

**FALKIRK COUNCIL**

**Subject: REVENUE BUDGET FRAMEWORK 2015/16 – 2017/18**  
**Meeting: SPECIAL FALKIRK COUNCIL**  
**Date: 12 November 2014**  
**Author: CHIEF EXECUTIVE & CHIEF FINANCE OFFICER**

**1. INTRODUCTION**

- 1.1 The primary purpose of this report is to progress the General Fund Revenue Budget process in a proactive manner, having particular regard to the extremely challenging projected gaps in financial years 2016/17 (£17m) and 2017/18 (£15m).
- 1.2 The report firstly, however, gives context at both the national level in terms of the Scottish Government's recently announced budget and then provides an overview of Falkirk Council's financial position.
- 1.3 Whilst the focus of this report is on the Revenue Budget, it should not be forgotten that parallel workstreams are progressing the other elements of the Council's overall budget position in terms of:-
- a) General Services Capital Programme
  - b) HRA – Revenue
  - c) HRA – Capital
  - d) Trust

It is anticipated that items a) to c) along with the Revenue Budget, will be presented to the planned Council Meeting on 11 February in the conventional manner, with the Trust considered separately at an earlier special Council meeting.

**2. SCOTTISH GOVERNMENT BUDGET 2015/16**

- 2.1 The Cabinet Secretary for Finance, Employment and Sustainable Growth presented his Budget on 9<sup>th</sup> October. The Budget set out three key themes:-
- Making Scotland a more prosperous country
  - Tackling inequality
  - Protecting and reforming public services

The following paras focus on content pertinent to local government and the Falkirk Council area, but do not purport to be exhaustive.

- 2.2 Mr Swinney sets out the position with respect to local government in his letter to the Cosla President, a copy of which is at Appendix 1. Councils will, in return for the settlement, be expected to continue to deliver specific commitments:-
- Maintain the council tax freeze for an eighth year
  - Provide places for all probationer teachers who require one under the teacher induction scheme

The position on maintaining teacher numbers is shifting to an outcomes based approach which will be pursued by the Scottish Government and Local Government in partnership with other stakeholders. Whilst work to reach an in principle agreement is on-going the sanctions in relation to teacher numbers are suspended for 2015/16.

As in previous years it is not open to councils to select elements of the package, it is all or nothing, and significant grant loss will result if a council fails to accept these terms. In such a case the Council Leader is required to advise the Cabinet Secretary of their Council's position.

- 2.3 Mr Swinney's letter notes a number of changes since the announcement of the previous draft budget, with additional sums for:-

- Free school meals
- Pre-School entitlement
- Council Tax Reduction Scheme administrative costs
- Children & Young People Act Capital Grant

[There are also adjustments announced for 2014/15 in the letter]

- 2.4 The letter also notes that the published sums do not yet include some elements which will be added at a later stage:-

- Scottish Welfare Fund
- Discretionary Housing Payments
- Teacher pay agreements

In addition, the Budget itself advises that there will be an extension of kinship care allowances in discussion with Cosla.

[Again, there are also related adjustments for 2014/15 in the letter]

- 2.5 As part of its efforts to mitigate the impacts of UK welfare reform the Scottish Government will roll forward its contribution of £23m to support the Council Tax Reduction Scheme, with an expectation that local government will again contribute £17m.

- 2.6 Funding of £100m will be allocated via NHS Boards in 2015/16 to support partnership work to drive the shift towards prevention across all adult services. This resource will be open to councils and the third sector.

- 2.7 Mr Swinney also announced plans for a new Falkirk College campus.

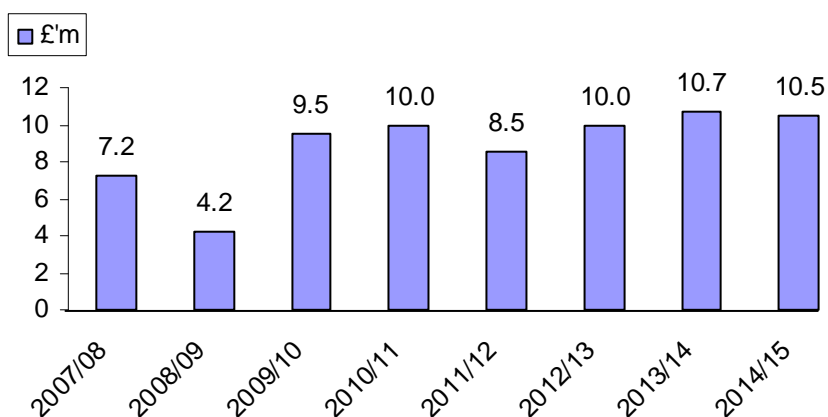
- 2.8 An overall assessment of the Budget provided by the independent Fiscal Affairs Scotland concludes:-

“The overall profile of austerity that UK government is embarked on, and which impinges heavily on the profile of the Scottish Budget via the Barnett formula, suggest that 2015-16 is likely to prove to be one of the milder years in terms of cuts.

For financial year 2015-16, the real terms (i.e., inflated adjusted) cut is given in the new Scottish Budget as -1.7%. This is considerably lower than the -3% to -5% real terms cuts seen in both 2010-11 and 2011-12 and than the cuts of over -3% that are likely to re-emerge in both 2016-17 and 2017-18.”

### 3. FALKIRK COUNCIL'S FINANCIAL POSITION

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



As this table shows, the Council has had to identify savings of **£70.6m** over the last 8 years. Average savings since 2009/10 have been almost **£10m pa**. The future projected Budget gaps are considered later in this report (section 4.2).

- 3.2 Until now, the Council's robust and healthy reserves position has allowed the Council to draw on that resource as part of a toolkit for dealing with these Budget gaps. This is notwithstanding the important points that deployment of reserves in this manner is not strictly compliant with the standard purposes for holding such reserves, nor does it deal with the underlying resource shortfall. Use of reserves is therefore a temporary expedient. The paragraphs below indicate that, going forward, the capacity to continue to use reserves in this manner will be very seriously constrained.
- 3.3 The Council also has a trend of overall underspends on General Fund stretching back for 7 years. Variances against Budget are inevitable in an organisation of the scale and service diversity of Falkirk Council. With a gross General Fund Revenue Budget of circa £500m even a 1/2% variance represents a significant cash sum of £2.5m.
- 3.4 The "Financial Position 2014/15" report to the re-arranged October Executive, projects net expenditure to be £3.1m in excess of the Budget based on advice from Services. This is primarily attributable to projected overspends in the Council's two largest Services and a report setting out the reasons for this with respect to Social Work in particular, was considered by the September Executive.
- 3.5 In addition to the Service demand pressures attributable to demographic drivers, a position being encountered by Councils across Scotland and indeed the UK, there are additional factors contributing to the overspend pressure:-
- As part of the Budget management toolkit mentioned at para 3.2, a budget rebasing exercise has taken nearly £5m out of the budget over the past two financial years. This reflects areas of underspend where it is agreed with the Service that they could, and should, be removed from the Budget. The consequence of this is that previous "flex" in the Budget has been removed.

- b) As previously reported to Members, the European Court judgement on holiday pay will cost the Council an estimated £0.5m per annum, together with a potentially very significant backpay liability. This is not budgeted for.
- c) Planned Budget savings are not always achieved to the extent forecast.

- 3.6 The implication of this is that we are now encountering a tilt in the Council's finances, and whilst vigorous efforts will be made to manage the projected overspends, it is anticipated that the era of regular and on occasion quite significant underspends is behind us. This self-evidently has profound implications for the Council's financial position going forward.
- 3.7 The Council's Reserves Strategy was reviewed and updated by P&R Committee on 04/09/12. This continued to provide for an indicative reserve range based on 2% of net and gross expenditure which equates to £7-£10m. In practice, largely attributable to the underspends mentioned at para 3.3, the actual balance has been at the upper end and beyond of this range.
- 3.8 With the reserve no longer being replenished by underspends, any deployment of the reserve will clearly reduce the balance and this will of course be compounded if overspends in 14/15 (and future years) materialise. The reserve position can be summarised as follows:-

	<u>£'m</u>	
Opening Balance	12.3	
- Application to 14/15 Budget	(1.5)	Per February Budget report
- Transfer to Spend to Save	(0.6)	Per August Executive report
- 14/15 Projected <u>Overspend</u>	(3.1)	Per October Executive report
	<u>7.1</u>	Per October Executive report

It can be seen that this takes the balance down to the floor of the approved reserve range. There are, however, additional pressures not reflected in the above position:-

	<u>£'m</u>	
a) Holiday backpay liability	?	
b) thinkWhere (refer report on this Council Agenda)	0.5	Paid over several years
c) Unexpected events	?	

Moreover, this effectively removes any substantive capacity to deploy reserves to help balance the Budget Gap. As noted at para 3.2, this would in any case only be a temporary expedient. The position on the reserve will be reviewed and revisited, informed by more up to date information, in the financial update report to the January Executive.

- 3.9 As attention is turned in the following section to the forthcoming budgets, it can be concluded from the above analysis that the Council will have less scope for manoeuvre than has hitherto been the case. One illustration of this will be the actual delivery of approved savings will be vital as there will not be the previous level of contingency cover available from the reserve. This will unfortunately make what are going to be very challenging choices and decisions that bit more difficult.

#### 4. BUDGET FRAMEWORK 2015/16 – 2017/18

##### 4.1 Regulatory Considerations

- 4.1.1 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.

4.1.2 In practice, it is now more common for Councils to operate within a framework beyond one year, usually two or three years. The main drivers for this are:

- a) It better accommodates a more strategic approach
- b) It allows more time for due process to be undertaken prior to the Budget decision meeting. In particular, this relates to progression of Equality and Poverty Impact Assessments (EPIA) of savings proposals and any necessary consultation including those of a statutory nature.

This is an approach which finds favour with Audit Scotland.

4.1.3 Every Council is also legally required to “make arrangements for the proper administration of their financial affairs”. The Chief Finance Officer holds this (Section 95) responsibility for Falkirk Council. A key element of this responsibility is securing a balanced and timeous Budget. This legal and professional responsibility is clarified and expanded in the CIPFA document, “The Role of the CFO in Local Government”.

4.1.4 There is an expectation by both the Scottish Government and Audit Scotland that, going forward, budgets will be much more integrative in nature, in terms of an interface with Community Planning Partners with a joint focus on the priorities in the Single Outcome Agreement (SOA). This is reflected in practice in the Joint Resourcing Agenda and the integration of Social Work and Health adult care.

## 4.2 The Budget Gap

4.2.1 The profile of the projected Budget Gap is as follows:-

<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>Total</u>
£7.8m	£17.4m	£15.2m	£40.4m

These figures are the aggregation of an extremely diverse array of expenditure and income elements allied with a range of assumptions on, for example, demographic factors, inflation and interest rates. The most significant element is government grant which covers some 80% of our income. The grant figures for 15/16 is known (subject to confirmation in December) but not for 16/17 and 17/18. The latter figures will be determined by a range of factors, including the outcome of the Westminster election, the subsequent Spending Review and grant award to the Scottish Government, coloured by the Barnett Formula and its mechanisms, how the Scottish Government decides to distribute that sum, together with resources from its new powers and finally how the local government element is distributed to individual Councils via the grant methodology.

4.2.2 Whilst the Budget Gaps are estimates, and accepting the further they project into the future inherently the less certain they are, they are nevertheless held to be robust. In the event they may prove to over-estimate the size of the Budget Gaps, but the converse could also apply.

4.2.3 The approach, or toolkit as previously referred to, for achieving a balanced Budget is set out at Appendix 2. The final outcome will be some combination of these elements, but what is absolutely clear and needs to be confronted, is that **to achieve aggregate savings of circa £40m over the three years will require significant contraction in service delivery and reduction in staffing**. This needs to be conveyed, albeit sensitively, to stakeholders including the general public, service users and staff/trade unions. This is considered in the next section.

### **4.3 Consultation/Engagement**

- 4.3.1 The scale of the cuts the Council is facing and the difficult choices that entails has been flagged up in the “Falkirk Council News” and in briefings to senior staff and Trade Unions.
- 4.3.2 Tripartite and more informal related meetings have taken place with Trade Unions and will continue to do so during the Budget process. In these meetings, the TUs have made it very clear that they are not prepared to consider discussing changes to staff terms and conditions until they see evidence of the specific and difficult savings options the Council is having to consider. Staff briefings have provisionally been arranged geared to this Council meeting’s consideration of the Budget. Following today’s meeting of Council, individual Service Based Trades Union Forums will be held together with workplace briefings for employees. These will provide more information to unions and staff on the overall budget position of the Council and the areas/ issues that the Council is seeking feedback on through the consultation process.
- 4.3.3 A general public consultation will be conducted on the Council’s website. A more qualitative supplement to this will be pursued via Focus Groups drawn from the Citizens Panel. The outcome from this will feed into and inform the decision-making process.
- 4.3.4 It is intended that all Community Councils will be invited in to the Municipal Buildings to hear a briefing on the Budget position and ask questions.
- 4.3.5 Equality and Poverty Impact Assessments together with any other formal/statutory consultations relating to specific savings options are considered in the next section of this report.

### **4.4 Budget Savings Options**

- 4.4.1 The benefits of adopting a proactive approach over a time horizon beyond one year has already been highlighted in this report. It is difficult to imagine how Budget Gaps of the magnitude forecast for 16/17 (£17m) and 17/18 (£15m) can be managed effectively, if tackling them is only started in the year in question.
- 4.4.2 Consequently, it is proposed that Council gives authority to officers to progress Equality & Poverty Impact Assessments (EPIA) and other required consultations relating to savings options identified by officers, including these which extend beyond financial year 2015/16. It is clear that it is Members who will finally take the decisions on savings options, but these decisions will be better informed having this information sitting behind the option. The legal position on the equality element makes this an important consideration. Moreover, savings options need only be selected by Members consistent with the size of the updated Budget Gap i.e. if that is reduced then only the requisite level of savings options require to be approved.
- 4.4.3 The EPIA/consultation savings options identified at this stage by officers are presented by Service at Appendix 3. These savings will inevitably be expanded as the Budget exercise progresses. In addition, funding for external organisations will be reviewed.

## **5. CONCLUSIONS**

- 5.1 This report considered initially the broad budgetary and economic context with respect to the Scottish Government's 15/16 Budget. The report then sharpened its focus to the position for Falkirk Council. It was highlighted that the Council's finances showed evidence of tilting from the previous position of regular underspends and robust reserves and reasons for this were outlined. This, it was argued, would limit flexibility and make managing the projected significant Budget Gaps over the next three years even more difficult.
- 5.2 A particular focus was then directed to the process for managing these very challenging Budget Gaps. It is proposed that Council sanctions progression of Equality & Poverty Impact Assessments and other necessary consultations to both capitalise on available time and to ensure eventual Budget decisions taken by Members are underpinned by this supporting information. This is particularly important with respect to equality aspects where there is a clear legal requirement.

## **6. RECOMMENDATIONS**

- 6.1 Note the Scottish Government Budget per Section 2.
- 6.2 Note the Council's financial position per Section 3.
- 6.3 Note the Budget framework per Section 4.
- 6.4 Approve the progression of Equality & Poverty Impact Assessments and other necessary consultations as set out at Section 4.4 and Appendix 3.

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Chief Finance Officer

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Chief Executive

Date: 22 October 2014

Contact Officer: Mary Pitcaithly/Bryan Smail

### **LIST OF BACKGROUND PAPERS**

1. Budget Working Paper Files.

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

Cabinet Secretary for Finance, Employment and Sustainable Growth  
John Swinney MSP

T: 0845 774 1741  
E: [scottish.ministers@scotland.gsi.gov.uk](mailto:scottish.ministers@scotland.gsi.gov.uk)



Councillor David O'Neill  
President  
COSLA  
Verity House  
19 Haymarket Yards  
EDINBURGH  
EH12 5BH

In 2014 Scotland Welcomes the World



Copy to: The Leaders of all Scottish local authorities

9 October 2014

This letter sets out the terms of the local government finance settlement allocations to be provided to local government for 2015-16 as part of our continuing partnership negotiations and confirms a number of changes to the allocations that we have agreed since the indicative figures for 2015-16 were previously confirmed.

This settlement is set against the challenging fiscal environment and austerity measures set out by the current UK Government in their budget projections, which are set to continue in the coming years. Over the course of 2010-11 to 2015-16, the Scottish Government's Fiscal DEL Budget has been cut by around 10% in real terms with the Capital budget facing a particularly challenging real terms reduction of around 26% over the same period.

Despite that the terms of this offer on the funding package to be provided to local government represent a very fair settlement and delivers on this Government's priority to continue to protect Scottish local authorities from the cuts imposed on the Scottish budget. This is in stark contrast to the swingeing cuts the UK Government has applied to local authority funding in England.

Local government is an integral and essential element of the overall good governance of Scotland and continues to be a critical partner in the Scottish Government's transformative programme of public service reform. This funding package builds on the priorities laid out in the Scottish Spending Review 2011 and the Draft Budget 2014-15 and continues to be focussed on delivery of our joint priorities of growing the economy together with protecting front-line services and the most vulnerable in our society. COSLA is invited to agree the terms of the settlement set out below on behalf of local authorities.



For 2015-16, in addition to the pursuit of our joint priorities, individual local authorities, in return for this settlement will require to agree formally to work with the Scottish Government to deliver a council tax freeze for the eighth consecutive year and secure places for all probationers who require one under the teacher induction scheme. The Scottish Government and COSLA have also agreed to:

- A five month timetable to reach an in-principle agreement on an outcomes based approach to educational outcomes subject to the completion of work which is satisfactory to both Scottish Government and Local Government. We would embark on this work immediately with the first phase to be completed by 1st March 2015. This process should be inclusive and engage other parties notably trade unions, parent bodies and others with an interest in educational outcomes. This approach would consider a broader range of indicators of educational improvement and should include teacher numbers as an important contributory factor.
- Commencing over the same five month period and in relation to 2015-16: if a local authority is able to reach agreement with partners through engagement mechanisms, including the LNCT, to introduce flexibilities which impacts on the numbers of teachers then this may be viewed as a derogation to the national commitment on teacher numbers.
- That the commitment to maintain teacher numbers in line with pupil numbers along with associated sanctions remain in place for 2014-15. While the work to reach an in-principle agreement (as above) is on-going, the sanctions in relation to teacher numbers are suspended for 2015-16. If a new agreement is not reached for 2015-16 there will be a continued Scottish Government commitment to maintain teacher numbers in line with pupil numbers at a national level.

The financial support to be distributed to authorities will be the subject of consultation with COSLA and set out in a Scottish Local Government Finance Circular early in December 2014. As in previous years, the Scottish Government will hold back £70m from the Local Government Finance Order put to Parliament in early February 2015, representing the amount that is included in the settlement to deliver the Council Tax Freeze. Parliamentary approval to pay out the remaining amount will be sought in March 2015 once all councils have set their budgets and their council tax rates for the year ahead.

Delivery of these commitments will be monitored and in the event of a failure to deliver, appropriate adjustments made to distributable resources as described below.

I can confirm that for 2015-16 I will only require those Council Leaders who do not intend to take up the offer and agree the full package of measures to write to me setting out the reasons why they do not wish to comply. Any Leader not intending to take up the offer should write to me confirming their Council's decision by no later than 11 March, but preferably by the end of February, (and ideally as soon as possible after they have set their budgets and announced their council tax rates for 2015-16). Any Council not taking up the offer will not receive their share of the monies held back to be distributed later in March 2015.

The total funding as set out in the Draft Budget 2015-16 document, including provision for the council tax freeze and the support for teacher employment, which the Scottish Government will provide to local government in 2015-16 is £10,756.7 million.

Within the total funding package, revenue funding will amount to £9,895.4 million,

including the funding to deliver a council tax freeze and capital £861.3m for 2015-16.

This total includes the Government's estimate of non domestic rate income over the period.

The 2015-16 total of £10,756.7 million includes a number of changes since the publication of the £10,608.2 million included in the 2014-15 Draft Budget. The additional sums are as follows:

- £54m for free school meals in General Revenue Grant (GRG);
- £44m for pre-school entitlement (GRG);
- £6.5m for the Council Tax Reduction Scheme administration costs (GRG);
- £39m for Children and Young People Act in General Capital Grant (GCG); and
- £5m for Shetland Islands Council to support future house building projects (GCG).

The cash neutral changes are as follows:

- £7m increase in GRG with a corresponding reduction in Specific Revenue Grants as a result of the re-classification of the Hostels Grant funding; and
- £83.5m increase in GRG with a corresponding reduction in Non Domestic Rates because of the impact of the cap on the 2014-15 poundage and further estimating changes.

There have also been changes to the published 2014-15 total funding figure of £10,531.4 million and the revised total is now £10,586.7 million. The changes are as follows:

- £13m for free school meals (GRG);
- £18.5m for pre-school entitlement (GRG);
- £0.3m for Blanefield contaminated land project (GRG); and
- £23.5m Children and Young People Act in General Capital Grant (GCG).

The only cash neutral change was as follows:

- £38.5m increase in GRG with a corresponding reduction in Non Domestic Rates because of the impact of the cap on the 2014-15 poundage.

It should be note that these published sums do not include a number of other agreed, or still to be finally agreed, sums that will be included in the final local government finance settlements for both 2014-15 and 2015-16 and added to the Draft Budget figures at either Autumn Budget Revision (ABR) or Spring Budget Revision (SBR). These additions include:

2014-15

- £15m additional Discretionary Housing Payments (GRG);
- £5.1m for additional teacher support (National Qualifications) (GRG);
- £3m additional Family Support funding (GRG);
- £2m agreed as a result of the teacher pay agreement in 2014 which adds to the £39 million already included in the settlement (GRG);
- £24.8m for Free School Meals (GCG); and
- £17.5m top-up for the Children and Young People Act (GCG).

2015-16

- £38m for the Scottish Welfare Fund (GRG);
- £35m for the Discretionary Housing Payments (GRG); and
- £2m baselined agreed as a result of the teacher pay agreement in 2014 which adds to the £39 million already included in the settlement (GRG).

This settlement package for 2015-16, which funds councils to maintain the council tax freeze to households and provides additional resources to deliver our shared priorities around school education, free school meals and childcare, remains a fair settlement in the continuing challenging financial circumstances. The package continues to be focussed on delivery of our joint priorities of growing the Scottish economy and protecting front line services and the most vulnerable in our society, and supported by continued investment in prevention and wider reform actions.

Y. 07/15

JS

**JOHN SWINNEY**

**BRIDGING THE BUDGET GAP**  
**TEMPLATE**

	<u>2015/16</u> <u>£m</u>	<u>2016/17</u> <u>£m</u>	<u>2017/18</u> <u>£m</u>	<u>Total</u> <u>£m</u>
Estimated Budget Gap	7.8	17.4	15.2	40.4
Budget Rebased				
Possible deployment of Reserve				
Spend to Save				
Corporate Savings				
Reduced Capital Programme				
<u>Service Savings</u>				
Education				
Social Work				
Corporate & Neighbourhood				
Development				
Chief Executive				
Community Trust				
	7.8	17.4	15.2	40.4

	<b>FALKIRK COUNCIL OPTIONS FOR SERVICE SAVINGS</b>			<b>APPENDIX 3</b>
	<b>EDUCATION SERVICES</b>			
<b><u>Savings Ref</u></b>	<b><u>Description</u></b>	<b><u>3 Year Budget Savings</u></b>	<b><u>3 Year FTE</u></b>	
1	SfLA's - Reduce level of support by efficiencies & new model of operation	400	28.0	
2	Transport - Change to Statutory Minimum of 2/3 miles	350	0.0	
3	Early Years - Review management structures in nursery schools and sessionalise Heathrigg	145	3.0	
4	Early Years - Full cost recovery on baby provision	17	0.0	
5	Primary Schools - Shared HT's/school management	60	2.0	
6	Reduce level of provision of Speech and Language therapy	50	0.0	
7	Secondary Schools - Reduce teachers/subjects and rationalise management structures	400	12.0	
8	Special Education - Reduce teacher/manager posts	300	8.0	
9	Psychological Services - Reduce number of Psychologists	50	1.0	
10	CLD - Reduce number of staff	320	16.0	
11	ES Central Support Staff (admin and clerical) - Reduce number of staff	400	12.0	
12	CLD Halls - Community Transfer	100	0.0	
13	Increase Childcare Fees by 5%pa	45	0.0	
14	Reduce frequency of building cleaning	365	16.2	
15	Review of PPP/NPDO contractual arrangements e.g. contract specification reductions and refinancing	950	4.0	
16	Charge for all school lets	40	0.0	
17	Reduce schools per capita budgets	100	0.0	
18	Promote use of parental contracts instead of taxis	5	0.0	
19	Schools Catering - increase price by 20% over 3 years	300	0.0	
20	Review of Options to Reduce Primary School Teaching Hours (From 25 to 22.5hrs/wk)	595	17.0	
21	Close Bo-ness CLD Office	10	0.0	
22	Centralise CLD Management	40	2.0	
23	Stop School Library Service (13fte) & move to management via Secondary Schools	325	10.0	
24	Stop Baby Provision (48 places)	115	0.0	
25	Transport from Travelling People Site - stop automatic provision & move to distance entitlement	10	0.0	
26	Stop Breakfast Clubs	60	0.0	
27	Music/Instrument Instruction - review curricular choices	50	0.0	
28	School Lets - Increase charges by 5%	23	0.0	
29	Primary Schools - Removal of Discretionary Teaching	600	17.5	
30	Wider Review of CLD Provision	700	22.0	
		<b>6,925</b>	<b>301.9</b>	

<b>FALKIRK COUNCIL OPTIONS FOR SERVICE SAVINGS</b>			
<b>SOCIAL WORK SERVICES</b>			
<b>Ref</b>	<b>Description</b>	<b>3 Year Budget Savings</b>	<b>3 Year FTE</b>
1	Increase existing non residential charges and charging caps in line with inflation	96	
2	Introduce charges for day care for older people at a rate of £5 per week.	29	
3	Reduce frequency of cleaning to buildings	16	1.0
4	Introduce eligibility criteria for transport accompanied by charges for transport provided	50	
5	Inflationary increase for meals provided through meals on wheels and through day centres and lunch clubs	6	
6	Home Care - Shift the balance of internal/external provision towards a greater proportion of external provision	75	4.0
7	Redesign of employment services to people with a disability and potential closure of ASSET	102	12.0
8	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%	460	66.0
9	Terminate existing shopping service with alternative reduced service being commissioned through the voluntary sector	125	13.0
10	Review Caledonia Clubhouse and Services provided by FDAMH with a view to achieving efficiency savings of 20%	71	
11	5% reduction in funding to Barnardo's Axis, Sacro Mediation and Barnardo's Cluaran	26	
12	Inflationary uplift in charges for Older People's homes	35	
13	Non - Residential Charging for adult care - Move to Phase 2 charging with removal of capped charges	TBC	
14	Close Rowans short break service and purchase equivalent number of places externally	100	
15	Review and redesign of Joint Dementia Initiative	TBC	
16	Redesign of care home provision with closure of Oakbank and reprovision of Summerford	300	
17	Tighter Eligibility Criteria for adult social care to restrict provision to those whose needs are critical or substantial	1,400	
		<b>2,891</b>	<b>96.0</b>

	<b>FALKIRK COUNCIL OPTIONS FOR SERVICE SAVINGS (CORPORATE &amp;) NEIGHBOURHOOD SERVICES</b>		
<b><u>14/15</u> <u>Ref</u></b>	<b>Description</b>	<b>3 Year Budget Savings</b>	<b>3 Year FTE</b>
1	Community Safety Team - Reduce Level of Patrols and the geographical areas patrolled	75	3.0
2	Graden Aid - Start Charging	250	-
3	Public Conveniences - Closure of APCs excluding Bo'ness.	112	-
4	Refuse Collection - introduce charges for Special Uplifts	227	3.0
5	Bereavement Services - increase charges	150	-
6	Waste Disposal - Close 1 household waste site.	200	10.0
7	Pest Control - introduce charges for all residents	45	-
8	Refuse collection - Charge for bins in new housing developments.	15	-
9	Trade Waste - reduce crew sizes to 2 staff	50	2.0
10	Street Cleaning - Litter picking - Reducing the number of teams/squads and reducing the frequency of the current litter picking cycles.	200	8.0
11	Street Cleaning : Mechanical Sweeping - review sweeping cycles	100	2.0
12	Grounds Maintenance :Grass Cutting Operations - review grass cutting routes /beats	215	8.0
13	Grounds Maintenance : Weed Control - reduce frequency of weed spraying	100	2.0
14	Grounds Maintenance :Shrub Bed Maintenance and hedges - reduce level of maintenance	75	3.0
15	Grounds Maintenance - Reduce the size of the squads carrying out tree works.	40	2.0
16	Grounds Maintenance - Summer Bedding - Reduce the number of annual flower beds and revert to grass areas.  Reduce the overall number of hanging baskets displayed.	30	2.0
17	Grounds Maintenance : Nursery - stop operating a glasshouse at Kinneil Nursery	40	-
18	Private Sector Housing -top slice total working budget by 12%	99	-
19	General Fund Housing. Third Party Payments - ongoing Supported Accommodation Review	202	-
20	Stop the Deposit Guarantee Scheme	56	2.0
21	Small Repair Scheme	93	1.0
22	Closure of all Public Conveniences	249	4.3
23	Removal of discretionary elements of Private Sector Team	256	2.0
24	Building Services Administration Function	79	7.9
		<b>2,958</b>	<b>62.2</b>

	<b><u>FALKIRK COUNCIL OPTIONS FOR SERVICE SAVINGS</u></b>		
	<b><u>DEVELOPMENT SERVICES</u></b>		
<b><u>14/15</u></b> <b><u>Ref</u></b>	<b><u>Description</u></b>	<b><u>3 Year</u></b> <b><u>Budget</u></b> <b><u>Savings</u></b>	<b><u>3 Year</u></b> <b><u>FTE</u></b>
1	Charge for car parking at stations where parking is free	130	
2	Removal of 14/15 year old travel concessions	74	
3	Phased reduction in provision of school crossing patrols	150	20.5
4	Youth Employment - removal of additional funding element first agreed in 2012/13	500	
5	Economic Development - reduction in Service provision	500	
6	Reduce staff costs by 8%	1,000	25.0
7	Removal of taxi cards	64	
8	Street naming and numbering (new charges to developers/householders)	7	
9	Transport Planning (including Bus Subsidies)	1,808	
		<b>4,233</b>	<b>45.5</b>



	<b><u>FALKIRK COUNCIL OPTIONS FOR SERVICE SAVINGS</u></b>		
<b><u>14/15 Ref</u></b>	<b><u>Description</u></b>	<b><u>3 Year Budget Savings</u></b>	<b><u>3 Year FTE</u></b>
	<b><u>CENTRAL SUPPORT SERVICES</u></b>		
1	Surcharge for use of credit cards to pay council bills	25	
2	Childrens Panel / Safeguarder - recovery of costs from constituent councils	20	
3	Payroll & HR Systems Support	70	3.0
4	Customer First - consolidate one stop shop services	45	2.0
5	HR Operations - changes to Occupational Health contract	27	-
6	Staff Savings in Policy, Technology & Improvement.	116	3.0
7	10% staff savings across Central Support Services	1,000	35.3
		<b>1,303</b>	<b>43.3</b>