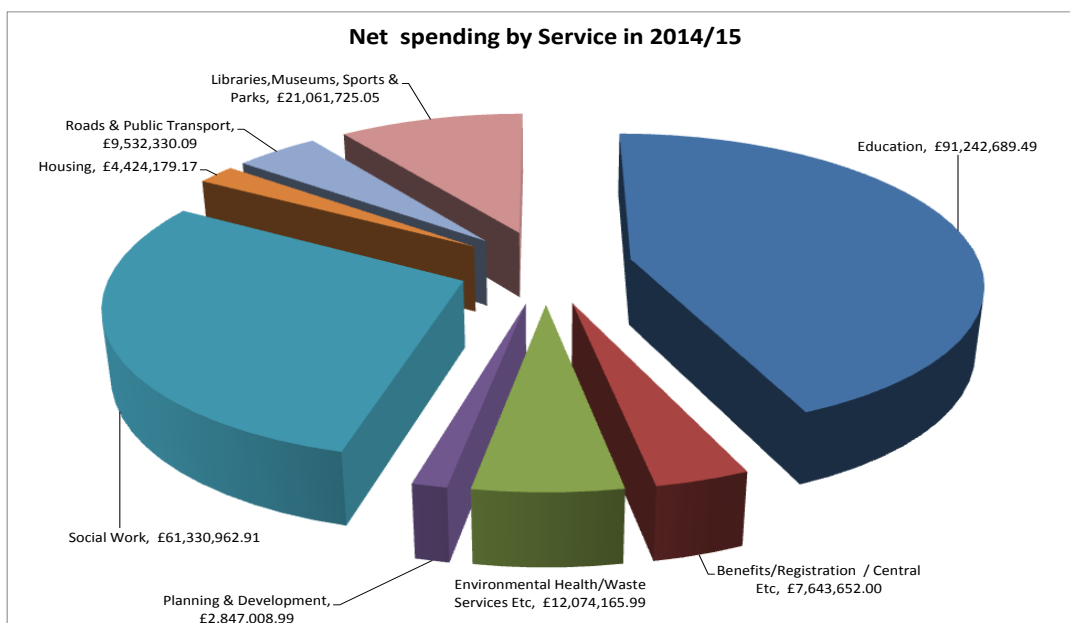
The Council has a budget of around £218 million per annum and is used to pay for services that most people see or use every day, including; collecting and disposing of refuse and recycling, transportation including street lighting and road maintenance, parks and libraries. In addition, the Council provides many essential services that people rely on, including;

- Funding for Adult Wellbeing including homecare services and funding for older people. It also supports adults with learning disabilities and mental health difficulties;
- Funding for schools and other services for children, including pre-school and supporting children with special educational needs and children in care;
- Housing support to the most vulnerable in society.

We continue to work with our partners to achieve our shared priorities within the resources which are available to deliver services which will:

- *Growing our Economy* – to increase sustainable economic growth as the basis for a more prosperous East Lothian
- *Growing 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
- *Growing our People* – to give our children the best start in life and protect vulnerable and older people
- *Growing the capacity of our Council* – to deliver excellent services as effectively and efficiently as possible within our limited resources.

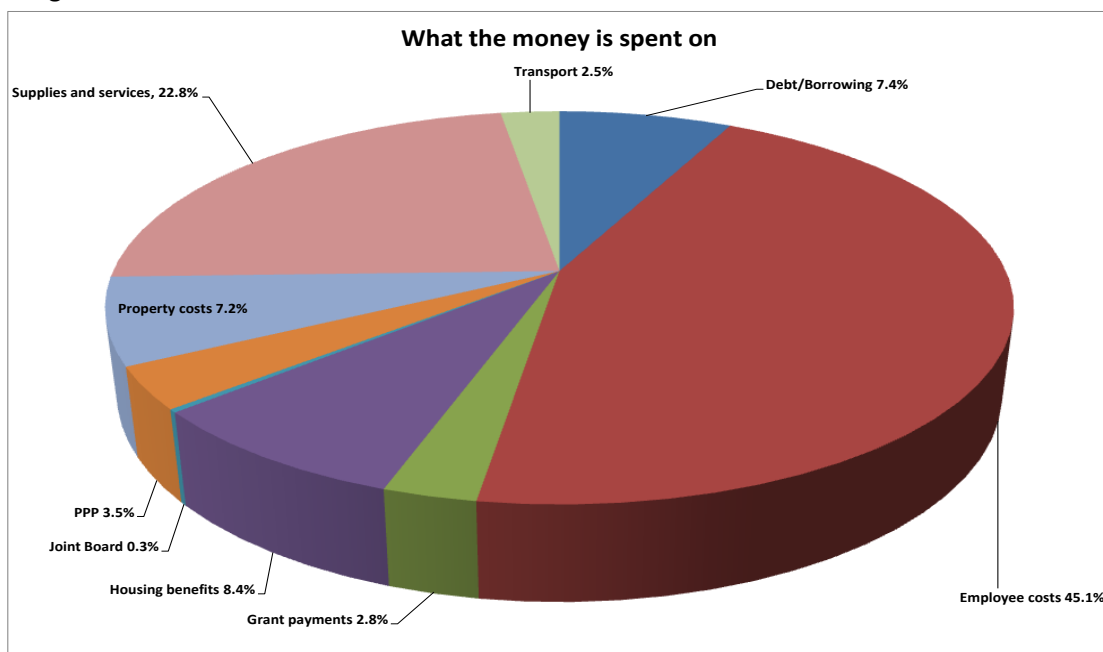
The chart below sets out the spending across the various service areas provided by the Council in 2014/15, with around three quarters of the budget made up from spending on Education and Social Care which includes Children and Adult Wellbeing services.



What is this money spent on?

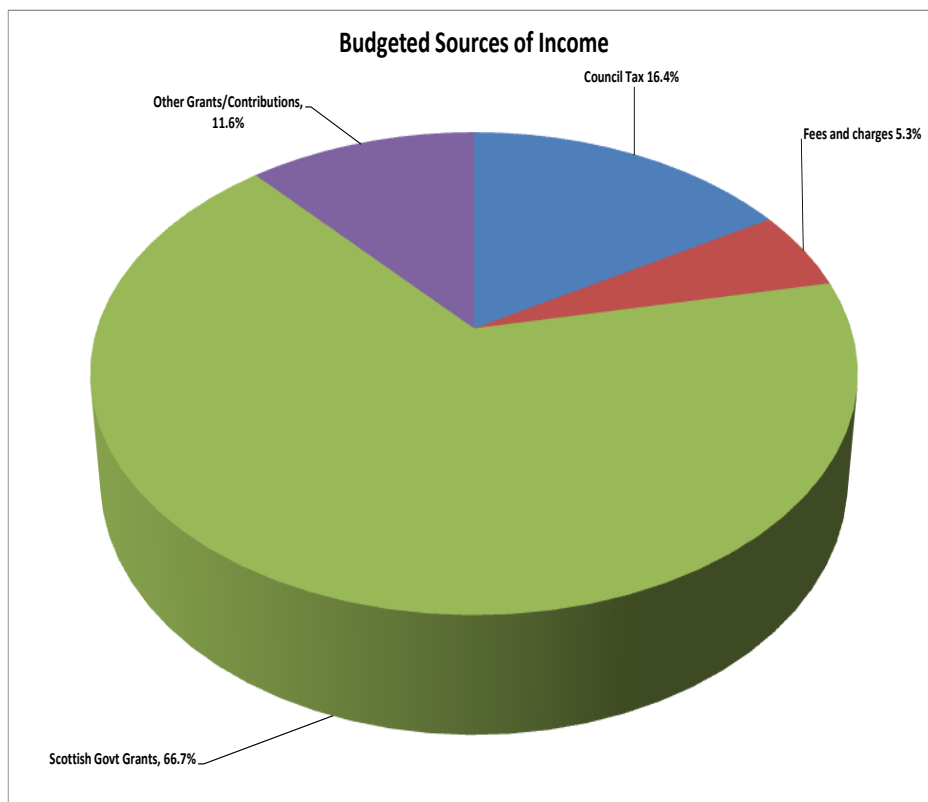
Over 45% of the Council's costs come from employing staff. After this, the next biggest cost relates to the purchase of supplies and services. This includes, for example, buying care home places, paying for waste collections and paying for gas and electricity.

General Services capital expenditure is indirectly included within the figures above since most of that expenditure is funded by borrowing which has to be repaid with interest, which we usually call "debt charges".



Where does the money come from?

By far the largest proportion of funding to run these services is from the Scottish Government, with around 67% of funding generated from Council Tax income.



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

The Council can hold reserves, and these can be used to balance budgets if they are needed. We are already planning on using some reserves to balance the budget in 2016/17, however what is important to remember is that reserves can only be used once, and are not a sustainable source to balance budgets.

As a Council, whilst our level of reserves has increased in 2014/15, so has our demand for services, and the vast majority of the reserves which we now hold are already 'earmarked' for areas of expenditure such as; ensuring we have in place appropriate levels of insurance, and a capital fund which is used in part to fund our capital investment programme.

The use of reserves can only really work to either fund a specific project or as a temporary measure to balance the budget, but cannot be relied upon as an on-going funding source as eventually they will run out.

Some Questions

Q1. Below is a list of some of the services provided by East Lothian Council, please indicate which services are most important to you (tick up to 5 options)

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 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"/>

Q2. Which of the services listed below would you like to see us spend more on, even if it means spending less on others? (please tick up to 5 options)

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 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"/>

Q3. Which of the services below would you like to see us spend less on? (tick up to 5 options)

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 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"/>

Q4a. Do you think that the Council should stop providing services or doing them less frequently?

I strongly agree ☐

I mostly agree ☐

I don't agree ☐

I strongly disagree ☐

Please use this box to tell us more.....

Q5.To what extent do you agree / disagree with the specific efficiency measures already planned for 2016/17 and 2017/18?

In the charts above, you can see where and how the Council spends your money. **Appendix A** provides details of the proposed efficiencies/savings already planned for the next two financial years. A large proportion of the planned efficiencies relate to further staff Efficient Workforce Management Savings (EWFM) savings and making further efficiencies in the way in which we spend our money on supplies and services.

Please tick the option that best describes your response as to whether you agree / disagree with the planned efficiencies.

I strongly agree ☐

I mostly agree ☐

I don't agree ☐

I strongly disagree ☐

Please use this box to tell us more.....

Q6. 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? (tick up to 5 options, with further detail to be provided in the blank section below).

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 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"/>

Please use this box to tell us more.....

Q7. Would you support an increase in Council Tax if all of the additional resource was used to support service investment, or prevent service reductions?

Since 2008/09 the Council has not increased the levels of Council Tax and this commitment is likely to remain in place for 2016/17. However as funding reductions continue, the choices available to us in order to balance the budget becomes harder.

Would you be prepared to support an increase in Council Tax levels from 2017/18 if all of the additional resource was used to support service investment or prevent service reductions?

Please tick the option that best describes your response.

I strongly agree ☐

I mostly agree ☐

I don't agree ☐

I strongly disagree ☐

Please use this box to tell us what level of increase you would support....

Q8. Do you have any other ideas for ways in which the Council could become more efficient?

Please use this box to tell us what level of increase you would support....

Your views are important to us....

The Council will set its budget in February 2016, which is why we need you to have your say now on shaping the Council's spending choices for 2016/17 and beyond.

Send your comments or suggestions no later than Thursday 17 December 2015 to:

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

Or email: youpayhaveyoursay@eastlothian.gov.uk

You can also visit: www.eastlothian.gov.uk for more information.

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

BUDGET CHANGES

Description	2016/17			2017/18		
	Budget Change £000	Efficiency/ Measures/Savings/I ncreased Income £000	Total Change £000	Budget Change £000	Efficiency/ Measures/Savings/I ncreased Income £000	Total Change £000
Children's Wellbeing						
BuySmart Reviews	-	(20)	(20)		(33)	(33)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Pathway Home		(39)	(39)			
Re-Location Savings						
External Placements					(200)	(200)
External Provision Longterm Care Planning Review						
Pre-School Education & Childcare						
Efficient Workforce Management		(5)	(5)		(10)	(10)
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.						
BuySmart Reviews		(5)	(5)		(6)	(6)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Additional Support for Learning						
External Residential Placements					(200)	(200)
External Provision Longterm planning Review						
Efficient Workforce Management		(4)	(4)		(10)	(10)
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.						
BuySmart Reviews		(5)	(5)		(6)	(6)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Schools - Primary						
DSM Review		(100)	(100)			
Review of DSM scheme						
BuySmart Reviews		(16)	(16)		(19)	(19)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Schools - Secondary						
Improving options in the Senior Phase across the Authority		(160)	(160)			
Use of IT to enhance/support delivery of curriculum in the senior phase (S4-S6). Subject to changes in Scottish Government policy re teacher/pupil ratio						
DSM Review/Secondary Roll Changes		(180)	(180)			
Implementation of a DSM review alongside effect of the expected reduction in the secondary roll to 5504 by September 2016						
BuySmart Reviews		(19)	(19)		(21)	(21)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Schools Support Services						
Efficient Workforce Management		(11)	(11)		(13)	(13)
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.						
BuySmart Reviews		(15)	(15)		(15)	(15)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Financial Services						
BuySmart Reviews		(15)	(15)		(15)	(15)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Efficient Workforce Management		(23)	(23)		(24)	(24)
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.						
Revenues & Benefits						
BuySmart Reviews		(10)	(10)		(10)	(10)
BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.						
Efficient Workforce Management		(15)	(15)		(16)	(16)
Group savings target to be met from service redesign, strict management of variable staffing and agency costs.						

ADMINISTRATION - GENERAL SERVICES BUDGET PROPOSALS

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Description	2016/17			2017/18		
	Budget Change £000	Efficiency/Measures/Savings/Increased Income £000	Total Change £000	Budget Change £000	Efficiency/Measures/Savings/Increased Income £000	Total Change £000
Information Technology						
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>						
Efficient Workforce Management		(19)	(19)		(20)	(20)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
Redundant Systems						
Network Circuits						
BuySmart Reviews		(15)	(15)		(15)	(15)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						
Legal & Procurement						
Efficient Workforce Management		(19)	(19)		(20)	(20)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
BuySmart Reviews		(10)	(10)		(10)	(10)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						
Human Resources & Payroll						
BuySmart Reviews		(15)	(15)		(15)	(15)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						
Efficient Workforce Management		(20)	(20)		(21)	(21)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
Licensing, Admin & Democratic Services						
Licensing Fees		(2)	(2)		(2)	(2)
<i>Increase in Civic Government application fee charges in line with October 2008 Cabinet Report</i>						
Efficient Workforce Management		(8)	(8)		(9)	(9)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
BuySmart Reviews		(15)	(15)		(15)	(15)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						
Adult Wellbeing						
Service Charges		(50)	(50)	(50)		(50)
<i>Increase in existing charges</i>						
Integration of Health/Social Care		(250)	(250)			
<i>Savings & Efficiencies to be generated by joint working</i>						
BuySmart Reviews		(20)	(20)		(20)	(20)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						
Adult Placement						
<i>Develop opportunities for adult placement with savings within care purchasing budget.</i>						
Make greater use of Sheltered Housing		(50)	(50)			
<i>Make greater use of Sheltered Housing to provide higher levels of community support and reduce numbers of purchased care home beds</i>						
Efficient Workforce Management		(115)	(115)		(230)	(230)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
Planning						
Planning Fees		(20)	(20)		(20)	(20)
<i>Increase in fees</i>						
Efficient Workforce Management		(18)	(18)		(27)	(27)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
Economic Development & Strategic Investment						
Efficient Workforce Management		(17)	(17)		(26)	(26)
<i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>						
BuySmart Reviews		(10)	(10)		(9)	(9)
<i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>						

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	Budget Change £000	Efficiency/Measures/Savings/Increased Income £000	Total Change £000	Budget Change £000	Efficiency/Measures/Savings/Increased Income £000	Total Change £000
Asset Planning & Engineering						
Increase in rents for Industrial Rents <i>Rents will increase in line with rent reviews/Increase to match existing actual income</i>		(20)	(20)		(20)	(20)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(16)	(16)		(17)	(17)
Efficient Workforce Management/Property Services Service Review <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(40)	(40)		(57)	(57)
Property Maintenance						
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(50)	(50)		(50)	(50)
Efficient Workforce Management/Property Services Service Review <i>Group savings target to be met from service redesign, strict management of variable staffing, agency costs and increased productivity</i>		(68)	(68)		(100)	(100)
Facility Support Services						
Efficient Workforce Management <i>Group savings target to be met from service redesign of Janitorial and Cleaning services, strict management of variable staffing and agency costs.</i>		(18)	(18)		(33)	(33)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(19)	(19)		(21)	(21)
Landscape & Countryside Management						
Coastal Car Parks <i>Capital spend funded from revenue income stream</i>		(300)	(300)			
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(30)	(30)		(51)	(51)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(19)	(19)		(21)	(21)
Roads, Transportation & Waste Services						
Roads Lighting <i>Savings associated with replacement of lanterns with LED units</i>		(15)	(15)		(15)	(15)
Income Generation <i>Increase in Trade Waste Charges</i>		(10)	(10)		(10)	(10)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(24)	(24)		(31)	(31)
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing, agency costs and increased productivity</i>		(65)	(65)		(100)	(100)
Healthy Living						
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(14)	(14)		(24)	(24)
Enjoy Contract Payments <i>Reduction in contract payment to Enjoy</i>		(100)	(100)			
Community Housing						
Increased Charges <i>Increased charges for homelessness services in line with January 2014 Cabinet report</i>		(10)	(10)			
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(26)	(26)		(26)	(26)
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(23)	(23)		(34)	(34)
Private Sector Housing Grant <i>Reduce budget - with increased proportion from the Scottish Government</i>		(100)	(100)			
Corporate Policy & Improvement						
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(15)	(15)		(21)	(21)

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	Budget Change £000	Efficiency/ Measures/Savings/I ncreased Income £000	Total Change £000	Budget Change £000	Efficiency/ Measures/Savings/I ncreased Income £000	Total Change £000
Arts, Museums & Music						
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(91)	(91)		(26)	(26)
Community Development						
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(11)	(11)		(23)	(23)
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(23)	(23)		(22)	(22)
Customer Services						
Review of Income & Charging <i>Changes to Mobile Alarms Charges in line with January 2014 Cabinet report</i>		(10)	(10)			
Library Services <i>Review of mobile library service, reductions in revenue costs of Library Management system, review of branch professional posts, & introduction of new tech</i>						
Efficient Workforce Management <i>Group savings target to be met from service redesign, strict management of variable staffing and agency costs.</i>		(29)	(29)		(41)	(41)
BuySmart Reviews <i>BuySmart Review of supplies & services - leading to either reduced purchasing, ensuring contracts set up and used or buying to an alternative standard.</i>		(11)	(11)		(11)	(11)
			-			