

**REPORT TO:** Cabinet  
Overview and Scrutiny Committee  
(Performance and Corporate Services)

**DATE:** 4 February 2010  
16 February 2010

**SUBJECT:** Revenue Budget and Medium Term Financial Plan  
2010/11 to 2012/13

**WARDS AFFECTED:** All

**REPORT OF:** Margaret Carney - Chief Executive

**CONTACT OFFICER:** Lynton Green - Acting Finance & IS Director  
0151 934 4096  
Bill Milburn – Transformation Director  
0151 934 4395

**EXEMPT/CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To update the Authority's Medium Term Financial Plan (MTFP) for 2010/11 to 2012/13 and to approve a budget scenario for consideration by Overview and Scrutiny Committee (Performance and Corporate Services).

**REASON WHY DECISION REQUIRED:**

The Council is required to set a budget and Council Tax for 2010/11 by 10 March 2010. Under legislation, the Cabinet's recommended budget has to be scrutinised independently (prior to approval by full Council). The budget proposals are to be considered by Overview and Scrutiny Committee (Performance and Corporate Services) on 16 February 2010.

**RECOMMENDATION(S):**

**Cabinet is recommended to:**

1. Note the latest position for the 2010/11 – 2012/13 Medium Term Financial Plan following Council on 14 January 2010;
2. Note the final Revenue Settlement position;
3. Recommend a budget scenario to Overview and Scrutiny Committee (Performance and Corporate Services);
4. Note that the Chief Executive will report on the robustness of estimates and the adequacy of financial reserves to Overview and Scrutiny Committee and full Council;
5. Note that £2.360m is available from ABG and to confirm its application to the 2010/11 budget;
6. Note that the comments of the Overview and Scrutiny Committee on the budget proposal will be referred back to the next Cabinet meeting for consideration;
7. Note the intention to present an updated Medium Term Financial Plan to the Cabinet meeting in March 2010;

8. Identify which, if any, of the SBR options detailed in Annex B, Table 1 can be recommended to Council for progression;
9. Agree the Action Points identified for each SBR option in Annex B, Table 2 and recommend their acceptance to Council; and,
10. Welcome the progress being made in Terms & Conditions negotiations with the Trade Unions and agree to conclude consideration of the remaining "Amber/Red" SBR options, detailed in Annex B, Tables 3 & 4, at the 4 March Cabinet meeting.

**Overview and Scrutiny Committee is asked to:**

1. Consider the content of the budget scenario referred by Cabinet, and;
2. If appropriate, pass any comments on the budget or any associated issues for Cabinet to consider as part of their deliberations on 4 March 2010.

**KEY DECISION:**

No. This report is not a key decision in itself but forms part of the process for setting the Council's budget and Council Tax.

**FORWARD PLAN:**

No. Setting the Council's budget and Council Tax is included on the forward plan.

**IMPLEMENTATION DATE:**

Following the expiry of the call-in period for this meeting.

**ALTERNATIVE OPTIONS:** The Cabinet could choose not to approve an updated MTFP, or any of the specific items suggested for inclusion in the budget. However, a budget must be set by 10 March 2010 at the latest.

**IMPLICATIONS:**

**Budget/Policy Framework:**

The MTFP sets the policy framework for future years financial planning.

**Financial:**

Whilst there is uncertainty around external revenue support from Government beyond 2010/11, it is important not to under estimate the budget issues in future years. This report aims to provide a fuller picture across the period of the Medium Term Financial Plan, rather than just 2010/11. Cabinet will need to consider the items contained in the MTFP over the coming months to determine the actual budget and Council Tax implications for future years.

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2009/ 2010 £</b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>
Gross Increase in Capital Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton Capital Resources	N/a	N/a	N/a	N/a
Specific Capital Resources	N/a	N/a	N/a	N/a
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton funded Resources	N/a	N/a	N/a	N/a
Funded from External Resources	N/a	N/a	N/a	N/a
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

**Legal:** The Council is required to set a Budget and Council Tax level by 10 March 2010.

**Risk Assessment:** The Chief Executive is required to make a risk based statement on the robustness of the Council's budget. This report will be presented to Overview and Scrutiny Committee on 16 February 2010.

**Asset Management:** None

#### **CONSULTATION UNDERTAKEN/VIEWS**

Members of Overview and Scrutiny have been consulted and kept informed of the budget situation throughout the current financial year.

#### **CORPORATE OBJECTIVE MONITORING:**

<b><u>Corporate Objective</u></b>		<b><u>Positive Impact</u></b>	<b><u>Neutral Impact</u></b>	<b><u>Negative Impact</u></b>
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	√		

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

Initial Medium Term Financial Plan 2010/11 – 2012/13

Cabinet Budget Away Day papers July 2009

Cabinet report 1 October 2009

Cabinet report 25 November 2009

Cabinet report 3 December 2009

Cabinet report 17 December 2009

## 1. **Background**

- 1.1. At its meeting of 17 December 2009, Cabinet received two reports concerning the Council's Budgets for 2010/11 – 2012/13. The first provided an update of the Medium Term Financial Plan (MTFP) and identified amendments to the assumptions contained within the Plan as well as identifying additional unavoidable pressures within Children's Services and Health and Social Care. The second report identified further budget options from the Strategic Budget Review. The decisions from these reports were considered and approved by Council on 14 January 2010. The resultant projected budget gaps as a result of these changes are as follows:

	<b>2010/11 Budget Gap £m</b>	<b>2011/12 Budget Gap * £m</b>	<b>2012/13 Budget Gap * £m</b>	<b>TOTAL Budget Gap £m</b>
Budget Gap as presented to Cabinet 17 December 2009	8.443	8.324	5.527	
Budget changes endorsed at the 17 December Cabinet **				
- MTFP Report	+1.961	-0.566	-1.302	
- Strategic Budget Review Report	-1.695	-0.508	0.000	
Amended budget gap after 17 December Cabinet	<b>8.709</b>	<b>7.250</b>	<b>4.225</b>	<b>20.184</b>

\* Assumes the previous year's budget gap has been addressed.

\*\*Agreed by Council on 14 January

## 2. **Requirement to set a budget for 2010/11**

- 2.1. The Council is legally required to fix its budget and set a Council Tax for 2010/11 by 10 March 2010. A special budget Council has been arranged for 4 March 2010. Prior to that meeting, the Council's Constitution requires an independent review of the budget proposals by Overview and Scrutiny. This meeting is timetabled for 16 February 2010. This Cabinet report presents all relevant budget issues to allow Cabinet to recommend a budget (or budgets) for Overview and Scrutiny Committee to consider in accordance with the Council's Constitution.
- 2.2. Members should note that any comments on the budget scenario from Overview and Scrutiny Committee will be referred back to the next Cabinet meeting for consideration, prior to a final recommendation to the special budget meeting of the Council on 4 March 2010.

### 3. **Further Updates on the MTFP**

3.1. Paragraph 1.1 details the previously approved position on the MTFP. Since that date extensive work has been undertaken to find options to balance the MTFP whilst maintaining a sustainable position. The paragraphs below detail the outcomes of that work and its potential implications on the Councils financial position. In summary it is now possible for members to consider the following issues:

- Government Funding
- Area Based Grant
- Voluntary Early Retirement / Voluntary Redundancy
- Transformation Programme
- Remaining Options from the Strategic Budget Review
- Review of One-off Sources of Funding

#### 3.2. **Formula Grant**

3.2.1. Department for Communities and Local Government announced the final Revenue Settlement figures on 20 January 2010. The final Formula Grant figures confirm those announced in December 2009; hence there is no change to the figures contained in the Medium Term Financial Plan.

#### 3.3. **Council Tax Base**

3.3.1. Cabinet on 14 January 2010 approved the Council Tax Base for 2010/11. The impact of this is an anticipated increase in the number of properties where Council Tax can be collected; an additional £0.131m in Council Tax receipts in future years is projected.

#### 3.4. **Area Based Grant**

3.4.1. A review led by the Assistant Director- Neighbourhoods, has been carried out on the existing area receiving ABG funding. A short term piece of work has been undertaken to assess the scope for any reduction in ABG alongside the implications of that reduction. This has identified it is possible to maintain the reduction of £2.360m applied in 2009/10 in 2010/11 and beyond (subject to ABG funding continuing beyond 2011/12). This position will be kept under review and any national reductions in ABG will be reflected immediately in the MTFP.

3.4.2. Moving forward it is proposed that the Assistant Director- Neighbourhoods as the lead on ABG will undertake the following tasks, subject to Members being comfortable with this as an approach for future ABG post 2011. These will all be timelined into an action plan and reported back into Cabinet who will take the decisions on ABG and its future direction.

- Use existing data and intelligence gathered through the State of the Borough Report and local intelligence to inform the development of evidence based key priorities, which ABG could be used against.
- Develop a strategic commissioning framework aligned with existing commissioning arrangements set up for example by NHS Sefton.

- Ensure that ABG is aligned with mainstream expenditure from within the Council and partner organisations to deliver shared outcomes for local communities.
- Identify where ABG resources fund essential statutory provision and “ringfence” resources for these services.
- Develop appropriate communication and engagement mechanisms with elected members, key partners and the wider community to enable them to inform the approach taken and to be able to influence delivery and feedback on performance.
- Test out innovative approaches to tackle the challenges that Sefton faces.

3.4.3. Members are asked to note that £2.360m is available from ABG and to confirm its application to the 2010/11 budget, (This funding will be available to continue supporting Local Targets without an impact on existing projects), and to confirm the process for the further review to reported back to Cabinet.

### 3.5. Voluntary Early Retirement/Voluntary Redundancy

3.5.1. As part of this ongoing exercise 158 staff have expressed an interest. In total 82 have already been agreed to leave the Council, and this has generated annual savings of £1.767m, as follows.

	£m	£m
Against Strategic Budget Review savings	-0.905	
General	-0.412	
Transformation Programme	-0.250	
Senior Management Structure	<u>-0.200</u>	
<b>Total VER/VR Savings</b>		<b>-1.767</b>

### 3.6. Senior Management Restructure/Transformation Programme

3.6.1. In addition to Senior staff volunteering through the above exercise, it is anticipated that further savings of £0.200m will be achieved during 2010/11. A Further £1m is already planned from the Transformation Programme in 2011/12.

3.7. Taking the above adjustments into account the Budget Gap would be as follows:

	<b>2010/11 Budget Gap £m</b>	<b>2011/12 Budget Gap * £m</b>	<b>2012/13 Budget Gap * £m</b>	<b>TOTAL Budget Gap £m</b>
Amended budget gap after 17 December Cabinet	8.709	7.250	4.225	<b>20.184</b>
Council Tax Base Amendment	-0.131	-0.004	-0.004	
Area Based Grant	-2.360			
VER/VR Savings	-1.767			
Senior Management Transformation Programme	-0.200	-1.000		
Revised budget gap	<u>4.251</u>	<u>6.246</u>	<u>4.221</u>	<b>14.918</b>

#### 4. **Possible Uses of One-Off Funding**

4.1. Members may recall when the parameters of the MTFP were being considered that the issue of the sustainable use of one off funding was raised. In effect it was agreed that the Council should only use one off funding to cover one off items of spending. The Council should not be reliant on one-off funding to balance the budget as this would merely transfer a bigger problem to a future year. In effect it is recommended that one-off resources should be used to fund:

- Non recurring revenue spending
- Unfunded capital items
- The implementation period of savings proposals to allow the full value of approved savings to be realised immediately.

4.2. A review of one-off sources of funding available to the Council has been undertaken during the past few weeks, in particular this has allowed for the outcome of the actuarial valuation of the Council's Insurance Fund. The initial findings of the review have identified a significant amount of funding which could be used in line with the recommended approach. Work is continuing on this area and an update will be provided at the meeting. Possible uses of one-off resources are detailed further below.

#### 4.3. **Phasing of savings built into the MTFP for 2010/11**

4.3.1. The current MTFP includes savings proposals totalling £1m, which have a part-year impact on 2010/11; the full year effect will be achieved in 2011/12. **Annex A** provides a breakdown of the phasing. However, in order to ensure that the full effect can be reflected in 2010/11 (and thereby reduce the budget gap for the year), an option could be to utilise one-off resources.

#### 4.4. **Pay & Grading – Pay Protection Costs**

4.4.1. The current MTFP includes the anticipated costs of Pay Protection for staff who may lose out as part of this review. The costs of 12 months pay protection could be funded from £1.260m of one-off resources (spread over the two financial years).

#### 4.5. **Ongoing Use of Insurance Fund**

4.5.1. A recent actuarial valuation of the Insurance fund has identified a potential surplus on the Fund. Whilst this figure is still being evaluated there is potential to use the surplus to make an annual contribution to the revenue budget in the next three years. This would comply with the criteria above around financial sustainability and would enable further reviews of the fund to consider if this contribution could be made permanent.

4.6. A report elsewhere on the agenda considers the implementation of the BSF programme in Sefton. Should this report be approved £1.7m of one off resources would need to be identified from the review outlined at para 4.2. In addition Cabinet was advised at its last meeting that the condition of the Councils roads has deteriorated significantly following the recent bad weather. Should any additional investment be required then this would have to be funding from these one-off resources.



- 4.7. **Cabinet is reminded that the Council's financial position is based on a 3% Council tax increase. A 1% variation on this figure is equivalent to £1.148m.**

5. **Joint Authority Levies**

- 5.1. The budget gap of £4.251m referred to above excludes the impact of any increases from levying authorities. In order to calculate Sefton's overall budget, and therefore, the overall Council Tax payable by Sefton taxpayers, increases in external levies need to be included. The overall level of Council Tax (with levies included) will be assessed by the Secretary of State in applying any capping restrictions (see paragraph 7.1).
- 5.2. In accordance with the approved budget guidelines for 2010/11 the draft Base Budget includes levies of £36.521m, the same level as in 2009/10. Any increased costs from the Levying Bodies are funded from Sefton's Formula Grant and Council Tax. The Formula Grant allocated to Sefton does not specifically identify an amount to fund these costs but this has been estimated by the Finance Department to be £0.548m.
- 5.3. Actual levies are currently being considered by the individual levying bodies and initial indications suggest an increase of around £1.051m (or 2.88%) over 2009/10. This exceeds the Grant estimated for this increase by £0.503m, which will produce an increase in Council Tax due to Levying Bodies of 0.44%.
- 5.4. Any further information relating to the Levying Bodies will be circulated at the meeting.

6. **Council Tax And Precepts 2009/10**

- 6.1. The Medium Term Financial Plan assumes a 3% increase in Council Tax for Sefton services. If the latest estimates for levying bodies demands (referred to above) were added to that "planning" increase for Sefton, the overall Council Tax increase would be 3.44%.
- 6.2. The actual level of payment and increase for individual Council Taxpayers will depend on any relief, rebates or transitional reductions applicable in individual cases. In addition, additional amounts are chargeable for Joint Authority and Parish Precepts.
- 6.3. It is understood that the Merseyside Police Authority will meet on 18 February 2010 and the Merseyside Fire and Civil Defence Authority will be meeting on 18 February 2010. Members are reminded that the 2009/10 Council Tax, inclusive of the Joint Authority precepts, was as follows:

<b>Band D Council Tax</b>	<b>Approved 2009/10</b>
	<b>£ p</b>
Sefton	1,234.45
Merseyside Fire and Civil Defence Authority	62.37
Merseyside Police Authority	140.61
<b>Council Tax Band D 2009/10</b>	<b>1,437.43</b>

- 6.4. With regard to Parish Precepts, not all parishes have yet set their figures for 2010/11. Those bodies that have set their figures are noted below: -

Parish	2009/10		2010/11		
	Precept £	Addition to Council Tax (Band D) £ p	Precept £	Addition to Council Tax (Band D) £ p	Change in Band D %
Aintree	125,000	54.67	125,000	54.90	0.41
Formby	35,000	3.69	40,000	4.20	13.67
Hightown	3,750	4.19	3,750	4.20	0.26
Ince Blundell	1,450	7.59	1,500	7.84	3.35
Little Altcar	2,500	8.70	2,500	8.73	0.35
Lydiate	149,862	66.64	N/A		
Maghull	636,678	88.84	634,279	88.85	0.01
Melling	18,000	16.50	18,000	16.46	- 0.23
Sefton	3,500	14.95	N/A		
Thornton	4,500	5.52	4,500	5.50	- 0.30
	980,240				

- 6.5. Any further updated figures available will be reported at the meeting.

## 7. **Budget and Council Tax Capping**

- 7.1. Members are reminded that the Government has signalled its intention to cap any excessive Council Tax increases. The Government has not yet set the capping criteria, therefore, the definition of what level will be acceptable remains unclear. The Local Government Minister, Barbara Follett, stated on 26 November 2009:

*“The Government remains prepared to take capping action on excessive increases set by individual authorities if necessary.*

*The average Band D council tax increase has been steadily falling in recent years and this year’s average increase of three per cent was the lowest since 1994-95. Further falls are expected next year while councils protect and improve front line services. Already many councils have indicated that they plan to freeze or cut council tax next year.*

*As a result of the extra £8.6bn made available in this settlement I expect to see the average council tax increase fall to a sixteen year low next year while councils protect and improve front line services. Already many councils are predicting freezes or cuts so this can be done.*

*In the current economic climate, the public expects government to be acting smarter with their money. Keeping council tax under control is a top priority for government which is why it will not hesitate to use its capping powers again to protect taxpayers from excessive increases.”*

7.2. The capping assessment for Sefton will be the Council Tax increase, inclusive of levies (e.g. Waste Disposal and Passenger Transport) but before the addition of precepts from Parishes, the Police and Fire Authorities.

## 8. **Responsibilities Of the Section 151 Officer**

8.1. Under Part 2 of the Local Government Act 2003, the Authority’s Section 151 Officer is required to report on the following matters:

- the robustness of the estimates made for the purposes of determining its Budget Requirement for the forthcoming year; and
- the adequacy of the proposed financial reserves.

8.2. There is also a requirement for the Authority to have regard to the report of the Section 151 Officer when making decisions on its Budget Requirement and level of financial reserves.

8.3. In Sefton, for the purposes of the Act, the appropriate officer is currently the Chief Executive. To fulfil this requirement, the Chief Executive should know with some certainty what is being proposed by way of Budget proposals and the levels of financial reserves.

8.4. Following the consideration of a 2010/11 Budget at today’s meeting (for deliberation by Overview and Scrutiny), the Chief Executive will report on that budget (or more than one budget should that be the case), having regard to her responsibilities, at Overview and Scrutiny Committee on 16 February 2010 and Council on 4 March.

8.5. To fully satisfy the Chief Executive, as to the robustness of any estimates, any proposed Budget or amendment should meet the following criteria:

- Be fully based upon the advice of Service officers (supported by finance officers) – or based upon or supported by information the Chief Executive considers reasonable to accept
- Provide only for Budget proposals that are fully costed to service level and where the implications – both financial and upon service performance – are estimated and identified.
- Provide for all known future developments either through direct service Budget allocations or the establishment of specific reserves for such purposes.
- Provide for the full revenue implications of the Capital Programme.
- Establish clear targets for income collection in respect of key income streams.
- Ensure there are no significant unidentified savings targets.
- Where appropriate ensure that the consequences of current over and underspendings have been taken into account.

- 8.6. Under the 2003 Act the Secretary of State may enact Regulations that define certain types of “controlled reserves” and the minimum level for those Reserves. At the time of preparing this report the Secretary of State has not enacted any such Regulations. The forecast level of Balances as at April 2010 (assuming an in-year break-even situation) would be £3.640m, supplemented by resources from reserves and the Modernisation Fund.
- 8.7. The Cabinet should be reasonably sure that the portfolios have adequate budgets that can accommodate anticipated budget pressures. The Chief Executive will review the proposed budget to assess that estimates are sufficiently robust and comprehensive so that balances are not drawn upon during the financial year, unless to fund currently unforeseeable financial events.
- 8.8. The need for adequate unallocated balances is underlined by the uncertainty faced in previous years regarding the increasing pressures on Children Services and Health and Social Care. However the additional provision made as part of the current budget proposals has helped to address this concern.

9. **Remaining Options available from Strategic Budget Review**

- 9.1. At the 17 December 2009 Cabinet meeting Members deferred making a decision on a number of “Amber/Red” SBR options, without redundancy implications, pending the submission of further details. Further information has been requested from the relevant departments and this is summarised in **Annex B Table 1**. Cabinet are now asked to identify which, if any, of these options should be recommended to Council for progression.
- 9.2. **Annex B Table 2** identifies those remaining “Amber/Red” SBR options where, by default, the VER/VR exercise has wholly or partially achieved the savings proposed, or where an alternative method of achieving the savings target has been achieved without the need for redundancy. Cabinet are asked to endorse the Action Points identified for each option and recommend acceptance to Council.
- 9.3. **Annex B Tables 3 & 4** identify those remaining “Amber/Red” SBR options, which have redundancy implications.
- 9.4. At the 3 December 2009 Cabinet meeting Members agreed that Officers should continue and if possible conclude negotiations with the Trade Unions on changes to a range of employment Terms & Conditions identified in the report. Negotiations have progressed in a positive manner with the Trade Unions to the extent that they are now balloting their memberships over the changes proposed, which, if accepted, would result in savings of over £1.3m in 2010/11. The Trade Union’s stance regarding these savings is based upon there being no action, during 2010/11, in relation to the compulsory redundancies identified in the remaining SBR “Amber/Red” options.

- 9.5. The value of the savings achieved by the changes to employment Terms & Conditions is directly comparable to the value of the compulsory redundancies identified in the remaining SBR “Amber/Red” options. The negotiations with the Trade Unions in relation to the Terms & Conditions changes would be for one year only whilst further work was undertaken to identify longer-term solutions. As the outcome of the Trade Union ballot will not be known until mid February, Members are asked to conclude their consideration of the remaining “Amber/Red” SBR options at the 4 March Cabinet meeting.

## 10. **Conclusion**

- 10.1. The development of the MTFP accompanied by the Transformation Programme has enabled the Council to make significant progress on the achievement of sustainable savings. The continued emphasis on the three-year position will enable an ongoing process to identify further savings and embed a culture of efficiency.
- 10.2. It is highly likely that a savings gap will remain in years two and three at this stage and this will be addressed on an ongoing basis and will be a key outcome of the Transformation Programme. The Council will need to continue to downsize in areas of transformation or lower priority and this process will need to be managed to ensure staffing implications are minimised whilst achieving sustainable savings.
- 10.3. The Council is required to set a budget and Council Tax for 2010/11 by 10 March and this report builds on previous approvals to identify a range of potential options, which could support this process. Cabinet and individual Political Groups will need to consider which options it will recommend to Council and the resulting Council Tax increase. In making these recommendations Members will need to ensure that that proposals are robust and sustainable. Significant resource risks remain from 2011/12 onwards with potential reductions in public spending yet to be quantified. It is important that any decisions for 2010/11 do not significantly impact in future years as we aim to deliver a sustainable medium term financial position that can meet Council priorities.

## 11. **Recommendations**

### 11.1. **Cabinet is recommended to:**

1. Note the latest position for the 2010/11 – 2012/13 Medium Term Financial Plan following Council on 14 January 2010;
2. Note the final Revenue Settlement position;
3. Recommend a budget scenario to Overview and Scrutiny Committee (Performance and Corporate Services);
4. Note that the Chief Executive will report on the robustness of estimates and the adequacy of financial reserves to Overview and Scrutiny Committee and full Council;
5. Note that £2.360m is available from ABG and to confirm its application to the 2010/11 budget;
6. Note that the comments of the Overview and Scrutiny Committee on the budget proposal will be referred back to the next Cabinet meeting for consideration;
7. Note the intention to present an updated Medium Term Financial Plan to the Cabinet meeting in March 2010;

8. Identify which, if any, of the SBR options detailed in Annex B Table 1 can be recommended to Council for progression;
9. Agree the Action Points identified for each SBR option in Annex B Table 2 and recommend their acceptance to Council; and,
10. Welcome the progress being made in Terms & Conditions negotiations with the Trade Unions and agree to conclude consideration of the remaining “Amber/Red” SBR options, detailed in Annex B Tables 3 & 4, at the 4 March Cabinet meeting.

11.2. **Overview and Scrutiny Committee is asked to:**

1. Consider the content of the budget scenario referred by Cabinet, and;
2. If appropriate, pass any comments on the budget or any associated issues for Cabinet to consider as part of their deliberations on 4 March 2010.

**SAVING PROPOSALS PHASING – IN-YEAR SHORTFALL ON FULL YEAR EFFECT**

<b>Saving Option</b>	<b>2010/11</b>	<b>Effective date</b>
	<b>£'000</b>	
<b>Savings Options approved at Council 17 December 2009</b>		
Review of Management Accounting	-16,700	June 2010
Review of Civic Facilities (Civic Operations Service)	-10,000	June 2010
Review of Building Control	-16,700	June 2010
Review of Southport Pier Staffing	-3,200	June 2010
Beach safety partnership with the RNLI	-8,750	July 2010
Review Advertising Strategy etc	-166,700	Dec 2010
PEPS - Cease discretionary service	-169,000	April 2011
Review of Equalities Partnership	-100,000	April 2011
<b>Savings Options approved at Council 14 January 2010</b>		
Recreation Management - Charge schools for use of all pools	-100,000	April 2011
Children's Services Grants - Reduce activity	-50,000	April 2011
Gifted & Talented - Cease programme	-208,800	April 2011
CAMHS - Reduce grant spend	-150,000	April 2011
	<hr/>	
	999,850	
	<hr/>	

**Table 1**  
**Deferred Items Further Information Requested**

<b>Ref (original reference)</b>	<b>Dept &amp; Work Area</b>	<b>Option</b>	<b>Budget &amp; Savings information</b>	<b>Further Detail/ Comment</b>
1 (CS4)	Children, Schools & Families Student Support	Rationalisation of Travel Costs - post 16	Budget £367,350  Saving £107,100 (2011/12)	<p><i>Discretionary service. Approximately 1000 students receive travel pass following £30 contribution with a value of £250 and £500. The total gross cost of providing passes to eligible students in 2008/09 exceeded £390,000 however student contributions towards passes (£30 per student) brought expenditure down to within the existing budget provision.</i></p> <p>Most other Merseyside LA s do not support this discretionary initiative, or only provide support to students from families with low household income (students who are accessing EMA) and this support is only for students accessing further education within the host local authority establishments.</p> <p><u>Potential Impact.</u></p> <p>Remove current policy completely (i.e. for new first year students from Sep 2010) but continue to allow 2<sup>nd</sup> year and returning students to complete courses and qualifications already commenced in Sep 2009.</p> <p>Contingency would be needed to support exceptional cases. In Sep 2011 there would be no new first year students and there would be no budget requirement apart from the contingency.</p> <p>If there was a move to change to new eligibility criteria (EMA) then it will impact on the administration of this provision and new procedures will need to be put in place.</p> <p>For the introduction of new eligibility criteria, a further review will need to take place within 12 months to see if this funding should be reduced further or even ceased in future years.</p> <p><i>The removal of this grant funding could have negative impact on the NEET figures for the Local Authority.</i></p> <p><b><i>For proposal detail see below</i></b></p>



## 1. CS4 - Annual Contribution to post-16 Travel Passes

Budget £367,350 Saving £107,100 (2011/12)

### Background

Sefton Council currently operates a discretionary transport policy, which allows assistance with travelling expenses for post-16 students within Sefton. The existing policy for post-16 students travelling to either a school sixth form or a Further Education College stipulates that an annual travel pass will be issued to eligible\* students.

The current Policy allows eligible students to be issued with an annual travel pass by the Local Authority. The pass allows students to use public transport (bus and train) to attend any FE college of their choice. The current policy also allows a panel of Senior Officers (that act as an appeals process/ panel) to issue travel passes under exceptional circumstances.) This is approx 20 post 16 students per annum

The Council adopted a change to policy in 2006 that introduced an **annual** compulsory contribution to the cost of a travel pass for all eligible students and removed the element of means testing from the contribution. At that time the contribution was increased from £22 to £25. This contribution was increased again in 2009 to £30 due to the rising purchase costs of the passes to the Authority.

The travel passes range in price from approx £200 up to £500 each per student.

There are approximately 1000 eligible\* students per annum who pay the current contribution of £30.

\*Eligible post-16 students are those who live more than three miles walking distance from the school sixth form or Further Education College and are undertaking a full time course, demonstrating progression each year.

### Financial Costs

*The budget provision for post-16 public transport travel costs in 2008/09 was £367,350. The budget has remained at this level during 2009/10.*

The total gross cost of providing passes to eligible students in 2008/2009 is expected to be in the region of £390,000. The student contribution to passes therefore helps to keep net spend within available resources. Estimated income from contributions is expected to be in the region of £30,000

### CURRENT POST 16 TRANSPORT POLICIES FOR NORTH WEST LOCAL AUTHORITIES

Local Authority	Current Policy	Means Tested	Attend Out of LA	Contribution
Sefton	Eligible post-16 students in attendance	No	Yes	£30
Liverpool	Eligible post-16 students with 85% attendance	Yes	No	
St Helens	No Post 16 Provision			Some individual colleges provide travel passes directly to students
Knowsley	Refund up to 80% of cost of annual solo pass to student	Yes If student eligible for EMA	No	
Wirral	No Post 16 Provision			

*To increase the price of issuing a standard duplicate pass to a student (where the pass has been lost) from £10 to £20. This increase is requested in order to offset the growing administration costs associated with cancelling original passes and re-issuing new passes.*



## Policy options

Retain current policy – The budget £367,350 with estimated income of £30,000

Retain current policy with adjustment to allow travel passes Sefton Students attending Sefton Institutions. As the travel passes for students travelling outside Sefton cost the most this could potentially save an estimated £30,000 per annum

Keep the current policy and adjust policy to increase contribution to £60. The total gross cost of providing passes to eligible students in 2009/2010 is expected to be in the region of £390,000. This would mean a greater student contribution with expected income to be £60,000

Remove current policy completely for first year students but continue to allow only 2<sup>nd</sup> yr students to access a travel pass (in order to complete 2 yr courses such as A level courses already commenced the year before)- This would mean a budget costing to support 2<sup>nd</sup> year students of £190,000 with income of £15,000 in the first year if the (contribution is still at £30), and leaving just an annual budget of £50,000 for subsequent years to support for exceptional cases requiring transport eg Children in care travelling further to a new school

Adjust policy to support students from low- income households only. This would mean only students entitled to EMA, that are travelling more than 3 miles away would be eligible for a travel pass. This policy would also only include students attending institutions in Sefton.

<u>Ref (original reference)</u>	<u>Dept &amp; Work Area</u>	<u>Option</u>	<u>Budget &amp; Savings information</u>	<u>Further Detail/ Comment</u>
2 (LS21)	Leisure Recreation Management	<i>Reduce number of pitches maintained by 6 (rationalising pitches which are currently under-used). Plus increase fees and charges for the use of pitches</i>	Budget £125,000 Saving £6,000	<p>This will be a mixture of Saving on maintenance and Income generated = £6,000</p> <p>This is likely to be resisted by the football leagues. However some rationalisation could still be usefully undertaken. Along with, a review of fees and charges so that the leagues (and ultimately the footballers) pay a more appropriate fee for the facilities that are provided.</p> <p><i>At present the leagues are paying less than 10p per adult footballer per game for the use exclusive use of the pitch, changing rooms, hot showers etc.</i></p> <p><i>A full list of all senior pitch locations is given below</i></p>

2 (LS21)	Leisure Recreation Management	<i>Reduce number of pitches maintained by 6 (rationalising pitches which are currently under-used). Plus increase fees and charges for the use of pitches</i>	Site	Senior Pitches	Area	Managed By
			Rufford rd. recreation ground	1	Southport	Southport and district football league
			Bank End recreation ground	1	Southport	Southport and district football league
			Preston new rd.rec. ground	2	Southport	Southport and district football league
			Devonshire rd. recreation ground	2	Southport	Southport and district football league
			Russell rd. recreation ground	1	Southport	Southport and district football league
			Meols park recreation Ground	5	Southport	Southport and district football league
			Portland Street rec.ground	4	Southport	Southport and district football league
			Bedford park recreation ground	2	Southport	Southport and district football league
			Carr In. recreation ground	3	Southport	Southport and district football league
			Sandbrook rd. recreation ground	2	Southport	Southport and district football league
			Deansgate In.rec.ground	1	Formby	Southport and district football league
			Smithy green recreation ground	2	Formby	Southport and district football league
			K.G.V. (Formby) rec. ground		Formby	Southport and district football league
			Duke street (Formby) rec.grnd.	2	Formby	Southport and district football league
			Chaffers rec grnd	2	Crosby	Crosby and district football league
			Brookvale rec grnd	3	Crosby	Crosby and district football league
			Buckley hill rec grnd	12	Netherton	Crosby and district football league
			Orrell Mount park	1	Bootle	Leisure Landscape Management
			Netherton activity centre	2	Netherton	Leisure Recreation Management
			Bootle stadium	2	Bootle	Leisure Recreation Management
			Litherland Sports Park	3	Litherland	Leisure Recreation Management
			<b>GRAND TOTALS</b>	53		

<u>Ref</u> (original reference)	Dept & Work Area	Option	Budget & Savings information	Further Detail/ Comment
3 (PD1)	PERD	Cease support to Opportunities Shop	Budget £69,000  Saving £69,000	<p>No effect on Council payroll, as the contract is with an independent provider. But in the absence of replacement funding, approximately 3 jobs are at risk in The Opportunities Shop. The outputs associated with the contract will be lost. In 2009-10 the target values are:</p> <p>150 starts for Workless Sefton Residents 50 participants securing employment of at least 16 hours per week or more 25 Sefton Residents from a specialist group entering and sustaining employment (of 16 hours per week or more) for 13 consecutive weeks.</p> <p>The Q3 claim (unverified) from Opp Shop shows that in the nine months to 31 December 2009, they started 107 residents in employment, of which 31 were at least 16 hours pw, and 3 were from a specialist group. This is broadly in line with profile but depends on good performance to Q4 to hit targets.</p> <p>If the Opp Shop funding was allocated to an alternative provider there would be comparable outputs but no overall savings. The elimination of the funding altogether would result in lost outputs, principally impacting NI 153 (reduction of worklessness in deprived SOAs). This is obviously a significant indicator at a time of high unemployment (34% of working age population in NI 153 SOAs are on out of work benefits).</p>

<u>Ref</u> <u>(original</u> <u>reference)</u>	Dept & Work Area	Option	Budget & Savings information	Further Detail/ Comment
4 (PD9)	Planning WNF Option b remove barriers to ill health programme	Support only those services that address worklessness.	Budget £460,000  Saving £460,000	<p style="text-align: center;"><b>Current activities</b></p> <p>The Working Neighbourhoods programme has been developed to provide comprehensive solutions to tackling and preventing worklessness and includes approaches to:</p> <ul style="list-style-type: none"> <li>• Job creation within real mainstream services</li> <li>• Provision of training, volunteer and placement opportunities</li> <li>• Job brokerage support providing a link between unemployed residents and jobs</li> <li>• Business support to encourage unemployed and workless residents to explore self employment and new business creation</li> <li>• Encouraging investment in Sefton's more deprived neighbourhoods to generate the economy and provide employment opportunities</li> <li>• Support for parents to access practical childcare support to enable them to go to work or attend training</li> </ul> <p>Investing in the future through work with young people to develop skills, ambition and aspirations to minimise the risk of future worklessness.</p>

<u>Ref</u> <u>(original</u> <u>reference)</u>	Dept & Work Area	Option	Budget & Savings information	Further Detail/ Comment
5 (PD10)	PERD	Reduce the value of payments made to organisations providing activities/services that contribute to our performance targets.	Budget £200,000  Saving £80,000	<p>This funding stream provides support to Community/Voluntary Organisations in Sefton to deliver activities/services that contribute to our performance targets.</p> <p>The funding is quite unique as it enables organisations to apply for running costs funding, costs towards maintenance as well as revenue projects, and can be available for 3 years. The loss of this funding would put a strain on services in the borough and has the potential to reduce the services provided by some organisations as they would not be able to access funding of this kind from other sources.</p> <p>The risk involved in making this saving are linked to the services this funding enables to continue and thrive. In terms of performance there would be a reduction in evidence to meet LAA targets such as NI 7 (environment for a thriving third sector) and NI 4.</p> <p>In terms of CAA requirements the provision of this fund ensures that we can evidence that we understand local communities and provide funding that empowers them to access services etc.</p>



Ref (original reference)	Dept & Work Area	Option	Budget & Savings information	Further Detail/ Comment
6 (TS4)	Tech Services Structural Maintenance	Reduce activity	Budget £1,981,500  Saving £200,000	<p>Note – it needs to be remembered that there is currently a £580k deficit on the Highways budget that needs to be resolved first. Highway condition reported as NI 168 and 169 that will both be adversely affected by budget cuts.</p> <p>Maintenance of the Highway is a statutory function of the Council and if not done to an appropriate standard will result in the Council being liable to prosecution and 3<sup>rd</sup> party claims.</p> <p><i>Reduction in structural maintenance will increase 3<sup>rd</sup> party claims and result in increasing insurance costs (by way of example the current regime enabled the insurance fund to be reduced by £1.2m in the current year and £1m the previous year.</i></p> <p><u>Additional Information</u></p> <p>After two years of budget freezes and successive bad winters the highway network is under significant stress. To cope with the demand of an increase in reactive maintenance (fixing pot holes) caused by the cold weather we are having to reduce the amount of planned maintenance work (which improves the long term resilience of the network). It is necessary to carry out the reactive work to ensure the highway is safe for users (a statutory duty) and to minimise the potential for 3rd party claims, however, this is at the expense of long-term serviceability and durability. This is not a sustainable approach to maintenance as the weakness in the durability of the network will make it vulnerable to frost and vehicle loading and cause it to deteriorate at an accelerated rate; this will require more reactive maintenance and therefore less planned work in order to stay within budget.</p> <p>National performance indicators for highway condition are deteriorating as a consequence of budget reductions over the past few years, and this is set to continue unless there is investment in the highway infrastructure. Further reductions will exacerbate this position and it is highly likely that the insurance fund will need to be significantly increased. This has been discussed in detail with the Cabinet Member for Technical Services.</p>

<u>Ref</u> <u>(original</u> <u>reference)</u>	<u>Dept &amp; Work Area</u>	<u>Option</u>	<u>Budget &amp; Savings</u> <u>information</u>	<u>Further Detail/ Comment</u>
7 (CX1a & b)	Democracy	Option 1 - Dispense with Mayoralty and <b>twinning</b> . Option 2 - Reduce scope of Mayoralty to daytime events only. this budget.	Budget £318,050 (includes <del>£79,600</del> support services charges which would need to be reallocated plus £3000 lease charges for the Mayoral Limousine)  Option 1 £235,450  Option 2 £44,000	Option 1 - <b>The saving</b> , after taking out support services etc. <b>would be £216k</b> , plus a further <b>£18k if we decided to cease all twinning activity</b> . This equates to £234k in total and the red option shows it as slightly more as £235,450.  Further information will follow from the Legal department.
8 (T4)	Tourism	Consider bringing Live Nation In House	Budget £285,450  Saving £250,000 (2012/2013)	<i>Potential saving in 2012/13 To be investigated and detailed report to follow.</i>

**Table 2**

The table below identifies the “amber” options where Officers have proposed another method to secure the saving presented or expressions of interest have removed or reduced the number of anticipated redundancies.

<b>Ref (original reference)</b>	<b>Dept &amp; Work Area</b>	<b>Option</b>	<b>Potential Redundancy Implications</b>	<b>Budget &amp; Savings information</b>	<b>Further Detail/ Comment</b>
<u>9(CS5)</u>	Children, Schools & Families Music Service	Review staffing	Anticipated 5  Expressions 2 (accepted) 3 (declined as specialist area of teaching)	Budget Council Grant £62,600 £123,800 KS 2 (Wider Opportunities) Grant (1.11) £596,540 Music Standards Fund Grant (1.11)  Saving £62,600  Savings achieved through VER/VR £25,800	<p>Music Services are discretionary. Savings could be delivered in a way that will not directly impact on the level of provision to schools. Given that the service is at the “upper limit” of what it can charge schools for provision– it would be unwise to meet the shortfall in the service budget through increasing the cost of provision. Similarly, reducing (the grant funded) “allocated” hours to schools would not be recommended until the service has addressed the fundamental issue of unit cost.</p> <p>The proposal would be to have an alternative administration structure. Savings in relation to these areas will not directly impact on the level of provision to schools.</p> <p>Given that the service is at the “upper limit” of what it can charge schools for provision– it would be unwise to meet the shortfall in the service budget through increasing the cost of provision. Similarly, reducing (the grant funded) “allocated” hours to schools would not be recommended until the service has addressed the fundamental issue of unit cost.</p> <p>Full saving not deliverable until September 2010. <b>44 posts to be considered.</b> <b>10 members of staff between 50-55.</b></p> <p><b><i>Action point for Cabinet – Accept savings achieved and note impact on service – continue review with a view to achieving full savings target.</i></b></p>

<u>Ref</u> <u>(original</u> <u>reference)</u>	Dept & Work Area	Option	Potential Redundancy Implications	Budget & Savings information	Further Detail/ Comment
<u>10 (CS11)</u>	Children, Schools & Families Student Support University Grant		Dec 2009 Anticipated 2 Now 0  Expressions 0	Budget £150,789  Saving       £60,500 2011/2012  <b>Redundancies could be avoided by using an alternative funding stream from Extended Schools Sustainability Fund and by charging schools to register with the Children's University.</b>  <b>The use of sustainability funding would mean a reduction in school based projects.</b>	Children's University co-ordinator works with teachers, classroom assistants, and other support staff in schools to provide out of school activities, and is responsible for the co-ordination, development and implementation of an efficient and effective Sefton's University programme. The co-ordinator provides on going support to schools associated with the programme and maintains a manageable and effective monitoring system. Children's University links to HE establishments to provide an opportunity for young people to aspire to higher education, often in areas of deprivation where this route would not be seen as a possible option. Currently 40 primary schools provide modules for CU and a pilot for Youth University is being trialled in 2 secondary schools. This year over 900 young people will graduate from CU and receive their graduation certificate at Edgehill University. Over 4,000 children are participating in this initiative at KS1, KS2 and KS3  <b><i>Action point for Cabinet – Accept alternative method to achieve saving and note impact on service.</i></b>

<p><u>11 (CS28)</u></p>	<p>Children, Schools &amp; Families City Learning Centre Project</p>	<p>Cease City Learning Centre Project</p>	<p>Anticipated 8 Expressions 2</p>	<p>Budget £506,000 Saving £506,000 Savings achieved through VER/VR £100,109</p>	<p>The 2 CLCs have traditionally provided support and curriculum development for schools predominately in the area of ICT. In the past this has been mainly secondary schools but increasingly primary schools are making use of the facilities and resources available at both centres. Children's Services staff are making increased use of the centre.</p> <p>As this has traditionally been a resource for secondary schools then they should fund it. There is no enthusiasm from schools to do this. It is not incumbent on the LA to provide this service and they make a limited contribution to the LAs responsibilities in relation to school improvement. Although the CLCs contribute to school support and development this is not the responsibility of the LA.</p> <p><b>Alternative Funding</b> As this is a resource used mainly by schools it may be appropriate to ask schools to fund this. Discussion with headteacher representative earlier this year indicated this would <b>not</b> be a viable option.</p> <p>Impact on the support available to develop ICT in schools especially secondary in schools. BSF transformation should include a strategy for integration of the CLCs in the Strategy for Change (Part 2). Funding to support the up-keep of the old Ainsdale High School lost. The loss of a total of £300,000 per year of capital grant (through BECTA) to invest in the development of the buildings and learning resources and hardware. Loss of the CLCs to the community.</p> <p><b>8 posts to be considered</b> <b>2 expressions of interest</b> <b>1 member of staff between 50-55</b></p> <p><i><b>Action point for Cabinet – Accept savings achieved and note impact on service – continue review with a view to achieving full savings target.</b></i></p>
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<u>12(CS30)</u>	Children, Schools & Families Area Based Grant SEN	Reduction in headcount	Anticipated TBC review required  Expressions 1	Budget £269,702  Saving £65,000  Savings achieved through VER/VR £44,000	<p>Sefton performs well in these areas and marginal reduction in performance will be acceptable.</p> <p><b>There may be posts funded by schools that would be at risk</b> if the saving is introduced. Other savings will impact upon our ability to deliver the inclusion Development programme as part of the National strategies.</p> <p>It is difficult to reduce those elements of the budget that have been long term commitments – Resourced nursery places, a Quality Protects post and a contribution towards Waterloo Nurture Base (Total £150k) – though it could be argued that these should be part of our core budget.</p> <p>There is more flexibility over the remainder of the funding which supports training and projects (the inclusion development programme – cuts here may impact upon the inclusivity of schools and lead to pressure on other budgets.</p> <p><b><i>Action point for Cabinet – Accept savings achieved and note impact on service – continue review with a view to achieving full savings target.</i></b></p>
<u>13 (EP2)</u>	EPD Regulatory Enforcement	Reduction in staffing	Anticipated 4  Expressions 4	Budget £100,000  Saving £100,000  Savings achieved through VER/VR	<p>Can be achieved through VR/VER. There will be a reduction in the level of statutory service provided however, minimum standards will still be maintained.</p> <p><b><i>Action point for Cabinet – Accept full savings target achieved and note impact on service.</i></b></p>

14 (HS2)	Health & Social Care	Review senior management structure – reduce number of posts.	Anticipated 2 Expressions 4	Budget £13,465,000  Saving £200,000  Savings achieved through VER/VR	Savings achieved through VER/VR being validated.  Rationalisation of support services will make the posts of Head of Central Services and Principal Manager (Human Resources), along with a senior management secretary post, superfluous to requirements. In addition structural changes will enable the deletion of a service manager post.  New Adult Social Care Director post will be established plus the disestablishment of a Service Manager (Hay 6) post which will become vacant at the end of this financial year.  <b>Action point for Cabinet – Accept full savings target achieved and note impact on service.</b>
15 (HS4)	Health & Social Care	Review financial processes for efficiencies.	Anticipated TBC Review to be undertaken  Expressions 4	Budget £13,465,000  Saving £100,000  Savings achieved through VER/VR	Savings achieved through VER/VR being validated.  <b>Action point for Cabinet – Accept full savings target achieved and note impact on service.</b>

<u>16 (LS7)</u>	Leisure Arts & Cultural Services	Reduction in the programme	Anticipated 2 Expressions 2	Budget £119,841 Saving £46,000  Savings achieved through VER/VR	<p>Can be achieved through VR/VER. This programme affects both individuals and community groups including those assessed as 'hard-to-reach'. Some of the ground breaking work undertaken during the Capital of Culture, especially in identifying and supporting new community groups interested in arts activities will be discontinued. Some work will have to be delivered via commissions and be subject to funding from external sources.</p> <p><b>Action point for Cabinet – Accept full savings target achieved and note impact on service.</b></p>
<u>17 (LS8)</u>	Leisure	Box Office staff	Anticipated 2 Expressions 0	Budget £27,754 Saving £18,500	<b>Superseded by Cabinet decision on 17<sup>th</sup> Dec to agree an Interim Arts Service for the Cultural Centre</b>
18 (LS15)	Leisure Nurseries, Bedding and Hanging Baskets	Option 1 - Reduce bedding in Resort area Option 2 - Reduce bedding ACROSS ALL AREAS by 30% and grass over. Reduce baskets by 30%. Scale down Nursery operations accordingly.	Anticipated 2 Expressions 1	Budget £591,000 Saving £123,000  Savings achieved through VER/VR £16,447	<p>Option 1 - Reduce bedding in Resort area (Prom, Town centre, Hesketh, Botanics) by 20% and in rest of Borough by 50% and grass over. Reduce baskets by similar percentages. Scale down Nursery operations accordingly.</p> <p>Option 2 - Reduce bedding ACROSS ALL AREAS by 30% and grass over. Reduce baskets by 30%. Scale down Nursery operations accordingly.</p> <p>Will result in Loss of colour and attractiveness to a limited extent in Resort, much more significantly in other areas. Potential negative impact on tourism / regeneration / neighbourhood pride. Possible impact on Green Flag / In Bloom quality awards.</p> <p><b>11 posts to be considered. 5 members of staff between 50-55.</b></p> <p><b>Action point for Cabinet – Accept savings achieved and note impact on service – continue review with a view to achieving full savings target.</b></p>



<u>19 (LS18)</u>	Leisure Parks Quality	Delete Park Repairs Team, leaving only Rapid Response Team.	Anticipated 2 Expressions 2	Budget £35,000 Saving £25,000 Savings achieved through VER/VR	Potentially longer response times and more time / cost in getting essential work carried out by contractors. Possible impact on Green Flag quality awards. <b>4 posts to be considered.</b> <b>3 members of staff between 50-55.</b>  <b><i>Action point for Cabinet – Accept full savings target achieved and note impact on service.</i></b>
<u>20 (LS35)</u>	Leisure Recreation Management - Leisure Centre Operations	Reduction in opening hours	Anticipated 4 Expressions 1	Budget £1,977,000 salary costs Saving £70,000 Savings achieved through VER/VR £11,234	Reduction in opening hours of Leisure Centres will result in staffing savings. Staffing hours saved from individual sites will be amalgamated to provide post savings. Netherton Activity Centre to reduce Friday and Saturday opening hours due to cancellation of YOZ programme. Also to close all day Sunday due to the majority of the activities being non-fee paying on this day. This proposed savings takes into account lost income from sports halls and swimming pools due to reducing opening hours of leisure centres. Redundancy locations – either Dunes Splash World, Bootle Leisure Centre, Litherland Sports Park, Netherton Activity Centre or Maghull Leisure Centre. There may be an additional loss as customers transfer memberships to private sector fitness facilities due to extended opening hours of these facilities compared to Sefton Council facilities. Reducing opening hours will make it difficult to achieve expected outcomes for the more ‘social’ elements of facility programmes. No income will be lost from activities which are currently free to customers but community safety and social inclusion programmes will be compromised if facility opening hours are reduced. <b>22 posts to be considered.</b> <b>11 members of staff between 50-55.</b> <b>1 expression of interest received</b>  <b><i>Action point for Cabinet – Accept savings achieved and note impact on service – continue review with a view to achieving full savings target.</i></b>

<p><u>21 (PD2)</u></p>	<p>Planning Traffic Unit</p>	<p>Reorganisation of Team Management</p>	<p>Anticipated 1 Expressions 2</p>	<p>Budget £200,000</p> <p>Saving £100,000 2010/11 &amp; 2011/12</p> <p>Savings achieved through VER/VR</p>	<p>Proposal is based on reducing the level of service to statutory regulatory duties, were level provided is at the authorities discretion. Other areas that are time limited i.e. licences, temporary orders, PCN processing etc. would not be affected.</p> <p>Would require priorities to be determined and potentially staffing duties amended across Units/Teams to target resources at priority functions, eg less critical LTP programmes, resources that support corporate issues.</p> <p><b>3 vacant posts to be deleted</b>  <b>1 post to be considered.</b>  <b>2 expression of interest received</b></p> <p><i><b>Action point for Cabinet – Accept full savings target achieved and note impact on service.</b></i></p>
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**Table 3**

The table below identifies the “amber” options where there are anticipated redundancies and no expressions of interest have been received. The table also includes the current accepted expressions of interest and the related savings.

<b>Ref (original reference)</b>	<b>Dept &amp; Work Area</b>	<b>Option</b>	<b>Potential Redundancy Implications</b>	<b>Budget &amp; Savings information</b>	<b>Further Detail/ Comment</b>
22 (PD7)	Neighbourhoods and Investment Programmes Department and Children, Schools & Families	Review Area Management Arrangements	Anticipated 3 Expressions 0	Budget £375,000 (does not include CSF staffing)  Saving £375,000 (2011/2012)  Additional Potential Saving (Staffing) £216,000 (2011/2012)  Anticipated Redundancies 3  Expressions of interest 0	Work is ongoing to ensure that the model adopted for area management meets the needs of all areas within Sefton. Three Area Co-ordinators are in the process of being appointed to support the interim area management arrangements until March 2011. The costs of these are £130,000 in 2010/11. There may be potential redundancy costs in 2011/12 if members wished to not proceed with area management. The budget for area management agreed by Cabinet was £375,000 per annum. Reduction of this budget will impact on the Council's ability to implement a key corporate project.  Separate although connected are the area management arrangements within Children, Schools and Families. A review of these arrangements is included within the wider area management work stated above.  <b>6 posts to be considered. 0 members of staff between 50-55.</b>

<u>Ref</u> <u>(original</u> <u>reference)</u>	<u>Dept &amp; Work Area</u>	<u>Option</u>	<u>Potential</u> <u>Redundancy</u> <u>Implications</u>	<u>Budget &amp; Savings</u> <u>information</u>	<u>Further Detail/ Comment</u>
23 (CS23)	Children, Schools & Families Family Support Workers		Anticipated 3 Expressions 0	Budget £90,000 (relates to 3 posts)  Saving £90,000	Discretionary service: these Family Support workers are deployed to provide basic literacy and numeracy support for parents in those schools identified as needing intensive support and/or will be receiving funds to implement 1:1 Tuition. Their work would complement the school's efforts in raising standards. Within the range of school improvement services available it will have a limited impact on overall standards in schools when compared with some other school improvement services.  <b>Alternative Funding</b> As this is a resource used mainly by schools they may wish to pay for this service. This could involve a group of schools employing a Family Support Worker.  <b>3 posts to be considered</b> <b>1 employee 50-55</b>
24 (EP5)	EPD Public Conveniences	Delete all static Toilet Attendant posts (4 staff) and close the facility at Market St Southport	Anticipated 4 Expressions 0	Budget £259,350  Saving £100,000	Loss of a free-to-use facility in Southport market. New pay-to-use facility provided nearby (Eastbank St). The frequency of cleansing at remaining facilities may reduce.  <b>4 posts to be considered.</b> <b>1 member of staff 50-55</b>
25(LS10)	Leisure Community Arts Programme	Review Staffing	Anticipated 1 Expressions 0	Budget £125,909  Saving £28,400	See comment above. NB. In order to absorb the impact of these proposed savings, the Section will need to undergo a radical change in both its staff structure and the manner in which it delivers some services.  <b>11 posts to be considered.</b> <b>3 members of staff between 50-55.</b>

<u>Ref (original reference)</u>	<u>Dept &amp; Work Area</u>	<u>Option</u>	<u>Potential Redundancy Implications</u>	<u>Budget &amp; Savings information</u>	<u>Further Detail/ Comment</u>
26 (LS14)	Leisure Coast Management	Review staffing	Anticipated 1  Expressions 0	Budget £17,000  Saving £17,000	<p>Reduced visible staff presence on the coast. Reduction/ non-enforcement of byelaws relating to e.g. dog fouling, litter, motorbikes etc. Reduced capacity to respond to public and elected members Effect will be Coast wide due to loss of flexibility in staff deployment, but mainly at Birkdale /Ainsdale but will have a knock on effect in Crosby. <b>26 posts to be considered.</b> <b>7 members of staff between 50-55.</b></p> <p>A Green option saving to transfer out the Lifeguard service has already been taken, which will necessitate the transfer of core and seasonal staff, hence reduction in staff numbers.</p>
27 (LS25)	Leisure Libraries Facilities Team	Review staffing	Anticipated 2  Expressions 0	Budget £110,782  Saving £37,800	<p>The facilities team are responsible for security providing staff with support when there is anti social behaviour; opening and locking up for hire of libraries outside normal opening hours; health and safety checks such as legionella and fire risk assessments; the library delivery service (transporting new books, reserved books etc); cover for driving the mobile library when the mobile driver is absent; removal of broken furniture, repositioning of furniture and movement of equipment for events; routine maintenance such as clearing of gutters, replacement of toilet seats. Frequency of checks and controls would be changed to ensure that minimum standards are met. <b>6 posts to be considered.</b> <b>1 member of staff between 50-55.</b> <b>1 vacant post to be deleted.</b></p>
28 (LS33)	Leisure Sport & Recreation Development Management Team	Review staffing	Anticipated 1  Expressions 0	Budget £207,000 salary costs  Saving £25,000	<p>The Development Section management team co-ordinate a range of functions including performance management, marketing and promotions, monitoring of KPI's and facilities, contract management for PFI and Trust partners, information collation for external quality management award schemes. <b>12 posts to be considered.</b> <b>0 members of staff between 50-55.</b></p>

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29 (PD3)	Planning Out of Hours Service	Delete Service	Anticipated 2 Expressions 1 (declined)	Budget £100,000  Saving £100,000  Savings that could be achieved through VER/VR £38,091	Alternative arrangements would be required, incurring a cost hence potential saving would not be realised. No viable alternative identified to provide same level of service through 'Best Value' reviews etc. Lose of evidence for insurance claims – hence potential lose of income.  Not recommended in isolation from a wider review of capacity.  Possible area of service to be considered within wider corporate review of 'out of hours' services.
30 (PD4)	Planning	Delete School Crossing Patrol Service were formal crossings provided (zebras, pelicans etc)	Anticipated TBC  Expressions 0	Budget £500,000  Saving £30,000	Review required to consider road safety and confirm locations of patrols to be deleted.

Ref (original reference)	Dept & Work Area	Option	Potential Redundancy Implications	Budget & Savings information	Further Detail/ Comment
31(LS23)	Leisure Library and Information Service	Management and support	Anticipated 2 (post now vacant)  Expressions 0	Budget £262,377  Saving £33,000	<p>PDM Lifelong Learning post is a senior managerial role responsible for borough wide services and developments of the local history service, the reference and information service, adult education within libraries, basic skills, and library pages on Sefton’s website plus general managerial responsibilities. Downgrading the post of PDM Lifelong Learning to a middle management post, together with the deletion of the research and performance officer will mean that some of the duties of the PDM post and research and performance officer will continue to be performed within that post. The post will interpret data from statistical returns and surveys collected to help inform plans for the service and how to improve; it will research opportunities for external funding and develop working with partner organisations such as adult education providers; it will maintain the currency and accuracy of the library pages on the website.</p> <p>The remaining duties and the senior management overview would need to be shared amongst the other PDMs. It would result in no local history publications plus “status quo” of the local history and reference and information services. With the development of the cultural centre, it is vital that the local history service is enhanced within the new facility. The reference and information service is stagnating – it is an important service that needs transforming to be fit for purpose for the 21<sup>st</sup> century. Although the new post would take on some of the work with external providers there needs to be senior management direction.</p> <p><b>The current post of administrative assistant will need to take on some of the duties of the research and performance officer e.g. data inputting which will effect the admin work, leading to delays in orders, publicity material, delivery of Bookstart packs.</b></p> <p>Both of these posts are vacant. Much of the gaps in service that have been outlined are already taking place.</p>

Ref (original reference)	Dept & Work Area	Option	Potential Redundancy Implications	Budget & Savings information	Further Detail/ Comment
32 (LS28)	Leisure Libraries	Reduce Opening Hours	Anticipated 15 (7.5 FTE)  Expressions 5 (declined)	Budget £1,591,276  Saving £140,000	<p>The difference in the total number of opening hours per week across Sefton's libraries in 2001, compared to the current hours is an increase of 76 hours. The savings would result in a total loss of 46 hours.</p> <p>The pattern of opening hours in 2001 was for all libraries except 3 to open for 33 hours per week. Crosby, Bootle, Southport were open for 39 hours. The savings have been worked out so that they will not take the service as far back as the level in 2001 meaning that all libraries will be open a minimum of 36 hours per week. It will result in reverting back to the pattern of opening hours in 2001. The main differences between what happens currently and what would happen are:</p> <ul style="list-style-type: none"> <li>• Bootle, Crosby, Formby, Maghull, Southport - would close on Thursday afternoon</li> <li>• Bootle, Crosby, Formby, Maghull, Southport - would have only one late night opening</li> <li>• Formby and Maghull would close at lunchtime (1-2)</li> <li>• Bootle would open until 5pm instead of 6pm, as was the case prior to 2001.</li> </ul> <p>To achieve the same amount of savings across the smaller libraries would result in these only open for 2-3 days per week.</p> <p>The new opening hours for Meadows Leisure Centre and library will mean a change of pattern of hours and will include Saturday afternoon and part of Sunday. The savings will mean that the library will only open on Saturday mornings at the weekend and will also close at lunchtime each day.</p> <p>Due to a number of staff working part time, it is not possible to state how many individual members of staff could be made redundant. The reduction in staffing hours is equivalent to 7.5 FTE and could therefore vary from 7.5 to approximately 15 individuals.</p> <p><b>91 posts to be considered.</b> <b>21 members of staff between 50-55.</b></p>



<u>Ref</u> <u>(original</u> <u>reference)</u>	<u>Dept &amp; Work Area</u>	<u>Option</u>	<u>Potential</u> <u>Redundancy</u> <u>Implications</u>	<u>Budget &amp; Savings</u> <u>information</u>	<u>Further Detail/ Comment</u>
33 (LS34)	Leisure Recreation Management	Staffing review - Duty Managers	Anticipated 2 Expressions 0	Budget £1,977,000 salary and wages costs  Saving £50,000	Discretionary service (although some statutory elements). Saving could be achieved by reducing the number of Duty Managers. There are four existing Senior Operations Managers (SOM) across six sites. If each SOM was put onto a 'shift' and acted as Duty Manager for 2.5 shifts per week the hours saved would equate to two full time Duty Manager posts. Such action would 'demote' the Senior Operations Managers and result in a 50% reduction in their capacity to develop business, generate income, and ensure continued compliance with the nationally awarded standards of service achieved by Sport & Rec in recent years. All remaining Duty Managers would be required to work split shifts and across a number of sites to cover operational and Health & Safety requirements of the facilities Reduction in Duty Managers and 'demotion' of Senior Operations managers will reduce the ability of Sport & Rec to meet challenging national participation targets, and maintain nationally recognised partnership delivery programmes. <b>15 Duty Managers (12 full time, 3 part time)</b> <b>0 in 50-55 age bracket.</b>
34 (LS36)	Leisure Recreation Management	Changes in operating times of the Fitness Suites, coupled with reorganisation of staffing rotas.	Anticipated 2 Expressions 0	Budget £1,977,000 salary and wages costs  Saving £50,000	<b>3 posts to be considered.</b> <b>1 member of staff between 50-55.</b>
35 (T2)	Tourism  Visitor Services	Cultural Centre & TIC relocation  Review staffing.	Anticipated 1 Expressions 0	Budget £306,00  Saving £32,000  <b>Not available until new Cultural Centre opens in 2012</b>	Cabinet's decision on 17 <sup>th</sup> Dec 2009 to progress the Cultural Centre means that these savings cannot be progressed until at least 2012. An operational review of the future combined box office/Visitor Services function will inform a future proposal.  <b>8 posts to be considered.</b> <b>2 members of staff between 50-55.</b>

<u>Ref</u> <u>(original</u> <u>reference)</u>	Dept & Work Area	Option	Potential Redundancy Implications	Budget & Savings information	Further Detail/ Comment
36(T3 )	Seafront Operations	Non-statutory. Reduce opening times/days.	Anticipated 1 Expressions 0	Budget £306,000  Saving £23,000	<p><b>This reference originally related to a potential Visitor Services saving that will now be progressed in 2012.</b></p> <p>However a saving may be able to be delivered via a review of the wider seafront operational staffing, which includes Pier, seafront cleansing and Market Hall staff. Cabinet's December 09 decision to progress the Market Hall project now allows this review to take place.</p> <p><b>6 posts to be considered.</b> <b>1 member of staff between 50-55.</b></p>

**Table 4**

The table below identifies the “red” options where there are anticipated redundancies. The table also includes the current accepted expressions of interest and the related savings.

<b>Ref (original reference)</b>	<b>Dept &amp; Work Area</b>	<b>Option</b>	<b>Potential Redundancy Implications</b>	<b>Budget &amp; Savings information</b>	<b>Further Detail /Comment</b>
37(LS27)	Leisure Libraries	Option 1 - Close 2 Libraries  Option 2 - Close 1 Library plus mobile library.	Anticipated 6  Expressions 5 (declined)	Budget £200,000  Saving £144,000  Each library costs a different amount to run, depending on its size, utilities, maintenance and staffing levels. The <b>average</b> cost (excluding Southport and Crosby) is £100,000 per library	Review to be undertaken to determine detail.  <b>TBC posts to be considered. TBC members of staff between 50-55.</b>
38 (EP4a)	EPD Good Neighbour Skips	Cease	Anticipated 1  Expressions 0	Budget £50,000  Saving £50,000	Discretionary service. External funding exists for part of service until March 2011, subject to continued funding via ABG. Probable increase in fly tipping & adverse effect on NI 195. Service is popular with residents and Cllrs. Reduction in service will be contested by service users. <b>1 post to be considered. Natural wastage.</b>

<u>Ref</u> <u>(original</u> <u>reference)</u>	Dept & Work Area	Option	Potential Redundancy Implications	Budget & Savings information	Further Detail /Comment
39 (LE4)	Legal Electoral Services	Review of area	Anticipated 2  Expressions 0	Budget £67,200  Saving £40,000  Note that this is for 09/10 only as there is no election. For 10/11 the budget returns to the 08/09 level of £270,000 due to the requirement for temporary staff.	If members opted to have elections every 4 years, it would be feasible to rationalise the processing team. The consequences of this could only be identified once a review had taken place although there is likely to be some staff displacement. <b>4 posts to be considered.</b> <b>0 members of staff between 50-55.</b>
40	Corporate Strategic Directors	Disestablish role	Anticipated 3  Expressions 0	Budget £414,000  Saving £414,000	<b>3 posts to be considered.</b> <b>0 members of staff between 50-55.</b>