

# **REVENUE BUDGET 2016/17**

# Budget Book

## Contents

## **REVENUE BUDGET 2016/17**

### **BOOKLET CONTENTS**

<b>Yellow Divider Sheet</b>	<b>Budget Book Contents</b>
	Revenue Budget 2016/17 Report
<b>Yellow Divider Sheet</b>	<b>Appendices to Revenue Budget Report</b>
Appendix 1	Service Details
Appendix 2	Full List 16/17 savings
Appendix 3	EPIA Process
Appendix 4	EPIA Summary Table
Appendix 5	TU Ballot Proposal
Appendix 6	External Funding
<b>Yellow Divider Sheet</b>	<b>Falkirk Community Trust</b>
Annex 1	• Revised Business Plan
Annex 2	• Annual Action Plan 2016-17
Annex 3	• Service Details
Annex 4	• Fees & Charges
Annex 5	• Helix Business Plan 2016/17
Annex 6	• EPIA Summary
<b>Yellow Divider Sheet</b>	<b>Integration Joint Board</b>
<b>Yellow Divider Sheet</b>	<b>Background Reports</b>
Addendum 1	Report to Executive 09/06/15
Addendum 2	Report to Council 07/10/15
Addendum 3	Report to Council 16/12/15
Addendum 4	Report to Executive 12/01/16
Addendum 5	Report to Executive 05/02/16
Addendum 6	Further Scottish Government Advice 08/02/16
<b>BLUE CARDBOARD DIVIDER</b>	<b>Three Year General Capital Programme 2016/17 – 2018/19</b>
<b>BLUE CARDBOARD DIVIDER</b>	<b>Housing Revenue Account &amp; Council House Rents 2016/17 – 2018/19</b>
<b>BLUE CARDBOARD DIVIDER</b>	<b>Housing Investment Programme 2016/17 – 2018/19</b>

**FALKIRK COUNCIL**

**Subject: REVENUE BUDGET 2016/17**  
**Meeting: FALKIRK COUNCIL**  
**Date: 17 February 2016**  
**Author: CHIEF EXECUTIVE & DIRECTOR OF CORPORATE & HOUSING SERVICES**

**1. INTRODUCTION**

- 1.1 This report sets out the Administration's Revenue Budget proposals for the financial year 2016/17. The report takes forward the Budget position reported to Executive on 9 June 2015, Council on 7 October 2015 and 16 December 2015 and Executive on 12 January 2016 and 5 February 2016. [see Addendum 1, 2, 3, 4 & 5 respectively]
- 1.2 The Revenue Budget contains significant distributions of funding to Falkirk Community Trust and the Integration Joint Board which now has responsibility for Adult Health and Social Care. Sections 8 & 9 respectively deal with these important elements in appropriate detail.
- 1.3 Each Council is legally required to approve an annual balanced Budget and set a council tax and this is required to be done by 11 March in the preceding financial year.
- 1.4 There are also 3 other reports in this Budget booklet dealing with the:-
  - a) General Capital Programme
  - b) Housing Revenue Account and Council House Rents
  - c) Housing Investment Programme

Together, these 4 elements of the budget cover the full spectrum of the Council's service activities, providing firm proposals for 2016/17.

**2. BUDGET CONTEXT**

- 2.1 The Budget is presented against the backcloth of a continuing challenging climate for public services with evident particular constraint destined for local government and this is expected to prevail over the medium term and quite possibly beyond.
- 2.2 A vital context for the Council's Budget is the Budget of the Scottish Government and in particular the local government grant settlement which flows from it. The main features were reported to Members as noted at para 1.1. This has proved to be an exceptionally challenging Budget cycle, compounded by both the scale of the grant loss the Council has incurred and the very late negotiations between the Scottish Government and Cosla.

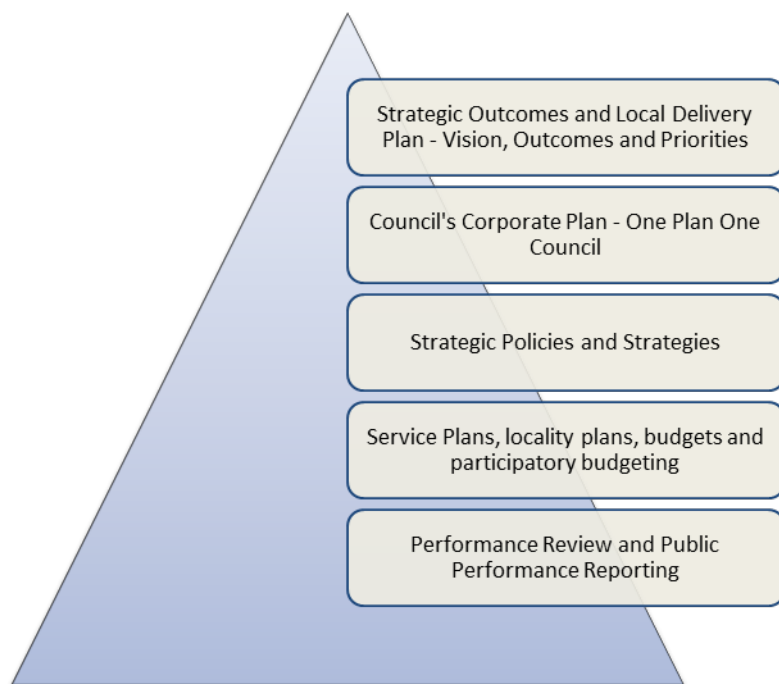
2.3 The Council's projected Budget gap for 2016/17 is now £25m. The Reserves position and Medium Term Financial Picture are considered in dedicated sections later in this Report.

2.4 Holyrood elections will take place in May and important decisions impacting on Local Government are expected to be taken in the new Parliament e.g:-

- Progressing the report by the The Commission on Local Tax Reform
- Stance on the Council Tax Freeze
- Position on maintaining teacher numbers
- How new tax raising powers are dealt with

It is also noteworthy that Local Government elections will take place in May 2017.

2.5.1 The determination of the Council's budget and therefore its assets, finance and workforce is underpinned by the Council's strategic planning and management framework. This framework aligns financial, workforce and asset planning with the need to achieve our vision, outcomes and priorities. These outcomes and priorities are set out in the Community Planning Partnership's emerging Strategic Outcomes and Local Delivery Plan, the Council's Corporate Plan and then driven to delivery through service plans. The hierarchy of this framework is set out in the diagram below.



- 2.5.2 Members will be aware that the new Strategic Outcomes and Local Delivery Plan is being developed by the Community Planning Partnership. This Plan will set out clear priorities for the partners, including the Council, to address over the coming years. It is anticipated this Plan will come to the Council for consideration in Spring 2016. In addition to the above, the new Plan will set out a new approach to locality and local community planning. This new approach follows recommendations by the Scrutiny Panel that looked at the Participation Strategy of the Council and is required as part of the Community Empowerment (Scotland) Act 2015.
- 2.6.1 As Members will be aware, the Community Empowerment (Scotland) Act 2015 was passed by Parliament on 17 June 2015 and received Royal Assent on 24 July 2015. It is anticipated that the provisions of the Act will come into force this year though given the scope of the Act some elements may be delayed. The Act is a wide ranging piece of legislation designed to further devolve power from local and national government to local communities. Overall the Act hopes to empower communities through the ownership and control of land and buildings and by strengthening their voices in decisions about public services. There are 11 topics covered by the Bill and each of these areas and the implications for the Council were reported to the Executive in August 2015.
- 2.6.2 One particular aspect of the Act impacts directly on the way the Council organises its financial arrangements i.e. participatory budgeting. It is expected that further regulations and guidance will be issued in the coming months but the principle of directly involving local people in the identification of spending priorities and the allocation of money within a defined public budget is clear and thus links directly with locality planning. There are generally two ways to allocate funding – geographically or thematically. It will be for the Council to decide what approach it wishes to take and from there monies will have to be identified for allocation. However, it should be noted that the Act and indeed locality planning is not just an activity for the Council but the wider Community Planning Partnership. The allocation of funding could be through the community grants scheme, pooled budgets (involving other community partners) or top slicing a proportion of the budget. In areas where participatory budgeting is currently a feature, for example Leith Decides, small grants of up to c£1,500 are made - though Ministers have suggested a more ambitious approach must be taken if participatory budgeting is going to have demonstrable impact on outcomes. Further information on this will be presented to Members in due course.
- 2.7 The important dimension of engagement with the public and staff on the Budget is considered at sections 6 and 10 respectively in this report.
- 2.8 A very notable development is the introduction of new arrangements for a significant area of Service delivery. Social Work Adult Services which are deemed to be in scope are with effect from 1<sup>st</sup> April to be delivered in partnership with Health through an Integration Joint Board. More information on this is contained at section 9.

### 3. LOCAL GOVERNMENT FINANCIAL SETTLEMENT

- 3.1 Mr Swinney's initial Financial Settlement letter was considered by Executive on 12 January 2016. Executive noted the reduction in local government grant of 3.5% (£350m), with in effect £250m of this being routed to the Integration Joint Boards, via Health, in two equal tranches of £125m. His final Settlement Letter was considered by the Executive on 5 February 2016. That dealt with the four primary elements of his terms:-

- Council Tax Freeze
- Teacher Numbers
- IJB Integration Fund (2 tranches of £125m) \*
- The complete package is to be agreed or significant grant penalties will apply (Council share £11.75m).

\* Section 9 of this report sets out how the Council might manage the significant matter of the two tranches of £125m routed via Health to the Integration Joint Board.

- 3.2 Executive approved a motion as noted below:-

#### MOTION

“Subject to advice being received ahead of the deadline on the availability of grounds to judicially review it (in which case another meeting of the Executive will be called), Council reluctantly accepts the terms of the settlement letter from the Cabinet Secretary dated 27 January 2016 but, in doing so, agrees that the following points must be made:

- The current financial circumstances facing local government are particularly challenging and any measures which restrict how council's raise and spend their funding are not helpful at this time
- The continued freeze in the council tax reduces local accountability and constrains severely the ability of Council's to take financial decisions for their own communities
- The focus on pupil/teacher numbers at a national level takes no account to local circumstances and again reduces the ability of local members to take local decisions
- Whilst sharing the Cabinet Secretary's desire to see the living wage paid across the care sector the Council recognises, as set out in the Scottish Government's own statutory guidance that “contracting authorities are unable to make payment of the Living Wage a mandatory requirement as part of a competitive procurement process”. While Council will continue to pursue fair working practices in all its contracts, consistent with the law, the ability to “ensure” payment of the living wage and to force our private and voluntary partners to pay it and to meet their share of the costs involved remains constrained.

Members will wish to note that a further clarification on the IJB £250k was received from the Scottish Government on 8 February and this is shown at addendum 6.

- 3.3 Circa 85% of the Council's net expenditure is financed from Scottish Government grant and in consequence this is a critical element in balancing the budget.

- 3.4 The following table shows the grant movement across three years at both the Scotland and Falkirk Council level.

	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
	<u>£'m</u>	<u>£'m</u>	<u>£'m</u>	<u>£'m</u>
Scotland	9,766.391	9,804.911	9,993.191	9,693.431
Falkirk Council	272.532	275.393	282.124	272.539
Year on Year Movement	0.62%	1.05%	2.44%	(3.40%)

- 3.5 In summary, although the settlement includes additional funding for areas such as the Council Tax Freeze (£1.8m), Teacher Numbers (£0.3m) and Kinship Care (£0.3m), **the overall grant has decreased by £9.6m (3.40%)**. In addition, there is no specific funding provision for new budget pressures, such as the increase in teachers pensions (£0.5m) in 2016/17 or the substantial increase in national insurance contributions of circa £4m from April 2016.
- 3.6 The 2016/17 Non-Domestic Poundage Rate is set to increase by 0.8% to 48.4p with the Large Business Supplement set to double to 2.6p. The Small Business Bonus Scheme is proposed to continue unchanged for 2016/17.
- 3.7 The Scottish Government also proposes to reduce levels of empty property relief from 1 April 2016. For Empty Industrial Property, 100% relief is proposed for the first three months, after which relief is proposed at 10%. For standard commercial empty property, 50% relief is proposed for the first three months, after which relief is proposed as 10%. The Scottish Government also proposes to reform renewable energy relief from 1 April 2016, with relief proposed to be limited to schemes incorporating community ownership.
- 3.8 The Settlement Circular also covers Capital Grant which is dealt with in the relevant report later in this Budget book.

#### 4. MEDIUM TERM FINANCIAL PICTURE

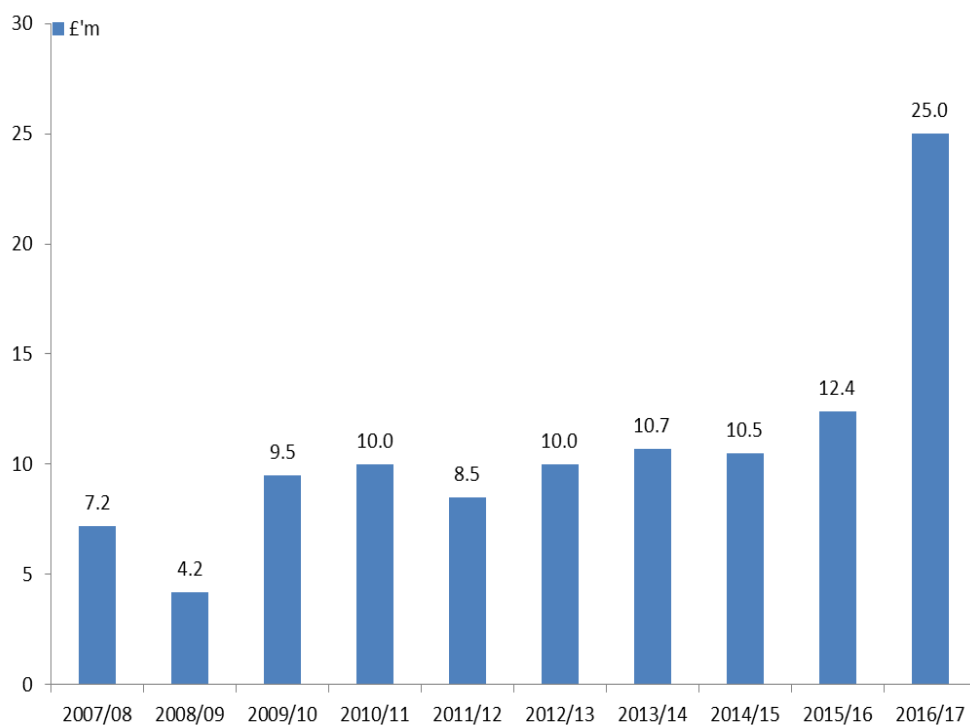
- 4.1 It is sound financial practice for an organisation of the scale of Falkirk Council with its diverse range of activities, to have a medium term financial planning horizon. This better accommodates a more strategic approach and is certainly something Audit Scotland supports and encourages. Indeed, the Council at its meeting on 7 October 2015, in considering a report on Best Value agreed that its medium and long term planning would be developed.
- 4.2 As previously noted, the Scottish Government Grant is the most significant element (some 85%) of the net Budget. Robust information on this is needed to underpin serious forward planning. In the event, the Financial Settlement provided for only 16/17, and indeed this was received very late, neither of which is conducive to forward planning. The Scottish Government has indicated that they will in next year's Budget, offer a forward profile of 2/3 years and this would be most welcome.



4.3 The Council is undertaking a more strategic approach to service delivery and budget savings by undertaking a range of strategic reviews, as noted below, and it is anticipated that this list will expand:-

- Trust service delivery and property portfolio
- Linking the above to the Council's own property portfolio review
- Scope for enhanced income generation
- Social Work delivery for both Adults and Children
- Payments to External Organisations relative to Council priorities
- Alternative models of Service Delivery

4.4 The profile of budget gaps the Council has had to deal with in recent years is set out in the chart below.



As this chart shows, the Council has had to identify savings of £108m over the last decade. It will be evident that the further we move along this timeline of Budget gaps, the more challenging the task of bridging them becomes. It is not anticipated these pressures will ease over the medium term and this will represent some very challenging decisions for Members. This will be particularly so in the context of demand pressures on major service areas notably Social Work and Education. The manner in which it is proposed to bridge the Council's gap in 2016/17 is set out in the table below.

	<u><b>16/17</b></u> <u><b>£'m</b></u>
Projected Gap	<u>25.000</u>
Bridged By:	
Council Tax	2.200
Budget Rebasing	7.200
General Fund Reserve	1.450
Earmarked Reserves	0.750
Service Savings	11.000
Trust	1.200
External Funding including Fairer Falkirk etc.	0.400
Service Reconfiguration/Transformation	0.800
Total	<u>25.000</u>

Budget rebasing is the proper starting point for closing the Budget gap, whereby existing budget underspends are reviewed with Services. Budget spend assumptions are also reviewed.

Further details on the savings options are set out at Sections 7 to 11 and Appendices 1, 2 & 6.

## **5. RESERVES**

### **5.1 Councils can hold reserves for three main purposes:-**

- a) a working balance to help cushion the effect of uneven cash flows and unnecessary temporary borrowing
- b) a contingency to cushion the impact of unexpected events or emergencies
- c) a means of building up funds to meet known or predicted requirements by earmarking a portion of the General Fund – although earmarked reserves are accounted for separately, legally they remain part of the General Fund.

Examples are given below of factors which can hit the Council and where it is prudent to have reserves as a contingency:-

- Changes to the contracting out arrangements for national insurance relating to defined benefit pension schemes, with an estimated cost to the Council of £4m per annum from 2016/17.
- Severe flooding of the scale which recently hit many parts of Scotland.
- Equal Pay Settlements (separate report to this meeting refers).
- Planned Budget savings not delivered or not delivered timeously.

- 5.2 A review of the Council's Reserves Strategy was undertaken and reported to Executive in January 2015. The review concluded, "In considering all of the above, it is considered that the current strategy of retaining an Uncommitted General Fund Balance of 2% of annual revenue expenditure is still fit for purpose". This suggests a range of £6.6m - £10m.

- 5.3 The projected balance on the General Fund Reserve is set out below:-

	<b><u>£'m</u></b>
Opening Balance as at 1 April 2015	8.369
Budgeted Use of Reserves	-
2015/16 projected underspend	2.055
Projected Closing Balance as at 31 March 2016 (subject to Equal Pay)	10.424

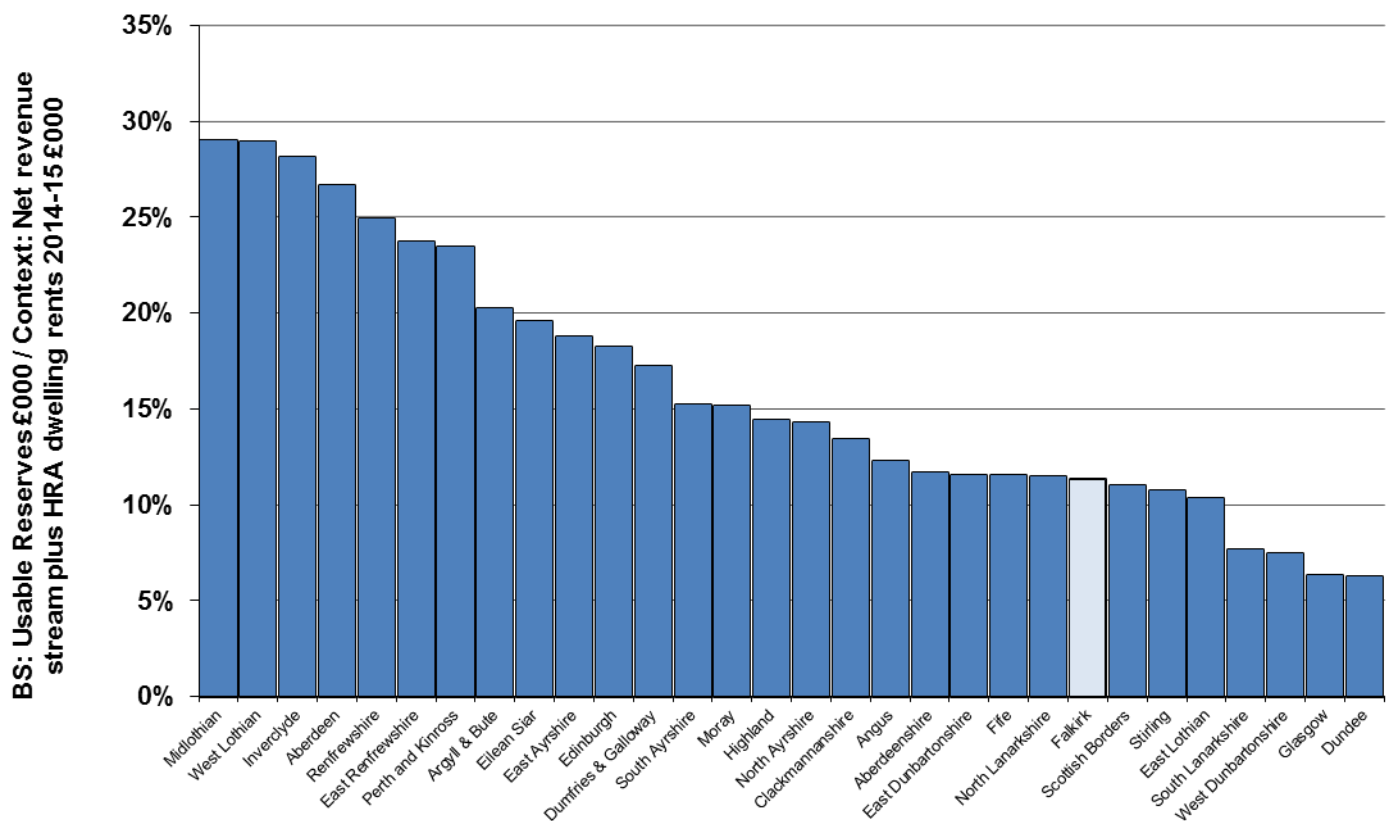
Previous reports have highlighted that the application of reserves to balance the Budget is problematic as it is not sustainable with the underlying shortfall of resources relative to expenditure not being addressed. Notwithstanding that prudent advice the Council, in common with all other Scottish Councils, faces an unprecedented scenario in terms of the scale of the Budget Gap (£25m) and the very late negotiations between the Scottish Government and Cosla on the Financial Settlement. Given this position and the fact that the General Fund reserve is projected to have a balance around the ceiling of the Reserves Strategy range, it is proposed to apply £1.45m towards achieving a balanced Budget in 2016/17. This, together with the element in para 5.5 will cover the position if the ballot on Terms and Conditions (see section 10) does not result in the savings proposed being agreed.

- 5.4 The balance of the Repairs and Renewals Fund as at 31 March 2016 is projected to be £2.97m. The financial position report to January 2016 Executive provided details on the status of this fund.
- 5.5 There are in addition five Earmarked Reserves and they are noted below, together with their projected balance at 31<sup>st</sup> March 2016. The position with these Reserves was also explained in the Financial Position report to January 2016 Executive, noting that they are established for particular purposes and in consequence their funds, in large measure, are already committed.

<b><u>Earmarked Reserves</u></b>	<b><u>Balance</u></b> <b><u>£'m</u></b>
Devolved School Management	2.998
Economic Development	0.883
Central Energy Efficiency Fund	0.456
Insurance Fund	4.826
Spend to Save	2.004
	11.167

Having reviewed the financial position and commitments of each of these funds, it is assessed that £750k in total can be released from the Devolved Schools Management Fund to help balance the budget gap in 2016/17. As noted above, as with any application of reserves for this purpose, it must be recognised that it is a transient action and the underlying gap between expenditure and sustainable resources still remains to be addressed.

- 5.6 It is useful to see how Falkirk Council's reserves compare with other councils and the following chart sourced from Audit Scotland is helpful in this respect.



## 6. PUBLIC ENGAGEMENT ON THE BUDGET

- 6.1 Last year's Scrutiny Panel on participation and consultation identified scope to review the way the Council engaged on its budget options for 2015/16, particularly in relation to the timescale for information about savings proposals being available to the public. In response, a report was submitted to the Executive in August. This sets out the need for the budget engagement process to underpin the principles set out in Have Your Say, the Council's plan for local involvement. These principles include clarity of purpose, methods, timescales, involvement and information. The report also included information about engagement activities in other authorities and proposals for how engagement on the Council's saving options could be taken forward.
- 6.2 Following this, a range of activity has been carried out to inform people at an early stage about the general approach being taken to the budget, including setting out information about the unprecedented financial challenges facing the Council.

Key messages included:

- Council budgets will be cut.
- These are very challenging times. Falkirk Council, along with the rest of the public sector in Scotland, is facing unprecedented financial challenges.
- There are no easy savings. Any savings the Council makes will mean reductions in services and these savings will have an impact on our communities.

- Three quarters of the Council's budget is spent on Education and Social Work so it is inevitable there will be reductions in these areas.
- The Council had a net revenue budget of £335m in 2015/16. Most of this is paid for through the grant from Central Government.
- The remainder comes from Council Tax. Council Tax levels have been frozen by the Scottish Government since 2007/08 (albeit the Scottish Government provides compensatory funding).
- Falkirk's Council Tax has always been one of the lowest in Scotland. The freeze means the rate has not gone up since 2007/08.
- Work is underway across the Council to look at how it can cut back on spending and reduce employee costs, which make up over 60% of total expenditure.
- The Council needs to be fit for the future. Areas being looked at include increased efficiency, changing the services we deliver, workforce planning and increasing income and reducing expenditure.

6.3 Immediately following the Council meeting on 7 October 2015, information was published on the Council's website, setting out the general budget framework and also a range of savings options, grouped into themes. This information was available to the public at a much earlier date than in previous years, fully four months before the budget meeting, and included more detail about the savings proposals, including the potential impact on services and on jobs. The information was clearly linked from the homepage by way of a graphic and also included a "Comment on our Budget Proposals" button for the public to make any comments.

6.4 In the period from 7 October to 17 January there were over 2,600 views by the public. The average time spent on the page was around 10 minutes which indicates that people were taking the time to read it (the average time spent on a page is usually under two minutes). The savings themes which have been viewed most often are administration, young people and transformation. During the same period there were over 2,200 views by employees, with an average time spent on the page of around 10 minutes. The themes viewed most often were young people, administration and the general budget framework. Despite a relatively high level of views, there were very few completed surveys, a total of 19 and a low number of comments submitted via e-mail. There were no strong themes within the comments received which included:

Areas that should be protected:

Adult education provision

Breakfast clubs

School library budgets

Maintaining and improving children's education should be a priority

Tackling dog fouling, fly tipping and litter

### General comments

This could be a catalyst to streamline services

Long overdue

Like any business, there will be savings to make

Amalgamate, streamline and share services

More efficient procurement

Reduce capital works and expenditure on making the area more attractive

Less paperwork and bureaucracy

Increase Council Tax

Remove garden aid and charge for new bins

Review HQ project

- 6.5 As well as the online information, information about the Council's budget challenges was published on the front page of the October and December editions of Falkirk Council News, which is distributed directly to every household in the Falkirk Council area. A media release was also issued immediately following the October Council meeting and the Falkirk Herald has run a number of stories about the Council's budget position. In addition, a briefing for Community Councils was held on 25 November and following a request by Larbert, Stenhousemuir & Torwood Community Council, the Chief Executive and Chief Finance Officer attended a public meeting on 26 January to give a presentation on the Budget and take questions from the audience.
- 6.6 Engagement with specific stakeholders groups has been carried out by Services via the EPIA process (Equality & Poverty Impact Assessment). Communication with employees has been carried out in a range of ways, including regular update letters from the Chief Executive, consultation with Trade Unions and a face-to-face communications cascade to all employees following the Council meeting on 7 October.

## **7. SERVICE BUDGETS**

- 7.1 This section of the report summarises the position for each Service area, highlighting matters of particular significance or note. The detail for the Services for 2016/17 is presented at Appendix 1 and this forms the bulk of the budget book. Within each Service section there is a Summary of Movements statement which details changes from 2015/16. A full list of savings proposed for 2016/17 is set out at Appendix 2.
- 7.2 The Equality Act 2010 places a General Duty on Falkirk Council to eliminate discrimination, promote equality of opportunity and to promote good relations between different groups according to nine "protected characteristics" (age, religious belief and non-belief, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex and sexual orientation). In doing so, all local authorities must be able to demonstrate that the decisions they make are carried out in a fair, transparent and accountable way and consider the needs of different members of the community.
- 7.3 When considering savings options the Council must understand who will be impacted by each saving, what, if any, mitigation can be put in place to minimise the impact of a saving and what the cumulative impact of savings could be on particular groups within our community. It is recognised that financial pressures can impact significantly on equalities groups and this should be taken into account when assessing budget reductions. To ensure all these key factors are considered, all services must carry out an Equality and Poverty Impact Assessment (EPIA) for each saving.

- 7.4 Every year the process by which the Council undertakes its EPIAs is refined and reviewed. Following the conclusion of last year's budget exercise, Officers carried out a review of our process and a number of improvement actions were taken, including further briefing sessions for all Officers involved, consideration of a sample of EPIAs by the Budget Working Group and the requirement on services to consult those impacted by proposals directly in order to inform the EPIA prior to reporting to Members. Further detail on the EPIA process and its outputs is included in Appendices 3 and 4.
- 7.5 The following table outlines the 2016/17 savings options broken down to identify their risk and impact as well as the corresponding saving value:

<b>Risk and Impact</b>	<b>Number of Options</b>	<b>Value £'000's</b>
<b>Low – no mitigation required</b>	<b>50</b>	<b>5,684</b>
<b>Medium - mitigation identified</b>	<b>22</b>	<b>4,527</b>
<b>High – No or limited mitigation identified</b>	<b>1</b>	<b>500</b>
<b>TOTAL</b>	<b>73</b>	<b>10,711</b>

- 7.6 The option which has no mitigation and is therefore assessed as having a “high” impact is:

- Review the eligibility criteria for social care services

In relation to the review of eligibility criteria, further reports will be presented to the Executive or the Integration Joint Board when specific proposals are developed. At that stage further and fuller impact assessment will be undertaken. The high level proposal to reprofile the criteria with a focus on critical and substantial is assessed as having high impact as, of necessity, impacts on users of this service will impact on people who share a protected characteristic and, at this stage, the extent to which mitigation is available is unclear. Social Work Adult Services is the second largest area of spend within the Council and it is almost inevitable that it would require to bear some share of the funding reductions necessitated by the Council's overall financial position. In recognition of the importance that these services have, however, the savings proposed in this area are lower in percentage terms than the other Council services.

There is also a proposal to stop garden aid which is at an early stage and is still subject to consultation. An initial screening assessment, in recognising the nature of the client group, has identified a potentially high impact, however this will be further explored as part of the full assessment process which will include consultation and further development of mitigating actions before a final decision on the proposal is taken.

- 7.7 In determining an impact/risk rating, it must be remembered that the EPIA process assesses impact on specific groups. This means that while there may be a general impact on the community at large if there is not a specific or disproportionate impact on specific groups then the impact/risk may be assessed as medium or low.

- 7.8 The relevant outputs from the EPIA process is shown at Appendix 4. We have excluded a few budget proposals that have no impact on our communities e.g. council tax collection rates. This explains the difference between the amount the Council is saving and the amount covered by EPIAs. We have also noted the initial EPIA assessment for external organisations savings separately and within Appendix 6. These assessments are higher as often these organisations work with more excluded groups.
- 7.9 In addition, there is a requirement to publish all EPIAs once they are finalised. It is anticipated that the low rated assessments will be published first with subsequent assessments following thereafter.
- 7.10 It is important to note that whilst EPIAs must be used to inform decisions, they should not prevent Members from taking difficult decisions. They help to ensure that Members have fully considered the impact before a decision is taken.

#### 7.11 **Service Summary**

- 7.11.1 Proposed savings are set out in Appendix 2 and Fees and Charges are detailed in Appendix 1.

##### 7.11.2 **Children's Services**

The Children's Services Budget consists of Education, Children and Families, Criminal Justice and Catering and Cleaning functions. The Children's Services budget including provision for pay awards, increments, increased pension costs, price inflation and savings is set to decrease by £3.220m to £183.171m (1.7%).

Savings options include reducing Support for Learning Assistants in schools by around 11%, resulting in savings of £0.763m. A reduction in management, administrative and clerical posts will also save a further £0.578m. In addition, the Community Learning & Development provision will be reviewed and staffing levels reduced, saving £0.300m.

The Service will achieve a saving of £0.190m from Community Halls through community asset transfer as a preferred route, but will progress closure from 1 April 2016 if no organisation or group can be found to take over the management and running of the halls.

The school library service will be reorganised to provide a decentralised model of provision to all early years and primary establishments from each of our secondary schools. A further action is to reduce and replace a number of librarians with library assistants. These changes will save £0.390m. A review of the Family Support Service will save a further £0.300m.

Within Children & Families it is proposed to reduce the costs of residential and care placements by £0.318m through improved contracting and procurement arrangements.

Operational savings include reducing the building cleaning frequency and specification within schools, saving £0.165m.



#### 7.11.3 **Social Work Adult Services**

The Social Work Adult Services budget that remains within the Council is set to increase by £0.156m (1.56%) to £10.145m. Provision for pay awards and other cost pressures are the main reasons for this. The budget also reflects savings of £0.020m for the ending of commercial leases. This budget is in large part made up of property, administration and transport costs for Social Work Adult Services. It also includes one area of direct social work provision, the mental health officer service.

#### 7.11.4 **Development Services**

The Development Services budget including provision for pay awards, increments, increased pension costs, price inflation and savings is set to reduce by £2.540m to £32.373 (7.3%).

Savings of £0.500m will be achieved by a reduction in staff costs.

Reducing the funds to support Economic Development, incorporating Business Property, Growth and Investment and Employment & Training will also save £0.772m.

Changing the residual waste collection from fortnightly to 3 weekly was approved by Council on 11 December 2013, reducing the amount of waste actually sent to landfill. This is expected to generate £0.127m of savings. This will move to a 4 weekly collection generating further savings of £0.150m during 2016/17. In addition changing the frequency of the brown bin collection to 4 weekly will save £0.200m.

Savings of £0.190m will be achieved in grounds maintenance by reducing grass cutting and weed control operations. In addition a further reduction in street cleansing frequencies will save £0.200m.

Non renewal of a contract with Dial a Journey will save a net £0.141m.

Budgets for roads maintenance will be reduced by £0.200m and rationalising winter gritting routes will save £0.150m.

Adjustment to the activity of the Community Safety Team will achieve £0.100m.

#### 7.11.5 **Corporate & Housing Services**

The Corporate & Housing Services budget, net of the additional national insurance referred to below, has reduced by £3.891m (24.1%) to £12.229m.

Provision has been made for pay awards, reduction of the Hostels Grant and Business Transformation savings of £0.8m.

Provision has also been made, initially within Miscellaneous Services, for £3.7m required for the estimated effect of changes to employers national insurance. This will be allocated to Services.

Discretionary Housing Payment of £0.927m has been removed from the Budget as this was not part of the settlement and will be adjusted once we have details from the Scottish Government.

There are also proposed external funding savings of £0.301m which have again been shown in Miscellaneous Services but will be allocated to services. These are detailed in Appendix 6.

The budget also reflects proposed savings of £1.540m (10.47%) including:-

- A reduction in staff costs of £0.422m.
- Savings of £0.275m from stopping the Garden Aid Service with consultation being carried out on the proposal.
- Private Sector Housing administration savings of £0.286m, which includes an increase in the charges for the Small Repair and Handyperson Service in order to make this service self-financing.

Savings of £0.135m will be achieved through budget rebasing and included within this is a proposal to save printing costs of around £0.040m by moving to the provision of electronic agendas and reports and reducing to an absolute minimum (mainly for members of the public attending meetings or for lay members of certain committees) the production of paper copies. This is part of the Council's business transformation project designed to deliver mobile and flexible working with the ipads issued to all Members becoming the medium through which agendas will be accessed for meetings. It is recognised that this is a significant change in working practices for Members and that, although a pilot has been running for the last few months, concerns remain over how easily it will work in practice but, without implementation across the board from the start of the financial year, the proposed savings will not be realised. Full support (including group and one to one training and advice, as required) will continue to be provided to assist Members in making the transition to a new way of working, particularly in the early stages while it is bedding in.

Centralisation of the registrars will achieve a further £0.1m of savings.

#### 7.11.6 **Trading Account**

After providing for pay and general inflation the Building Maintenance Trading account is budgeted to make a surplus of £0.719m.

### **8. FALKIRK COMMUNITY TRUST**

#### **8.1 Overview**

8.1.1 The Funding Agreement between the Council and Falkirk Community Trust ("the Trust") requires that the Trust submit, on an annual basis, a draft Business Plan for the following financial year for approval by the Council. The Council approved a five year Business Plan Strategy in February 2014, which set out the priorities and objectives for the period 2014-2019.

8.1.2 There is provision in the Funding Agreement between the Council and the Trust for the parties to have an initial dialogue in relation to the proposals in the draft Business Plans prior to final approval. The Council may request further information from the Trust and propose amendments in relation to the Trust's funding commitment and service specification. The Trust will consider these requests and proposals and may, as a result of this process, adjust the Business Plans.

8.1.3 The Trust timeously submitted its draft Business Plans and Budget proposals and these were considered by Council at its meeting on 16 December 2015. In the event Members did propose amendments to some of the content, namely in relation to facility withdrawal at:-

- Grangemouth Town Hall
- Hallglen Sports Centre
- Denny Football Centre
- Woodlands Games Hall

Members requested that these proposals and the associated savings be deferred for consideration in 2017/18 within the framework of a strategic assessment of the Trust's service delivery and property portfolio. This assessment is to interface with a review of the Council's own asset portfolio. Subsequently, and in the light of the significantly worse than projected Financial Settlement, the Trust were asked to find a further £0.200m savings.

8.1.4 The Trust Board has considered this Council feedback and agreed the proposals. Consequently, a revised Business Plan and attendant documents have been submitted and these are presented in annexes 1-6. The position is summarised in the following sections.

## 8.2 **Service Provision**

8.2.1 The Trust's activities sit within the over-arching framework of "Inspiring Active Lives", the 10 year strategy for culture & sport in the Falkirk area.

8.2.2 The Business Plan Strategy sets out three high level objectives over a five year period as described below:

- Meeting Customer Needs
- Organisational Development
- Financial Sustainability

Moreover, these objectives are supported by five strategic priorities:-

- Marketing
- Information & Communications Technology
- Venues & Programmes
- People & the Organisation
- Planning Together

### 8.3 Revenue Budget

8.3.1 As a contribution to meeting the Council's estimated deficit of £25m in 2016/17, the Trust was initially asked to find savings of £1.2m and as noted above, a request for a further £0.200m was then made. The Trust has previously sought to accommodate savings to the Council's funding commitment by way of increasing income, achieving efficiencies and limited service reductions. This has been successfully done by the Trust who have managed to accommodate previous reductions in their funding while growing the overall business and services offered to the community. The Trust advises and it is acknowledged, however, that the scale of the savings now requested require them to look at matters such as staffing costs and asset rationalisation given the significant proportion of the Trust's budget they represent. It is also acknowledged that the Trust has carried out a considerable amount of work and provided a good deal of information to the Council in relation to its proposals.

8.3.2 The Trust's savings proposal are grouped into 3 categories:-

	<u>£'m</u>
Income generative & growth	0.056
Efficiency savings	0.709
Service reductions	0.712
	<u>£1.477</u>

Members will note that this is more than the sum requested by the Council. The Trust advises that the extra is headroom to help finance the employee related costs associated with implementing the savings, notably voluntary severance. The capacity within the Trust's reserve is projected to be insufficient to cover these costs. Members will recall that at the December Council meeting, they agreed these costs may be covered from the Council's Spend to Save Reserve, possibly with a staged repayment arrangement, subject to further discussion with the Trust.

8.3.3 The specific savings are set out in the following table:-

<b>SAVINGS PLAN</b>		<b>16/17 (£'000)</b>
<b>Income Generation &amp; Growth</b>		
1	Reduce net subsidy to Helix – Increased income from car park charges	50
2	Stenhousemuir gym income – additional surpluses	6
<b>Sub-Total Income</b>		<b>56</b>
<b>Efficiency Savings</b>		
3	Reduction in pension strain fund costs within budget (libraries)	42
4	Box office/Sports Administration review & withdrawal from Steeple	14
5	Reduce level of Callendar Park supervisory staff	9
6	Staffing review at Trust main office (assuming FCSL takeover)	75
7	Review of staff first aid allowances currently paid to staff	14
8	Revised opening times at Bo'ness Recreation Centre	60
9	Reduction in marketing expenditure	25
10	Amendments to staff terms and conditions	170
11	Management review	100
12	Management efficiencies	200
<b>Sub-Total Efficiencies</b>		<b>709</b>
<b>Service Reductions</b>		
13	Withdraw support for Football Development Officer post	18
14	Reduce Book Fund in libraries	39
15	Restructure and reduce libraries staffing	300
16	Restructure and reduce Culture and Callendar House associated staffing	252
17	Reduced opening of crèche at Grangemouth Sports Complex	10
18	Withdrawal of Mobile Library	93
<b>Sub-Total Service Reductions</b>		<b>712</b>
<b>CUMULATIVE TOTAL SAVINGS</b>		<b>1,477</b>
<b>REQUIRED SAVINGS</b>		<b>1,182</b>
<b>PROVISION FOR SEVERANCE COSTS</b>		<b>+295</b>

8.3.4 The Trust has carried out Equality & Poverty Impact Assessments (EPIAs) on their budget proposals and a summary statement sits with the Business Plan at Annex 5.

8.3.5 The service payment to the Trust from the Council for 2016/17 is proposed to be £11.795m.

#### 8.4 **Helix**

8.4.1 The Trust's draft Helix Business Plan 2016/17 (see Annex 4) was previously considered by Council on 16 December and no adjustments were requested. The Plan contrasts the very successful first year trading, which attracted circa 1,000,000 visitors, with the reduction in the subsequent year, largely attributable to weather. The latter year saw the opening of the visitor centre.

8.4.2 The Trust's key themes for 2016/17 will be income generation and cost management. Critical to the success of the operation will be:-

- Continued high quality maintenance of site
- Excellent customer service
- Events and animation
- Community engagement
- Marketing

## 8.5 **Capital Programme**

8.5.1 Members at the December Council meeting were advised of the Trust's capital proposals which amounted to £550k. Since then, due to the reprofiling of the Council's capital grant, the Trust's programme will need to be reprofiled to reflect a reduction to £510k in 2016/17. The Trust's supplementary bids, notably to address backlog "maintenance", inevitably are constrained by the limited capital resources available.

8.5.2 Members will be aware that within the leases and property licence granted to the Trust by the Council there is a clear division of responsibility for the maintenance of properties between the Council and the Trust. The proposals detailed above that relate to building works will be the responsibility of the Council to carry out directly, as landlord, under the terms of the leases and property licence. It is suggested that the strategic review of facilities referred to at paragraph 8.1.3 above should include consideration of future capital investment requirements.

8.5.3 Another dimension is the status of the Falkirk Town Hall which is clearly linked to the Council's HQ project.

## 9. **ADULT HEALTH & SOCIAL CARE INTEGRATION**

9.1 The Integration Joint Board (IJB) assumes responsibility from 1 April for the delivery of Adult Health & Social Care Services for a range of functions deemed by legislation to be in scope. This is a major service reconfiguration. The essence of this new partnership arrangement is that both the Council and Forth Valley Health Board (FVHB) will pass across to the IJB the budget resources for those functions in scope and the IJB will in turn direct the partners on how the in scope services should be delivered in accordance with its Strategic Plan.

9.2 It is challenging that this Partnership is born into a very inclement financial environment with both the Council and FVHB facing acute budget pressures. Moreover, it will be on the cusp of the new financial year before the IJB has a clear sense of its resources for 2016/17. The IJB's Strategic Plan requires to have a financial resources position for three years to reflect the expected lifetime of the plan, but this will be problematic for the latter two years as the Scottish Government has provided only a one year budget. There is, however, the promise of a 2/3 year budget picture in the next round which will materially benefit medium term planning. In future financial years, the IJB will submit a business plan bidding for resources from the two partners, similar to the current arrangement followed by Falkirk Community Trust.

- 9.3 A net sum of £61.466m (£58.939m from General Fund) is proposed to be made available to the IJB as set out in the dedicated section appended. This reflects an uplift for inflation and demographic pressures as well as reductions to reflect the savings options of c£1.6m provisionally agreed by Council in February 2015 as set out at Appendix 2. Whilst ultimately it is for the IJB to decide on how it deploys its budget, it is felt helpful that given the very compressed timeframe prior to the start of the new financial year, this advance work has been undertaken. In relation to the proposal in respect of Oakbank and Summerford residential care homes, it should be noted that consideration is being given to changing reprovision of Summerford from a direct replacement to an intermediate care facility. Proposed fees and charges for 16/17 for in scope services are set out at Appendix 1. The principal change is the move to a financial assessment model of charging for the Rowans short break service. These savings options sit within the wider framework of a strategic review of Service delivery.
- 9.4 A very significant component of the IJB's finances (and the Council's) relates to the £250m identified in the Scottish Government's 2016/17 Budget which is to be made available to the IJB via Health. As noted in Section 3 of this report, the £250m has been split into two tranches of £125m, the Falkirk Partnership's share of each tranche being £3.54m. The next two paras outline how it is anticipated each of these tranches will be treated.
- 9.5 With respect to the first tranche, The Cabinet Secretary for Finance, Constitution & Economy's letter states, "this is provided to support additional spend on expanding social care" and "this additionality reflects the need to expand capacity to accommodate growth in demand for services as a consequence of demographic change". As the Council has identified an element of uplift in the funding for the IJB to reflect demographic pressures and the IJB has had funding made available for the same purpose, it is proposed that the payment made to the IJB will be reduced to the extent of that identified element of the uplift. Engagement with the IJB will be required in relation to this adjustment. This tranche is also expected to support making progress on charging thresholds (the income level at which social care charging is applied) for non residential services. The Scottish Government has very recently confirmed its expectation that the threshold should rise from 16.5% (the level currently applied by the Council) to 25%. At this stage, the extent of the reduction in charging income is not known but it will require to be met by the IJB's share of this tranche.
- 9.6 Turning to the second tranche, as noted in the report to Executive on 5 February, it is very difficult to assess accurately the cost of delivering the Living Wage by external contractors (the Council pays its own staff the Living Wage) but a best estimate is circa £3.5m. In terms of Mr Swinney's letter the Council should be able to, with the IJB's agreement, use the Falkirk share of this tranche to fund this additional cost.

## **10. WORKFORCE**

- 10.1 As is explained in Section 7 of this report, options are being presented for Members' consideration which necessitate a reduction in workforce numbers of 256.4 FTE, if the required savings are to be achieved. Such impact on the workforce is always difficult. Given the current financial position, it has been necessary to consider options which include further reductions in workforce spend. This is inevitable, with a projected budget gap of £25m in 2016/17 and spend on workforce costs equating to c60% of the Council's budget.

- 10.2 Members will be aware that following their decision in October 2015, a programme of employee consultation meetings were held by all Services, and all Council employees were given the opportunity to attend these. Trade Unions were also invited and attended a number of the meetings. The meetings shared the options which were presented to Members in October 2015, as relevant to each specific employee group. Trade Unions welcomed the meetings and found the process to be positive and particularly helpful in raising awareness with employees on the scale of the budget gap, and the options which Members may need to consider to address this gap.
- 10.3 General feedback from employees indicated that they welcomed the opportunity to ask questions about the options. A question and answer sheet was made available to employees and covered the main questions asked. All employees were given the opportunity to feedback comments to their line manager on the options, although limited feedback was received. Trade Unions were also asked if there were any comments they wished to make on the options, but again these were limited, recognising the difficult financial situation the Council finds itself in with regards to setting a balanced Budget. Further updates have been provided to employees as the work on the budget progresses. Following this meeting of Council, a further round of briefing sessions will be arranged to keep employees updated on the situation.
- 10.4 Consultation meetings have also been held with Trade Unions to discuss how such changes in workforce may be achieved. As with the workforce changes required in 2015/16, everything possible will be done to implement the options agreed by Members, which impact on the workforce, on a voluntary basis as far as possible.

During 2015/16, this was achieved by using a variety of methods:

- Deleting vacant posts;
- Ending temporary contracts;
- Implementing a recruitment moratorium;
- Using any other voluntary method that can be agreed with the employee group;
- Offering voluntary severance.

Through such methods, the required savings from workforce costs were achieved for 2015/16 through voluntary means. The Council will continue to implement all such available options to achieve the changes required for 2016/17.

- 10.5 In considering the 2016/17 options, the impact on workforce is however, now much more difficult as many of the voluntary options to reduce workforce costs have been utilised. The Council should still aim to achieve all such changes through voluntary methods. Given however, the further scale of the potential changes, and depending on Members' decisions, it is possible that the option of compulsory redundancy will require to be used. This is now particularly the case, given the increase in budget gap of £7m identified in December 2015.
- 10.6 Prior to the increased budget gap being known, Members will recall that they took a decision at Council to respond to a request from the Trade Unions for an agreement on a number of areas, as a result of the negotiations on terms and conditions (an update on this is provided below). For ease of reference, the following outlines the motion that was agreed at the meeting of Council on 16 December 2015:



Subject to there being no significant further adverse changes to the Council's revenue budget over the period of the current budget strategy, the Council responds to the agreements that the Unions wish to seek from the Council in return for an agreement on the [terms and conditions] changes, by agreeing to the following:

- If the financial position of the Council were to improve, a commitment is provided to re-visit those changes to terms and conditions which would be implemented, if the Trade Union ballot on the current proposal were successful and enabled a collective agreement;
- A commitment be provided that the Council will not seek to achieve any further Council wide changes to terms and conditions during the period up to and including the 2017/18 budget. This commitment would be made on the basis of corporately discussed terms and conditions only, and would still allow for changes at a local level within specific employee groups, such as those currently being discussed at the various Improvement Groups;
- The Council will provide a commitment that until March 2017, the Council will deal with job reductions through voluntary methods using a range of options such as vacancy management, redeployment, voluntary severance and any other voluntary method which can help achieve the identified savings. The Council commits not to resort to compulsory redundancies before March 2017, except in circumstances where employees whose posts are 'at risk' of redundancy, are being inflexible in considering options for redeployment, severance or other voluntary changes to their contracts of employment. In such circumstances the Council would consult with the recognised trade unions before taking any action.

Such agreements were also subject to the Trade Unions conducting a successful ballot on terms and conditions, leading to a collective agreement on the proposed changes to terms and conditions (see paragraph 10.12 for an update on the ballot).

- 10.7 In light of the additional circa £7m of revenue budget gap which became known after Members took a decision on this motion, one of the caveats of this agreement has now been breached, i.e., there has been 'significant further adverse changes to the Council's revenue budget over the period of the current budget strategy'. The Member Budget Working Group has been advised of this position. Trade Unions have also been kept updated on this change and are aware of the potential implications of achieving this further circa £7m of budget savings.
- 10.8 Given this position, Members may wish to consider the extent to which the December commitments can continue to be met. For example, the first bullet point of the motion, i.e., a 'sunset clause', could still be offered to the Trade Unions if they agree to the changes to terms and conditions, as this is dependent on the future budget position improving and would not be implemented unless this happened. In relation to the second bullet point, Members may still choose not to implement any further changes to terms and conditions from those under negotiation for 2016/17 during the period up to and including the 2017/18 budget. It is worth highlighting to Members that if the Trade Unions agree to sign a collective agreement on changes to terms and conditions (see paragraphs 10.12 to 10.14), they would only do so if these two points remained in place and were agreed by the Council to form part of any collective agreement.

- 10.9 With regards to the third bullet point, i.e., a commitment to no compulsory redundancies until March 2017, it is however, unlikely that this could be realistically implemented given the options now before Members for consideration. The Trade Unions have been advised that Members will require to consider whether this part of the motion in particular is sustainable. The Trade Unions have conducted their consultation on the ballot for changes to terms and conditions in the knowledge that the Council may no longer be able to commit to a no compulsory redundancy agreement for the period outlined in the motion. The Trade Unions have also been advised that whilst the Council will always aim to identify alternative measures to achieve savings and implement changes through voluntary means, this is becoming significantly more difficult to achieve and cannot be guaranteed with regards to the workforce changes now being presented to Members for 2016/17.
- 10.10 As a result, a formal statutory notice covering the option of redundancy will require to be issued to the Trade Unions in respect of the 256.4 FTE posts which, subject to Members' decisions on the options, will require to be reduced. This will enable the Council to comply with its obligations under employment legislation, and will ensure that the Trade Unions are aware that compulsory redundancy may become necessary to achieve the savings attributable to workforce spend. Officers will of course, progress the savings agreed and aim to achieve these as far as possible by voluntary means. Where this is not possible through voluntary options, compulsory redundancy will require to be implemented by officers in order that the Council maintains a balanced budget in line with Member decisions. As detailed in Appendix 3 of this report, the equality and poverty impact assessments associated with any proposed changes which require to be considered as part of the statutory notice, will be refined as the impact on the workforce is better determined in those areas of change, following consultation with the Trade Unions.
- 10.11 With regards to terms and conditions, Members agreed in February 2015 that negotiations with Trade Unions should progress with the aim of achieving £1.5m of savings which would contribute to the budget gap from 2016/17. Negotiations have progressed and as reported to Members in December 2015, a proposal on changes to terms and conditions which will allow this saving to be realised has been issued to the Trade Unions. A copy of this proposal is attached as Appendix 5 to this report.

The main change being proposed includes a reduction in the Council's standard working week from 37 hours to 36 hours, with a corresponding reduction in pay for SJC, Craft and Chief Officer employees. There are some caveats to this such as no reduction for those working 16 hours or less. In addition, changes are proposed to other conditions such as excess travel, relocation, subsistence, and the protection of working hours, etc.

- 10.12 Trade Unions commenced consultation on the proposed changes with their members on 12 January 2016 and concluded this on 19 January 2016. The Council assisted the Trade Unions in the organisation of these consultation meetings and facilitated time off for employees to attend the meetings should they wish to do so. Following the consultation, the Trade Unions opened a ballot of their members, as appropriate, on 19 January 2016, which closed on 5 February 2016. Officers arranged to meet with Trade Unions on 9 February 2016 to obtain feedback on the outcome of the ballot. At the time of writing this report, the outcome is unknown and a verbal update will be provided to Members at the meeting of Council.

- 10.13 If the ballot supports implementation of the proposed changes to terms and conditions, Members will be asked to agree implementation of the package attached as Appendix 5. If however, the ballot rejects the proposed changes and the Trade Unions refuse to sign a collective agreement, Members may wish to implement a package of changes by imposition. The stages of this process would involve further discussions with the Trade Unions on the package, or an alternative package, letters would be issued to employees to seek voluntary acceptance of the changes, and for those who do not accept, there would be a requirement to terminate and automatically re-engage them on revised contracts which reflect any new package of conditions. Further information on this option, including the impact on the workforce and any associated risks can be made available to Members if no agreement with the Trade Unions is reached, and if Members wish to give consideration to this option.
- 10.14 Members could also agree to continue negotiations with the Trade Unions on a package of terms and conditions which may be acceptable and available for implementation. This however, will be very difficult and it should be noted that in developing the current package, a range of options were made available to the Trade Unions. The current package on offer was the package which the Trade Unions selected as the one which they wished to present to their members and as such, was their preferred option. It should also be noted that if such negotiations continue, it is unlikely that savings will be realised during 2016/17 to achieve £1.5m.

## **11. EXTERNAL FUNDING**

- 11.1 In addition to considering the funding allocated to Services of the council, Members are asked to consider the funding allocated to external organisations. Members will be aware that this funding collectively and individually is monitored through the Scrutiny Committee and Following the Public Pound arrangements.
- 11.2 Last year, Members considered a two year budget, thus giving notice of savings in 2015/16 and also 2016/17. At that time, provisional savings were identified for 2016/17, which were subject to further review as part of this year's budget process. Services were asked to further engage with all organisations funded in order to identify savings for 2016/17 this year. Monitoring officers have been in dialogue with external organisations since that time advising them of the Councils' budget position. In addition at least two letters were sent to all external organisations advising them of the need to identify savings. This correspondence highlighted the need for Members to consider all areas of spend including the resources it allocates to many valued partners including the third sector.
- 11.3 This year is the third year all organisations have been subject to a more focused review through the Scrutiny Committee. Organisations are reported to Members by theme rather than by the Service that funds them. This allows Members to be able to compare and have oversight of all spend for each theme rather than simply looking at each organisation in isolation. The results of this scrutiny are now emerging, with some in depth review work requested, which will be reported on in the coming months. This will allow monitoring Services to start negotiating different complementary services, reduce duplication and agree clearer monitoring and reporting arrangements. This has the potential to release savings.

- 11.4 In order to identify additional savings for 2016/17, all Services have critically reviewed the work of each organisation and have proposed savings proportionate to the level of risk determined through the EPIA process, the performance of the organisation, and alignment with Council priorities. The ability of the organisation to attract other external funding has also been considered.
- 11.5 In addition, proposals are made to reduce some of the budgets which have supported specific policy objectives. These budgets have been in place for some years and were intended to pump prime initiatives to support those policy intentions. While there is no proposal to significantly reduce these important budgets, savings in these areas have been identified.
- 11.6 Proposals for all external organisations that fall under the auspices of our Following the Public Pound arrangements are noted in Appendix 6. It will be noted that there is not a uniform approach to savings as proposals have been made which have regard to the ability of the organisation to achieve savings and continue delivering services, alignment with priorities, the ability of the organisation to attract other funding and any issues of duplication etc.
- 11.7 It is recognised that these decisions are difficult and the services and activities these budgets support are valued in many ways by many different groups and communities. However, they must be seen in the context of the significant savings the Council has to achieve. It must also be recognised that the Council has a continued and significant commitment to the third sector and other partners through on going funding of over £4m.

## **12. COSLA MEMBERSHIP**

- 12.1 Council decided at the budget meeting in February 2015 that it would give one years notice of its intention to leave Cosla. Notice was duly given. Cosla responded by emphasising the general and specific benefits to the Council flowing from membership. They also set out their view of the financial cost to the Council of departure, in terms of the constitution. In summary this amounts to £372,075 (made up mainly of property costs with an element related to staffing) with Cosla's position being that payment would fall due as at the date of the withdrawal, i.e. 1 April 2016.
- 12.2 Clearly it would be available to the Council to challenge these costs and the immediacy of payment. Cosla have advised that they have legal advice which supports their position and that they will, if necessary, pursue payment of any debts owed by former member councils through the courts. It is understood that other demitting councils may have received similar demands and will have taken their own legal advice on the matter. Departure without any corresponding liability for payment is probably unlikely. At a minimum, a vigorous legal debate over the issue can be anticipated.
- 12.3 The budget as drafted includes provision for the annual membership fee of circa £93,000 (which includes the annual cost of membership of the Employers' Organisation including the various bargaining groups). A decision to confirm our withdrawal and to leave on 1 April could give rise to costs which could be called upon on 2016/17 as noted at paragraph 12.1. If they arise, the costs would have to be taken from reserves. If Members wish to keep their options open it would be possible to decide now to give a further period of notice of one year and to return to the issue in next year's budget by which time the legal position will have been clarified.

### 13. SERVICE INITIATIVES

13.1 Notwithstanding the evident challenges in producing a balanced budget, there has been room to progress service developments as illustrated by the following:-

- Scottish Government monies allocated through Delayed Discharge and Integrated Care Fund will continue to support preventive and anticipatory approaches such as the Closer to Home initiative.
- The purchase of the former Focus School site at Laurieston offers Children's Services an opportunity to both relocate the current Mariner Support Service, currently based at Weedingshall, to the site and to further develop it to allow more integrated services to be provided from there.
- Revision of contract with external fostercare providers to reduce purchasing costs
- Robust recruitment campaign to increase the number of Falkirk Council foster carers
- The Council's town centre regeneration programme will continue with ongoing works at Denny Town centre and the implementation of the Falkirk Townscape Heritage Initiative.
- The Council will initiate projects in business support, employability and low carbon energy, attracting financial support from the EU Structural Funds programme 2015-20.

### 14. COUNCIL TAX

14.1 After taking account of the share of the additional funding of £70m to allow the Council Tax to be frozen for the ninth consecutive year, the 2016/17 Budget can be summarised as follows:-

	<b><u>£'m</u></b>
Total Net Expenditure (see Appendix 1)	329.632
Less: Scottish Government General Grant and share of Non-Domestic Rates	272.539
Surplus Balances deployed	2.200
Balance to be met from Council Tax	54.893
Council Tax yield of £1	£58,816
Band D Council Tax	£1,070

**This is the second lowest Council Tax in mainland Scotland.**

14.2 Members will be aware that Council Tax Benefit was abolished from April 2013 with responsibility transferring from the DWP to the Scottish Government to operate their own Council Tax Reduction Scheme. The Scottish Government has confirmed that for 2016/17 the Council Tax Reduction will continue to be calculated in the same way as the former Council Tax Benefit scheme. This will ensure claimants remain protected. Funding to deliver the scheme is included in the Scottish Government Grant albeit at a reduced level.

14.3 The charge for each band is set out in the following table:

	<b>No. of chargeable Dwellings</b>	<b>%age of Houses in Band</b>	<b>Ratio to Band D</b>	<b>Annual Council Tax</b>
Band A	21,277	29.7	6/9	713.33
Band B	18,894	26.4	7/9	832.22
Band C	6,572	9.2	8/9	951.11
<b>Band D</b>	<b>8,608</b>	<b>12.0</b>	<b>9/9</b>	<b>1,070.00</b>
Band E	8,498	11.9	11/9	1,307.78
Band F	5,180	7.2	13/9	1,545.56
Band G	2,545	3.5	15/9	1,783.33
Band H	61	0.1	18/9	2,140.00
<b>TOTAL</b>	<b>71,365</b>	<b>100.0</b>		

14.4 The Commission on Local Tax Reform published its report in mid December – report to January Executive refers. The Commission concluded that the present Council Tax system must end. The predominant view of the Commission is that the local government tax base should be broadened (if feasible) to include income. Given the logistical implications they make clear that a new system could not be enacted before the local government elections in 2017. It is expected that the political parties will set out their proposals for change in their manifestos for the Scottish Parliamentary elections in May 2016.

## 15. CONCLUSION

- 15.1 The 2016/17 Budget has proved to be particularly challenging reflecting the scale of the grant loss and the late conclusion of negotiations between the Scottish Government and Cosla. Another dimension is the first year financial arrangements for the Integration Joint Board. There was also the two stage process for reviewing Falkirk Community Trust's Budget proposals.
- 15.2 In those circumstances and allied to the one year Financial Settlement, it was considered pragmatic to progress with a one year Budget for 2016/17. It is expected that the Scottish Government will provide a 2/3 year framework in their next budget in the Autumn and this will greatly facilitate the Council's medium term planning.
- 15.3 Notwithstanding it was only a one year budget by the Scottish Government, the prognosis for local government is unpromising given the policy stances of protecting Health & Police within an envelope of reduced funding from Westminster. Para 2.4 in this report notes certain dynamics which are expected to unfold in the Scottish Parliament following the elections in May.
- 15.4 Against this backdrop and the scale of Budget gaps (£108m over the decade) dealt with to date, it will be necessary for the Council to continue with its approach of implementing more strategic revisions to its service delivery portfolio to yield the necessary quantum of savings and different ways of delivering those services it can still afford. Looking forward Members will continue to face very difficult decisions in a climate of constrained resources and demographic demand.

## 16. RECOMMENDATIONS

16.1 It is recommended that Council considers the foregoing Budget proposals and determines whether to:-

- (a) accept the Draft Budget for 2016/17 as proposed in this report and as appended
- (b) levy a Council Tax for 2016/17 as follows:-
  - (i) A Council Tax to be paid in respect of a chargeable dwelling in Council Tax Valuation Band D of £1,070, representing a nil increase;
  - (ii) A Council Tax to be paid in respect of a chargeable dwelling in each of the other Council Tax Valuations Bands in accordance with Section 74 (1) of the Local Government Act 1992 (as set out in paragraph 14.3 above);
- (c) agree the Business Plans and Savings proposals for Falkirk Community Trust as set out in Section 8 and the Service Payment for 2016/17 of £11.795m.
- (d) agree the content of Section 9 and a sum of £58.939m to be made available to the Integration Joint Board;
- (e) agree that any shortfall in savings proposals flowing from the Equality & Poverty Impact Assessment process, together with other necessary consultations and reviews, will be covered by alternative actions within Services' Budgets;
- (f) delegate authority to the Chief Executive to issue a statutory notice to the Trade Unions in respect of the workforce implications of the budget proposals, which meets the statutory requirements and enables officers to implement compulsory redundancies if all other voluntary options are exhausted, to achieve a balanced budget;
- (g) Note the update on terms and conditions and either:
  - (i) If the result of the ballot on terms and conditions would allow the Trade Unions to enter into a collective agreement, agree to the package of proposals attached as Appendix 5 being implemented and, in acknowledgement that there has been a significant adverse change to the revenue budget since the decision taken at the December meeting of Council, consider the elements of the decision outlined in paragraphs 10.6 to 10.9 that can be included as part of any collective agreement; OR
  - (ii) If the result of the ballot on terms and conditions does not allow the Trade Unions to enter into a collective agreement, agree how the savings of £1.5m will be achieved;

- (h) decide what course of action is to be taken regarding membership of Cosla;
- (i) instruct Chief Officers to deliver Services within the specific budget allocation for each Service and authorise them to take such actions as may be required within Council policy to give effect to the service delivery proposals outlined in sections 7, 8, 9 & 11 of this report and related appendices and annexes.

Chief Executive

Director of Corporate & Housing Services

Date: 8 February 2016

Contact Officers: Bryan Smail, Danny Cairney, Amanda Templeman

**LIST OF BACKGROUND PAPERS**

1. Scottish Government Finance Circulars

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506300 and ask for Bryan Smail.



# Appendices to Revenue Budget Report

FALKIRK COUNCILSUMMARY OF THE REVENUE BUDGET 2016/17

<u>SERVICE</u>	<u>2015/16</u> <u>Estimate</u> <u>at Outturn</u> <u>Prices</u> <u>£'000</u>	<u>2016/17</u> <u>Estimate</u> <u>at Outturn</u> <u>Prices</u> <u>£'000</u>
Children's Services	186,391	183,171
Social Work Adult Services	9,988	10,145
Development Services	34,913	32,373
Corporate & Housing Services	16,120	15,889
Provision for Budget Pressures	2,000	1,500
Trading Accounts	(737)	(719)
Sub-Total	<u>248,675</u>	<u>242,359</u>
Falkirk Community Trust	12,661	11,795
Integration Joint Board	59,409	58,939
Joint Valuation Board	1,120	1,022
Add: Adjustment for Capital Charges	<u>16,712</u>	<u>15,517</u>
<b>Total Net Expenditure</b>	<u><u>338,577</u></u>	<u><u>329,632</u></u>
Less: Aggregate External Finance	285,471	272,539
Less: Use of Reserves		
General Fund	-	1,450
Earmarked Reserves	400	750
Council Tax (see below)	<u>52,706</u>	<u>54,893</u>
<b>Total Income</b>	<u><u>338,577</u></u>	<u><u>329,632</u></u>
Estimated yield of £1 Council Tax	<u>57,391</u>	<u>58,816</u>
Council Tax (Band D)	<u>£1,070</u>	<u>£1,070</u>
Product	61,408	62,933
Less: Council Tax Reduction Scheme	<u>8,702</u>	<u>8,040</u>
	<u><u>52,706</u></u>	<u><u>54,893</u></u>

## **2016/17 Children's Services Budget**

### **Service - Objective Analysis**

	2015/16 Budget Outturn Prices <u>£</u>	2016/17 Budget September 2015 Prices <u>£</u>	2016/17 Budget Outturn Prices <u>£</u>
<b><u>SERVICE</u></b>			
Early Years	9,418,570	8,507,520	<b>8,596,070</b>
Primary Education	61,385,100	59,010,900	<b>59,837,300</b>
Secondary Education	75,572,710	74,475,980	<b>75,406,510</b>
Special Education	13,183,740	12,677,220	<b>12,890,020</b>
Psychological Service	814,230	752,210	<b>762,530</b>
Community Learning & Development	3,892,710	3,490,700	<b>3,536,390</b>
Community Halls	490,630	490,630	<b>498,740</b>
Children & Families	21,414,160	21,143,190	<b>21,567,840</b>
Criminal Justice	26,290	26,290	<b>73,440</b>
Catering & Cleaning	192,690	7,030	<b>2,020</b>
<b>NET EXPENDITURE</b>	<u>186,390,830</u>	<u>180,581,670</u>	<u><b>183,170,860</b></u>

## **2016/17 Children's Services Budget**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>EXPENDITURE</u></b>			
<b><u>EMPLOYEE EXPENSES</u></b>			
SJC Employees	45,299,070	42,449,320	42,975,650
Teachers	76,229,780	75,940,330	76,892,890
Pension/Termination Costs	62,140	62,140	62,140
Indirect Employee Expenses	1,282,060	1,221,520	1,221,520
<b>Total Employee Expenses</b>	<b>122,873,050</b>	<b>119,673,310</b>	<b>121,152,200</b>
<b><u>PROPERTY EXPENSES</u></b>			
Repairs and Maintenance	1,501,070	1,501,070	1,523,370
Grnds Maint Internal Recharges	75,890	75,890	76,930
Energy Costs	3,551,880	3,536,740	3,625,940
Rents	209,370	209,370	211,720
Rates/Council Tax	5,224,590	5,224,590	5,380,480
Water Services	512,310	512,310	517,810
Fixtures and Fittings	133,720	133,720	133,720
Expenses of Operational Bldgs	5,500	5,500	5,500
Cleaning & Domestic Supplies	3,090,310	2,963,550	3,016,860
Property Insurance	229,730	229,730	229,730
<b>Total Property Expenses</b>	<b>14,534,370</b>	<b>14,392,470</b>	<b>14,722,060</b>
<b><u>TRANSPORT EXPENSES</u></b>			
Transport Recharges	126,550	126,550	128,290
Direct Transport Costs	3,498,050	3,458,050	3,505,680
<b>Total Transport Expenses</b>	<b>3,624,600</b>	<b>3,584,600</b>	<b>3,633,970</b>
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Equip, Furniture and Materials	2,739,770	1,929,880	1,929,880
Training Materials	36,340	36,340	36,340
Services	792,800	792,800	804,670
Catering	8,180,600	8,022,630	8,096,450
Printing, Staty & Gen Off Exps	179,710	179,710	181,210
Client Amenities	14,660	14,660	14,660
Communications & Computing	673,370	673,370	676,240
Contribution to Funds	10,000	10,000	10,000
Miscellaneous Supplies	1,699,920	1,695,060	1,695,060
<b>Total Supplies &amp; Services</b>	<b>14,327,170</b>	<b>13,354,450</b>	<b>13,444,510</b>

## 2016/17 Children's Services Budget

### Service - Subjective Analysis

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>THIRD PARTY PAYMENTS</u></b>			
Health Authorities	520,190	520,190	520,190
Internal Recharges	662,330	(316,670)	(316,670)
Other Local Authorities	725,620	725,620	747,400
Other Agencies	14,444,480	13,929,390	14,247,940
Payments to Voluntary Orgs	614,220	614,220	626,500
Grants to Voluntary Orgs	18,220	18,220	18,220
DSS Transfer Projects	32,250	32,250	32,250
Community Schools Project	11,397,230	11,201,920	11,352,110
Falkirk Schools Project	13,837,820	13,765,820	13,853,940
<b>Total Third Party Payments</b>	<b>42,252,360</b>	<b>40,490,960</b>	<b>41,081,880</b>
<b><u>TRANSFER PAYMENTS</u></b>			
Payments to Pupils/Students	881,440	881,440	894,660
Payments to Individuals	2,988,330	3,147,360	3,217,890
<b>Total Transfer Payments</b>	<b>3,869,770</b>	<b>4,028,800</b>	<b>4,112,550</b>
<b><u>SUPPORT SERVICES</u></b>			
Central Support Recharges	3,823,950	3,823,950	3,871,150
Departmental Recharges	8,907,790	5,596,640	5,708,260
<b>Total Support Services</b>	<b>12,731,740</b>	<b>9,420,590</b>	<b>9,579,410</b>
 <b>TOTAL EXPENDITURE</b>	 <b>214,213,060</b>	 <b>204,945,180</b>	 <b>207,726,580</b>
 <b><u>INCOME</u></b>			
Specific Government Grants	14,000	14,000	14,000
Other Government Grants	4,536,900	4,536,900	4,536,900
Other Grants,Reimburse & Conts	443,650	443,650	443,650
Customer and Client Receipts	2,901,460	3,014,960	3,014,960
Rents Received	88,310	92,310	92,310
Internal Recharges	8,859,690	5,553,540	5,653,930
Charges to Other Bodies	1,400,050	1,400,050	1,407,360
Charges to Staff	1,970	1,970	1,970
Catering Internal Trad Rechgs	5,575,020	5,495,020	5,530,620
Building Clean Int Trad Rechgs	3,946,460	3,756,390	3,805,300
Miscellaneous Income	54,720	54,720	54,720
<b>TOTAL INCOME</b>	<b>27,822,230</b>	<b>24,363,510</b>	<b>24,555,720</b>
 <b>NET EXPENDITURE</b>	 <b>186,390,830</b>	 <b>180,581,670</b>	 <b>183,170,860</b>

**CHILDREN'S SERVICES BUDGET 2016/17**  
**Summary of Movements**

£'000

2015/16 Budget 186,391

**Add:** Budget Changes

1.	<u>Employee Expenses</u>	
	Increased Pension Contribution - Teachers	577
	Government Funding	
	- Teachers Numbers	(501)
	Reduction in Building Cleaning	(190)
	Savings (No.1) - Support for Learning Assistants	(763)
	Savings (No. 2) - Early Years Management	(70)
	Savings (No. 3) - Review Curricular Choices in Secondary Schools	(100)
	Savings (No. 4) - Community Learning & Development (CL&D)	(300)
	Savings (No. 6) - Children's Services HQ Staffing	(578)
	Savings (No. 14) -Nursery & Primary School Library Service	(290)
	Savings (No. 15) - Secondary School Library Service	(100)
	Savings (No. 17) - Public Conveniences	(87)
	Savings (No. 18) - Reduce Admin Costs for Building Services	(86)
	Savings (No. 19) - Family Support Team	(300)
	Savings (No. 20) - Supply	(100)
	Savings (No. 21) - Reduction of Temporary Contracts	(200)
	Savings (No. 22) - Reduce Staff Training Budget	(60)
	Savings (No. 25) - Inclusion Review	(100)
	Other Changes	49
		<u>(3,199)</u>
2.	<u>Property Expenses</u>	
	Savings (No. 7) - Building Cleaning	(165)
	Savings (No. 24) - Reduction in property costs	(15)
	Other Changes	38
		<u>(142)</u>
3.	<u>Transport Expenses</u>	
	Savings (No. 30) - Secondary Curricular Transport	(40)
		<u>(40)</u>
4.	<u>Supplies &amp; Services</u>	
	Catering - Reduction in Meal Choices	(80)
	Government Funding	
	- Developing the Young Workforce	(76)
	Savings (No. 5) - Community Halls	(190)
	Savings (No. 9) - Per Capita	(50)
	Savings (No. 11) - Catering	(80)
	Savings (No. 16) - Government Funding	(400)
	Savings (No. 17) - Public Conveniences	(49)
	Savings (No. 23) - Reduce Printing Costs	(40)
	Savings (No. 24) - Reduction in supplies and services	(10)
	Other Changes	2
		<u>(973)</u>

5.	<u>Third Party Payments</u>	
	Falkirk Schools Project	(72)
	Government Funding	
	- Probationers	(979)
	- Children & Young People	(118)
	Reduction in funding for Kinship Care - Children and YP Act	(82)
	Savings (No. 8) - Review of PPP/NPDO Contractual Arrangements	(200)
	Savings (No. 26) - Increase local residential care capacity through contracting	(139)
	Savings (No. 27) - Move to National Contract for External Foster Care	(50)
	Savings (No. 28) - Reviewing Residential Placements to return to Falkirk area	(29)
	Savings (No. 29) - Accelerate Residential Review	(100)
	Other Changes	7
		<u>(1,762)</u>
6.	<u>Transfer Payments</u>	
	Increased funding for Kinship Care Allowances	159
		<u>159</u>
7.	<u>Support Services</u>	
	Departmental Recharges	(3,311)
		<u>(3,311)</u>
8.	<u>Income</u>	
	Departmental Recharges	3,311
	Catering - Reduction in Meal Choices	80
	Reduction in Building Cleaning	190
	Savings (No. 10) - School Meals Income	(100)
	Savings (No. 12) - School Lets	(4)
	Savings (No. 13) - Childcare Fees - 4% Increase	(15)
	Savings (No. 17) - Public Conveniences	2
	Other Changes	(5)
		<u>3,459</u>
	2016/17 Base Budget at September Prices	180,582
	<b>Add: Inflation</b>	2,589
	2016/17 Budget at Outturn Prices	<u>183,171</u>

## **CHILDREN'S SERVICES**

### **REVIEW OF FEES AND CHARGES 2016/17**

It is proposed to review the following range of charges within Children's Services:-

<b><u>SCHOOL MEALS</u></b>	<b><u>Current 2015/16</u></b>	<b><u>Proposed 2016/17</u></b>
It is proposed that all meal prices will be increased by 10p from April 2016.		
<b><u>Breakfast Clubs</u></b>		
Breakfast (full rate)	1.35	1.45
Breakfast (reduced rate)	0.70	0.75
<b><u>Nursery Schools</u></b>		
2 Course Meal	1.75	1.85
<b><u>Primary Schools</u></b>		
Meal Tray Options	1.95	2.05
<b><u>Secondary Schools</u></b>		
Meal Deal Options	1.95	2.05
2 Course Meal	2.45	2.55
Adult Meals (inclusive of VAT)	4.10	4.20

### **CHILDCARE PLACES**

It is proposed that charges will be increased as follows from

July 2016:	Children(Under 2 Years of Age)	£4.60 per hour	£4.80 per hour
	Children (Aged 2 Years & upwards)	£3.60 per hour	£3.75 per hour

### **SCHOOL & COMMUNITY LETS**

It is proposed to increase letting charges by an average of 3%.  
(subject to rounding and de-minimus constraints).

### **OTHER FEES & CHARGES**

It is also proposed to increase all other fees and charges within the Service by an average of 3%  
(subject to rounding and de-minimus constraints). This includes areas such as Music Tuition.



## **2016/17 Social Work Adult Services Budget**

### **Service - Objective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>SERVICE</u></b>			
Service Management & Support	2,496,860	2,476,860	<b>2,510,800</b>
Community Care	3,547,290	3,547,290	<b>3,580,290</b>
Mental Health	70,470	67,640	<b>69,020</b>
Service Strategy & Regulation	3,873,750	3,943,750	<b>3,984,920</b>
<b>NET EXPENDITURE</b>	<hr/> 9,988,370 <hr/>	<hr/> 10,035,540 <hr/>	<hr/> <b>10,145,030</b> <hr/>

## **2016/17 Social Work Adult Services Budget**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>EXPENDITURE</u></b>			
<b><u>EMPLOYEE EXPENSES</u></b>			
SJC Employees	3,783,980	3,783,980	3,831,260
Indirect Employee Expenses	151,710	151,710	151,710
<b>Total Employee Expenses</b>	<hr/> 3,935,690	<hr/> 3,935,690	<hr/> 3,982,970
<b><u>PROPERTY EXPENSES</u></b>			
Repairs and Maintenance	454,980	454,980	461,780
Maintenance of Grounds	440	440	450
Grnds Maint Internal Recharges	5,200	5,200	5,280
Energy Costs	563,930	562,430	576,440
Rents	178,430	158,430	161,910
Rates/Council Tax	143,660	143,660	147,900
Water Services	93,720	92,390	93,310
Fixtures and Fittings	22,270	22,270	22,270
Expenses of Operational Bldgs	1,970	1,970	1,970
Cleaning & Domestic Supplies	224,750	224,750	229,310
Property Insurance	27,310	27,310	27,310
<b>Total Property Expenses</b>	<hr/> 1,716,660	<hr/> 1,693,830	<hr/> 1,727,930
<b><u>TRANSPORT EXPENSES</u></b>			
Direct Transport Costs	1,820	1,820	1,860
Transport Recharges	341,300	341,300	346,900
<b>Total Transport Expenses</b>	<hr/> 343,120	<hr/> 343,120	<hr/> 348,760
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Equip, Furniture and Materials	191,640	191,640	191,640
Training Materials	135,130	135,130	135,130
Services	226,550	226,550	229,480
Clothing, Uniforms & Laundry	730	730	730
Printing, Staty & Gen Off Exps	39,250	39,250	39,470
Communications & Computing	438,060	438,060	441,030
Contribution to Funds	45,000	45,000	45,000
Miscellaneous Supplies	336,340	336,340	336,340
<b>Total Supplies &amp; Services</b>	<hr/> 1,412,700	<hr/> 1,412,700	<hr/> 1,418,820
<b><u>THIRD PARTY PAYMENTS</u></b>			
Internal Recharges	1,633,510	1,633,510	1,633,510
Other Agencies	126,000	196,000	196,000
<b>Total Third Party Payments</b>	<hr/> 1,759,510	<hr/> 1,829,510	<hr/> 1,829,510

## **2016/17 Social Work Adult Services Budget**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices <u>£</u>	2016/17 Budget September 2015 Prices <u>£</u>	2016/17 Budget Outturn Prices <u>£</u>
<b>SUPPORT SERVICES</b>			
Central Support Recharges	2,298,050	2,298,050	<b>2,325,340</b>
Departmental Recharges	<u>154,800</u>	<u>154,800</u>	<u><b>160,220</b></u>
<b>Total Support Services</b>	<u>2,452,850</u>	<u>2,452,850</u>	<u><b>2,485,560</b></u>
<b>TOTAL EXPENDITURE</b>	<u>11,620,530</u>	<u>11,667,700</u>	<u><b>11,793,550</b></u>
<b><u>INCOME</u></b>			
Internal Recharges	284,980	284,980	<b>293,200</b>
Charges to Other Bodies	<u>1,347,180</u>	<u>1,347,180</u>	<u><b>1,355,320</b></u>
<b>TOTAL INCOME</b>	<u>1,632,160</u>	<u>1,632,160</u>	<u><b>1,648,520</b></u>
<b>NET EXPENDITURE</b>	<u>9,988,370</u>	<u>10,035,540</u>	<u><b>10,145,030</b></u>

**SOCIAL WORK ADULT SERVICES BUDGET 2016/17**  
**Summary of Movements**

£' 000

2015/16 Budget 9,988

**Add: Budget Changes**

1	<u>Property Expenses</u>	
	Savings (No 9)- End of Commerical Leases	(20)
	Other	(3)
		<u>(23)</u>

2	<u>Third Party Payments</u>	
	Living Wage for Providers	70
		<u>70</u>

2016/17 Base Budget at September Prices 10,035

**Add: Inflation** 110

2016/17 Budget at Outturn Prices 10,145

## **SOCIAL WORK ADULT SERVICES**

### **REVIEW OF FEES AND CHARGES 2016/17**

#### **Older Peoples Homes**

	<b><u>Current Charge</u></b> <b><u>Per Resident</u></b> <b><u>Per Week</u></b> £	<b><u>Proposed Charge</u></b> <b><u>Per Resident</u></b> <b><u>Per Week</u></b> £ Current Charge Plus 2.5% Increase	<b><u>Proposed Charge</u></b> <b><u>For pre-April 2008 residents</u></b> <b><u>Per week with</u></b> <b><u>Transitional Protection</u></b> <b><u>And maximum 2.6% increase</u></b> £
Burnbrae	735.81	754.20	685.08
Cunningham House	735.81	754.20	754.94
Grahamston	735.81	754.20	747.98
Oakbank	735.81	754.20	687.29
Summerford	735.81	754.20	693.27
Torwoodhall	735.81	754.20	754.20

All placements made to our Older Peoples Homes by other Local Authorities or Health have been charged at actual cost from 1 April 2010.

#### **Rowans Short Breaks Service**

	<b><u>Current Charge</u></b> <b><u>Per night</u></b> £	<b><u>Proposed Charge</u></b> <b><u>Per night</u></b> £
Client's contribution	9.20	See Note

Note – From 1 April 2016, the existing charge will be replaced by a means-tested contribution by conducting a full financial assessment to take account of individuals' personal income and DWP benefits and allowable statutory deductions. This procedure is applied to other service users regardless of their care group/establishment when they attend respite provision.

**Day Centre Charges to Other Local Authorities**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per client</u></b>	<b><u>Per client</u></b>
	<b><u>Per day</u></b>	<b><u>Per day</u></b>
	£	£
Bainsford	93.96	96.31
Camelon	97.83	100.28
Oswald Avenue	82.25	84.31
Dundas	153.86	153.86

**Meals on Wheels, Lunch Clubs and Day Centre Lunches**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Meal</u></b>	<b><u>Per Meal</u></b>
	£	£
Meals on Wheels	3.40	3.40
Lunch Clubs	3.40	3.40
Day Centre Clients	3.40	3.40

**Housing with Care Meal Charges**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Meal</u></b>	<b><u>Per Meal</u></b>
	£	£
Breakfast	0.76	0.78
Lunch	1.97	2.02
Tea	0.89	0.91

**Joint Dementia Initiative**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per client</u></b>	<b><u>Per client</u></b>
	<b><u>Per week</u></b>	<b><u>Per week</u></b>
	£	£
“Time to Share” - Respite	80.40	82.41

**Charges for Non Residential Services Subject to Weekly Cap**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Week</u></b>	<b><u>Per Week</u></b>
	£	£
Domiciliary Care (over 65's)	5.60	5.74
MECS	3.30	3.38

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Delivery</u></b>	<b><u>Per Delivery</u></b>
Shopping Service	5.55	5.69

Shopping Services will be outsourced during 2016/17. Charges will be payable directly to the provider.

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Hour</u></b>	<b><u>Per Hour</u></b>
Care at Home (under 65's)	10.05	10.30

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Week</u></b>	<b><u>Per Week</u></b>
Day Care	26.65	27.32
Day Care (Over 65)	5.00	5.13

**Maximum Weekly Charges for Services Subject to Weekly Cap**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge</u></b>
	<b><u>Per Week</u></b>	<b><u>Per Week</u></b>
Under 65's	26.65	27.32
Over 65's	14.45	14.81

## **2016/17 Development Services Budget**

### **Service - Objective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>SERVICE</u></b>			
Planning & Transportation	7,397,060	6,251,010	<b>6,440,250</b>
Roads & Design	8,144,800	7,705,450	<b>8,125,830</b>
Economic Development & Environmental	11,289,870	9,981,260	<b>10,251,050</b>
Operational Services	8,080,960	7,432,040	<b>7,556,180</b>
<b>NET EXPENDITURE</b>	<hr/> 34,912,690 <hr/>	<hr/> 31,369,760 <hr/>	<hr/> <b>32,373,310</b> <hr/>



## 2016/17 Development Services Budget

### Service - Subjective Analysis

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>EXPENDITURE</u></b>			
<b><u>EMPLOYEE EXPENSES</u></b>			
SJC Employees	29,212,790	27,699,790	28,055,010
Indirect Employee Expenses	1,015,130	1,015,130	1,015,130
<b>Total Employee Expenses</b>	<b>30,227,920</b>	<b>28,714,920</b>	<b>29,070,140</b>
<b><u>PROPERTY EXPENSES</u></b>			
Repairs & Maintenance	691,040	623,720	636,010
Maintenance of Grounds	74,340	74,340	75,460
Grnds Maint Internal Recharges	84,590	82,690	83,910
Energy Costs	1,862,040	1,833,640	1,937,210
Rents	1,329,020	1,058,800	1,058,800
Rates/ Council Tax	828,820	780,760	804,190
Water Services	77,300	71,920	72,630
Fixtures & Fittings	12,460	10,510	10,510
Expenses of Operational Bldgs	14,010	14,010	14,010
Cleaning & Domestic Supplies	236,090	208,690	212,900
Property Insurance	259,350	259,300	259,300
Other Property Expenses	100,800	99,430	99,430
<b>Total Property Expenses</b>	<b>5,569,860</b>	<b>5,117,810</b>	<b>5,264,360</b>
<b><u>TRANSPORT EXPENSES</u></b>			
Direct Transport Costs	4,645,770	4,522,170	4,579,280
Transport Recharges	3,501,530	3,353,520	3,417,110
Transport Insurance	372,400	372,400	373,130
Other Transportation Costs	9,960	9,960	9,960
<b>Total Transport Expenses</b>	<b>8,529,660</b>	<b>8,258,050</b>	<b>8,379,480</b>
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Equip, Furniture and Materials	2,973,630	2,871,130	2,923,340
Services	1,250,990	1,164,760	1,165,720
Catering	5,570	5,570	5,570
Clothing, Uniforms & Laundry	79,910	79,910	79,910
Printing, Staty & Gen Off Exps	289,870	287,350	289,870
Communications & Computing	467,650	452,650	455,200
Contribution to Funds	20,000	20,000	20,000
Miscellaneous Expenses	3,817,980	3,404,230	3,535,130
<b>Total Supplies &amp; Services</b>	<b>8,905,600</b>	<b>8,285,600</b>	<b>8,474,740</b>
<b><u>THIRD PARTY PAYMENTS</u></b>			
Internal Recharges	505,870	505,870	505,870
Other Local Authorities	141,220	141,220	141,220
Private Contractors	4,027,270	4,020,120	4,125,470
Other Agencies	4,733,400	4,155,600	4,200,090
Internal Trading Organisations	1,075,480	1,075,480	1,107,730
Roads Sub-contractors	710,760	674,760	675,760
<b>Total Third Party Payments</b>	<b>11,194,000</b>	<b>10,573,050</b>	<b>10,756,140</b>

## **2016/17 Development Services Budget**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>SUPPORT SERVICES</u></b>			
Central Support Recharges	2,425,000	2,425,000	<b>2,455,330</b>
Departmental Recharges	3,564,080	3,564,080	<b>3,690,800</b>
<b>Total Support Services</b>	<b>5,989,080</b>	<b>5,989,080</b>	<b>6,146,130</b>
<b><u>CAPITAL CHARGES</u></b>			
Operating Leasing Charges	482,540	482,540	<b>482,540</b>
<b>Total Capital Charges</b>	<b>482,540</b>	<b>482,540</b>	<b>482,540</b>
<b>TOTAL EXPENDITURE</b>	<b>70,898,660</b>	<b>67,421,050</b>	<b>68,573,530</b>
<b><u>INCOME</u></b>			
Other Government Grants	1,209,830	1,209,830	1,209,830
Insurance Recoveries	208,840	208,840	208,840
Other Grants	2,116,090	2,116,090	2,116,090
Customer and Client Receipts	5,272,870	5,385,430	5,374,410
Rents Received	3,962,610	4,012,610	4,012,920
Internal Recharges	14,466,510	14,364,270	14,504,220
Charges to Other Bodies	477,000	477,000	477,000
Charges to Staff	4,000	4,000	4,000
Grounds Maintenance Int Trading Rechgs	1,572,570	1,572,570	1,592,260
Roads Internal Trad Recharges	6,209,630	6,209,630	6,209,630
Miscellaneous Income	486,020	491,020	491,020
<b>TOTAL INCOME</b>	<b>35,985,970</b>	<b>36,051,290</b>	<b>36,200,220</b>
<b>NET EXPENDITURE</b>	<b>34,912,690</b>	<b>31,369,760</b>	<b>32,373,310</b>

**DEVELOPMENT SERVICES BUDGET 2016/17**  
**Summary of Movements**

£' 000

2015/16 Budget 34,913

**Add: Budget Changes**

1	<u>Employee Expenses</u>	
	Savings (No 1) - Reduce Overtime	(30)
	Savings (No 3) - Economic Development - Reduction in TIF Budget	(72)
	Savings (No 8) - Employment Training Unit	(200)
	Savings (No 11) - Change Frequency of Brown Bin Collection	(164)
	Savings (No 14) - Staff Savings	(500)
	Savings (No 17) - Grounds Maintenance Reductions	(172)
	Savings (No 19) - Community Safety Team Activity	(100)
	Savings (No 20) - Street Cleansing Frequencies	(115)
	Savings (No 21) - Reduction in Roads Services Budgets	(100)
	Savings (No 22) - Rationalise Winter Gritting Routes	(80)
	Other	20
		<u>(1,513)</u>
2	<u>Property Expenses</u>	
	Abbotsford House	(390)
	Savings (No 16) - Reduce Countryside Projects	(62)
		<u>(452)</u>
3	<u>Transport Expenses</u>	
	Savings (No 11) - Change Frequency of Brown Bin Collection	(36)
	Savings (No 17) - Grounds Maintenance Reductions	(18)
	Savings (No 20) - Street Cleansing Frequencies	(60)
	Savings (No 21) - Reduction in Roads Services Budgets	(25)
	Savings (No 22) - Rationalise Winter Gritting Routes	(20)
	Other	(113)
		<u>(272)</u>
4	<u>Supplies &amp; Services</u>	
	Savings (No 2) - Reduction in Supplies and Services	(100)
	Savings (No 3) - Economic Development - Reduce Small Business Grants	(89)
	Savings (No 7) - Reduce Business Related Marketing	(49)
	Savings (No 9) - Reduction in Waste Collection to 3 Weekly	(127)
	Savings (No 10) - Reduction in Waste Collection to 4 Weekly	(150)
	Savings (No 20) - Street Cleansing Frequencies	(25)
	Savings (No 21) - Reduction in Roads Services Budgets	(55)
	Savings (No 22) - Rationalise Winter Gritting Routes	(35)
	Other	10
		<u>(620)</u>
5	<u>Third Party Payments</u>	
	Savings (No 4) - Economic Development - Reduce TIF Budget	(254)
	Savings (No 5) - Reduce Town Centre Management Contribution	(75)
	Savings (No 6) - Reduce Visit Scotland Contribution	(33)
	Savings (No 15) - Reduce Bus Subsidies	(25)
	Savings (No 21) - Reduction in Roads Services Budgets	(20)
	Savings (No 22) - Rationalise Winter Gritting Routes	(15)
	Savings (No 23) - Expire & Non Renewal of Dial A Journey Contract	(141)
	Other	(58)
		<u>(621)</u>

**DEVELOPMENT SERVICES BUDGET 2016/17**  
**Summary of Movements**

	<u>£' 000</u>
6 <u>Income</u>	
Savings (No 12) - Charities Waste Collection	(50)
Savings (No 13) - Housing Development - Charge for Refuse Bins	(5)
Savings (No 16) - Increased Bereavement Charges	(50)
Other	40
	<u>(65)</u>
 2016/17 Base Budget at September Prices	 31,370
 <b>Add:</b> Inflation	 1,003
 2016/17 Budget at Outturn Prices	 <u>32,373</u>

## **DEVELOPMENT SERVICES**

### **REVIEW OF FEES AND CHARGES 2016/17**

#### **Commercial Waste Collection Charges per Annum for Once a Week Collections**

<b>Container Size</b>	<b>Current Annual Charge</b>	<b>Proposed Annual Charge from 1<sup>st</sup> April 2016</b>
240 Litre container	£245.52	£247.70
360 Litre container	£328.62	£332.40
660 Litre container	£646.12	£651.90
1100 Litre container	£857.74	£867.10
Sacks per roll of 50	£81.18	£81.80

#### **Commercial Waste Collection Charges per Annum for Recycling Service for a once per week collection**

<b>Container Size</b>	<b>Current Annual Charge</b>	<b>Proposed Annual Charge from 1<sup>st</sup> April 2016</b>
240 Litre container	£165.87	£192.40
360 Litre container	£188.06	£234.90
660 Litre container	£415.61	£502.40
1100 Litre container	£506.35	£623.40
1280 Litre container	£538.82	£673.00
140 Litre container (Food)	£169.34	£169.40
Labels per pack 25 Cardboard	£57.75	£65.60
Commercial Glass to Recycling Points	N/A	£75.00

Sizes are quoted as examples of containers. Customers will receive detailed information relating to their specific container size and frequency of collection.

Prices shown are exclusive of VAT.

#### **Charities Waste Collection Charges per Annum**

Charities will be allowed the equivalent of a 240l residual and recycling bin once per week free of charge. Thereafter charities will be charged at the above rates.

**Household Waste Charge to Developers**  
**for Containers including delivery to Household**

<b>Container Size</b>	<b>Current Annual Charge</b>	<b>Proposed Charge per Bin from 1<sup>st</sup> April 2016</b>
240 Litre container	£23.40	£23.40
360 Litre container	£41.75	£41.80

Prices shown are exclusive of VAT.

**Small Trader Tipping Ticket**  
**Kinneil Kerse & Roughmote Household Waste Recycling Centres**

<b>Mixed Waste</b>	<b>Current charge per ticket</b>	<b>Proposed charge per ticket from 1<sup>st</sup> April 2016</b>
Rate per Small Trader Tipping Ticket	£96.22	£110.00

<b>Recyclable Waste</b>	<b>Current charge per ticket</b>	<b>Proposed charge per ticket from 1<sup>st</sup> April 2016</b>
Rate per Small Trader Tipping Ticket	£24.00	£75.00

Small Trader Tipping Tickets for vehicles up to 3.5 tonnes gross vehicle weight. Rate shown is inclusive of VAT and Landfill Tax (where appropriate).

**Note**

**Landfill Tax is to increase in 2016/17 from £82.60 per tonne to £84.40 per tonne.**

**Household Special Uplifts**

<b>Waste type</b>	<b>Current charge</b>	<b>Proposed charge per uplift from 1<sup>st</sup> April 2016</b>
Household	£15.00	£15.00

This charge per uplift is inclusive of VAT and will be levied on households for all special uplifts.

### **Commercial Waste Special Uplifts Fridges**

<b>Waste type</b>	<b>Current charge</b>	<b>Proposed charge per uplift from 1<sup>st</sup> April 2016</b>
Small Fridge or Freezer	£55.00	£55.00
Large Fridge or Freezer	£100.00	£100.00

These charges are inclusive of VAT.

### **Contaminated bin collections**

<b>Container size</b>	<b>Proposed charge per uplift from 1<sup>st</sup> April 2016</b>
240 Litre container	£15.00
360 Litre container	£15.00
660 Litre container	£50.00
1100 Litre container	£50.00

These charges are inclusive of VAT.

**Additional Brown Bin Collection charge Per Annum**

<b>Container size</b>	<b>Proposed charge per uplift from 1<sup>st</sup> April 2016</b>
240 Litre container	£50.00

These charges are inclusive of VAT.

**Commercial Waste Special Uplifts**

<b>Waste type</b>	<b>Current charge</b>	<b>Proposed charge per uplift from 1<sup>st</sup> April 2016</b>
Mixed Waste	£96.65 per hour	£100.00 per hour
Recyclable Waste	£71.44 per hour	£75.00 per hour

These charges are inclusive of VAT please note min charge 30 mins

**MOT's & Hackney Tests**

	<b>Current charge</b>	<b>Proposed Charge from 1<sup>st</sup> April 2016</b>
<b>Hackney</b>		
Hackney Test	£65.50	£65.50
Hackney Re-test inc MOT	£32.75	£32.80
MOT retest not in Hackney Test	N/A	£27.40
Hackney Re-test not inc MOT	£5.50	£5.50
Subsequent Re-tests	£65.50	£65.50
Non-arrival/same day cancellation	£64.00	£65.50
Cancelled with up to 24 hrs notice	£43.00	£43.00
Cancelled with up to 48 hrs notice	£32.75	£32.80
Meter resets and calibration	£14.00	£14.00
<b>Public – Charges are set by VOSA</b>		
Class IV cars	£54.85	£54.90
Class IV private passenger vehicles & Ambulances 9-12 Passengers	£57.30	£57.30
Class VII – Goods vehicles		
Over 3000 kg up to 3500 kg	£58.60	£58.60
Duplicate MOT certificates	£10.00	£10.00

All charges are outwith the scope of VAT.



### **Pest Control**

<b>Prevention of Damage by Pests Act 1949</b>	<b>Current charge per hour</b>	<b>Proposed charge per hour from 1<sup>st</sup> April 2016</b>
Commercial	£40.50 (plus minimum £10.20 for materials)	Initial Visit £45.00 Subsequent visits £22.50 (plus minimum £10.50 materials)
	<b>Current Charge per treatment</b>	<b>Proposed charge per treatment from 1 April 2016</b>
Residential	£30.90	Wasps £37.00 Insects £40.00 Vermin £39.00

Prices shown are inclusive of VAT.

### **Falkirk Crematorium**

	<b>Current charge</b>	<b>Proposed Charge from 1<sup>st</sup> April 2016</b>
Cremation – Adult (resident) with music	£660.00	£693.00
Saturday Cremation – Adult (resident) with music	£793.00	£833.00
Cremation – Adult (non – resident) with music	£1,032.00	£1,084.00

All charges are exempt from VAT.

It is also proposed to increase all other Crematorium fees & charges by an average of 5% (subject to rounding).

**Burial Grounds**

	<b>Current charge</b>	<b>Proposed charge from 1<sup>st</sup> April 2016</b>
Interment fees – Adult (resident)	£424.00	£466.00
Saturday Interment fees – Adult (resident)	£509.00	£560.00
Interment fees – Adult (non-resident)	£654.00	£719.00
Saturday Interment fees – Adult (non-resident)	£784.00	£862.00
Saturday Interment fees – (resident) cremated remains	£139.00	£153.00
Saturday Interment fees – (non-resident) cremated remains	£214.00	£235.00
Lair Purchase (resident)	£466.00	£513.00
Lair Purchase (non-resident)	£717.00	£789.00
Genealogy/Lair Search per hour	£30.00	£33.00

All charges are outwith the scope of VAT.

It is also proposed to increase all other Burial Grounds fees & charges by an average of 10% (subject to rounding).

## **INCREASES TO EXISTING FEES**

### **ENVIRONMENTAL HEALTH & TRADING STANDARDS**

Export Health Certificate	£30.00	£35.00
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### **ROADS SERVICES**

Road Only Property Enquiry / Adoption Status	£18.00	£20.00
Road Adoption Status Plan	£18.50	£20.00

### **PROPERTY ENQUIRY FEES**

VAT applicable from 1 February 2016

Please note that fees and charges for Development Management, Building Standards and Trading Standards are set by statute and will be updated as soon as we are notified

## **2016/17 Corporate & Housing Services**

### **Service - Objective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>SERVICE</u></b>			
General Fund Housing & Support Services	5,088,800	4,305,270	<b>4,346,630</b>
Central Support Services	23,199,410	22,430,330	<b>22,700,150</b>
Central Support Recharges	(23,199,410)	(22,430,330)	<b>(22,700,150)</b>
Miscellaneous Services	11,031,500	11,448,780	<b>11,542,630</b>
<b>NET EXPENDITURE</b>	<hr/> 16,120,300 <hr/>	<hr/> 15,754,050 <hr/>	<hr/> 15,889,260 <hr/>

## **2016/17 Corporate & Housing Services**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>EXPENDITURE</u></b>			
<b><u>EMPLOYEE EXPENSES</u></b>			
SJC Employees	20,306,810	23,248,420	23,545,190
Pension/Termination Costs	3,367,190	2,877,190	2,877,190
Indirect Employee Expenses	349,770	329,730	329,730
<b>Total Employee Expenses</b>	<hr/> 24,023,770	<hr/> 26,455,340	<hr/> 26,752,110
<b><u>PROPERTY EXPENSES</u></b>			
Repairs and Maintenance	200,970	200,970	203,980
Maintenance of Grounds	275,040	-	-
Grnds Maint Internal Recharges	553,160	553,160	560,090
Housing Repairs-Ext Contractor	530	530	550
Energy Costs	366,300	364,630	373,700
Rents	411,150	391,150	391,150
Rates/Council Tax	485,300	485,300	499,560
Water Services	79,080	79,080	79,760
Fixtures and Fittings	630	630	630
Cleaning & Domestic Supplies	246,080	246,080	250,840
Property Insurance	26,190	26,190	26,190
Other Property Expenses	33,520	33,520	33,520
<b>Total Property Expenses</b>	<hr/> 2,677,950	<hr/> 2,381,240	<hr/> 2,419,970
<b><u>TRANSPORT EXPENSES</u></b>			
Direct Transport Costs	6,640	6,640	6,640
Transport Recharges	36,310	36,310	36,840
<b>Total Transport Expenses</b>	<hr/> 42,950	<hr/> 42,950	<hr/> 43,480
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Equip, Furniture and Materials	388,460	401,010	400,880
Services	1,540,480	1,442,980	1,444,180
Catering	101,850	101,850	101,850
Clothing, Uniforms & Laundry	3,570	3,570	3,570
Printing Staty, Gen Off Exps	274,480	214,480	216,440
Communications & Computing	1,120,870	1,107,870	1,111,880
Members Expenses	718,920	658,920	669,040
Contribution to Funds	407,120	407,120	407,120
Voids & Irrecoverables	12,240	12,240	12,680
Miscellaneous Supplies	1,462,180	641,180	641,190
<b>Total Supplies &amp; Services</b>	<hr/> 6,030,170	<hr/> 4,991,220	<hr/> 5,008,830

## **2016/17 Corporate & Housing Services**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>THIRD PARTY PAYMENTS</u></b>			
Joint Board	159,930	159,930	<b>163,930</b>
Internal Recharges	611,320	442,900	<b>442,900</b>
Private Contractors	50,000	50,000	<b>50,000</b>
Other Agencies	2,035,430	2,035,430	<b>2,035,430</b>
Repair/Improvement Grants	619,220	575,220	<b>575,220</b>
Scottish Welfare Fund	927,820	927,820	<b>927,820</b>
Grants to Voluntary Orgs	118,400	(197,100)	<b>(197,100)</b>
<b>Total Third Party Payments</b>	<b>4,522,120</b>	<b>3,994,200</b>	<b>3,998,200</b>
<b><u>TRANSFER PAYMENTS</u></b>			
Housing Benefits	45,861,420	44,934,280	<b>46,553,170</b>
Rent Allowances	(55,000)	(55,000)	<b>(55,000)</b>
Payments Individuals	4,090	4,090	<b>4,150</b>
<b>Total Transfer Payments</b>	<b>45,810,510</b>	<b>44,883,370</b>	<b>46,502,320</b>
<b><u>SUPPORT SERVICES</u></b>			
Central Support Recharges	9,632,280	8,817,200	<b>8,928,970</b>
Departmental Recharges	407,570	407,570	<b>422,420</b>
<b>Total Support Services</b>	<b>10,039,850</b>	<b>9,224,770</b>	<b>9,351,390</b>
<b><u>CAPITAL CHARGES</u></b>			
Loans Fund	11,370	11,370	<b>11,370</b>
<b>Total Capital Charges</b>	<b>11,370</b>	<b>11,370</b>	<b>11,370</b>
<b>TOTAL EXPENDITURE</b>	<b>93,158,690</b>	<b>91,984,460</b>	<b>94,087,670</b>
<b><u>INCOME</u></b>			
Specific Government Grants	519,000	519,000	<b>519,000</b>
Other Government Grants	44,524,880	44,444,880	<b>46,024,530</b>
Insurance Recoveries & Commission	42,200	42,200	<b>42,200</b>
Other Grants, Reimburse & Conts	242,040	242,040	<b>242,040</b>
Customer and Client Receipts	1,018,060	1,061,840	<b>1,061,840</b>
Rents Received	167,390	167,390	<b>169,470</b>
Internal Recharges	27,191,800	26,277,720	<b>26,606,020</b>
Charges to Other Bodies	544,440	544,440	<b>544,440</b>
Charges to Staff	34,000	34,000	<b>34,000</b>
Income from Loans Advanced	10,980	10,980	<b>10,980</b>
Interest Received	459,500	469,000	<b>469,000</b>
Miscellaneous Income	2,284,100	2,416,920	<b>2,474,890</b>
<b>TOTAL INCOME</b>	<b>77,038,390</b>	<b>76,230,410</b>	<b>78,198,410</b>
<b>NET EXPENDITURE</b>	<b>16,120,300</b>	<b>15,754,050</b>	<b>15,889,260</b>

**CORPORATE & HOUSING SERVICES BUDGET 2016/17**  
**Summary of Movements**

£'000

2015/16 Budget 16,120

**Add: Budget Changes**

1	<u>Employee Expenses</u>	
	Savings (No 2 - 4) General Fund Housing	(113)
	Savings (No 5) Customer First Efficiencies	(136)
	Savings (No 7) Centralise Registrars	(98)
	Savings (No 8) Staff Reductions across C & H S	(422)
	Savings (No 10) Budget Rebasing	(31)
	Savings (No 11) Publications & Advertising	(20)
	Savings (No 12) Private Sector Team	(19)
	Strain Payments	(490)
	Additional NIC	3,660
		<u>2,331</u>
2	<u>Property Expenses</u>	
	Savings (No 1) Garden Aid	(275)
	Savings (No 7) Centralise Registrars	(2)
		<u>(277)</u>
3	<u>Supplies &amp; Services</u>	
	Savings (No 2 - 4) General Fund Housing	13
	Savings (No 6) Occupational Health	(27)
	Savings (No 10) Budget Rebasing	(104)
	Savings (No 11) Publications & Advertising	(29)
	Business Transformation Savings	(800)
	Others	(21)
		<u>(968)</u>
4	<u>Third Party Payments</u>	
	Savings (No 2 - 4) General Fund Housing	(100)
	External Funding	(301)
	Hostels Grant Reduced Funding	(112)
	Others	(14)
		<u>(527)</u>
5	<u>Transfer Payments</u>	
	Discretionary Hsg Payment - Funding to be confirmed	(927)
		<u>(927)</u>
6	<u>Support Services</u>	
	CSS Savings	(815)
		<u>(815)</u>

7	<u>Income</u>	
	Savings (No 2 - 4) General Fund Housing	(49)
	Savings (No 9) - Procurement	(50)
	Savings (No 12) - Private Sector Team	(18)
	Savings (No 13) Corporate Fraud	(60)
	Adjustment to CSS Recharges	769
	HRA Strain Payments	145
	Admin Subsidy - Public Sector Benefit	80
		<u>817</u>
	2016/17 Base Budget at September Prices	15,754
	<b>Add: Inflation</b>	135
	2016/17 Budget at Outturn Prices	<u>15,889</u>



**CORPORATE & HOUSING SERVICES**  
**REVIEW OF FEES AND CHARGES 2016/17**

	<b><u>Current</u></b> <b><u>Charge</u></b>	<b><u>Proposed</u></b> <b><u>Charge</u></b>
<b><u>TAXI LICENCES</u></b>	£	£
Taxi Driver Application Fee	195	200
Taxi Driver Renewal Fee – 1 year	100	105
Taxi Driver Renewal Fee – 3 years	N/A	252
Taxi Operator Application Fee	235	240
Taxi Operator Renewal Fee – 1 year	120	130
Taxi Operator Renewal Fee – 3 years	N/A	312

**TAXI FITTINGS**

**Required**

New Set of Plates and Stickers when licence is issued	33	36
<b><u>Replacement or Additional Items</u></b>		
Window Stickers	1.20	1.60
Front Plate	5.45	6.50
Front Plate Fixing Kit	4.55	5.00
Back Plate	5.45	6.50
Back Plate Fixing Kit	6.80	7.00
Black Rivets	1.20	1.30
Plastic Clips and Key	1.20	1.60
No-Smoking Signs	1.00/4 stickers	2.10 each
ID Badge (new, renewal and replacement)	5.00	5.00
Magnetic Name Plate (subject to committee approval)	-	5.00
Magnetic Door Panel Plate (subject to committee approval)	-	7.50

**Statutory Charges**

A number of fees chargeable by local registrars for births, deaths, marriages and civil partnerships are set by the General Registrars Office.

**Non-Statutory Charges**

	<b><u>Current</u></b> <b><u>Charge</u></b>	<b><u>Proposed</u></b> <b><u>Charge</u></b>
	£	£
Additional Fees for Life Events during normal working hours	180	180
Additional Fees for Life Events on a Saturday	210	210
Additional Fees for Life Events on a Sunday	240	240
Additional Fees for Life Events on Public Holidays	250	250
Additional Fees for Ceremonies with 8 or more guests	50	50
Non-Refundable Deposits	100	100
Replacement ID or barrier access card	5	5

**SMALL REPAIR HANDYPERSON SCHEME**

<b><u>Description</u></b>	<b><u>Current Fee</u></b>	<b><u>Proposed Fee</u></b>
Handyperson Services – H&S jobs up to 1 hour (all tenures)	£14.45 per hour plus materials	£26.00 per hour plus materials
Small Repairs Services – Joiner, Electrical & Plumbing jobs up to 2 hours (owners)	£14.45 per hour plus materials	£26.00 per hour plus materials
Notes:	(1) Jobs under 15 mins charged at 25%	(1) Minimum charge 1 hour £26.00

## **2016/17 Trading Accounts Budget**

### **Service - Objective Analysis**

	2015/16 Budget Outturn Prices <hr/> £	2016/17 Budget September 2015 Prices <hr/> £	2016/17 Budget Outturn Prices <hr/> £
<b><u>STATUTORY TRADING ACCOUNTS</u></b>			
Operating Surpluses:-			
Building Maintenance	(737,580)	(698,140)	<b>(719,320)</b>
<b>TOTAL OPERATING SURPLUSES</b>	<hr/> (737,580) <hr/>	<hr/> (698,140) <hr/>	<hr/> <b>(719,320)</b> <hr/>

## 2016/17 Trading Accounts Budget

### Service - Subjective Analysis

	2015/16 Budget Outturn Prices £	2016/17 Budget September 2015 Prices £	2016/17 Budget Outturn Prices £
<b><u>EXPENDITURE</u></b>			
<b><u>EMPLOYEE EXPENSES</u></b>			
SJC Employees	13,343,070	12,859,170	13,021,230
Indirect Employee Expenses	331,520	331,520	331,520
<b>Total Employee Expenses</b>	<u>13,674,590</u>	<u>13,190,690</u>	<u>13,352,750</u>
<b><u>PROPERTY EXPENSES</u></b>			
Repairs and Maintenance	42,740	42,740	43,380
Energy Costs	115,610	115,610	118,510
Rents	96,410	96,410	96,410
Rates/Council Tax	98,890	98,890	101,850
Water Services	17,270	17,270	17,440
Fixtures and Fittings	3,000	3,000	3,000
Cleaning & Domestic Supplies	56,460	56,460	57,600
Property Insurance	5,050	5,050	5,050
<b>Total Property Expenses</b>	<u>435,430</u>	<u>435,430</u>	<u>443,240</u>
<b><u>TRANSPORT EXPENSES</u></b>			
Direct Transport Costs	374,260	374,260	374,490
Transport Recharges	842,620	842,620	852,920
Transport Insurance	38,640	38,640	39,610
<b>Total Transport Expenses</b>	<u>1,255,520</u>	<u>1,255,520</u>	<u>1,267,020</u>
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Equip, Furniture and Materials	5,919,680	5,919,680	6,075,190
Services	32,910	32,910	32,910
Clothing, Uniforms & Laundry	33,900	33,900	33,900
Printing Staty, Gen Off Exps	25,000	25,000	25,170
Communications & Computing	61,780	61,780	62,250
Miscellaneous Supplies	130,750	130,750	130,750
<b>Total Supplies &amp; Services</b>	<u>6,204,020</u>	<u>6,204,020</u>	<u>6,360,170</u>
<b><u>THIRD PARTY PAYMENTS</u></b>			
Internal Recharges	16,830	540,170	545,400
Payments to Sub-Contractors	4,570,330	4,570,330	4,658,370
<b>Total Third Party Payments</b>	<u>4,587,160</u>	<u>5,110,500</u>	<u>5,203,770</u>
<b><u>SUPPORT SERVICES</u></b>			
Central Support Recharges	412,840	412,840	418,000
Departmental Recharges	446,190	446,190	453,450
<b>Total Support Services</b>	<u>859,030</u>	<u>859,030</u>	<u>871,450</u>

## **2016/17 Trading Accounts Budget**

### **Service - Subjective Analysis**

	2015/16 Budget Outturn Prices <u>£</u>	2016/17 Budget September 2015 Prices <u>£</u>	2016/17 Budget Outturn Prices <u>£</u>
<b><u>CAPITAL CHARGES</u></b>			
Capital Charges to Services	281,970	281,970	<b>281,970</b>
Charges to Revenue	<u>10,000</u>	<u>10,000</u>	<b><u>10,000</u></b>
<b>Total Capital Charges</b>	<u>291,970</u>	<u>291,970</u>	<b><u>291,970</u></b>
 <b>TOTAL EXPENDITURE</b>	 <u>27,307,720</u>	 <u>27,347,160</u>	 <u><b>27,790,370</b></u>
 <b><u>INCOME</u></b>			
Internal Recharges	385,000	385,000	<b>385,000</b>
Interest Received	(10,000)	(10,000)	<b>(10,000)</b>
Build Maint Int Trading Rechgs	27,574,300	27,574,300	<b>28,038,690</b>
Miscellaneous Income	<u>96,000</u>	<u>96,000</u>	<b><u>96,000</u></b>
<b>TOTAL INCOME</b>	<u>28,045,300</u>	<u>28,045,300</u>	<b><u>28,509,690</u></b>
 <b>TOTAL OPERATING SURPLUS</b>	 <u>(737,580)</u>	 <u>(698,140)</u>	 <u><b>(719,320)</b></u>

**Summary of 2016/17 Proposed Savings Options**  
**Childrens' Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b><u>2016/17 Savings £'000</u></b>	<b><u>FTE</u></b>
1	Support for Learning Assistants - Reduce staffing levels.	763	47.0
2	Early Years - Review of management structures in nursery schools	70	1.5
3	Curricular choices - Review and move to a more standardised provision in secondary schools	100	2.0
4	Community Learning and Development - Review existing provision and reduce service in non-statutory areas	300	12.0
5	Community Halls - Usage levels in all 22 community halls will be assessed and options considered around the halls that are least used, including options for closure or community transfer.	190	5.0
6	Central Support Staff (Management, Admin and Clerical) - Reduce number of staff	578	14.0
7	Building Cleaning - Reduce frequency and specification	165	3.8
8	PPP/NPDO contractual arrangements - Review contract specifications and refinancing	200	2.0
9	Schools per capita budgets - Reduce allocations	50	
10	Schools Catering - Increase meal prices by 10p	100	
11	Schools Catering - Review meal choices/provision in schools	80	
12	School Lets: Increase charges by 3% (Aligned to Falkirk Community Trust charges)	4	

**Summary of 2016/17 Proposed Savings Options**  
**Childrens' Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b><u>2016/17 Savings £'000</u></b>	<b><u>FTE</u></b>
13	Childcare Fees : Increase by 4%	15	
14	Nursery & Primary School Library Service - Reorganise and provide a decentralised service within each secondary school	290	10.0
15	Secondary School Libraries - Reduce Librarians and replace with Library Assts.	100	
16	Additional Funding Grants - Savings	400	
17	Public Conveniences (excluding Blackness) - Remove staff and re-engineer cleaning and maintenance provision.	100	2.6
18	Building Services - Reduce the level of administration costs	86	3.0
19	Family Support Service - Review existing provision	300	10.0
20	Supply Teachers - Reduce budgets	100	
21	Reduction of Temporary Contracts	200	10.0
22	Staff Training - Reduce existing budgets	60	
23	Printing Costs - Reduce colour prints and costs	40	
24	Social Work Shared Properties - Reduce, re-align and recharge supplies and services budgets	25	
25	Inclusion Team - Review and cut central support budgets	100	3.0

**Summary of 2016/17 Proposed Savings Options**  
**Childrens' Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b><u>2016/17 Savings £'000</u></b>	<b><u>FTE</u></b>
26	Local Care Bed Capacity - Review through revised contracting arrangements	139	
27	External Provision - Consider efficiencies in current provision and procurement through national procurement framework	50	
28	External Childcare Placements - review procurement arrangements and consider provision of local childcare packages.	29	
29	Residential Childcare Placements - Consider local placement solutions.	100	
30	Secondary Upper School Curricular Transport - Review current arrangements.	40	
		<b>4,774</b>	<b>125.9</b>

**Summary of 2016/17 Proposed Savings Options**  
**Social Work Adult Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b><u>2016/17 Savings £'000</u></b>	<b><u>FTE</u></b>
1	Increase existing non residential charges and charging caps in line with inflation	35	
2	Inflationary uplift in income for services funded by NHS Forth Valley	100	
3	No inflationary uplift for supporting people expenditure	200	
4	Home Care - Shift the balance of internal/external provision towards a greater proportion of external provision	38	2.0
5	Redesign of employment services to people with a disability and closure of ASSET	102	6.1
6	Potential reduction of existing buildings based day services in response to anticipated increase in demand for packages of self directed support with built in efficiencies of 20%	230	33.0
7	Switch existing shopping service to an alternative reduced service being commissioned through the voluntary sector	60	
8	Review Caledonia Clubhouse and Services provided by FDAMH with a view to achieving efficiency savings of 20%	35	
9	Property savings from ending leases	20	
10	Redesign of care home provision with closure of Oakbank and reprovision of Summerford	300	32.0
11	Reprofiled Eligibility Criteria for adult social care with a focus on provision for people whose needs are critical or substantial	500	
		<b>1,620</b>	<b>73.1</b>



**Summary of 2016/17 Proposed Savings Options**  
**Development Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b>2016/17 Savings £'000</b>	<b><u>FTE</u></b>
1	Reduce overtime	30	
2	Reduction in supplies and services	100	
3	Economic Development - Reduce business support including cessation of small business grants scheme	89	
4	Economic Development - Reduction in TIF budget and capitalise costs going forward	326	
5	Economic Development - Reduce the contribution to Falkirk Town Centre Management	75	
6	Economic Development - Reduce the contribution to Visit Scotland	33	
7	Economic Development - Reduce business related marketing	49	
8	Employment Training Unit - General reduction in youth employment services	200	
9	Savings from changing the residual waste collection from fortnightly to 3-weekly	127	
10	Savings from changing the residual waste collection from 3-weekly to 4-weekly	150	
11	Change frequency of brown bin collection to 4-weekly	200	3.0
12	Implement Charges for Waste Collection from Charities	50	
13	Refuse Collection - Charge for bins in new housing developments	5	

**Summary of 2016/17 Proposed Savings Options**  
**Development Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b>2016/17 Savings £'000</b>	<b><u>FTE</u></b>
14	Reduce staff costs	500	12.0
15	Reduce bus subsidies for unprofitable bus routes	25	
16	Bereavement Services - increase charges	50	
17	Grounds Maintenance - Grass Cutting Operations - reduce grass cutting frequencies and weed control	190	9.0
18	Reduce Countryside Projects	62	
19	Adjustment to the activity of the Community Safety Team	100	4.0
20	Further Reduction in Street Cleansing Frequencies	200	3.0
21	Roads - Reductions across Roads Services revenue budgets	200	
22	Rationalise Winter Gritting Routes	150	
23	Expiry and non renewal of Dial A Journey contract	141	
		<b>3,052</b>	<b>31.0</b>

**Summary of 2016/17 Proposed Savings Options**  
**Corporate & Housing Services**

<b><u>No</u></b>	<b><u>Description</u></b>	<b><u>2016/17 Savings £'000</u></b>	<b><u>FTE</u></b>
1	Stop the Garden Aid Service with consultation being carried out on the proposal.	275	
2	Reduce administration costs associated with Deposit Guarantee Scheme	58	
3	Increase the charges for the Small Repair and Handyperson services	87	
4	Reducing administration costs for managing the services provided by the Private Sector Team to owner/occupiers and landlords	104	1.0
5	Remove Customer First services from our one stop shops	136	8.2
6	HR Operations - changes to Occupational Health contract and reducing the specification	27	
7	Centralise the Registrars in one location	100	4.0
8	Staff reductions across Corporate & Housing Services	422	13.2
9	Procurement income from contract volume rebates	50	
10	Budget rebasing across Corporate & Housing Services	135	
11	Savings in Publications & Advertising	49	
12	Private Sector Housing - Maximise use of Landlord Registration Fees	37	
13	Corporate Fraud - Roll out Data Matching exercises	60	
		<b>1,540</b>	<b>26.4</b>

## EQUALITY AND POVERTY IMPACT ASSESSMENT SCREENING

### 1. CONTEXT

- 1.1 Falkirk Council needs to make the most significant level of savings it has ever had to make over the coming years. To achieve this, Services have identified a significant number of budget reductions for this next year. In order to understand the impact of achieving these savings, all services are required to carry out Equality and Poverty Impact Assessments. The purpose of this process is to understand who will be impacted by each individual saving, understand how if at all we can mitigate those impacts and also understand the cumulative impact of savings on particular groups within our community. These assessments inform the hard decisions the Council has to make to achieve a legal and balanced budget.
- 1.2 As noted in the cover report to this budget, the Council considers its budget in the context of its priorities as set out by the Community Planning Partnership and also within our own corporate plan. Regard is also taken of the environment in which the Council delivers its services and the things that impact on our delivery of service including changing demography, new legislation and the views of our communities amongst other things.

### 2. BACKGROUND – EQUALITY ACT 2010

- 2.1 The public sector equality duty is made up of a general equality duty supported by specific duties. The general equality duty is set out in section 149 of the Equality Act 2010 which requires public authorities, in the exercise of their functions, to have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other prohibited conduct;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it having due regard, in particular, to the need to:
    - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
    - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
    - (iii) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it having due regard, in particular, to the need to:
    - (i) tackle prejudice; and
    - (ii) promote understanding.
- 2.2 The nine “protected characteristics” are age, religious belief and non-belief, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex and sexual orientation.

- 2.3 The Act states that meeting different needs includes, among other things, taking steps to take account of disabled people's disabilities. It also explains that compliance with the general equality duty may involve treating some people more favourably than others.
- 2.4 To comply with the general equality duty, a public authority needs to have due regard to all three of its aims.
- 2.5 The specific equality duties are set out in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and require relevant authorities to:
- (a) where and to the extent required to fulfil the general equality duty, assess the impact of applying a proposed new or revised policy or practice against the needs to the general equality duty;
  - (b) in making the assessment, consider relevant evidence relating to persons who share a protected characteristic (including any evidence received from those persons);
  - (c) in developing a policy or practice, take account of the results of any assessment in respect of that policy or practice;
  - (d) publish, within a reasonable period, the results of any assessment where it decides to apply the policy or practice;
  - (e) make such arrangements as it considers appropriate to review and, where necessary, revise any policy or practice that it applies in the exercise of its functions.
- 2.6 Assessing the potential impact of our decisions for equalities communities is an important part of our decision-making process, and we have used our equality and poverty impact assessment process against all relevant individual Service budget options. We also need to look at the 'bigger picture' of any potential impacts, and explore any combined impact where one saving option had the effect of impacting on another service or indeed where there is a potential cumulative impact of a number of options.
- 2.7 We understand that more people are experiencing financial pressures and worries in the current economic climate. These can often impact much more significantly on equalities groups and we have taken this into account when assessing our budget reductions by extending our consideration not just to include equality but to include the poverty impact as well.
- 2.8 Our budget reductions are focussed in the following ways:
- Providing the same services at less cost, for example through greater use of technology
  - Reducing costs by reducing the number of Council offices and other buildings
  - Changing, reducing or stopping some services
  - Increasing charges for some services
  - Looking at our workforce as 60 % of our budget is spent on employees
- 2.9 The test in terms of equality and poverty impact assessment acknowledges that there are links between poverty and equality. Therefore we need to examine if our budget reductions are likely to dis-proportionately impact on people / groups for whom there is protection under the Equality Act 2010.

- 2.10 We are also aware that there are some equality protected characteristics which we mention very little within our equality and poverty impact assessments. These include gender reassignment, marriage and civil partnership, pregnancy and maternity, religion or belief and sexual orientation. This may be because some of these groups are not specifically or disproportionately affected by our options, but we recognise that this may also be because we have gaps in monitoring information. Making improvements to our equality data will be a priority for the Council going forward and has already been identified as part of our equality outcomes.

### **3. EQUALITY AND POVERTY IMPACT ASSESSMENT PROCESS (EPIA)**

- 3.1 In line with guidance issued by the Equality and Human Rights Commission, (EHRC), Falkirk Council has carried out a rigorous equality impact assessment process. This process will help members, when taking their decisions, to ensure that 'due regard' has been taken of the potential impact on front line services and vulnerable people within the Council area who have a protected characteristic. In addition Members will know that the Council has extended its focus of these assessments to include those disadvantaged and in poverty as set out in the Council's Poverty Strategy 'For a Fairer Falkirk'.

- 3.2 Every year the process by which the Council undertakes its EPIAs is refined and reviewed. Following the conclusion of last year's budget exercise, Officers carried out a review of our process with the following improvement actions undertaken:

- Briefings were held on four specific occasions for managers required to undertake EPIAs. All managers were asked to attend
- A briefing was presented to all chief officers outlining improvements in the process
- Members were briefed on the EPIA process:
- The budget working group considered the EPIA process and sample EPIAs
- The Group Co-ordinating EPIAs was further strengthened; and
- Services were required to consult those impacted by proposals directly in order to inform the EPIA and prior to the EPIA being reported to Members.

- 3.3 Following these improvements individual EPIAs have been completed with the assessment ratings falling into the following categories:

- Low - No mitigation required – essentially proposals where the assessment identified that there was no or low dis-proportionate impact on any of the equality protected characteristics.
- Medium - Mitigation identified - where the assessment identified that there was a dis-proportionate impact and that mitigation was possible. This might not result in the impact being completely alleviated but that it is possible to identify actions to help.
- High - No mitigation– where the assessment identified that there was a dis-proportionate impact and that it is not possible to mitigate the effects of the proposal. In addition this category is used where the EPIA is not complete and therefore there is potential risk that has not yet been identified. Where such impact is identified, very careful consideration needs to be given to the particular proposal and justification for it.

- 3.4 The key information used to determine the equality and poverty impact is derived from data i.e. equality monitoring data on staff and service users compared to local and national equality and poverty data captured from the census and other research sources. Knowing who our staff and customers are in terms of the equality profile helps determine the level of potential impact as well.
- 3.5 Consultation is also a key requirement of any equality and poverty impact assessment process. It provides the opportunity for services to consult with staff, service users and the community on changes to the way that they plan to deliver and provide services. The results from consultation will not only provide a ‘temperature check’ in relation to any potential savings option but offer the potential to explore different delivery methods which may contribute to more mitigation of impact. Services are required as part of their EPIA preparation to consult directly with people affected by their proposals. This consultation is required to inform the impact assessment and also to identify any mitigation.
- 3.6 As part of the EPIA process, services were asked to consult with stakeholders affected by potential proposals directly, particularly where there was a potential impact or risk being identified. This targeted consultation included services surveying users on why they used certain services and has informed the mitigations identified in a number of proposals.

#### 4. ASSESSMENT OF SAVINGS PROPOSALS 2016 / 2017

- 4.1 The following table outlines the 2016/ 2017 savings options broken down to identify their risk and impact as well as the corresponding saving value:

<b>Risk and Impact</b>	<b>Number of Options</b>	<b>Value £'000s</b>
Low – no mitigation required	50	5,684
Medium – mitigation identified	22	4,527
High – No or limited mitigation identified	1	500
<b>TOTAL</b>	<b>73</b>	<b>10,711</b>

- 4.2 From the above table the proportion of the value of the budget savings proposals where no mitigation was needed was 53%. The proportion where we were able to offer some mitigation is 42% and the proportion of value where it was not possible to identify or limited has been identified at this point is 5%. In this difficult climate we know that our citizens will inevitably feel that there is constriction of the services which we have been so proud to provide. We have worked hard to identify how we might:

- Maintain services by delivering them in a different way e.g. waste collection, community safety etc.
- Work with others to provide replacement / alternative services e.g. shopping services for older people, external placements for looked after children
- Identify efficiencies by looking at our systems, processes and practices e.g. school libraries, reduction in overtime, reviewing printing etc.

- 4.3 The majority of proposals, where there is a risk and impact identified, affect older people and people with a disability. However the groups identified are not surprising given the services the Council provides. The next groups affected include low income households (which, although not one of the protected groups in the Equality Act, are included in our poverty assessment) where there may be an opportunity cost i.e. they may not be able to participate fully in an activity but where this service is discretionary. At this point it has not been possible to quantify numbers affected. It is essential that as services plan their future service delivery they have regard to the groups affected by decisions and ensure that they seek ways to minimise any disadvantage likely to occur.
- 4.4 Of course there are difficult decisions and we have found that for one proposal it has not been possible to mitigate the impact at this point. In relation to the review of eligibility criteria, further reports will be presented to the Executive or the Integration Joint Board when specific proposals are developed. At that stage further and fuller impact assessment will be undertaken. The high level proposal to re profile the criteria with a focus on critical and substantial is assessed as having high impact as, of necessity, impacts on users of this service will impact on people who share a protected characteristic and, at this stage, the extent to which mitigation is available is unclear. Adult social care is the second largest area of spend within the Council and it is almost inevitable that it would require to bear some share of the funding reductions necessitated by the Council's overall financial position. In recognition of the importance that these services have, however, the savings proposed in this area are lower in percentage terms than the other Council services.
- 4.5 There is also a higher impact identified in savings affecting external organisations. The impact of reductions in Council funding may be mitigated in some circumstances by organisations seeking alternative funding. In addition following decisions by Council and then further discussions between monitoring officers and organisations, the impact of those savings may be reduced by further mitigation being identified and implemented.
- 4.6 The proposal to stop garden aid is at an early stage and is still subject to consultation and a full impact assessment and as such it is not included in the table above. An initial screening assessment, in recognising the nature of the client group, has identified a potentially high impact. However this will be further explored as part of the full assessment process which will include consultation with stakeholders and further development of mitigating actions.
- 4.7 Equality risk ratings were scrutinised during January and February 2016 and the equality and poverty risk values by Service and by impact were determined. This information has been summarised at the end of this report with every option where an EPIA has been undertaken set out with its description, assessment, consultation arrangements and comment.

#### **Assessment of workforce implications**

- 4.8 The Council's various services put forward options to make efficiencies through changes which result in a reduction of workforce numbers.
- 4.9 For equality purposes the information thus far has identified the possible net employee changes included from each service proposal. This information is still subject to clarification through the steps being taken with the Trade Unions; to mitigate the impact



of the reductions on employees using a variety of methods such as deleting vacant posts, reviewing temporary contracts, implementing a recruitment moratorium, utilising any other voluntary method agreed by the relevant employee group and making use of the voluntary severance scheme. Staff consultation has also taken place to ensure full engagement with staff as set out in the Workforce section of the main report. As this work progresses, it will lead to a better informed service delivery impact assessment.

- 4.10 We have noted the impact of reducing workforce at this point as being a medium risk. Over the coming weeks and months, and when the exact complement of employees have been identified, we will profile those staff against their immediate workforce and then as a cumulative total against the profile of the Council's workforce. This will ensure we know the impact of workforce savings on our own workforce profile but also the impact on specific areas of service delivery. If, once the exact number of staff is known, we identify there will be an impact on services, a further EPIA will be carried out for the area of service. This will inform the future development and delivery of that area of service and identify any potential mitigation required. The effects of the budget options on staffing will be addressed using our existing HR organisational change policies where there are processes and practice in place to respond to voluntary severance and redeployment policies which have previously been subject to equality impact assessment.

## **5. PUBLICATION OF EQUALITY AND POVERTY IMPACT ASSESSMENTS**

- 5.1 Within the terms of the Equality Act 2010 there is a requirement to publish impact assessments once they are finalised. We will be publishing our budget related impact assessments on the Council website. It is anticipated that the low rated assessments will be published first with subsequent assessments following thereafter.
- 5.2 The first report to be published will be this overall screening assessment covering the EPIA process as part of budget decision making; providing information on risk and assessment against proposals as well as contextualising the outcome as per the process against the legal duty. This appendix and accompanying table is this first report.
- 5.3 The individual EPIA's will be available for the Council's budget meeting to enable decision makers to have due regard to the information set out therein as it refers to the general equality duty. In the event that any proposals or options are changed at the meeting, new or updated assessments may be required. New proposals or those at an early stage in their development and subject to further assessment or consultation will be the subject of future reports.
- 5.4 In addition the workforce EPIAs will be published at the end of the financial year the savings are made i.e. March 2017.
- 5.5 The Council has sought to balance the impact of service savings across the range of Council functions. Unfortunately in order to secure a balanced budget difficult decisions are necessary which means that not all services can be protected. The EHRC's guidance document, "Making Fair Financial Decisions", emphasises that the public sector equality duty does not prevent public authorities from making difficult decisions such as reorganisations, redundancies and service reductions, nor does it stop them from making decisions that affect one group more than another. By assessing the impact new or revised policies and practices could have on different protected groups, however, it

enables an authority to demonstrate that it is making financial decisions in a fair, transparent and accountable way, considering the needs and rights of different members of the community.

## **6. SUMMARY OF EQUALITY IMPACT SCREENING**

- 6.1 The general assessment is that the Council's budget for 2016 / 2017 and in particular the savings options will have an impact upon people because of age, disability, and gender. However, public sector austerity creates a climate for significant savings requirements and through the process of equality and poverty assessment every effort has and will be made to identify and act on mitigation where it is possible.
- 6.2 The Council can demonstrate a robust process of development, implementation and review of the EPIA process in implementation of the specific equality duties. The Council has charged Services and Council Officers to put in place actions to minimise the equality impacts of its 2016/ 2017 budget.
- 6.3 In terms of the identified mitigating actions, these will be subject to Service monitoring in order to assure their effect.
- 6.4 This process will also produce lessons to be learnt to improve the equity of arrangements for impact assessing our 2017/18 budget and beyond. As a result we believe that this report has satisfied the requirement to assess the equality and poverty impacts of our 2016 / 2017 budget.

**Budget Proposals  
New and Agreed Proposals  
2016/2017**

## **Definition of Risk**

### **Low**

The assessments considered at this stage to be of **'no or low impact'** are deemed such because the assessment demonstrates that there is no disproportionate impact on any of the equality protected characteristics. In relation to the Equality Act 2010 this is identified as age, disability, gender, gender re-assignment, race & ethnicity and sexual orientation. These savings can often be attributed to efficiencies, differing procurement or delivery arrangements being put in place.

### **Medium**

The assessments considered at this stage to be of **'medium impact'** are deemed such because the assessment has been able to identify mitigating actions which will reduce the impact on the equality protected characteristic groups. A medium impact is something that is assessed at having an impact on one of the equality protected groups or on one of the groups identified within the Council's poverty strategy but can often be mitigated by some other action.

### **High**

The assessments considered at this stage to be of **'high impact'** are deemed such because the assessment has not been able to identify mitigating actions or that the information contained within the assessment has not allowed for a robust understanding of the impact of that option to be assessed. Included within this section are also proposals where only limited mitigation has been identified.

### **Workforce Savings**

In addition to the above categories, we have identified where we intend to make savings in our workforce. These savings will require statutory consultation and therefore have been shown separately where appropriate. These are all identified as a medium risk as until the exact staff are identified any equality and poverty impact cannot be robustly assessed.

*NB – Agreed 15/16 means the proposal was agreed by Council in February 2015 as part of the two year budget.*

*New proposals include items previously presented to Council in October 2015 though not yet agreed / approved and also includes some proposals that have been brought forward following the need to find additional savings.*

**CORPORATE AND HOUSING SERVICES**  
**LOW**

<b>EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS</b>					
<b>EPIA RISK RATING – NO MITIGATION REQUIRED – CORPORATE AND HOUSING SERVICES</b>					
<b>Budget ref</b>	<b>Description</b>	<b>Saving £'000's</b>	<b>Year</b>	<b>Assessment, comment and mitigation</b>	<b>Group (s) Impacted.</b>
6	HR Operations – changes to Occupational Health contract	27	Agreed 15/16	These proposals focus on internal systems; income generation from business and reducing outgoing building lease expenditure where there is no impact on people.	None
11	Savings publications / advertising	49	Agreed 15/16		
2	Review administrative process for deposit guarantee scheme	58	Agreed 15/16		
4	Reduce administration costs for managing the services provided by the Private Sector Team to owners/landlords	104	Agreed 15/16		
10	Budget rebasing across Corporate and Housing Services	135	New proposal		
12	Private sector housing – maximise use of landlord registration fees	37	New proposal		
13	Corporate Fraud- roll out data matching exercise	60	New proposal		
5	Remove Customer first from One Stop Shops	136	Agreed 15/16		
7	Centralise Registrars in one location	100	Agreed 15/16		

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – CORPORATE AND HOUSING SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
9	Procurement income from contract volume sales	50	New proposal		
<b>Total</b>		<b>756</b>			

**CORPORATE AND HOUSING SERVICES  
MEDIUM**

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT - CORPORATE AND HOUSING SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
3	Increase charges for Small Repair and Handyman scheme	87	Agreed 15/16	As a discretionary service, this increase in charging will ensure the provision of this service continues.	This service is mainly used by women and those over 75.
8	Staff reductions across Corporate and Housing Services	422	New proposal	Will be included as part of the overall workforce assessment. Mitigation will be achieved through a variety of HR policy related to managing organisational change e.g. VS, flexible retirement, early retirement etc.	EPIA to be carried out once statutory consultation concluded and specific savings identified.
<b>Total</b>		<b>509</b>			

**DEVELOPMENT SERVICES**  
**LOW**

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – DEVELOPMENT SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
1	Reduce overtime	30	Agreed 15/16	This will reduce costs but with no disproportionate impact on equalities groups.	No impact on protected characteristic groups
2	Reduction in supplies & services	100	Agreed 15/16	These proposals focus on internal systems; income generation from business and reducing outgoing expenditure where there is no impact on people.	
16	Bereavement services -increase charges –	50	Agreed 15/16	Financial information and support is given to customers where required.	
11	Change frequency of brown bin collection to monthly.	200	Agreed 15/16	Brown bins are used for garden waste and it is expected that this will have no negative impact directly on protected characteristic groups. Individuals who currently receive help to get their bins out to the collection point because of age / disability will still receive this service	
9	Savings from changing the residual waste collection from fortnightly to 3 weekly	127	Agreed 15/16	The proposed change will not impact disproportionately on any protected group. Service users will continue to receive a full waste uplift service.	
10	Savings from changing the residual waste	150	Agreed	The proposed change will not impact disproportionately on any	

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – DEVELOPMENT SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
	collection from 3 weekly to monthly		15/16	protected group. Service users will continue to receive a full waste uplift service.	
12	Implement charges for waste collection from charities	50	New proposal	Currently a number of charities receive services in excess of what a standard household receives. Under this proposal the standard service would be a weekly collection of 240 litre green, residual bin and a fortnightly collection of a 240 litre blue bin. Charges for additional bins and collection to be in line with current commercial waste charges	No direct service impact on protected characteristic groups
13	Refuse Collection – charge for bins in new housing developments	5	New Proposal	Cost will be met by developer	
18	Reduce Countryside Projects	62	New proposal	To reduce budget available for projects – not direct impact on protected characteristic groups	
21	Reduction across roads services revenues budgets	200	New proposal	To reduce amount available for carrying out road repairs.	
14	Reduce staff costs by 8% across service	500	Agreed 15/16	Staff lost across services as result of requests for voluntary severance, savings spread across services so impact spread across service.	
C17	Grounds Maintenance - reduce grass cutting frequencies	100	Agreed 15/16	Changes to grounds maintenance, impact is environmental	
17	Further reductions in	90	New proposal	Changes to grounds maintenance, impact is environmental.	



EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – DEVELOPMENT SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
	grounds maintenance( 4 proposals combined)				
20	Further reduction in street cleaning services	200	New proposal	Reductions in cleaning frequencies.	
22	Rationalise winter gritting routes	150	New proposal	This will mean re-prioritising the areas of carriageways and footways that we treat to ensure our most important routes receive a targeted level of precautionary treatment. Important routes include those around schools, shopping centres and doctors' surgeries.	
19	Adjustment in activity of Community Safety Team	100	New proposal	To review areas patrolled by the Community Safety Team thereby ensuring that resources are deployed and directed to communities of most need.	Service currently targeted on disadvantaged communities
3-7	Economic development – reduction in activity	572	New proposal	Reduction in funding to town centre management, business support and ETU, TIF and Visit Scotland This area of service is being considered for savings as it is non-statutory and has a level of flexibility in funds available for the commissioning of services from external sources where savings might be achieved without impact on e.g. staff numbers.	
<b>Total</b>		<b>2,686</b>			

**DEVELOPMENT SERVICES  
MEDIUM**

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT– DEVELOPMENT SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
8	Youth Employment	200	New saving	This will look to reduce the Councils subsidy for youth employment programmes. However additional external funding such as European funding will be accessed to reduce the impact of this	Young people, people with a disability
15	Reduce bus subsidies for unprofitable bus routes.	25	Agreed 15/16	While there will be a reduction in service, the Council will continue to provide significant subsidies in many areas. In addition alternative subsidised transport provision is available for people with a disability including taxi card.	This may impact on older people and those on low incomes.
23	Accessible Transport-	141	Agreed 15/16	Expiry and non-renewal of Dial a Journey contract. Many bus services have lowered floors. Most users of DAJ can access wheelchair accessible taxis or other taxis therefore they can use the Council's Taxicard scheme to obtain a discount. Some users consulted said they would get a lift from friends or family if services were withdrawn.	People with a disability and older people.
<b>Total</b>		<b>366</b>			

**SOCIAL WORK ADULT SERVICES**  
**LOW**

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – SOCIAL WORK ADULT SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
1	Increase non-residential charges	35	Agreed 15/16	Increase to keep pace with inflation at rate of 2.5% per annum. Financial inclusion advice available to provide information to service users	Older people People with a disability
2	Services funded by the NHS	100	Agreed 15/16	This is income from the NHS, the inflationary element will be offered as a saving. This will not impact of people	No impact on protected characteristic groups
9	Property services from ending leases	20	Agreed 15/16	This is a saving in terms of rates reduction	
3	Supporting people expenditure	200	Agreed 15/16	This will run at a stand still budget. Service will be maintained through internal efficiency.	
<b>Total</b>		<b>355</b>			

**SOCIAL WORK ADULT SERVICES  
MEDIUM**

<b>EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS</b>					
<b>EPIA RISK RATING – MEDIUM IMPACT – SOCIAL WORK ADULT SERVICES</b>					
<b>Budget ref</b>	<b>Description</b>	<b>Saving £'000's</b>	<b>Year</b>	<b>Assessment, comment and mitigation</b>	<b>Group (s) Impacted.</b>
5	ASSET – Supported employment initiative	102	Agreed 15/16	Redesign of employment services for people with a disability and closure of ASSET. Alternative provision for service users through the Employment and Training Unit or within the community following reassessment.	People with a learning disability.
4	Increase in outsourcing home care	38	Agreed 15/16	This will ensure a service is provided but through a different provider.	Older people People with a disability.
6	Service closure (Building based Day Services)	230	Agreed 15/16	Gradual shift from provision via a building / base to different ways of supporting the needs of individuals	People with a disability
7	Provide the shopping service through alternative arrangements.	60	Agreed 15/16	Scoping exercise needs to take place with the 3 <sup>rd</sup> sector to determine level of interest in picking up this provision. This is a discretionary service and can be provided by alternative providers.	Older people People with a disability.
8	Caledonia Clubhouse/ FDAMH Mental health day services redesign	35	Agreed 15/16	As yet the equality impact is to be determined thus the rating for this proposal. It is anticipated that the final review will identify mitigating actions that will minimise any loss of service. This review and re-design proposal will be identified during 2015.	People with a disability.
10	Oakbank / Summerford House Service closure	300	Agreed 15/16	These establishments are being closed as they no longer meet the needs of residents. Any change to accommodation could be stressful for service users however they will be consulted through the full process and any planned moves handled sensitively	Older people

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT – SOCIAL WORK ADULT SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
Total		765			

**SOCIAL WORK ADULT SERVICES  
HIGH**

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – HIGH IMPACT– SOCIAL WORK ADULT SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
11	Review the eligibility criteria for social care services	500	Agreed 15/16	The proposal is the revise the existing eligibility criteria to provision on those with critical and substantial needs. This will impact most significantly on those assessed as being in the moderate category of need.	Older people People with a disability.
<b>Total</b>		<b>500</b>			

## CHILDREN'S SERVICES

### LOW

EQUALITY AND PROVERTY IMPACT ASSESSMENT 2016/17 BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – CHILDREN'S SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
9	School per capita budget	50	Agreed 15/16	To reduce budgets in secondary schools by 5% and in primary by 10%. This will impact on the ability of the school to provide books, equipment etc. for pupils	No impact on protected characteristic groups
11	Reduce the number of meal choices in primary and secondary	80	Agreed 15/16	This will mean a reduction in the number of meal choices but all changes will still meet the required nutritional standards.	
16	Additional funding grants	400	Agreed 15/16 New Proposal	Relates to savings made in the delivery of the P1 to P3 school meals and the extension of early years provision to 600 hours.	
8	Review of PPP/NDO contract costs.	200	Agreed 15/16	Review the Council's contractual obligations with regards the provision of schools to reduce costs. A revised EPIA will be produced following conclusion of negotiations.	
23	Reduce printing costs	40	New proposal	Reducing the number of printers and colour printers in schools and across the service	
24	Property supplies and services	25	New proposal	Review of Social Work property requirements following the merge to Children's Service.	
29	Accelerate Residential Review	100	New proposal	Review existing residential placements with a view to moving them to internally resourced provision.	Looked after children, children with a disability.
26	Increase local care capacity through revised contracting arrangements	139	New proposal	These three proposals are changes to the existing contracting arrangements to provide services for looked after children. The changes should lead to service improvements as the intention is to provide accommodation closer to Falkirk, it is widely accepted that children and young people will benefit from more	Looked after Children or children with a disability
27	External foster care provision	50			

EQUALITY AND PROVERTY IMPACT ASSESSMENT 2016/17 BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – CHILDREN’S SERVICES.					
Budget ref	Description	Saving £’000’s	Year	Assessment, comment and mitigation	Group (s) Impacted.
28	Review external placements with a view to return more children to the Falkirk area	29		favourable outcomes when placed closer to home	
3	Review curricular choices	100	Agreed 15/16	Reduce curricular choices and set minimum class sizes and have more efficient timetabling	No impact on protected characteristic groups
20	To reduce schools and centrally held teacher supply budgets	100	New proposal	This is a service improvement as we plan to recruit a number of additional permanent teachers to provide the supply cover. This is part of a plan that helps us try to address the difficulty being experienced nationally in getting supply teachers on short term temporary contracts	
22	Reduce Staff Training Budgets	60	New proposal	Reduce staff training budgets to meet current demand.	
30	Secondary Curricular Transport	40	New proposal	Review of contracts – should not impact on pupils	
7	Reduce Building frequency and cleaning	165	Agreed 15/16	Reduce amount of cleaning to Council buildings	
13	Childcare Fees – increase by 4% p.a	15			
10	Schools catering – increase meal prices by 10p	100	Agreed 15/16	Increase in price of school meals. Children eligible for free school meals and P1-P3 unaffected by change. However the Council’s financial inclusion strategy on maximising income should mitigate some impact.	There may be an impact for low income households.



EQUALITY AND PROVERTY IMPACT ASSESSMENT 2016/17 BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – NO MITIGATION REQUIRED – CHILDREN'S SERVICES.					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
12	School lets – increase charges by 3%	4		This aligns the charging policy across the Council and with the trust, making it more accountable and transparent	
5	Community halls – usage levels in all 22 community halls will be assessed and options considered around the halls that are least used, including options for closure or community transfer.	190	Agreed 15/16	Explore options for community transfer. The following halls have been identified as the five with the least usage and are proposed for community transfer or closure:  Banknock, Bothkennar, California, Limerigg and Polmont	
<b>Total</b>		<b>1,887</b>			

## CHILDREN'S SERVICES

### MEDIUM

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT – CHILDREN'S SERVICES					
Budget ref	Description	Saving £'000's	Year	Assessment, comment and mitigation	Group (s) Impacted.
1	Reduce support for learning assistants i.e. non-teaching staff within schools	763	Agreed 15/16 New proposal	Review of the general support aspects of the SflA role currently provided to schools. Support to ASN pupils will continue to be provided and will not be affected. Potential to impact on staff.	People with a disability.
19	Review the Family Support Service	300	New proposal	Review of FSS with a view to integrate with the Intensive Family Support Services team	Young children (predominantly males), Parents / Families with a disability would experience a reduction in support provided to those suffering / impacted by mental health issues.
4	Review existing Community Learning and Development provision and reduce in non-statutory areas	300	Agreed 15/16	Will be included as part of the overall workforce assessment. Mitigation will be achieved through a variety of HR policy related to managing organisational change e.g. VS, flexible retirement, early retirement etc.	EPIA to be carried out once statutory consultation concluded and specific savings identified.
6	Central Support Staff – (management, admin and clerical reduce numbers)	578			

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT – CHILDREN’S SERVICES					
Budget ref	Description	Saving £’000’s	Year	Assessment, comment and mitigation	Group (s) Impacted.
14	Changing the management arrangements for the school library service	290	Agreed 15/16		
2	Reduce early years management	70	Agreed 15/16		
18	Admin costs to building services	86	Agreed 15/16		
21	Reduction of temporary contracts	200	New proposal		
25	Inclusion Review from Education Central Support	100	New proposal	Re-organisation of internal management arrangements for Additional Support Needs provision through the development of revised internal management arrangements.	Children with disability.
15	Withdrawal of central co-ordination of primary library services	100	New proposal	There may be an adverse impact on literacy and learning across all school sectors particularly in relation to early intervention and prevention. Management of the bookbug service and Imagination Library initiative will be disrupted and affect looked after at home under 5s.	Looked after children and other disadvantaged and low income families

EQUALITY AND PROVERTY IMPACT ASSESSMENT BUDGET REDUCTION OPTIONS					
EPIA RISK RATING – MEDIUM IMPACT – CHILDREN’S SERVICES					
Budget ref	Description	Saving £’000’s	Year	Assessment, comment and mitigation	Group (s) Impacted.
17	Public Conveniences – excluding Blackness	100	Agreed 15/16	Remove staff and re-engineer cleaning and maintenance provision. A comfort scheme will be established to ensure that the provision of service is still available. The savings on the whole will be through staffing so will be part of the statutory workforce consultation.	People with a disability, older people, women and children
<b>Total</b>		<b>2,887</b>			



**Falkirk Council**

**PROPOSED MEASURES TO ACHIEVE  
SAVINGS IN THE WORKFORCE  
BUDGET IN ORDER TO PROTECT JOBS**

**October 2015**

## **1. INTRODUCTION**

The Council is committed to taking the necessary actions to ensure a stable financial position for the authority. This is a challenging time for all local authorities and the Council, as part of the 2015-17 budget discussions, required to identify savings to bridge a £45 million gap in the Council's revenue budget. Our capacity to protect jobs and retain good quality services over the coming years will require further changes to the way in which we provide services, including modernising our terms and conditions. Employee-related costs (mainly wages and salaries) account for c60% of the Council's budget, so a reduction in employee costs is unavoidable.

The Council previously agreed a number of proposals which are projected to reduce workforce numbers by c430 FTE (equivalent to 430 full time jobs) over this 2 year period (2015/17). Progress has been made, with full time equivalent posts reducing by c165 FTE over the past year. This includes 91 employees who have now accepted Voluntary Severance offers with a leaving date within this financial year.

In addition, the Council agreed that further savings of c£1.5 million requires to be found from terms and conditions of employment. These changes require to be in place, with savings being realised with effect from 1<sup>st</sup> April 2016.

At the same time, the Council recognises that many of our employees, particularly those providing front line services, are facing their own financial pressures and that our ability to recruit and retain the necessary employees to provide our services is largely dependent on offering competitive pay and conditions.

The Council has therefore been in negotiation with relevant trade unions regarding changes to terms and conditions of employment with a view to producing a package of terms and conditions which can be collectively agreed by the Trade Unions and offers competitive employment conditions that are modern, cost effective and simple to administer.

Unless specified, these changes affect all employees.

## **2. CONTACT INFORMATION**

### **Helpline and email address**

If you have any queries about the proposals, please email enquiries to [hrhelpdesk@falkirk.gov.uk](mailto:hrhelpdesk@falkirk.gov.uk)

### **Your Trade Union**

If you are a member of a Trade Union you will also receive a ballot paper on the consultation proposals from your Trade Union. You can also contact your local representative with any questions.

Unison	Gray Allan	<a href="mailto:secretary@unisonfalkirk.org.uk">secretary@unisonfalkirk.org.uk</a>
GMB	Christina Lambie	<a href="mailto:Christina.Lambie@gmb.org.uk">Christina.Lambie@gmb.org.uk</a>
Unite	Herbie Schroder	<a href="mailto:herbie.schroder@falkirk.gov.uk">herbie.schroder@falkirk.gov.uk</a>
UCATT	Graeme Turnbull	gturnbull@ucatt.org.uk
EIS	Colin Finlay	<a href="mailto:colin.finlay@falkirk.gov.uk">colin.finlay@falkirk.gov.uk</a>
SSTA	Headquarters	<a href="mailto:info@ssta.org.uk">info@ssta.org.uk</a>

### 3. TIMESCALES

If agreed, the proposed changes to the pay structure and conditions of service will be implemented as of 1 April 2016.

### 4. MODERNISING WAYS OF WORKING

The Council is committed to the ongoing review and modernisation of ways of working to provide cost effective services. As a consequence of this, the following will be implemented:

- The establishment/ continuation of Improvement Groups within relevant Service areas to review and modernise ways of working. Improvement Groups are joint working groups involving management and trade union representation established to review working arrangements and identify improvements in particular service areas;
- Review of overtime working across all Services, in consultation with relevant trade unions, to reduce overtime costs;
- Review of working patterns across all Services, in consultation with relevant trade unions, to identify potential areas of change which may generate efficiencies or improvements and meet the needs of the changing workforce/ service demands. This may result in a change to the pattern and/or hours of work for some employees; and
- Voluntary Severance – consideration will be given to voluntary severance requests in areas where a review of service delivery identifies potential business efficiencies.

## 5. PROPOSED CHANGES TO CONDITIONS OF SERVICE

The Council and Trade Unions are committed to spreading the required saving of £1.5 million across the workforce in a fair and consistent manner.

The changes being considered are as follows:

### **Reduce the Standard Working Week**

Reduce the current 37 hour working week to 36 hours, and reduce pay on a pro-rata basis, for those employed on SJC, Craft and CO conditions. If you are a part time employee, your hours/pay will be reduced on a pro rata basis. Where possible, this will be done on the basis of whole 10 or 15 minutes but rounding will apply if appropriate.

This ensures employees continue to receive the same hourly rate of pay, whilst reducing the working time to achieve savings.

Those working less than 16 hours will have no reduction.

For those currently in receipt of hours protection, the proposal is based on working hours and protection payments, i.e. if you are protected on 35 hours and in receipt of 2 hours protection, the above proposal would result in an overall reduction in pay from 37 hours to 36 hours.

Any employee who has had a reduction in hours as a result of budget savings being agreed in their area of work, e.g. Cleaning, will retain their newly reduced hours for the purpose of this change, although the maximum full time hours for any post across the Council will be 36 hours.

It is accepted that by reducing the working week, we need to change the way that we work and the services that we deliver. Services need to assess the impact of the overall package and consider workload issues as required.

In addition the following changes will also be implemented to achieve the necessary savings. For the purposes of comparison, the current provisions are also provided.

Provision	Current Provision	Proposals
<b>Protection of Working Hours</b>	Former APT&C employees in post at 17 December 2006 are protected on 35 hours or pro rata for part time employees. Where this is the case, they are credited with 2 hours each week to make up their 37 hours or the equivalent pro rata.	This protection will be removed. Consideration will be given to offering employees a choice of how this is implemented, i.e. through a reduction in pay or increase in working hours.
<b>Overtime</b>	Overtime for SJC employees, irrespective of the day/time worked, to be paid at time and a half for all hours	No change



Provision	Current Provision	Proposals
	worked (after 37 hours).	
<b>Excess Travel</b>	Reimbursement of <b>additional</b> cost arising from a compulsory change in their place of work, establishment	Removal of Excess Travel. Employees would be responsible for any additional cost/outlay.
<b>Long Services Awards</b>	Award for 25 and 40 years service.	No long service award would be available
<b>Relocation</b>	Reimbursement of expenses are available for costs incurred during the process of relocation. Up to £6,000 for relocation costs	Removal of relocation expenses. New starts would be responsible for any relocation required.
<b>Subsistence Allowance</b>	Reimbursement of approved expenses incurred during work.	Removal of subsistence. Employees would be responsible for all lunch/breakfast expenses.
<b>Christmas Closure</b>	Service Directors have discretion to close offices between Christmas & New Year.	Offices will close (list to be provided to Trade Unions) and employees in these locations will be required to use annual leave to facilitate closure.
<b>Telephone Allowance</b>	Reimbursement of cost of telephone line at home.	All relevant employees would require to use mobile phones.

Trade Unions will consult their Members to seek views on the above with the aim of saving £1.5m and protecting further job reductions being associated with this particular saving.

## 6. WHAT HAPPENS IF NO AGREEMENT IS REACHED?

If a revised package of terms and conditions is not collectively or individually agreed, the Council will be required to consider alternative options on how the £1.5m can be saved from workforce costs. This could be through an alternative package of changes to terms and conditions or through a further reduction in jobs to reach the saving of £1.5m. The Council is however keen to reach an agreement and protect jobs as far as possible.

## 7. WHAT HAPPENS NEXT?

If you have any queries relating to the above proposals please contact either your line manager, the HR helpdesk or your trade union representative.

Relevant trade unions propose to ballot their members on these proposals, with a view to reaching agreement on a revised package of terms and conditions which can be effective from 1<sup>st</sup> April 2016. It is hoped that agreement can be reached.

## EXTERNAL FUNDING PROPOSALS

## APPENDIX 6

Organisation	2015/16 Budget	Total Proposed saving 16/17	Proposed Budget 16/17	Indicative EPIA Rating
<b>CHILDREN SERVICES</b>				
Cluaran - (Barnardos - Teachers)	200,439	-	200,439	n/a
Cluaran (Barnardos)	448,450	-	448,450	High
New Beginnings (Barnardo's)	182,724	-	182,724	High
Aberlour Trust - CLASP(Camelon & Larbert)	276,385	8,497	267,888	High
Bo'ness Family Centre (Barnardos)	279,208	11,794	267,414	High
Aberlour Trust - Langlees Family Centre	199,695	12,858	186,837	High
One Parent Families Scotland - Braes Family Centre	120,755	5,101	115,654	High
Home Start Denny	29,488	-	29,488	High
Speech and Language Therapy (NHS)	465,040	-	465,040	High
	<b>2,202,184</b>	<b>38,250</b>	<b>2,163,934</b>	
Denny Community Support Group	29,250	1,462	27,788	n/a
Kersiebank Community Project	9,600	480	9,120	n/a
Dennyloanhead Community Hall Ltd	11,933	597	11,336	n/a
The Powerstation	10,302	515	9,787	n/a
Westquarter & Redding	9,150	0	9,150	n/a
Dobbie Hall Trust	14,356	0	14,356	n/a
Worker Education Association	46,326	16,618	29,708	Med
	<b>130,917</b>	<b>19,672</b>	<b>111,245</b>	
Children's Rights: Who Cares Scotland	27,970	-	27,970	n/a
Children's Rights: Quarriers	86,200	-	86,200	n/a
Signpost Time 4 Us Project	30,000	1,500	28,500	High
Axis (Barnardos)	105,405	-	105,405	High
SACRO	77,232	-	77,232	High
	<b>326,807</b>	<b>1,500</b>	<b>325,307</b>	
<b>SERVICES FOR CHILDREN TOTAL</b>	<b>2,659,908</b>	<b>59,422</b>	<b>2,600,486</b>	
<b>ADULT SERVICES</b>				
Independent Living Association	29,604	1,480	28,124	High
Princess Royal Trust for Carers	141,898	-	141,898	High
Falkirk & District Assoc for Mental Health	177,777	-	177,777	n/a
Forth Valley Sensory Centre	56,470	8,471	47,999	Low
Alzheimer Scotland	63,219	3,161	60,058	High
CVS Falkirk & District - Health project	18,430	18,430	-	Low
Services for Survivors of Trauma	102,783	5,139	97,644	Medium
Denny & Dunipace CAB	9,624	-	9,624	High
G'mouth & Bo'ness CAB	9,624	-	9,624	High
Falkirk CAB	9,624	-	9,624	High
<b>ADULT SERVICES TOTAL</b>	<b>619,053</b>	<b>36,681</b>	<b>582,372</b>	
<b>CORPORATE &amp; HOUSING</b>				
Signpost Time 4 Us Project	15,000	1,125	13,875	High
AXIS (Barnardos)	33,724	33,724	-	Medium
SACRO	46,104	11,987	34,117	High
Central Scotland Regional Equality Council	10,200	1,530	8,670	Low
Action Group	100,621	15,000	85,621	Medium
Forth Valley Family Support	20,000	5,550	14,450	Medium
Linkliving	14,114	14,114	-	High
Salvation Army	10,745	1,612	9,133	High
Central Scotland Fire and Rescue	4,798	-	4,798	Low
Falkirk Bid District - Taxi marshalling	20,000	-	20,000	Low
Falkirk & District Women's Aid	244,170	24,417	219,753	Medium
G'mouth & Bo'ness CAB	103,538	5,177	98,361	High
Denny & Dunipace CAB	97,696	4,885	92,811	High
Armed Forces Project - Denny CAB	18,000	-	18,000	High
Falkirk CAB	177,360	8,868	168,492	High
Credit Union	9,794	-	9,794	Low
MacMillan Money Matters	40,000	2,000	38,000	Medium
Community Grants Programme (Small grants)	109,753	15,527	94,226	Medium
CVS Falkirk & District (Core) - See Adult services	102,372	-	102,372	Low
Community Councils	6,380	957	5,423	Medium
Gala Days	12,000	-	12,000	Low
Denny Community Support Group	-	-	-	N/A
Bo'ness Fair	27,929	6,314	21,615	Low
<b>CORPORATE &amp; HOUSING TOTAL</b>	<b>1,224,298</b>	<b>152,787</b>	<b>1,071,511</b>	
<b>DEVELOPMENT</b>				
Falkirk Town Centre Management - included in service savings	178,309	75,000	103,309	
Visit Scotland - included in Service Savings	38,503	33,000	5,503	
Scottish Railway Preservation Society	48,451	48,451	-	TBC
Falkirk Environment Trust	27,750	4,163	23,588	TBC
<b>DEVELOPMENT SERVICE TOTAL</b>	<b>293,013</b>	<b>160,614</b>	<b>132,400</b>	
<b>TOTAL</b>	<b>4,796,272</b>	<b>409,504</b>	<b>4,386,768</b>	

Savings in Miscellaneous Services  
Savings In Development Services

301,504  
108,000  
**409,504**