

Report to: Cabinet

Date of Meeting: 8 November 2012

Subject: Transformation Programme and Revenue Budget 2012 - 2015

Report of: Head of Transformation Services
and Head of Finance and ICT

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To report the progress towards the establishment of the 2013/14 – 2014/15 budget plan, and consultation processes being undertaken. In particular the report recommends a further package of savings proposals relating to *inform* consultation options (see Annex B).

The report contains a number of Annexes listed below for ease of reference:

Annex A Work Programme Timetable

Annex B Proposals – Options Previously Approved for Consultation, Engagement or Information

Annex C Integration options

Annex D Further information on options previously recommended to Council

Recommendations

Cabinet is recommended to

- a) note that figures and phasing in these annexes are working assumptions of options to be considered and the figures should not be seen as predetermining any decisions. Many of these options remain subject to consultation and engagement, and any figures indicated are being used to facilitate outline budgetary forecasting only.
- b) note the work programme timetable contained in Annex A

Annex B – Proposals - Community being informed of changes

- c) have due regard to the information contained in Annex B, consider these proposals and recommend their approval to Council and authorise Officers to prepare for implementation immediately pending final decisions. For clarity Cabinet is asked to consider to be mindful of the relevant legislative framework, and weigh up the risks and issues identified, the equality impact assessment information and the mitigating factors for each individual proposal.

Annex C - Integration Proposals

- d) to consider the integration options as described in Annex C, recommend their approval to November 2012 Council and mandate Officers to continue with consultation, engagement and implementation processes with partners, key stakeholders, employees and Trade Unions as appropriate with a view to achieving the agreed changes at the earliest opportunity. This will involve engagement in consultation and, as necessary, issuing of statutory notices to trade unions and Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992 and to the Department of Business Innovation and Skills (as necessary). Ultimately the implementation may lead to the termination of employee contracts due to the changes for which officers are as necessary attributed to implement all stages.

Annex D – Further information on options previously recommended to Council

- e) have due regard to the information contained in Annex D and mandate Officers to commence consultation and engagement processes with the community, partners, key stakeholders, employees and Trade Unions
- and
- f) note the risks and mitigating actions outlined in Annex B, C and D in making its recommendation to Council

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community			√
2	Jobs and Prosperity			√
3	Environmental Sustainability			√
4	Health and Well-Being			√
5	Children and Young People			√
6	Creating Safe Communities			√
7	Creating Inclusive Communities			√
8	Improving the Quality of Council Services and Strengthening Local Democracy			√

Reasons for the recommendation

The recommendations in this report, if approved, are another step in agreeing a two year budget plan. Additional budget savings and options still need to be identified to ensure that future years' budgets can be balanced. It is a legal requirement to set a balanced budget and to ensure the medium term financial position is robust.

Early consideration of budget options continues to be essential as this supports informed decision making, including the consideration of the outcome of any consultations undertaken, the impact of any decisions to be made and any steps that can be taken to mitigate the impact of a decision.

FD1848/2012 What will it cost and how will it be financed?

(A) Revenue Costs

The Council continues to forecast a significant budget gap over the period 2013/14 - 2014/15 requiring estimated savings of at least £43.7m. The Government is expected to announce the local government grant settlement for 2013/14 in December 2012. It remains unclear at this stage whether the position for 2014/15 will also be clarified at this point. The confirmation of external revenue support from Government will provide greater clarity of the Council's saving requirement for next year, but should hopefully give an indication of the issues to be addressed in 2014/15.

The level of uncertainty is high because the Government has not completed the consultation on the localisation of business rates and the financial implications of new Local Government funding regime. Further uncertainty exists around the proposed changes in key grant funding especially Early Intervention Grant.

(B) Capital Costs

No specific Capital Investment costs have been identified at this stage. Any identified Capital Investment will be subject to a robust business case which demonstrates pay back period appropriate to the budget reduction being considered. Any costs arising from investment will be factored into the net deliverable savings.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal LD1166 2012

There are no direct legal implications arising from the contents of this report. However in the course of each of the individual projects, consultations, options etc. to achieve the savings required detailed consideration should be given to the legal, human rights and equality implications. Such consideration will also need to be evidenced to ensure that the Council's decision making processes are defensible.

Human Resources

The proposals contained within this report have a potential impact upon employees and the potential for both voluntary and compulsory redundancies. It will be necessary for the Authority to comply with the duty to consult with recognised Trade Unions and employees and to complete as necessary a notification under Section 188 of the Trade

Union Labour Relations (Consolidation) Act 1992. Also form HR1 to the Department of Business Innovation and Skills notifying of redundancies may need to be filed dependent on numbers. Full and meaningful consultation should continue to take place with the Trade Unions and employees on the matters contained within this report.

Equality

1. No Equality Implication	<input type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input checked="" type="checkbox"/>

Impact on Service Delivery:

Service implications as currently understood are described within the options and proposals in this report.

What consultations have taken place on the proposals and when?

Regular and ongoing consultations have taken place with Strategic Directors, Director of Built Environment, Director of Street Scene, Director of Young People & Families, Director of Older People, Director of Corporate Support Services and Director of Commissioning, Head of Corporate Personnel, Head of Corporate Legal Services and Trade Unions.

Further information is contained in the annexes of this report.

Are there any other options available for consideration?

Further options will be presented to Cabinet in December.

Implementation Date for the Decision

Following November 2012 Council.

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Background Papers:

1. Introduction/Background

- 1.1 A budget gap of at least £43.7m is forecast over the next two years with further reductions anticipated in following years. At its meeting on 13th September 2012 Cabinet took a major step towards the establishment of the budget plan for 2013/14 and 2014/15.
- 1.2 At this meeting Cabinet approved the commencement of consultation and engagement activity on a number of specific and thematic options and recommended to Council a number of business efficiencies. In October 2012 Cabinet further considered and recommended to Council a number of options requiring internal consultation.
- 1.3 The achievement of a balanced budget still remains a very significant challenge for the Council. The options and timetable within this report provide Cabinet with further business efficiencies and specific options that could contribute to this. The Council has a legal responsibility to set a balanced budget by March 2013.
- 1.4 The figures quoted in Annexes B, C and D of this report are estimates of the financial impact to support the budgetary planning process and should not be seen as predetermining any decisions. Cabinet is asked to note that figures and phasing in these annexes are working assumptions of options to be considered and the figures should not be seen as predetermining any decisions. Many of these options remain subject to consultation and engagement, and any figures indicated are being used to facilitate outline budgetary forecasting only (*recommendation a*).

2. Work Programme & Approach

- 2.1 In July 2012 Cabinet agreed that the budget planning process which included Officers reviewing all service areas and activities should continue in order to meet the budget reductions required by Government austerity measures. This has proved to be a very significant challenge, following on from the savings approved in previous years. The consequences on the shape, depth and breadth of Council services and the community, alongside other changes planned by Government, are now beginning to be understood and it is clear that reductions of this scale will have a very significant impact.
- 2.2 As this work continues the Council will aim to work with partner organisations to:
 - Resource agreed priorities
 - Define the core purpose of the Council
 - Where possible cushion the impact on the most vulnerable
 - Achieve efficiencies before service reduction or cessation
 - Maintain the longer term strategic view in the context of the current financial realities
 - Achieve a balanced and sustainable budget

- Implement efficient and effective support systems and processes
- Facilitate community responsibility and capacity to reduce the reliance on public sector services

2.3 The approach being taken seeks to;

- define priorities and identify who our “most vulnerable” are
- integrate all key support activities to provide efficient, co-ordinated, consistent, effective services
- develop evidence-based and targeted early intervention and prevention approaches to improve outcomes and reduce longer term financial impacts
- identify those services which the Council must continue to provide as an absolute minimum and assess their current efficiency
- assess and manage risks based on new financial forecasts
- identify ongoing business efficiencies which will have manageable impacts on service quality and quantity
- further understand where budget reductions will result in reduced quantity and/or quality of service
- maximise the potential of community and Council assets to improve outcomes and reduce longer term financial impact
- assess how locally determined chargeable services could operate on a full cost (including all overheads) recovery basis
- assess the community wide cumulative impact of cuts during the decision making processes.

2.4 During this process detailed analysis and Officers’ professional judgement will aim to identify the potential minimum levels of service, based on current knowledge, risk, legislation and policy. This in turn will provide further options for Members to consider and consult on. A whole Council approach continues to be taken to safeguard against any consequential impacts across the Council remaining unidentified. In addition to this Officers have continued to explore different commissioning strategies, delivery models and ways of working.

2.5 In September 2012 Cabinet approved the commencement of consultation on a range of more complex thematic options with multiple implications and potential cumulative effects. At that stage these thematic options were identified for high level consultation and did not include any estimate of savings. Members will recall that the themes being considered included:

- Ways of Working
- Subsidies and charges
- Standards of service
- Commissioning
- Economy & Tourism
- Voluntary Community & Faith Sector
- Vulnerable People – Personalisation, Day Opportunities and Intermediate Care
- Early Intervention & Prevention

2.6 It is anticipated that the associated work undertaken over the last two months will result in the formulation of detailed options that will be presented to Cabinet in December.

2.7 The work programme must continue to be supported by timely decision making, in relation to budget issues, as given the scale of savings required it is imperative that Council continues to take further steps to reduce its spending. The table below summarises progress made by Cabinet to date;

Work Programme Activity	Budget Plan Assumptions £m
<u>September 2012 Cabinet</u>	
Business Efficiencies (recommended to Council 22 November 2012)	11.680
Commencement of Consultation (Internal) Options	
• Terms & Conditions	6.000
• Senior Management	0.150
• Integration	1.000
• Specific Options (recommended to Council 22 November 2012)	3.309
Commencement of Consultation (External) Options	
• Specific Options	3.955
<u>October 2012 Cabinet</u>	
Commencement of Consultation (External) Library Service	0.400
Budget Plan Assumptions £m	
26.494	

2.8 Annex A details the agreed work programme, it is important to note that these activities will be supplemented as required in order to ensure that timescales are

maintained. Cabinet is asked to note the work programme timetable contained in Annex A (*recommendation b*).

3. Options Previously Approved for Consultation, Engagement or Information

- 3.1 In September 2012 Cabinet agreed the commencement of consultation, engagement and informing processes with the community, partners, key stakeholders, employees and Trade Unions.
- 3.2 Annex B contains a number of proposals where information processes have commenced and will continue until approved implementation dates, subject to consideration by Council.
- 3.3 Impact Assessments are detailed in Annex B. Cabinet is asked to show due regard to the equality analysis at Annex B.
- 3.4 All proposals contained in Annex B have been risk assessed by the relevant senior officers with mitigating actions identified where possible.
- 3.5 These proposals are now presented for Cabinet to make the appropriate recommendation to Council. Having due regard for the information contained in Annex B Cabinet is asked to consider these proposals and recommend their approval to Council and authorise Officers to prepare for implementation immediately pending final decisions (*recommendation c*). For clarity Cabinet is asked to be mindful of the staffing implications described, relevant legislative framework, and weigh up the issues identified, the equality impact assessment information and the mitigating factors for each individual proposal as listed below–

<u>Ref</u>	<u>Service Area</u>	<u>Change option</u>	<u>Proposed Change £000</u>
F1.1	Car Parks (including management)	Non cancelling PCN for incorrect display of ticket or blue badge	150
F1.2	Grounds Maintenance	Recharging grounds maintenance/utility costs for adult football/sports users/bowlers	85
F1.4	Cemeteries and Crematoria	Increase burial and cremation charges	400
F1.5	Landscape	Increase Fees - Allotments	40
F2.1	Cleansing	Restructure Crews and introduce charge for bulky items	210
F4.1	Commissioning	Area based committees	100
Total			985

- 3.6 **Terms & Conditions** - In September 2012 Cabinet agreed that Officers commence a consultation process with employees and Trade Unions (including but not limited to) to secure an agreement on the terms and conditions options with the ambition that this consultation would identify a £6m reduction to the 2013/2015 budget gap. This consultation is ongoing.
- 3.7 **Integration** – In September 2012 Cabinet considered the integration agenda, recommended its progression to November 2012 Council and mandated Officers to

commence consultation and implementation processes. Cabinet is asked to consider the integration options as described in Annex C, recommend their approval to November 2012 Council and mandate Officers to continue with consultation, engagement and implementation processes with partners, key stakeholders, employees and Trade Unions as appropriate with a view to achieving the agreed changes at the earliest opportunity (*recommendation d*).

- 3.8 For clarity Cabinet is asked to consider and weigh up the issues identified including the mitigating factors for each individual proposal as listed below–

<u>Ref</u>	<u>Integration Area</u>	<u>Working Assumption</u> <u>£000</u>
I1.1	Commissioning, Business Intelligence and data	250
I1.2	Learning & development, Training, Professional Training and CPD	500
I1.3	Financial Assessments	250
I1.4	Customer Access Points	250
Total		1,250

- 3.9 The working assumptions associated with these options indicate a £250k additional saving to contribute to the 2013/2015 budget gap.
- 3.10 In September Cabinet recommended options C3.1 the re-integration, recommissioning and restructuring of services (Built Environment) and C3.2 Home Improvements Agency service brought in house to Council. Following a subsequent review of the Home Improvement agency services, since September, the proposal at C3.2, for the HIA services has been amended. The proposal is now to consider bringing 2 of the services in-house, but consider discontinuing the non-statutory Handyperson service, subject to consultation. Cabinet is now asked to consider further information in Annex D relating to these options prior to Council 22nd November 2012.
- 3.11 Having due regard to the information contained in Annex D Cabinet is asked to mandate Officers to commence consultation and engagement processes with the community, partners, key stakeholders, employees and Trade Unions (*recommendation e*).
- 3.12 Updates will be provided to Cabinet in January with a view to Cabinet considering options for recommendation to January 2013 Council.
- 3.13 For the options recommended to Council in October 2012 that are still subject to internal consultation, the updated position will be described in the November Council report.

4. Consultation and Engagement

- 4.1 As mentioned earlier in the report an initial package of potential budget options was approved by Cabinet, 13th September 2012, to commence consultation and engagement. In relation to these, consultation activity continues with service users, the Community, partners, key stakeholders, employees and Trade Unions.

- 4.2 The community and partners can access the You Choose and budget plan consultation processes via the Council website. In order to ensure that members of the public who do not have access to the internet, can give us their views through a range of focus groups or consultation workshops. In addition the details of the options, contact details and copies of the surveys' being undertaken will be made available through libraries, One Stop Shops and Town Halls.
- 4.3 Media briefings and media releases continue to be issued to sign-post interested parties to the full range of options.
- 4.4 Weekly meetings continue with the Trade Unions. Proposals from departments are in different stages of consultation.

5. Equality Act 2010 Duty and Impact Assessments

- 5.1 As the Council continues to put actions into place to set a sustainable budget plan for 2013/14 and 2014/15 there is a need to be clear and precise about our processes, and impact assess potential change options, identifying any major risks and mitigating these as far as possible. The impact assessments, including any feedback from consultation or engagement where appropriate, will be made available to Members when final recommendations are presented for a decision. This will ensure that Members make decisions in an open minded balanced way showing due regard to the impact of the recommendations being presented in compliance with the Equality Act 2010.

6. Risk Management

- 6.1 The Council continues to regularly review strategic and operational risks and put in place measures to manage those risks.
- 6.2 All options contained in Annexes B, C and D, have been risk assessed by the relevant senior officers with mitigating actions identified where possible.
- 6.3 Cabinet is asked to note the risks and mitigating actions outlined in Annex B, C and D in making its recommendation to Council (*recommendation f*).
- 6.4 Offices continue to monitor risks and issues, escalating significant risks and issues to Cabinet as appropriate.

7. Conclusion

- 7.1 The Council continues to face extremely difficult decisions in relation to its finance and provision of services. Further options are currently being developed based on the ongoing consultation and a further assessment of all services. These will need to be considered at the next Cabinet to commence appropriate consultation and to contribute to the two year budget plan.
- 7.2 As mentioned in previous reports the plan must be flexible enough to cope with any variations in the level of Government Grant once formal notification is received in mid to late December. It is still considered essential that the Council aims for a two year plan. This will ensure timely implementation of proposals and release capacity from options identification to transformation and overall redesign of services. The

availability of capacity to deliver change on top of increasingly demanding day-to-day-work, and against a backdrop of contraction over the last few years, remains a significant risk.

- 7.3 Consultation continues and standard Council procedures will be observed in the instances where we are required to inform the public.
- 7.4 The decisions facing the Council over the coming months will require a fundamental rethink of service provision and standards. Assuming the recommendations in this report are approved, Council on the 22 November will be asked to consider and approve options with a financial value of £17.3m against the forecast two year gap of £43.7 million. It is therefore evident that significant challenges remain.
- 7.5 It will be important that these changes are effectively communicated to ensure that the expectation of our communities can be managed.

Annex A

Timetable Strategic Leadership Team (SLT) 2012/13		
13 th September	Cabinet	<ul style="list-style-type: none"> • Consider <ul style="list-style-type: none"> ○ budget changes not requiring consultation with the public nor containing employee redundancy implications ○ options requiring internal consultation only ○ public engagement feedback ○ options requiring external consultation
18 th September	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> • Progress report
11 th October	Cabinet	<ul style="list-style-type: none"> • Consider <ul style="list-style-type: none"> ○ feedback from Overview & Scrutiny (Performance & Corporate Services) ○ proposals (internal) ○ Recommend any budget savings to Council for implementation ○ Libraries Review options
2 nd November	Public Engagement and Consultation Panel	<ul style="list-style-type: none"> • Special meeting to consider phase 2 consultation on the Library Review.
6 th November	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> • Progress report 2012/13 approved budget savings
8 th November	Cabinet	<ul style="list-style-type: none"> • Feedback on any consultations which have been completed • Recommend any budget savings for implementation
9 th November	Public Engagement and Consultation Panel	<ul style="list-style-type: none"> • Consider Public Engagement and Consultation Plans
22 nd November	Council	<ul style="list-style-type: none"> • Consider Cabinet recommendations
6 th December	Cabinet	<ul style="list-style-type: none"> • Identify any further options for consultation • Update on Government Grant if available
15 th January	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> • Progress report
17 th January	Cabinet	<ul style="list-style-type: none"> • Feedback on any consultations which have been completed • Recommend any budget savings for implementation

18 th January	Public Engagement and Consultation Panel	<ul style="list-style-type: none"> • Consider Public Engagement and Consultation Plans
24 th January	Council	<ul style="list-style-type: none"> • Feedback on any consultations which have been completed • Recommend any budget savings for implementation
31 st January	Cabinet	<ul style="list-style-type: none"> • Feedback on any consultations which have been completed • Recommend any budget savings for implementation
14 th February	Cabinet	<ul style="list-style-type: none"> • Recommend any budget savings for implementation
19 th February	Overview & Scrutiny (Performance & Corporate Services)	<ul style="list-style-type: none"> • Proposed Revenue Budget for 2013/15 for comment
28 th February	Cabinet	<ul style="list-style-type: none"> • No budget activity scheduled
28 th February 2013	Budget Council	<ul style="list-style-type: none"> • Approval of Budget and Council Tax

Annex B

Having due regard for the information contained in Annex B Cabinet is asked to consider these proposals and recommend their approval to Council and authorise Officers to prepare for implementation immediately pending final decisions.

<u>Ref</u>	<u>Service Area</u>	<u>Change option</u>	<u>Proposed Change £000</u>
F1.1	Car Parks (including management)	Non cancelling PCN for incorrect display of ticket or blue badge	150
F1.2	Grounds Maintenance	Recharging grounds maintenance/utility costs for adult football/sports users/bowlers	85
F1.4	Cemeteries and Crematoria	Increase burial and cremation charges	400
F1.5	Landscape	Increase Fees - Allotments	40
		Sub Total	675

Place

<u>Ref</u>	<u>Service Area</u>	<u>Change option</u>	<u>Proposed Change £000</u>
F2.1	Cleansing	Restructure Crews and introduce charge for bulky items	210
		Sub Total	210

Commissioning

<u>Ref</u>	<u>Service Area</u>	<u>Change Option</u>	<u>Proposed Change £000</u>
F4.1	Commissioning	Area based committees	100
		Sub Total	100
		Total	985

Investment Programme & Infrastructure

F1.1

Service Description:

Currently if a Penalty Charge Notice (PCN) is issued to a motorist for contravening a Traffic Regulation Order **by failing to display a valid ticket or permit**, the PCN is cancelled if the motorist subsequently produced a valid ticket or permit.

It is proposed to implement the following change – The contravention is for failing to display the ticket / permit. Sefton Council offer a concession and cancel the PCN if a valid ticket is produced even if not validly displayed. It is suggested that the concession be removed.

Rationale for service change proposal –

Under the Traffic Management Act 2004, the contravention is for failing to display a valid ticket or permit. The Issue of the PCN is correct, the ticket has not been displayed and Sefton Council has offered a concession.

Other Councils who do not offer this concession have been successful in taking cases through the adjudication process.

The following activity will change, stop or significantly reduce – Motorists who appeal on the grounds that the permit was displayed the “wrong way up” or that the pay and display ticket blew off the dashboard will not have the PCN cancelled.

Impact of Service Change –

Service Users – Motorists issued with a PCN for this contravention will not have the PCN cancelled.

Partners – None.

Council – Income will be generated, could lead to increased levels of correspondence, *complaint* and potential reputational damage.

Communications, Consultations & Engagement –

Type Inform

Implementation: 01.04.2013

To inform the public of the strict enforcement of legislation with effect from April 2013, the Council will advise through notification on the Sefton internet site in January 2013 and from April 2013 will display reminder notices on Pay and Display machines advising the public that a valid ticket must be displayed to avoid receiving a Penalty Charge Notice.

Standard Council procedures will be observed in the instances where the Council is required to inform the public

Equality Impact Assessment – See below for Equality Analysis Report

Legislation Considered – Traffic Management Act 2004.

Risks & Mitigating Actions – Poor communication of this change in practice is likely to lead to an increase in the number of complaints received, this will be managed by effective communication including highly visible signage and information for the public.

2012/13 Service Budget: -£1,171,150	Staffing: 0	Saving 2013/14 (#): Investment Required: £	£150,000	Full Year
Other Resources used:		Staff at Risk: None		

Equality Analysis Report

Reference: F1.1Penalty Charge Notices/Parking

Details of proposal:

Currently if a Penalty Charge Notice (PCN) is issued to a motorist for contravening a Traffic Regulation Order **by failing to display a valid ticket or permit**, the PCN is cancelled if the motorist subsequently produced a valid ticket or permit.

Motorists who appeal on the grounds that the permit was displayed the “wrong way up” or that the pay and display ticket blew off the dashboard will not have the PCN cancelled.

Ramifications of Proposal:

Is there a consequence to ‘Threshold’: Yes

Is there a consequence to ‘Capacity’: N/A

The withdrawal of the concession does mean there is a difference in service as now people will be more readily fined.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

No: this policy applies to all drivers who use ticketed car parking spaces or permits to park.

Consultation

The Council has the legal power to enforce the Traffic Regulation Order and cannot afford any longer to make any concessions. The Council will inform the public in good time that it intends to enforce this regulation.

Is there evidence that the Public Sector Equality Duties will continue to be met?

Yes: There are no discriminative elements in this policy as all will be treated equally by the removal of the appeal process.

Car drivers, by law have to pass their driving test such that they are deemed competent and able to follow the high way code and rules of the road, including parking rules.

What actions will follow if proposal accepted by Cabinet & Council?

Inform communities of changes.

F1.2

Service Description: Parks and Greenspaces Service: Sports users fees and charges

As part of its wider integrated responsibilities, the Parks and Greenspaces Service manages several 'paid-for' facilities which are managed for the individual use of certain users or groups of users. This is effectively providing facilities for people's exclusive use, unlike the wider park facilities, which are open to everyone.

The 'paid-for' facilities include:

- Formal football pitches (adult and Junior)
- Cricket wickets
- Formal Rugby pitches (adult and Junior)
- Bowling greens
- Croquet lawns

The income in 11/12 to the Council from fees and charges for these services was £64K (for all sport, including juniors). As part of the 12/13 savings this was to be increased by 65k in 12/13 and a further 20k in 13/14 (for adult sport and allotments only).

The current costs incurred for providing these facilities are circa £290K (for all sport, including juniors).

It is proposed to implement the following change – All users of paid-for facilities (except juniors: detailed elsewhere) to fund the full actual costs of grounds maintenance and utilities associated with their use of the facilities (in place of existing fees and charges and utility costs). Formal facilities would be withdrawn if costs are not met.

Rationale for service change proposal –

To achieve a highly significant level of savings overall, and try to minimise the effect on the wider Sefton community as much as possible.

Those who have more 'exclusive' use of facilities (as opposed to general park users), will therefore pay a more economic cost towards the running of these facilities themselves.

The following activity will change, stop or significantly reduce –

Maintenance of adult sports pitches will cease, unless the users / user groups fund the full costs of grounds maintenance (and utilities) associated with their use of the facilities.

Costs will be calculated from the costed bill of quantities in the Grounds Maintenance contract and from the actual bills from utility companies.

Any pitches / greens which are taken out of use will be returned to general park use and maintained to the appropriate grass standard.

The table below summarises the anticipated average cost to the users (in place of existing fees and charges and utilities costs 12/13).

	No of (adult) facilities (n.b. this varies each season)	Approx. number of (adult) users (2012/13) (n.b. this varies each season)	Current actual costs for providing facility (adults only) (This is a guide only based on averages, each user group will be consulted about their specific charges, which vary depending on facilities used at each site)
			See note 1
Baseball	1	20	Total: £2k

			Grounds maintenance: £2,000 per diamond
Bowling greens:	17	1,000	Total: £82k (across the borough) Grounds maintenance: £4,200 average per green Utilities: average £600 per pavilion (where applicable)
Cricket wickets	1	40	Total: £1,800 (across the borough) Grounds maintenance: £1,800 Pavilion cleansing: (not applicable – provided by others) Utilities: (not applicable – provided by others)
Croquet lawns:	2 (9 courts)	100	n/a the club now maintain their own facilities
Football pitches	50	2,500	Total: £95k (across the borough) Grounds maintenance: £1,650 per pitch Pavilion cleansing: £1,550 per pavilion (where applicable) Utilities: average £1,250 per pavilion (where applicable)
Rugby pitches	2	35	Total: £2,000 at these facilities Grounds maintenance: £1,000 per pitch Pavilion cleansing: (not applicable – provided by others) Utilities: (not applicable – provided by others)

Note 1.

In most instances, individual users, teams and pitch lettings are not managed by the council, but via management agreements with sports leagues/ associations. Therefore it is difficult to predict accurately what the cost implications will be to the individual or team. However, as a guide only, based on averages and with caveats stated:

Baseball:

This increase would result in a charge per player of £100 per year (about £2 per week for a 26 week playing season)

Bowling:

For a bowler who plays in a club with 50 players, this would increase the charge to £96 per year (under £3 per week) for a 34 week playing season

Cricket:

this increase would result in a charge per player of £45 per year (under £2 per week over a 24 week playing season)

Football:

assuming a team use a pitch which is used about half of the time (i.e. 4 out of 8 sessions each weekend); who share use of the pavilion, and book one half pitch, this would mean a charge of £1,100 per team per year (about £30 per week spread across a 38 week season availability, and therefore about £2 per week per player for a team with 15 players).

Rugby:

This increase would result in a charge of about £55 per player per year, about £1.50 per week based on a 38 week playing season

Note 2.

The fees/charges levied on individual users by sports leagues/ associations may be higher than this to cover their other costs and aspirations.

Note 3.

It is likely that an open book approach will need to be adopted in the future where actual costs are passed on, with the addition of an agreed management fee for the league/ association

Impact of Service Change –

Service Users – Previously use of facilities was heavily subsidised by the Council and

users generally paid only a small proportion of the actual costs associated with their activity. The 12/13 savings round has already increased their costs significantly. Therefore the proposed further increases in income will mean that users are paying significantly more for their sports / hobbies than they are currently.

To date at least two bowling clubs and eight football teams have folded stating increased charges as a reason. This further increase may cause a greater number of people to stop using the services.

Partners – Income from facilities is in many cases obtained via management agreements with Leagues, Bowling Clubs etc. These partners would need to be involved in the agreements and management of the increased charges.

NB It may be that the leagues/ associations in question will wish to raise fees and charges to users above and beyond those described above in order to continue generating their own income

Council – New agreements are already being drawn up with users/ user groups to ensure that the payment of the 12/13 increased charges are formally agreed. Should this further increase be agreed, a further amendment of legal agreements would be required.

Communications, Consultations & Engagement –

Type Inform Consult Engage Partnership

There is no requirement for consultation on this option as the 2012/13 budget options consultation has taken place.

Proposed timeline: enact by April 13

- A new group called Sefton Sports Connect has been developed led by Parks and Greenspace Service with partners from Sefton Sports Council, Council for Voluntary Services (CVS), and other council depts (Sports Development, Energy team, and Education). This group has met six times to date in 2012 on: 23rd Feb, 22nd mar, 8th May, 27th June, 14th Aug, and 14th Sept.
- The above efforts have developed a package of options open to sports clubs and league in order to cope with the fee increases.
- Two workshop sessions have been arranged to pass this information onto groups, (4th and 26th Sept 2012). The first of which was well attended (circa 65) and feedback was positive of the various ways forward.
- In addition, there have been meetings and many ongoing discussions with many sports clubs and leagues regarding options open to them, and exploring these further
- All sports users groups will be informed of their proposed fee increase for 13/14 as an outline in October 2012, followed by more detailed information is it becomes available (as utilities costs are clarified based on actual bills for 12/13)
- Staff meetings take place every other week to provide updates including those relating to savings. In particular two away half day sessions have taken place for people to be kept up to date and to input on savings proposals: 31st July and 11th Sept 2012.

Standard Council procedures will be observed in the instances where the Council is required to inform the public			
Equality Impact Assessment – See assessment below			
Legislation Considered – N/A			
Risks & Mitigating Actions –			
Risk: Users may refuse to pay for grounds maintenance charges Mitigating Action: Formal agreements to be put in place			
Risk: Significant number of users may stop using the facilities Mitigating Action: Sports facilities to be rationalised accordingly. Working group already set up with the Sports Council, CVS and other departments to help clubs mitigate impacts/ seek alternatives			
Risk: The managing agents who currently administer activities may fold Mitigation: a further charge may need to be levied to fund additional officer time to administer the remaining sports.			
2012/13 Service Budget: £290k	Saving 2014/15:	£ 85,000	Full Year
Staffing: n/a			
Other Resources used:	Staff at Risk: 0		

<h2 style="margin: 0;">Equality Analysis Report</h2> <p style="margin: 0;">Reference: F1.2 Sports Ground Maintenance (Adults)</p>
<p>Details of proposal:</p> <p>As part of its wider integrated responsibilities, the Parks and Greenspaces Service manages several ‘paid-for’ facilities which are managed for the individual use of certain users or groups of users. This is effectively providing facilities for people’s exclusive use, unlike the wider park facilities, which are open to everyone. The ‘paid-for’ facilities include:</p> <ul style="list-style-type: none"> • Formal football pitches (adult and Junior) • Cricket wickets • Formal Rugby pitches (adult and Junior) • Bowling greens • Croquet lawns <p>The income in 11/12 to the Council from fees and charges for these services was £64K (for all sport, including juniors). As part of the 12/13 savings this was to be increased by 65k in 12/13 and a further 20k in 13/14 (for adult sport and allotments only). The current costs incurred for providing these facilities are circa £290K (for all sport, including juniors).</p>

All users of paid-for facilities to fund the full actual costs of grounds maintenance and utilities associated with their use of the facilities (in place of existing fees and charges and utility costs).

Formal facilities would be withdrawn if costs are not met.

Ramifications of Proposal:

Is there a consequence to 'Threshold': Yes

Is there a consequence to 'Capacity': No

The cost of ground maintenance and utilities will be passed on to facility users thus increasing the cost of using these facilities.

Equality Analysis report was submitted to cabinet in February 2012 in relation to previous cost increases on sport facilities. This analysis report draws on that and comments on the above proposal.

The previous Equality Analysis report identified community concerns but correctly assessed there to be no discrimination at play.

The Council notes that the increase in charges may mean people giving up their sports activities on purely financial grounds, and regrets that it cannot continue to subsidise the cost when there are other urgent budget requirements.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

Previous Equality Analysis recognised trends in service use such as Older People using bowling gardens, Croquet lawns and young adults playing football and rugby etc.

The cost increase goes across all sports facilities, whilst it is unfortunate that groups are facing higher fees to keep using the facilities, it's not discriminatory to increase the fees.

Consultation

Extensive consultation took place during the period October 2011- January 2012 on the changes to charges and was reported to Cabinet and Council in February 2012 and this proposal draws on previous findings and links to that consultation.

Is there evidence that the Public Sector Equality Duties will continue to be met?

Yes – this service will be delivered in line with the Equality Act 2010 by ensuring facilities are usable and accessible.

What actions will follow if proposal accepted by Cabinet & Council?

- Notify users of increased charges

Monitor any reduction or difficult with service use.

F1.4

Service Description: Increase charges for burial and cremation service

Regulatory	-£1.367m
Frontline (contracted)	£0.427
	-£0.94m

The section manages the burial and cremation service in Sefton, which is delivered at four cemeteries and two crematoria.

It is proposed to implement the following change –

- To increase the charge for burials, cremations and associated services to a level that is likely to be the most expensive charged locally, regionally and nationally. The increase in charges would be above the rate of inflation and generate an additional income in the region of £400,000.
- The current charges for the main services are:
 - Cremation £600
 - Interment (1/ 2 coffins deep) £600
 - Interment (3/4 coffins deep) £675 and £715 (respectively)
 - Purchase of a grave (resident) £750
- Currently Sefton's prices are in the upper quartile of those charged locally but are not the most expensive on Merseyside.

Current fees charged locally by similar burial and cremation authorities:

	Sefton 2012/3	Liverpool 2012/3	Wirral 2012/3	St. Helens 2012/3
Cremation	£600	£674	£575	£479
Interment (1/2)	£600	£662	£575	£583
Interment (3/4)	£675 & £715	£662	£575	£583
Grave purchase	£750	£811	£865	£751

(The table includes some calculated or averaged charges)

- A significant increase, especially if neighbouring authorities do not increase their charges above inflation, will make Sefton's charges the most expensive locally. This could lead to a loss of business to these other providers.
- Charges could be raised by approximately 17 to 25%, with smaller increases for the interments of 3 and 4 coffins deep, to give new charges of:
 - Cremation £750
 - Interment (all depths) £750
 - Purchase of a grave (resident) £900
- If this increase was applied and our comparison group only increased their charges by inflation (estimated at 3%) then we would be the most expensive

provider locally.

Estimated fees 2013/4 charged locally by similar burial and cremation authorities:

	Sefton 2013/4	Liverpool 2013/4	Wirral 2013/4	St. Helens 2013/4
Cremation	£750	£694	£592	£493
Interment (all)	£750	£682	£592	£600
Grave purchase	£900	£835	£891	£773

- Cremations account for 75% of the request for service. Cremation charges are bench-marked nationally. If a 17-25% increase was applied and other providers only applied an increase by inflation then:
- Sefton would be in the most expensive charge locally, regionally and nationally.
- If this increase of 17-25% is applied to all charges, which includes other services and products that represent about 5% of total income, (subject to rounding to the nearest appropriate figure) an increased income in the region of £400,000 would be generated.

Rationale for service change proposal – There is an opportunity to raise prices to a level which may equal the maximum charged in England.

The following activity will change, stop or significantly reduce – Burial, cremation and related service charges will increase.

Impact of Service Change –

Service Users – will have to pay more. However the charges levied by Sefton form only part of the overall cost of an average funeral. The average cost of a basic cremation funeral package is £2,990 [source co-operative funeral care ‘amber’ package] and a national insurance company [source Sun Alliance] indicated that the average spend for a funeral in 2011 (including cars, flowers, wake, memorial etc.) was £6,801.

Partners – will have little impact from the increases, as these will be passed on to their client as disbursements.

Council – may receive poor press for raising the charges above the rate of inflation

Communications, Consultations & Engagement –

Type Inform Consult Engage Partnership

Proposed Timeline: April 2013

The staff have been made aware and kept informed of the proposals to raise the charges.

If the charges are approved, information relating to the new charges will be disseminated via:-

- The Funeral Directors Forum meeting in November.
- written notices to individual funeral directors, the Southport Hebrew Congregation and to local members of the Dying Matters’ Group in December
- notices displayed at all cemetery/crematorium entrances, cremation service

offices, crematoria waiting rooms, and the offices of the Registrars for births deaths and marriages in December

- the fees and charges list which accompanies application forms will be amended in March 2013

Consultation and engagement took place during October 2011-January 2012 on the changes to charges which were reported to Cabinet and Council in February 2012 and this proposals links and draws on that consultation.

Standard Council procedures will be observed in the instances where the Council is required to inform the public

Equality Impact Assessment – See assessment below

Legislation Considered - N/A

Risks & Mitigating Actions –There will be a significant risk that some customers may use services offered by neighbouring authorities. This has been allowed for in the income estimate.

2012/13 Service Budget: -£0.94m	Saving 2013/14 (#): £400,000	Full Year
Staffing: 15	Investment Required: £0	
Other Resources used:	Staff at Risk: none	

Equality Analysis Report

Reference: F1.4 Cremations and Burials

Details of proposal:

To increase the charge for burials, cremations and associated services. The increase in charges would be above the rate of inflation and generate an additional income in the region of £400,000.

The current charges for the main services are:

- Cremation - £600
- Interment (1/ 2 coffins deep) - £600
- Interment (3/4 coffins deep) - £675 and £715 (respectively)
- Purchase of a grave (resident) - £750

Currently Sefton's prices are in the upper quartile of those charged locally but are not the most expensive on Merseyside.

The proposed increase could lead to charges which would equal the current most expensive on Merseyside.

An Equality Analysis report was submitted to Cabinet in February 2012 in relation to previous cost increases for burial, cremations and associated services. This analysis report draws on previous findings and is commenting on the above proposal.

Ramifications of Proposal:

Is there a consequence to 'Threshold': Yes

Is there a consequence to 'Capacity': No

The threshold will change as costs to all residents will increase if the proposal to increase the charges to clients of the Cemeteries and Crematoria service is accepted.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

Previous consultation reported:

Sefton Pensioners and Older Citizens raised the following:

Whilst we understand that some charges may need to be increased, we would ask for some protection for those on low incomes (such as pensioners) and for the environmental impacts to be taken into account (e.g. the balance between cremation and burial charges should reflect sustainability considerations).

Faith

Although the increase in charges for burials and cremations is universal for all service users, some faith groups may be disadvantaged. This is because some congregations have special savings schemes for their future burial or cremation, which would be affected by the increased charges.

Mitigation:

For people who find the fees difficult to pay, funds are currently available from the Government's Social Fund. This covers funeral expenses.

Consultation

Consultation and engagement took place during October 2011-January 2012 on the changes to charges which were reported to Cabinet and Council in February 2012 and this proposals links and draws on that consultation.

Is there evidence that the Public Sector Equality Duties will continue to be met?

Yes: The service will continue to be delivered in line with the Equality Act.

Mitigation action is in place connected to those who are too poor to pay.

What actions will follow if proposal accepted by Cabinet & Council?

1. Notify communities & funeral providers of new pricing policy.
2. Monitor progress

F1.5

Service Description: Parks and Greenspaces Service: Allotment users fee's and charges

As part of its wider integrated responsibilities, the Parks and Greenspaces Service manages several 'paid-for' facilities which are managed for the individual use of certain users or groups of users. This is effectively providing facilities for people's exclusive use, unlike the wider park facilities, which are open to everyone.

The 'paid for' facilities include 13 allotment sites

The income in 2011/12 to the Council from fees and charges for these services was £16K (for all allotments). As part of the 2012/13 savings this was increased by circa 16k to add utility charges per site.

The current costs incurred for providing this service as a whole are circa £52K (including repairs and maintenance, utilities costs, legal costs, staff time and administration). Comparative costs for Council allotment rents across neighbouring and other north-west Councils currently range from £21.50 to £140.00 per annum for a large plot, with an average (across 15 nearby local authorities) of approximately £51. Some Councils make an additional charge for water and others offer concessions for senior citizens, unemployed or disabled. The national average cost in 2011 was £43 (source - briefing note from Association for Public Service Excellence, March 2011). However, many other Local Authorities are currently reviewing their allotment rents and pricing policy.

It is proposed to implement the following change –

Increase allotment fees and charges by an average of £40 per plot per year (depending on plot size).

Increase the income from allotments fee's and charges by £40,000 per year.

Rationale for service change proposal – To achieve a highly significant level of savings overall, and try to minimise the effect on the wider Sefton community as much as possible.

Those who have more 'exclusive' use of facilities (as opposed to general park users), will therefore pay more towards the economic costs of running these facilities themselves.

The following activity will change, stop or significantly reduce –

Allotment rents will be increased by an average of £40 per plot per year (depending on plot sizes)

The table below summarises the anticipated average cost to the users (in place of existing fees and charges and utilities costs 2012/13).

	No of facilities	Approx. number of users (2012/13)	Current actual costs for providing facility (This is a guide only based on averages, each user group will be consulted about their specific charges, which vary depending on facilities used at each site)
			See note 1
Allotments	14 sites (currently)	1100	Users currently pay £36 for a full size plot, with utilities added separately.

	c. 840 plots +300 half plots)		This proposal would increase this to £76 for a full size plot, with utilities added separately
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Note 1. In some instances the relationship with individual users is via agreements with Allotment Associations. The fees/charges levied on individual users by the associations may be higher than this to cover their other costs and aspirations. It is likely that an open book approach will need to be adopted in the future where actual costs are passed on, with the addition of an agreed management fee for the association.

Note 2. It should be noted that associations retain a portion of the fee's they collect. As such, although existing plot fees are, for example, £36 for a full size plot, that the income to the Council is only £16k. The increased charges will apply to all allotment holders, whether the agreement is directly with the Council, or with a Management Association.

Impact of Service Change –

Service Users – Previously use of facilities was heavily subsidised by the Council and users generally paid only a small proportion of the actual costs associated with their activity. The 2012/13 savings round has already increased costs. Therefore the proposed further increases in income will mean that users are paying significantly more for their hobbies than they are currently.

It should be noted that there is a waiting list for allotments of roughly 150% of the plots available.

Partners – Income from facilities is in many cases obtained via management agreements with associations etc. These partners would need to be involved in the agreements and management of the increased charges.

NB It may be that the associations in question will wish to raise fees and charges to users above and beyond those described above in order to continue generating their own income

Council – New agreements are already being drawn up with users/ user groups to ensure that the payment of utility charges is formally agreed. Should a further increase in plot charges be agreed, 12 months notice of this increase and a further amendment of legal agreements would be required.

Communications, Consultations & Engagement –

Type Inform Consult Engage Partnership

Proposed Timeline:

Enact by April 14

- An allotment forum was held on 24th April 2012, with invitee's from all Associations and sites in the borough. This discussed and explained the impact of savings that had been taken to date and discussed ways forwards for groups to minimise their outgoings/ take on self management (At least one Allotment Association is considering full self management)
- All Members of the Allotment Forum will be written to and informed about the proposed fee increases, and site notices with the same information will be posted at all sites.
- An ongoing dialogue takes place with the regional representative of the National

Association of Allotment and Leisure Gardeners (NSALG). In particular, specific meetings have taken place on 18th April and 20th Sept 2012.

- Staff meetings take place every other week to provide updates including those relating to savings. In particular two away half day sessions have taken place for people to be kept up to date and to input on savings proposals: 31st July and 11th Sept 2012

Standard Council procedures will be observed in the instances where the Council is required to inform the public

Equality Impact Assessment – See assessment below

Legislation Considered - Section 10 of the Allotments Act 1950 means that allotments can be let at a such rent as a tenant may be reasonably expected to pay for land if let for such use on the terms on which it is in fact let.

Risks & Mitigating Actions –Risk: Users may refuse to pay additional charges
Mitigating Action: Formal agreements to be put in place

2012/13 Service Budget: c £52,000
Staffing: n/a
Other Resources used:

Saving 2014/15: £ 40,000 Full Year
Investment Required: £ 0
Staff at Risk: 0

Equality Analysis Report

Reference: F1.5 Allotments

Details of proposal

As part of its wider integrated responsibilities, the Parks and Greenspaces Service manages several 'paid-for' facilities which are managed for the individual use of certain users or groups of users. This is effectively providing facilities for people's exclusive use, unlike the wider park facilities, which are open to everyone.

The 'paid for' facilities include 13 allotment sites. The income in 11/12 to the Council from FEES AND CHARGES for these services was £16K (for all allotments). As part of the 12/13 savings this was increased by circa 16k to add utility charges per site. Increase allotment fees and charges by an average of £40 per plot per year (depending on plot size). Increase the income from allotments fee's and charges by £40,000 per year.

Ramifications of Proposal:

Is there a consequence to 'Threshold': Yes
Is there a consequence to 'Capacity': No

Cost of running an allotment will go up for the user. This will affect those who cannot afford to pay more.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

Allotments are available to use by any users, regardless of sex, gender, age, disability, sexuality, religion and or belief.

Age and Gender

Sefton Council research, reported to Cabinet and Council Feb2012, shows that allotment users are predominately older males. This is by dint of circumstance (older males choosing to use allotments) rather than designed (council only allowing older males to use allotments).

As such, whilst there is a 'disproportionate impact' on this group it is not causally linked to Council's policy on the allocation of allotments, therefore whilst it is unfortunate that this group is facing higher fees to keep using the allotments, it's not discriminatory to increase the fees.

The allotment provision is not an essential front line service.

Disability.

Council is mindful of its need to make reasonable adjustments for people with disability. Whilst there is an expectation that people with a disability, if allotment users, would be expected to pay the increase alongside other users – in circumstances where the physical activity of being out in the open and working an allotments can be medically demonstrated to be part of a disabled person's therapy and treatment and there is a clear financial incapacity to pay the increase than concessions can be applied for.

The Council notes that the increase in charges may mean people giving up their allotments on purely financial grounds, and regrets that it cannot continue to subsidise the cost when there are other urgent budget requirements.

Consultation

Consultation took place between 20th November 2011 and 16th January 2012, and included the following groups:

- "In Bloom" groups
- Allotment users
- Bowlers
- Equal Voice CEN
- Football League Committees – north and south
- Formal sports pitch clubs and users
- Friends of Parks
- General Park users
- Parents Forum – north, central and south
- Public – via drop-in sessions and electronic questionnaires
- Sefton Access Forum CEN
- Sefton Croquet Club

- Sefton CVS
- Sefton Sports Council
- Southport Flower Show Ltd
- Young Advisers CEN

A full consultation report has been prepared and is available.

Is there evidence that the Public Sector Equality Duties will continue to be met?

Yes:

- The policy of who can use allotments is inclusive and non discriminatory under the equality act 2010
- The cost increase is not designed to hit any one particular protected characteristic
- The demographic of allotment users is circumstantial
- Reasonable adjustment for disabled users are in place
- The overriding need to reduce council spending is prior to the need of the user cohort, as allotment provision is not an essential front line service.

What actions will follow if proposal accepted by cabinet & council?

- Inform allotment users of impending changes.

Direct Services

F2.1

Service Description: Bulky Items Collection Service

The Bulky Item Collection Service generated 47,000 calls in 2010/11. This figure has dropped to 39,000 in 2011/12. This mirrors a similar national trend and it is perceived that due to the economic downturn there are less 'major purchases', such as settees, beds, tables, white goods, etc, and therefore a reducing demand for disposal.

Presently there is no charge for the service. There are currently 4 crews and vehicles which service this demand.

It is proposed to implement the following change –

It is proposed to reduce the number of crews by 2. This is to be combined with a reorganisation of collection schedules and route optimisation which will allow the remaining two crews to complete all of the required collections. This will provide a saving of £110,000. The vehicles currently utilised in the service are subject to lease conditions until 2016 and therefore, at this stage, this part of the saving proposal is based on staff savings.

In addition, further savings have been identified through potentially charging for the remaining service.

If a charge of £5 per collection (of up to 3 items) is levied and we received 20,000 calls (as opposed to the 39,000 calls received last year) an additional £100,000 would be raised as income.

This would result in a potential overall saving of £210,000.

The internal consultation process has established arrangements for releasing staff that have expressed an interest in VR/VER and re-allocating others to accommodate this proposal, if approved.

Rationale for service change proposal –

Under these proposals the service would operate on an income generating basis, with the potential for the income raised via charging for collections covering the cost of the remaining crews. If demand increased at a higher than expected level, additional vehicles and crews could be provided on a 'business needs' basis.

If the cost per collection were kept at the lower end initially (say £5) it is expected that the demand would be higher than if a higher charge were levied. This may allow the service to become self financing.

There may also be an opportunity to expand the service to include items not currently collected, subject to further negotiation with MWDA.

Under the Environmental Protection Act (1990), the Council has a duty to collect such waste or 'bulky items' from residents if requested. However, the Council is at liberty to make a charge for such collections if it feels it is appropriate to do so.

Knowsley have introduced a charge of £20 per collection, but will collect five items, including bathroom fittings. The number of calls has fallen from 15,000 to 3,000.

Wirral currently charge £38 per collection, and the scheme is operated by their private contractor BIFFA. Further information is not currently available.

Liverpool currently offer a free service but is considering introducing a charge.

St Helens currently offer a free service but are also considering introducing a charge. They currently receive 25,000 calls per year.

There are no concessions offered by any authority which currently charges a fee to collect 'bulky items'.

The following activity will change, stop or significantly reduce –

At present residents can have 'bulky items' removed free of charge. The proposal would see a charge levied for a collection. Based on an expected demand of 20,000 calls the waiting period for collection may also increase slightly up to two weeks.

Impact of Service Change –

Service Users - The removal of bulky items will be subject to a charge for a service which was previously free.

Partners - The subject of 'Bulky Refuse Collection Services is currently being considered as a potential 'shared service' across a number of Merseyside Authorities in conjunction with the MWDA.

Council – There may be an increase in the level of fly tipping which may increase costs in other areas of the Cleansing Service. However, there is no evidence of any major increase in fly tipping as a result of the implementation of a charge in any other Borough.

Communications, Consultations & Engagement –

Type Inform Consult (internal) Engage Partnership

Proposed Timeline: Implement in April 2013.

Internal consultation will take place in accordance with HR procedures

This proposal has been discussed with the Trade Unions at a Cleansing JCC meeting and also staff currently deployed to Bulky Item collection duties. Arrangements are in place, subject to approval of this proposal, to transfer these staff to other duties and to release other staff who have expressed an interest in VR/VER as necessary to facilitate this process.

Standard Council procedures will be observed in the instances where the Council are required to inform the public

Equality Impact Assessment – See assessment below

Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Corporate Services.

Legislation Considered The requirements of the Environmental Protection Act 1990 have been considered in the development of this proposal. Under the Environmental Protection Act (1990), the Council has a duty to collect such waste or 'bulky items' from residents if requested. However, the Council is at liberty to make a reasonable charge

for such collections if it feels it is appropriate to do so.	
Risks & Mitigating Actions– The main risk is that by charging for the collection service the amount of fly tipping may increase. The higher the charge the more risk of an increase.	
2012/13 Service Budget: £253,000	Saving 2013/14 (#): £210,000 (Staffing & Charging Proposal)
Staffing: 8	Investment Required: None
Other Resources used:	Staff at Risk: None, postholders can be accommodated elsewhere.

Equality Analysis Report

Reference: F2.1 bulky item charge

Details of proposal:

The Bulky Item Collection Service generated 47,000 calls in 2010/11. This figure has dropped to 39,000 in 2011/12. This mirrors a similar national trend and it is perceived that due to the economic downturn there are less 'major purchases', such as settees, beds, tables, white goods, etc, and therefore a reducing demand for disposal. Presently there is no charge for the service. There are currently 4 crews and vehicles which service this demand.

It is proposed to reduce the number of crews by 2. This is to be combined with a reorganisation of collection schedules and route optimisation which will allow the remaining two crews to complete all of the required collections. This will provide a saving of £110,000. The vehicles currently utilised in the service are subject to lease conditions until 2016 and therefore, at this stage, this part of the saving proposal is based on staff savings.

In addition, further savings have been identified through potentially charging for the remaining service.

If a charge of £5 per collection is levied and the Council received 20,000 calls (as opposed to the 39,000 calls received last year) an additional £100,000 would be raised as income.

This would result in a potential overall saving of £210,000.

Ramifications of Proposal:

NB - The Council has a duty to collect "bulky items" however it has the authority to charge for such a service.

Is there a consequence to 'Threshold': Yes

Is there a consequence to 'Capacity': Yes

The free collection service will be decommissioned and all collections will be charged. In order to reduce costs the collection teams will be reduced from 4 teams to 2 thus creating potential delay in the service.

There could be a situation where by the delay in collection could cause difficulty to disabled people if an item is left such that it blocks a disabled access site to a home or facility (shop/services).

In this situation it would be unacceptable to allow the barring of access.

In order to mitigate this, any notification that an item is blocking a disability access, then the item(s) would be prioritised for collection and removal.

Are there any protected characteristics that will be disproportionately affected in comparison to others?

The charging for removal of bulky items is linked to people's financial position and not their protected characteristic status. However, as stated above due to the charging policy there may be more fly-tipping which could block bona-fide disability access. If this was to happen council would have to prioritise the removal of the item.

Consultation

The Council has a duty to collect "bulky items" however it has the authority to charge for such a service. The Council needs to inform the public in good time that a charge will be introduced from April 2013.

Is there evidence that the Public Sector Equality Duties will continue to be met?

Yes - The Council notes that the introduction of charging may mean people not using the service on purely financial grounds, and regrets that it cannot continue to subsidise the cost when there are other urgent budget requirements.

In relation to disability access being blocked due to fly-tipping the council will endeavour to remove this.

The service will be delivered in accordance with the Equality Act 2010.

Where this proposal affects staff they will be subject to established HR procedures.

What actions will follow if proposal accepted by Cabinet & Council?

Inform service users and staff connected with this proposal.

Corporate Commissioning

F4.1

Service Description: Area Committee Budgets

The budget for all Area Committees is £200,150 per year. There are two statutory functions that the Area Committee budget must fulfil: the replacement of street signs and funding of street bins.

The budget is used by Members at an area level to make improvements to local areas that they feel will make a difference. General guidance is that it can't be spent on things that require ongoing maintenance unless this is agreed; revenue items such as staffing are also not eligible.

It is proposed to commence consultation on/implement the following change –

It is proposed to reduce the Area Committee budget to £100,000.

Rationale for service change proposal –

In the past some Area Committees have not spent their full annual allocation and so have some reserves (from carry over from previous years).

The following activity will change, stop or significantly reduce –

Each Area Committee spends its budget in different ways and responds to the needs of its residents. Typically, funds have been used to pay for Traffic Regulation Orders, alleygates, one off community events, environmental improvements and local safety measures, plus street signs and bins.

Impact of Service Change –

Service Users – would limit what could be resourced to respond to needs of residents to replacement of street signs and street bins. Criteria would need to be revised to limit what resources could be spent on.

Partners – there would be no additional resources to support partners to deliver specific initiatives in local areas.

Council – there would need to be some consultation in order to revise funding criteria to ensure maximum use of resources; reduction in additional services being bought from existing Council departments. The Area Committee funding would no longer be available to fund additional services through the Council and therefore there may be increased expectation of existing services as no enhancements could be funded.

Communications, Consultations & Engagement –

Type Inform Consult (External) Consult (Internal) Engage

Partnership

Proposed Timeline: Engagement by 6 November 2012

Implementation: 1st April 2013

Standard Council procedures will be observed in the instances where the Council are required to inform the public

Equality Impact Assessment – The Quality Assurance group in looking at this option recognises that it is a technical change. Statutory services will remain in place with regard to replacing street signs street bins. Revised processes concerning the other

activities will be subject to concurring equality analysis. As a consequence there will be no equality implication to this change.

Legislation Considered - There is no specific legislation in relation to this however the Council must be mindful of the statutory obligations with regards the placement of bins and maintenance of street signs.

Risks & Mitigating Actions – Currently Area Committee budgets have been used to respond to specific local issues and reduction in resources will limit our ability to do this. Revision to criteria and consultation on local priorities may mitigate some of this as potentially will rule out some actions. Also continued negotiations with services and partners by the Corporate Commissioning Department will assist in responding to local issues.

2012/13 Service Budget: £200,150	Saving 2013/14 (#): Staff at Risk: No	£100,000	Full Year
Staffing: N/A			
Other Resources used:			

Annex C

These options have been developed in light of the integration agenda and are now presented for Cabinet to make the appropriate recommendation to Council. Having due regard for the information contained in this Annex Cabinet is asked to consider these proposals and recommend to Council that Officers are to continue with consultation and authorised to prepare for implementation immediately, pending final decisions of Council including the issue of relevant statutory and contractual notifications, if appropriate to achieve change. Should these options result in a change to policy being proposed equality implications will be assessed should Members agree the proposed policy change be taken forward. This will be reported when final recommendations are brought for a decision. Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.

<u>Ref</u>	<u>Integration Area</u>	<u>Working Assumption</u> <u>£000</u>
I1.1	Commissioning, Business Intelligence and data	250
I1.2	Learning & development, Training, Professional Training and CPD	500
I1.3	Financial Assessments	250
I1.4	Customer Access Points	250
	Total	1,250

11.1 Commissioning, Business Intelligence and data

<p>Integration Area: Business Intelligence, Performance & Policy & Commissioning</p> <p>Scope: Please describe the service, list the teams and posts to be included in scope plus any commissioned activity</p> <p>Business Intelligence (approximately 25 posts across directorates)</p> <p>Commissioning (approximately 15 posts across directorates)</p> <p>Other areas to be determined</p> <p>In scope staff being established</p>																															
<p>It is proposed to commence consultation on/implement the following change – Heads of Service and other managers consulted. Scoping meeting taken place. Working group established. Workshop carried out. Proposals developed</p>																															
<p>Rationale for service change proposal – The Council delivers and commissions a complex range of services, many of which are supported by various management structures, specialist and professional support teams. The Council continues to explore opportunities to ensure the efficient and effective deployment of specialist skills and knowledge.</p>																															
<p>The following activity will change, stop or significantly reduce – It is proposed that above functions will be reviewed and delivered in a more effective way, leading to efficiencies and savings.</p>																															
<p>Milestone Plan</p> <table border="1"> <thead> <tr> <th>Task</th> <th>Owner & Resources</th> <th>Start Date</th> <th>End Date</th> </tr> </thead> <tbody> <tr> <td>Scoping exercise under way</td> <td>PM/GB</td> <td>Sept</td> <td>November</td> </tr> <tr> <td>Workshop to consider potential proposals</td> <td></td> <td>Oct 4th</td> <td></td> </tr> <tr> <td>Outline proposals/scope considered</td> <td>PM/GB</td> <td>Oct/Nov</td> <td></td> </tr> <tr> <td>Scope identified with indicative savings target</td> <td>PM/GB</td> <td>Nov</td> <td></td> </tr> <tr> <td>Option identified, approved by Cabinet</td> <td>PM/GB</td> <td>Dec</td> <td></td> </tr> <tr> <td>Implement Change</td> <td></td> <td>Jan</td> <td>June 13</td> </tr> </tbody> </table>				Task	Owner & Resources	Start Date	End Date	Scoping exercise under way	PM/GB	Sept	November	Workshop to consider potential proposals		Oct 4th		Outline proposals/scope considered	PM/GB	Oct/Nov		Scope identified with indicative savings target	PM/GB	Nov		Option identified, approved by Cabinet	PM/GB	Dec		Implement Change		Jan	June 13
Task	Owner & Resources	Start Date	End Date																												
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Scope identified with indicative savings target	PM/GB	Nov																													
Option identified, approved by Cabinet	PM/GB	Dec																													
Implement Change		Jan	June 13																												
<p>Impact of Service Change – Services will be based on statutory responsibilities and critical business need</p> <p>Service Users – All Council Departments</p>																															
<p>Communications, Consultations & Engagement –</p> <p>Type Inform <input checked="" type="checkbox"/> Consult (Internal <input checked="" type="checkbox"/></p>																															
<p>Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.</p>																															
<p>Legislation considered – Government requirements for the provision of statutory service returns and the management and use of Business Intelligence and</p>																															

Performance	
Dependencies considered - E2.6 Commissioning Restructure of Service Development & Support £350k, HAY Review, Ways of Working, Integration of Public Health	
Risks & Mitigating Actions – Timeframe extremely tight given personnel procedures. Full year savings will not be achievable 2013/14. Projected implementation June 2013.	
2012/13 Estimated Budget: £ To be established once scope is undertaken Staffing: Other Resources used:	Saving 2013/14: £ 250K Full Year Staff at Risk: TBC

11.2

Integration Area: Learning & Development, Training, Professional Training and CPD

Scope:

The integration of the “Ruthven Road” and Transformation Learning & Development teams and budgets. Consideration will also be given to departmental training budgets.

It is proposed to continue with consultation on and implement the following change

–

- Integration of teams based at Ruthven Road (former WDU) and Transformation Learning & Development
- Review of training methodology that will consider the balance between in house delivery, greater use of blended learning approaches and commissioned activity.
- Increase income generation opportunities.

Rationale for service change proposal – The Council delivers and commissions a complex range of services, many of which are supported by various management structures, specialist and professional support teams. The Council continues to explore opportunities to ensure the efficient and effective deployment of specialist skills and knowledge.

The Council will continue to –

- ensure that essential safeguarding training needs are met
- ensure that essential service specific training needs are met
- progress the Leadership Development agenda
- facilitate and support essential professional development
- facilitate and support the apprenticeship scheme

The following activity will change, stop or significantly reduce –

- A significant reduction in the use of externally hired training venues
- Training methodology will change in some areas and some programmes will be reduced with significant reduction in commissioning activity.
- Potential for existing contracts to be re-assessed, allowed to expire or cancelled for some supplies and services

Milestone Plan

Task	Owner & Resources	Start Date	End Date
Movement of teams into CLC	Learning & Development Board	October 2012	December 2012
Complete Training Needs Analysis, consider and prioritise requirements	Learning & Development Board		15/12/2012
Determine all Council budget and spend	Learning & Development Board		November 2012
Review of training methodology that will consider the balance between in house delivery, greater use of blended learning approaches and commissioned activity	Learning & Development Board	September 2012	March 2013
Agree team structure and reporting lines	Learning & Development		December 2012

	Board		
Implement Change		April 2013	
Impact of Service Change – Service Users – Some reduction of training offer Partners – None Council – to be determined			
Communications, Consultations & Engagement – Type Inform <input checked="" type="checkbox"/> Consult (Internal) <input checked="" type="checkbox"/>			
Equality Impact Assessment – Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.			
Legislation Considered –			
Dependencies Considered - E4.1 Corporate Services Learning and Development redesign, change of venue and improved use of technology £150k, HAY Review			
Risks & Mitigating Actions – Undergoing a Council wide TNA linked to supporting professional development and business outcomes. Further work will be undertaken to identify other learning and development budgets across the Council. Work is also being undertaken to explore SLAs and opportunities for income generation with other partners including schools.			
2012/13 Estimated Budget: £1,385,970 Staffing: Other Resources used: buildings and supplies and services	Saving 2013/14: Year	£ £250,000	Full
	Additional Saving 2014/15: £	£ 250,000	Full
	Investment Required: £TBC		
	Staff at Risk: TBC		

11.3

Integration Area: Financial Assessments

Scope: Financial assessments are undertaken by different services across the Borough to support the delivery of means tested services and charging policies. The most significant areas are eligibility for :

Council tax reduction
 Housing Benefit
 School transport support
 Free school meals
 Social care.

These assessments are currently undertaken by teams within these specific functional areas as part of the service delivery. arvato undertake the assessment of Council tax and housing benefit claimants on behalf of the Council.

It is proposed to commence consultation on/implement the following change –

- To aggregate the collection of personal information from residents to ensure that the information is collected once and used to satisfy all assessments whenever possible.
- To use a common point of calculation for all residents' financial assessments so that changes in data can be actioned through a single process
- One master list of data is maintained

Rationale for service change proposal –

This change will aim to simplify the experience of contacting different parts of the Council; so that people get the information and help they need first time.

The following activity will change, stop or significantly reduce –

The rationalisation should lead to a reduced financial assessment/ administrative requirement for the Council

Milestone Plan

Task	Owner & Resources	Start Date	End Date
Identify all financial assessment carried out by the Council	Transformation	November 2012	February 2013
Identify the sources of personal data required and where possible alternative sources for the information, e.g. DWP	Transformation & Business Intelligence	November 2012	February 2013
Workflow the outcomes of the assessments, e.g. Free school meals eligibility used for SIMS/ school performance data, social care charging systems,	Transformation and operational areas	November 2012	February 2013

Housing needs assessments			
Identify common calculations for the assessments – common thresholds for full means tested support ,e.g. income support levels	Transformation and operational areas	November 2012	February 2013
Redesign workflows	Transformation and operational areas	March 2013	June 2013
Determine new staffing structures to support revised work flows	Transformation and operational areas	June 2013	September 2013
Commence introduction of new practices	Transformation and operational areas	October 2013	

Impact of Service Change –

Service Users – Improved single assessment for public, fewer requests for similar information, speedier processing

Partners – will need to determine impact on arvato contract – assessments and one stop shops. Could affect current work load of partners

Council – will require some changes in systems / workflow processes

Communications, Consultations & Engagement –

Type Inform Consult (Internal)

Equality Impact Assessment – Should this option result in changes to policy being proposed equality implications will be assessed should Members agree the proposed policy change be taken forward. This will be reported when final recommendations are brought for a decision. Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.

Legislation Considered – Changes in operational activity rather than policy

Dependencies Considered – Ways of Working, F1.6 Community Meals Subsidy £247k

Risks & Mitigating Actions –

Would introduce practices that many authorities have experience of delivering and the project would seek out best practice in other Councils

2012/13 Estimated Budget:
£

Saving 2014/15: £ 250,000

Investment Required: £ 10,000 **2012/13:**

Staff at Risk: 3 or 4

Staffing:

Other Resources used:

11.4

Integration Area: Customer Access Points

Scope: The public has a range of access points with the Council. These range from one stop shops in Southport and Bootle, reception desks in council buildings, service specific offices, (e.g. parking , planning), service access points e.g. children’s centres, telephone and internet communication.

It is proposed to commence consultation on/implement the following change –

To reduce the physical access points requiring manned support and to expand the range of services that can be delivered through the Council’s website and other more cost effective delivery channels.

Rationale for service change proposal –

The Council is a very large organisation providing a wide range of services. This change will aim to simplify the experience of contacting different parts of the Council; so that people get the information and help they need first time.

As part of this change we will seek to provide the public with on-line real time service access wherever possible, e.g. submission of applications, reduce the cost of providing multiple access points where these are not fully utilised or have limited opening / operating hours.

The following activity will change, stop or significantly reduce –

The Council has commenced a programme of work to develop the Council website to be more accessible and enable customers to make more transactions online.

This will continue and seek to increase the range of services people can access through our website and transactions they can make, since this is now widely expected by the public, often more convenient than the telephone or face-to-face and costs less for us to provide.

Reception points, face to face access points, manned general information points, Increased on line applications, referrals, account maintenance, advice , FAQs

Milestone Plan

Task	Owner & Resources	Start Date	End Date
Map all access points	Transformation	November 2012	January 2013
Identify common customer activities or coinciding customer actions, e.g. actions on change of financial circumstances, births deaths , marriages, payment of accounts, submission of applications	Transformation	November 2012	February 2013
Investigate good practice in Councils for streamlined customer access	Transformation	November 2012	February 2013
Identify three phases of change initiatives – quick wins, medium term reallocation of	Transformation	February 2013	April 2013

contact points, long term linkages to other integration projects including social care referral systems			
Implement Change		From April 2013	
Impact of Service Change –			
<p>Service Users – May reduce physical access points or redirect public to new points e.g. children centres, may reduce need to visits to different Council offices for different queries.</p> <p>Partners – Officers will explore opportunities to co-locate services with partner organisations.</p> <p>Council – will require improved workflow/ communications systems to keep a range of services notified of changes</p>			
Communications, Consultations & Engagement –			
Type Inform	<input checked="" type="checkbox"/>	Consult (Internal)	<input checked="" type="checkbox"/>
Partnership	<input checked="" type="checkbox"/>		
<p>Equality Impact Assessment – As processes change full consideration will be given the impact of any changes and Members will be made aware of identified issues, risks and mitigating actions. This change seeks to improve customer access processes and disability access would be prioritised within the financial constraints of the Council.</p> <p>Officers will comply with HR policies and procedures. This will include regular HR monitoring reports to Cabinet Member for Corporate Services.</p>			
Legislation Considered –			
Dependencies Considered – Ways of working, Day Opportunities, Libraries review, Children centre review			
<p>Risks & Mitigating Actions – It is understood that not everyone can, or chooses, to use the website; that it does not suit all our residents. The Council will continue to provide and improve the different ways people can access services, making sure people can do business with us swiftly and hassle-free depending on their need.</p>			
		<p>2014/15: £ 250,000 Full / Part Year Investment Required: £TBC Year: Staff at Risk: TBC</p>	

Annex D

This Annex contains further information relating to options C3.1 the re-integration, recommissioning and restructuring of services (Built Environment) and C3.2 Home Improvements Agency service brought in house to Council.

C3.1

<p>Service Description: Re-integration, re-commission and restructuring of externalised services-Built Environment</p> <p>Restructure of Investment Programmes and Infrastructure Division and services following the termination of Capita Symonds contract and the reintegration/recommissioning of services from October 2013.</p>	
<p>It is proposed to commence consultation on/implement the following change – Unless otherwise agreed the services within the Capita Symonds contract return in October 2013. The time then required for the restructuring/recommissioning exercise and any statutory consultation and notice periods required suggest that it is unlikely that any significant saving could be achieved during the 2013/14 financial year. Implementation of saving would be 2014/15.</p>	
<p>Rationale for service change proposal – Discussions on the basis for the reintegration of Capita Symonds' staff into the Council and/or recommissioning of services are still in their infancy, however an assessment of the likely workload in 2013/14 has indicated that an overall saving is likely to be in region of £500,000, but this could alter following detailed review.</p>	
<p>The following activity will change, stop or significantly reduce – Discussions on the basis for the reintegration of Capita Symonds' staff into the Council and/or recommissioning of services are still in their infancy. Implications in relation to services and staff will be assessed should members agree the proposed option be taken forward. This will be reported when final recommendations are brought for a decision.</p>	
<p>Impact of Service Change – Service Users – Partners – Council –</p>	
<p>Communications, Consultations & Engagement – Type Inform <input type="checkbox"/> Consult (External) <input type="checkbox"/> Consult (Internal) <input checked="" type="checkbox"/> Engage <input type="checkbox"/> Partnership <input type="checkbox"/> Proposed Timeline <i>complete Sept 2013</i> Implementation: <i>complete March 2014</i></p>	
<p>Equality Impact Assessment – Officers will comply with procurement and HR policies and procedures. This will include regular monitoring reports to Corporate Services.</p>	
<p>Legislation Considered – N/A</p>	
<p>Risks & Mitigating Actions – Discussions on the basis for the reintegration of Capita Symonds' staff into the Council and/or recommissioning of services are still in their infancy, however an assessment of the likely workload in 2013/14 has indicated that an overall saving is likely to be in region of £500,000, but this could alter following detailed review. Risk implications will be assessed should members agree the proposed option be taken forward. This will be reported when final recommendations are brought for a decision.</p>	
<p>2012/13 Service Budget: £</p>	<p>Saving 2013/14 (#): £TBC Full Year</p>

<p>£ 1,919,000 (Capita Core Fee) £ 613,000 (SMBC) Staffing: 120 approx (Capita) 14 approx SMBC)</p>	<p>Staff at Risk: not yet known</p>
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C3.2

Service Description: Home Improvement Agency Services, reorganisation & internalisation

Categorisation: Regulatory

Brief Description

The Home Improvement Agency Services have been out-sourced and are currently provided by Mears Ltd, and CVS for part of the handy person service in the north. The Agency provides 3 services on behalf of the Council;

- implementation of Disabled Facility Grants for clients, Major Adaptations (statutory service)
- management of Minor Adaptations (statutory service)
- Handy person services (complimentary service)

DFG Services are CAPITAL funded, while Minor Adaptations and Handy person services are Revenue funded from Adult Social Care.

It is proposed to commence consultation on/implement the following change –

To consider the option of ceasing the Handy person services and bringing the remaining Home Improvement agency services [major and minor adaptations services] in-house.

Rationale for service change proposal –

We have recently been through a (OJEU) procurement exercise, and received tenders from 4 companies. In terms of minor adaptations and handy person services the tender costs exceed available budgets. Consequently, it is necessary to consider ceasing the funding for the Handy person service, which is not a mandatory service. Upon receipt of tender information it became apparent that there may be a more effective and less costly way of providing the statutory services in-house.

The major benefit to the Council in this option is to reduce the overall costs in providing it's statutory services and it will also allow greater flexibility to review these services without being bound by a three year contract term. In the event of a reduction in funding in any area the Council would be better placed to review and reduce services as and when required.

Synergies with existing internal services may reduce overall operating costs for the retained agency services.

The following activity will change, stop or significantly reduce –

There should be no change in activity levels, or service to DFG clients, or Minor Adaptations clients. In fact if the higher level of cash savings can be achieved, the savings will allow the council more of it's resources to spend on providing major and minor adaptations works

Given the budget position compared to the costs of running all of the existing services, it is felt likely that funding for the Handy person service will need to cease, as this is a non-statutory service.

Impact of Service Change –

Service Users – Should see little change in the range and scale of DFG service. In fact dealing with one organisation rather than 2, as at present would be far simpler. Services to deliver minor adaptations will be kept to the same level, though customers would deal with a Council service rather than external one. The Handyman service may reduce or cease in the absence of any Council budget provision

Partners – NA

Council – Mears provide a combined service, managing DFGs (core service) for the Built Environment Department, along with minor adaptations and handy person services (complimentary services) for Adult Social Care. CVS provide part of the handyman service in the north. Major and Minor adaptations services would be managed within the Council, within the Built Environment Dept.

Communications, Consultations & Engagement –

Type Inform Consult (External) Consult (Internal) Engage
Partnership

Proposed Timeline Implement for financial year 2012/13 commencing December 2012
Implementation: TUPE provisions would need to be applied to bring external staff in-house, and mobilise services.

Equality Impact Assessment –

Equality implications will be assessed should the proposed option to cease funding Handyman services be taken forward.

Legislation Considered -

Housing Grants, Construction and Regeneration Act 1996 [for DFGs],
Transfer of Undertaking (Protection of Employment Regulations 2996 TUPE.
Chronically Sick and Disabled Persons Act, 1970

Risks & Mitigating Actions – *High level summary only – current position*

Unfortunately, it is apparent that any option to retain the non-statutory Handyman service (by either awarding the contract or opting for an in-house provision) is unaffordable within existing budgets, as costs associated with the other two statutory elements of the service exceed available budgets. This is likely to result in the cessation of the Handyman service, which has been in operation for a considerable number of years.

There will be staffing liabilities and possibly redundancy implications if the council pursues this option, due to TUPE arrangements.

Existing staff may prefer not to transfer under TUPE rights. –the Council would benefit from key staff coming in-house to set up and run the services.

The Council will encounter contractual issues and risks associated with managing the agencies current nominated contractor list. Whilst there is no direct contractual link with the Council, additional demands for assistance and advice may be generated via clients of the service if things go wrong. The risks are not significant but can incur

considerable officer time in order to resolve.

Given DFGs and Minor Adaptations are mandatory services, there is little risk that the council could cease to provide a service in future, reducing risks of further redundancies. However, if a service review led to the need for fewer staff, then there may be a need for some redundancies during 2013-14.

Loss of the Handyperson service may cost the Council more money in the long term, where people suffer from falls etc, which may have been avoided through this preventative service, this is however extremely difficult to quantify in actual terms.

Cost analysis of Service Lots against most advantageous tender, current budget position and internalization costs / savings

Table 1A – Major Adaptations (mainly Capital Funded)

	Budget (over 3 years)	Tendered Cost (over 3 years)	(Cost) over budget (3 years)
Lot 1 (Major Adaptations DFGs)	£547,500 Capital / Revenue	£670,500	(£123,000)

Table 1B – Minor Adaptations (Revenue Funded)

	Budget (over 3 years)	Tendered Cost (over 3 years)	(Cost) / Saving over budget (3 years)
Lot 2 (Minor Adaptations)	£204,300	£546,381	(£342,081)
Lot 3 (Handyperson)	£144,000	£99,375	£44,675
Total Budget shortfall (capital & revenue) if contract awarded			(£420,406)

Upon receipt of tender information it became apparent that a £420,406 gap existed between the actual tender costs and the combined capital and revenue budget resources available. Following on from this, officers then explored if it would be more effective and less costly to provide these services in-house.

Officers estimated the costs associated with bringing all 3 services in house. It became clear that even by internalising these services we could not sustain them all, as the actual budget gap for all 3 Lots equated to £73,475. The majority of this stems from a revenue funding shortfall.

Unfortunately, it is now apparent that any option to retain the non-statutory Handyperson service (by either awarding the contract or opting for an in-house provision) is unaffordable within existing budgets, as costs associated with the other two statutory elements of the service exceed available budgets. This is likely to result in the cessation of the Handyperson service, which has been in operation for a considerable number of years. Loss of this service may cost the Council more money in the long term where people suffer from falls etc, which may have been avoided through this preventative service, this is however extremely difficult to quantify in actual terms. The Handyperson service is also currently part funded by £19,000 Public Health funding, on the basis it supports the falls prevention agenda, this funding would not be available for delivery of the statutory services.

Notwithstanding the above fact, internalising the other two services and discontinuing the Handyperson service, could save the Council an estimated £230,723 (comprising

£117,124 capital and £113,599 revenue) over the 3 year contract period as shown in the table below. This option represents a total saving of £651,179 against the actual tendered costs for all three services which were shown in Table 1A and 1B. In ceasing the Handyperson service the Council would be able to fully fund the Minor Adaptation service and also generate a revenue saving.

Table 2A – Major Adaptations (mainly Capital Funded)

<u>3 years</u>	Budget (over 3 years)	Internal Cost (including on-costs and redundancy) over 3 years	In-house Capital Saving over budget (3 years)
Lot 1 (Major Adaptations DFGs)	£547,500 Capital / Revenue	£430,376	£117,124

Table 2B – Minor Adaptations (Revenue Funded)

<u>3 years</u>	Budget (over 3 years)	Internal Cost (including on-costs) over 3 years	In-house Revenue Saving over budget (3 years)
Lot 2 (Minor Adapts)	£348,300 Revenue	£234,701	£113,599

The above revenue budget funds all staffing and installation costs of the minor adaptations service, whilst the material and equipment costs are funded from a separate Adult Social Care budget.

NB. The Internal cost calculations are based on delivering the services as they are currently configured, and at existing staff levels.

It is relatively clear that an overall saving can be achieved through internalising the major and minor adaptations service rather than awarding the contract, provided that the handypersons service is discontinued. It is acknowledged that the estimated achievable savings are broadly equally apportioned between capital and revenue budgets.

<p>2012/13 Service Budget: £</p> <p>Staffing: External staff would TUPE in-house</p> <p>Other Resources used: Accommodation, IT, telephones and central support services would be required. In-house Budget estimates include a 57% on-cost to reflect this.</p>	<p>Saving 2013/14 (#): £76,000 (£39k capital, £37k revenue) Full Year</p> <p>Investment Required: £0 Year?: n-a</p> <p>Staff at Risk: 0</p>
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