

## Budget Savings Proposal

**Proposal Title**      **Transforming Procurement**

### Description of Proposal

To transform procurement activity across the authority through the implementation of improved standardised processes, transparency and management of spend and increased collaboration.

One of the major contributors to the Council's savings target is the management of spend through more efficient procurement practices, tighter contract management, policy driven procurement, demand management, contract negotiation and sub-regional/regional collaboration. The Council's new Business Model will take the authority to a commissioning organisation rather than a delivery organisation, this change means more services will be procured, and there will be a greater need for proactive, effective contract management. Work carried out in conjunction with Peterborough Council suggests that significant savings can be made through implementing a new way of working.

To be able deliver this new way of working we need to change the way we are structured and how we procure goods, works and services. We need to be in position to be able to take advantage of all efficiency opportunities including collaborative arrangements and income generation. By improving and streamlining our processes we will dramatically improve our management information giving us visibility of further savings opportunities.

### Current Budget

Total relevant spending is currently approximately £80M per annum. This will be significantly reduced by other savings proposals and includes some areas of spend where savings will be minimal.

### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
700	1,500	1,500	1,500

## Budget Savings Proposal

**Proposal Title      Corporate Landlord**

### **Description of Proposal**

To implement a Corporate Landlord model, managed within the Estates & Property Section – Resources Group. Efficiencies will be generated through centralisation of 'Facilities' staff, contracts, methodology of FM management and improved Energy Monitoring/Management/Targeting.

The Corporate Landlord model has been implemented by a number of both public and private sector organisations and claims to offer savings of between 6 and 20% on total property spend. Some caution should be applied to these figures as they are very dependent upon the condition of the building stock and in some cases an initial investment in the building stock is required to bring them up to an acceptable standard, which will ultimately bring about a shift in the balance between planned and reactive maintenance. A successful Corporate Landlord model should allow a much greater percentage of maintenance to be planned, hence improving the predictability of spend.

### **Current Budget**

£3 million

### **Financial Savings (gross)**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>70</b>	<b>170</b>	<b>350</b>	<b>350</b>

## Budget Savings Proposal

**Proposal Title      Asset Rationalisation**

### Description of Proposal

To rationalise the Council's operational buildings. This would take into account the new service model and challenge the need for all property holdings. The Council currently spends over £3m pa (excluding rates) on operational property. Flexible working (Workwise) will not be considered at this point but will likely be re-visited in the future.

As a result of other efficiency proposals staff numbers and therefore the demand for office space is likely to reduce significantly in coming years. There is therefore an opportunity to rationalise the property portfolio and release buildings either leased or owned by the Council by relocating the remaining staff to maximise occupancy levels in key Council owned buildings, make the best of available space and by retaining only the most cost effective buildings.

### Current Budget

£3 million

### Financial Savings (gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
Nil	Nil	430	430

## Budget Savings Proposal

**Proposal Title**      **Management and Departmental Restructure - £1.5m saving**

### Description of Proposal

A target of £1.5m management savings over and above management savings in other reduction proposals was set and agreed when the Chief Executive embarked on the whole Council restructure. The first phase of the restructure was agreed by Council on 25/11/10 which involved reducing the number of Chief Officers from 22 to 14 saving the Council £767,000 p.a.

Consultation is underway on the remainder of the Council's management and service restructure and savings are planned to deliver £1.5m, the major elements of the saving are :-

Management  
Finance Service  
Highways  
ICT via Xentrall  
Legal Services

The Council already has lean structures however given the significant cost reductions required, further savings are targeted. The reductions will only be achieved by changes in what is done by management and support services, lower priority work will need to be deferred and a greater appetite for risk will be required. The new structure has provided opportunity for mergers and greater clarity which should enable increased efficiency to be delivered in some areas.

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
1,100	1,500	1,500	1,500

## Budget Savings Proposal

**Proposal Title**                      **Employee Two Year Pay Freeze**

### Description of Proposal

Council employees pay is negotiated nationally as part of the national agreement.

Although the Council feeds in its views on annual pay negotiations it can have no certainty over the outcome. Employee costs are a large proportion of the Council's budget and therefore the lack of certainty over pay increases. It is a key issue for the Council particularly in such financially challenging times.

The proposal is for the Council to withdraw from the national agreement and set its pay increase locally for the years 2011/12 and 2012/13 at a zero increase. This proposal may deliver less or more savings depending on what the actual national settlement is however what this proposal would deliver is two years of certainty so far as pay increases are concerned.

To deliver this proposal the Council has started consultation with the workforce and trades unions to seek agreement on withdrawing from national negotiations for two years if agreement cannot be reached, the Council will need to consider whether it would implement the proposal without agreement, such a decision will be subject to a further report to Council.

The proposal will also deliver savings for schools in respect of non teaching staff and for the Housing Revenue Account.

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
850	1,700	1,700	1,700

## Budget Savings Proposal

**Proposal Title      Library Service Review**

### **Description of Proposal**

Review of the Library Service in order to deliver options that will reduce the costs of the service by £250k p.a.

The review will consider the following;

An Assessment of Local Need will be carried out – This will establish the needs of adults, families and young people. The views of both users and non-users will be gathered through a comprehensive consultation process involving face-to-face consultation, paper and on-line questionnaires.

The efficiency of the current service will be reviewed. Potential efficiencies include:

- Alternative delivery arrangements such as partnerships
- More flexible use of buildings and other facilities.
- Scope of services provided; are the right services being delivered at the right cost?
- Maximisation of income.
- Integration or co-location with other services in the public or private sector, or with local communities.
- Increased community involvement.
- More efficient use of I.C.T.

In the interim, efficiencies will be achieved through rationalisation of back office services and of access desks at Crown Street.

### **Current Budget**

£1.18m

### **Current Funding (if other than Council revenue or non-ring-fenced grant)**

### **Financial Savings**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£130k</b>	<b>£250k</b>	<b>£250k</b>	<b>£250k</b>

## Budget Savings Proposal

**Proposal Title**      **Reduction in Countryside and Rights of Way Service**

### Description of Proposal

The proposal for the Countryside Section reduces the budget by a further £100,000. This consists of staffing reductions of 2.7 FTE, saving £75,000 and supplies and services, £25,000.

### Current Budget

£322,000

### Current Funding (if other than Council revenue or non-ring-fenced grant)

Majority of the funding is revenue budget with £27,000 Section 106 monies per year for the next six years.

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
100	100	100	100

## Budget Savings Proposal

### Proposal Title - Highways – Cease Council funding of Cycle and Pedestrian Training

#### Description of Proposal

Council ceases funding Cycle & Pedestrian training service. The service is presently funded from Road Safety Grant which expires 2010/11. Funding has been built in MTFP from 2011/12 onwards.

Cycle Training costs approximately £40k per year training 783 pupils in 2009/10 and is provided in 37 primary and secondary school mainly involving level 2 training to Year 5 and 6 pupils, though some Year 7 and 8 pupils receive advanced level 3 training. Cycling to school has increased from 0.9% in 2005 to 6.9% in 2009. A potential alternative source of funding may have been secured to continue the service. This will be confirmed in January 2011.

Pedestrian Training costs approximately £40k per year training 3,169 pupils in Years 1, 2 and 3 in 2009/10 and is provided in all 30 LA supported primary schools within the Borough. Walking to school accounted for 51.3% of school trips. Subject to this activity being eligible, it will form part of a bid to the Department for Transport for their new Sustainable Transport Fund.

#### Current Budget

£80K

#### Current Funding (if other than Council revenue or non-ring-fenced grant)

Road Safety Grant this year - Internal revenue next year

#### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
49*	80	80	80

\* The profile of the savings has been adjusted to enable the organised cycle and pedestrian training courses for the present academic year to be completed. This allows confirmation of the Grant from DfT for bikeability and submission of a bid to the Sustainable Transport Fund to offer the maximum flexibility in continuing these services if at all possible. The figures assume a continuation of the service to the end of this academic year and then redundancy/pension payments if the grants/bids fail to materialise.



## Budget Savings Proposal

**Proposal Title**      **Highways – Road Safety education, training and publicity (ETP) activity will be reduced to a minimum level of service.**

### **Description of Proposal**

Road safety education, training and publicity (ETP) activity will be reduced to a minimum level of service, targeting reduced resources on those areas where there is most need. In practise this means that we will focus road safety advice and publicity on those areas of Darlington or on particular age groups where evidence suggests it is needed. Guidance and information will be provided to existing stakeholders to enable them to continue their Road Safety ETP activity rather than organise and fund events and campaigns in schools and colleges.

This involves the deletion of the Road Safety Officer post and associated Education, Training and Publicity budget - The Road Safety officer undertakes ETP work, manages the School Crossing Patrol supervisor and Cycle /Pedestrian Training Schemes. The proposed restructure of Highways, Design and Projects group has accounted for potential realignment of line management of the remaining road safety services, such as the School Crossing Patrol service.

### **Current Budget**

£49,000

### **Current Funding (if other than Council revenue or non-ring-fenced grant)**

Internal Revenue

### **Financial Savings (Gross)**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>45</b>	<b>49</b>	<b>49</b>	<b>49</b>

## Budget Savings Proposal

**Proposal Title      Anti Social Behaviour –Reduced Service**

### Description of Proposal

To reduce the Anti Social Behaviour Team by five members of staff, saving £110,000. The team currently consists of an Anti Social Behaviour Manager, four Anti Social Behaviour Officers and four Anti Social Behaviour Assistants. The proposal deletes the four Anti Social Behaviour Assistants and one Anti Social Behaviour Officer. This proposal will reduce the capacity of the team and so require the remaining staff to work on very specific and targeted problems and with a more limited caseload than the current team.

### Current Budget

£355,000

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
101	110	110	110

## Budget Savings Proposal

**Proposal Title      Supporting People – Efficiencies**

### Description of Proposal

Efficiencies have already been made within Supporting People contracts to cover the reduction in Supporting People administration grant through service reviews and more effective tendering processes

### Current Budget

£187K

### Current Funding (if other than Council revenue or non-ring-fenced grant)

£114,096 from the Supporting People grant (non-ring-fenced grant) and £72,716 from the General Fund.

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
169	169	169	169

## Budget Savings Proposal

### Proposal Title - Community Safety

#### Description of Proposal

Significantly reduce the operational delivery of and partnership support to the Community Safety Partnership as a result of a grant being withdrawn by government. The cut in funding will be made in project budgets which were used to support campaigns such as Summer Nights, and in services provided around drug and alcohol misuse. Services supporting victims of domestic abuse will be prioritised to be retained, although delivered in new ways.

#### Current Budget

£351,000

#### Current Funding (if other than Council revenue or non-ring-fenced grant)

£233,000 is government grant, which is being withdrawn.

#### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
212	212	212	212

## Budget Savings Proposal

### Proposal Title - Supported Bus Services

#### Information and Analysis

1. Darlington Borough Council currently provide 34 contracts for bus journeys and complete bus services that complement the commercially operated bus service network or provide services in areas that would not otherwise have any bus service. The current contracts were put in place in 2009 and are for five years. The contractors are Arriva North East and Scarlet Band.
2. In addition, the Council contributes towards its share of the cost of contracts procured by both Durham and North Yorkshire County Councils. These contracts are both of benefit to local people, both within and outside the Borough, as well as helping bring non-residents in for work, shopping and leisure activities without creating traffic congestion or increased carbon emissions. Both Durham and North Yorkshire County Councils are reviewing their provision of supported bus services.
3. The budget proposal is to reduce the existing budget by at least £100,000 per year on average over the lifetime of the MTFP.

#### Process for review

4. It is recommended that the process set out in **Table 1** is followed if a reduction in the budget is approved. There will be a further consultation exercise as appropriate on the budget proposal during January. The process then involves the development of criteria to assess the need for supported bus services, before the preparation of detailed proposals and their assessment through an Equalities Impact Assessment (EQIA). Members would consider both the proposed criteria and the detailed proposals at subsequent meetings as shown, before a tender exercise to procure any new contracts required. The timescale for the recommended process means that any new contracts arising from a review would not be in place until January 2012.
5. In using the process set out in this report, Members will be able to consider any changes to the commercial bus network introduced in early 2011, that may materially affect the provision of bus services throughout the Borough. They will also be in a position to respond to any changes made by Durham and North Yorkshire County Councils in respect of their contracts that operate into the Borough.

**Table 1 Recommended process**

<b>Key date</b>	<b>Activity</b>
18 January 2011	Special Cabinet agree to consult on MTFP
	MTFP consultation
22 February 2011	Special Cabinet recommend MTFP
3 March 2011	Special Council approve MTFP
5 April 2011	Cabinet agree criteria for review process
9 May 2011	EQIA process for review starts
5 July 2011 (tbc)	Cabinet agree detail of bus services
18 July 2011	Procurement process starts & notice given on some existing contracts if required
30 September 2011	Confirmation of tender award
16 October 2011	Some existing contracts stop operating if required
1 January 2012	All remaining existing contracts stop operating
2 January 2012	New contracts start operation (or on Monday 3 <sup>rd</sup> or Tuesday 4 <sup>th</sup> as appropriate)

**Financial implications**

6. The estimated outturn for 2011/12 is £360,000 if the proposals set out in this report are implemented. This estimate is dependent on assumptions about contract inflation values, the number of new contracts that may be required, the tender prices received for any new contracts and the continuation of payments to neighbouring Council's for contracts operating into the Borough that are secured by them.
7. In 2012/13, it is currently estimated that the budget outturn would be £300,000 per annum before any adjustment for contract inflation, based on the assumptions used above. This would mean that the proposed reduction in the budget could be made, despite the lower saving made in 2011/12 from the current gross budget of £432,000. The figures below allow for bus inflation to be higher than other inflation (as it has been in the past).

**Financial Savings**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>72</b>	<b>130</b>	<b>115</b>	<b>100</b>

## Budget Savings Proposal

### Proposal Title - Revising Charges for Car Parking

#### Description of Proposal

1. A number of proposals for changes to the charging structure for car parking, both on and off-street: -
  - (a) Introduction of a £1 all day charge for Sunday parking.
  - (b) Removal of the current three for two hours offer in short stay car parks.
  - (c) Conversion of East Street car park from pay on exit to pay and display.

#### Background

2. The Council operates 25 off-street car parks providing a combination of long and short stay parking, and in total amounting to over 2000 spaces. These are all surface car parks with the exception of East Street which is a multi-story and became Council operated in 2005, having previously been operated by National Car Parks. An additional 350 or so on-street spaces are also provided. In total these car parks generate income of £2,262,500 from ticket sales (2010/11 budget).
3. Short stay parking charges were increased in 2009. Off-street charges were increased from 80p to £1 per hour and on-street charges were increased from 40p to 50p per half-hour. Prior to this charges had not been raised since 2001. Long stay charges had been increased in each of the years 2006, 2007 and 2008, but were not increased in 2009.

#### Proposals for Changes to Charging Structure

##### Sunday Parking

4. Currently there is no charge to park in the Council's car parks or on-street parking bays on a Sunday. Introducing a charge in the form of a flat rate of £1 for all day in short stay and long stay car parks and on-street bays would generate an estimated £82,500 per year. This is notionally based on a single car use of each available space (but ignoring on-street bays and long stay thereby providing a buffer against the estimate being optimistic).
5. This level of charge is competitive against other options (for example bus travel) and continues to provide the user with access to parking facilities that are patrolled and for the most part equipped with CCTV. It is considered that a £1 charge is very unlikely to deter users of the Council's parking facilities be they shoppers, visitors or commuters.

##### Three for Two Offer

6. The three hours for two offer was set up as a temporary measure during the Pedestrian Heart works as an incentive to retain and attract shoppers and visitors

during the construction works. Removing the offer would generate an estimated £32,000 per year based on trends of usage.

### Convert East Street to Pay and Display

7. East Street car park is a multi-story and became Council operated in 2005, having previously been operated by National Car Parks. It currently operates as a pay on exit via a staffed barrier system. The charging structure is the same as short stay car parks. The key difference is that users do not need to pre-buy their duration of stay. Instead they pay for whatever hours they have occupied a space on exit. The system does not lend itself to modernisation (automation) and relies on staffing to operate. The main benefit of moving to pay and display is to remove the need for staffing. Moving to pay and display would save an estimated £30,000 per year.

### Private Sector Car Parking

8. There are several private sector car parks in the town centre area that are currently free on Sundays. Officers will need to liaise with private sector car park operators and enforce Section 106 notices where relevant to try to achieve consistency.

### Enforcement

9. Introducing charges on Sundays will require an enforcement presence during those times, which is not currently provided. However, the introduction of Civil Parking Enforcement will in any case introduce enforcement on Sundays and therefore some presence will be able to be maintained on Sundays without additional cost.

### Summary of Estimated Income and Set Up Costs

10. The estimated annual income generated by the proposals and the estimated initial set-up costs are: -

Option	Estimated Annual Income / saving	Estimated Set Up Costs (Non-recurring)
1. Sunday Charge	£82,500	£20,000
2. Remove Three For Two Offer	£32,000	£5,000
3. Convert East Street to Pay and Display	£30,000	£45,000 (1)

- (1) These costs are mainly for removal of the existing barrier system and installation of pay and display machines and redundancy costs.

### Summary of savings (assuming options 1, 2, and 3 are implemented):

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
44	144	144	144



## Budget Savings Proposal

**Proposal Title      Town Centre Contract Parking**

### **Description of Proposal**

To introduce contract parking for town centre businesses using Beaumont St. West, part of Winston Street and part of Park Place West car parks. To be consistent with the Car parking Strategy, each contract should have the condition that the business has a travel plan in place.

### **Financial Savings**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>-40.4*</b>	<b>37.5</b>	<b>37.5</b>	<b>37.5</b>

\* This assumes £59k set up costs incurred in 2011/12 and implementation from October 2011 (following amendments to traffic regulation orders, re-lining of car parks and refurbishment of Beaumont Street West Car Park).

## Budget Savings Proposal

**Proposal Title      Public Toilets – Closure and Introduction of Charges**

### Description of Proposal

To charge for the use of the public toilets in the town centre.

For the Toilets on East Row, it is proposed to introduce a charge of 20p to use the facility. It is anticipated that this will bring in an income of approximately £50,000. In addition, the opening hours will be reduced slightly, currently Monday to Saturday 7.30 am to 7.00 pm, reducing to 8.30 am to 5.00 pm and Sunday, currently 10.30 am to 6.00 pm, reducing to 11.00 am to 4.30 pm.

In addition, the toilets within West Cemetery will be closed.

### Current Budget

£106k

### Financial Savings (Gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
50	50	50	50

## Budget Savings Proposal

**Proposal Title**      **Public Protection (Environmental Health) – Cease some discretionary services**

### **Description of Proposal**

To cease delivery of some discretionary elements of the Environmental Health Service. The main discretionary parts of the service are Public Events Safety Advisory Group (PESAG), pest control, food product sampling and the inspection of premises for health and safety at work purposes. The remaining functions are all statutory functions carried out under a range of legislation, which the authority has a duty to enforce. The proposal is to cease planned food sampling and to cease health and safety inspections of low risk premises.

### **Current Budget**

£565k

### **Current Funding (if other than Council revenue or non-ring-fenced grant)**

Revenue plus modest additional funding from PCT

### **Financial Savings (Gross)**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>

## Budget Savings Proposal

**Proposal Title**      **Public Protection/Trading Standards –Cease some discretionary services**

### Description of Proposal

The main discretionary part of the Trading Standards Service is the provision of Consumer Advice which was reduced in 2008/09, as a post was deleted due to budget reductions, and is currently delivered through the equivalent of 1 FTE. Other activity which is discretionary is project and campaigning work. This has also been reduced over the last few years and comprises of establishing No Rogue Trader Zones, testing electric blankets for safety and campaigns highlighting scams and cons. The remaining functions are all statutory functions carried out under Trading Standards legislation, which the authority has a "Duty to Enforce".

The proposal is to cease offering the consumer advice service. This service is discretionary and provides support to consumers and traders in dealing with "civil" consumer issues. Currently the service responds to in excess of 1500 requests for service a year involving goods with a value of around £2 million. There is no other equivalent service provider in Darlington although initial advice can be sought from "Consumer Direct."

Whilst the Government has indicated that it may change the way civil consumer advice is provided in future, with potentially a stronger role for CABs and a different role for local authorities, no consultation has yet been issued and no timing for this has been given.

### Current Budget

£383k

### Financial Savings (gross)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
35	35	35	35

## Budget Savings Proposal

### Proposal Title - Strategic Funding Review of the Third Sector

#### Description of Proposal

To review the way the Council provides financial support to the voluntary and community sector and to ensure that budget reductions are managed in a strategic way and phased in over time. The details of the proposals are set out, below.

#### Community Grant

It is proposed to abolish Community Grant which currently provides grants of up to £1,500 to small local organisations. It is proposed to signpost these groups to County Durham Community Foundation who run a grant programme supported by a number of local donors which is currently undersubscribed. A contingency process has been identified to deal with unknown consequences of ceasing to provide this fund.

**Ceasing to provide Community Grant will provide a saving of approximately £16,500 per year.**

#### Discretionary Rate Relief

Discretionary Rate Relief is funding provided for organisations in Darlington who qualify for a reduction in their rates according to national or/and local criteria. Relief of 80% for charities is mandatory according to central government criteria and it is not anticipated at the time of writing this report that this will change. In addition, the Council can give up to 20% rate relief at its discretion and according to locally set criteria. This local funding currently supports approximately 70 organisations in Darlington and allocations range from £36 to £6,147 to organisations in Council and non-Council premises. Some of the subsidy the Council gives out in this way is reimbursed by central government and any saving is therefore reduced by just over 25%. It is proposed to cap discretionary rate relief at a maximum of £2000 per organisation which would ensure that the funds support as many organisations as possible within the budget set. **Applying the cap would save £9,117 per year based on current claims.**

#### Rent Subsidy

At present a number of third sector organisations are based in Council property and the rents they pay have been set historically. Some organisations pay full commercial rent, whilst others pay little or nothing. Whilst phasing out this subsidy over time will provide savings, the key reason for doing so is that it will put in place a fairer system to all of the sector, not just those in our buildings, but across the sector as a whole. Mitigation will be through robust implementation of 'full cost recovery' for contracts in the future which is a Compact principle. It is proposed to remove rent subsidy over a period of four years to allow for full cost recovery to be implemented on a contract-by-contract basis.

**Removing rent subsidy at a phased rate of 10% in year 1, a further 15% in year 2, a further 25% in year 3 and complete removal in year 4 will provide £10,500 cumulative saving over the first three year period.**

#### Strategic Grant

This is the final funding stream that the Council provides for the sector. This currently supports the work of 12 organisations, providing grants ranging from £4,750 to £89,000 and the total pot consists of £244,624. The savings proposed are a reduction of 10% in

Year 1 for all existing recipients which gives a potential saving of £28,744 in year 1. In Year 2 a new programme will be introduced that is based upon a programme budget that is reduced by a further 15%, which organisations will bid into. This programme will have two elements: an Invest to Save funding pot to include funding for 'one off' tactical funding and a three year strategic fund.

Grants under the one-off annual allocation fund of a maximum of £5,000 would be limited to one year expenses. The outcomes are set out below:

- (a) Improving sustainability of an organisations such as replacement of inefficient heating, purchase of a piece of equipment that could provide an income source;
- (b) Supporting the process for undertaking option appraisals in relation to premises;
- (c) Embedding full-cost recovery and contingency planning.

The main three-year strategic funding of just over £150,000 would be aimed at:

- a) Consortium working with partners from the public, private and third sector;
- b) Strategically important services defined within the MTFP and One Darlington: Perfectly Placed; or within the context of the Children and Young Peoples Plan or transformation agenda for adult care;
- c) Deliver pilot or developmental work to meet gaps in the provider market for the above services.

Applications will need to provide a clear business plan with agreed mechanisms for picking up any revenue implications of these one-off proposals so that, for example, ongoing maintenance costs are built into to future budgets.

Phasing these proposals means that there is time for these organisations to examine other funding options and support will be provided to support them in this.

It is also proposed to reduce Credit Union funding in 2011/12 by 10% in line with the proposals for strategic grant.

## Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
95	132	137	147

## Budget Savings Proposal

### Proposal Title      Cultural Services

#### Description of Proposal

To reduce expenditure on Cultural Services by £1.58 million by 2012/13, which will be achieved by removing the subsidy from the Civic Theatre, providing a scaled down operation from the Arts Centre (to allow time for work with partners on the future of the arts and culture in Darlington), reducing expenditure at the Dolphin Centre, withdrawing financial support for Events and withdrawing from a staffed Tourist Information Service.

For the Civic Theatre, the proposal is to market the theatre and sell as a going concern. If this is not successful, then other options would need to be considered including selling the theatre for alternative use.

For the Arts Centre, work is ongoing to find a sustainable long-term solution for the provision of an arts/cultural offer within Darlington that achieves the objective of removing the Council's subsidy. In 2011/12, it is proposed that the Arts Centre remains open as now until the end of July 2011 to fulfil existing programme commitments, thereafter to provide a scaled down operation for the Arts Centre, which would enable the building to be open Monday to Tuesday, 8.30 am to 5.00 pm and Wednesday to Friday, 8.30 am to 10.00 pm. This would allow the Queen Elizabeth Sixth Form College to use the building in term time, Monday to Friday, as well as providing the existing daytime programme. In addition, this would allow existing clubs and societies to consolidate their programme on Wednesday, Thursday and Friday evenings. It is not intended to provide any comprehensive show programme but, working with the clubs and societies, there may be opportunities to provide the events which do not require subsidy. £331,000 is required in the MTFP for 2011/12 to allow this reduced provision.

Thereafter, using 2012 as an interim year, working in partnership with other interested parties, solutions for encouraging a vibrant arts and cultural life can be further investigated, which could include:-

- A scaled-down provision at the Arts Centre for one year would be likely to involve: reducing opening to three evenings per week plus weekday day times. This interim model would enable the continuation of provision for the 40 clubs and societies that are currently based at the Arts Centre, however some compromise would be necessary on programming for these groups given more limited opening. Furthermore, resident Arts based tenant organisations could be retained, including Theatre Hullabaloo, Darlington Media Group and NAYT (National Association Youth Theatres), whilst longer term solutions are explored. A consolidated programme of courses/workshops would be provided alongside the ongoing Open Arts Studio programme in partnership with NHS County Durham and Darlington. Gallery provision will be available with support from voluntary sector groups, however the theatre programme on this site would cease from July 2011 unless future shows are completely self financing. This model also requires the continuation of the existing partnership with Queen Elizabeth Sixth Form College on this site.
- Private commercial interest

- Community groups working together to take on some responsibility for cultural/arts provision
- Voluntary sector involvement
- Review of a range of options for the Arts Centre building

This will involve joint working with the Arts Council, businesses, other partners, Darlington-based arts organisations and other interested parties to create new ways of creating conditions in which arts and cultural activity can develop. It is proposed that post 2011/12, the Council continue to invest £100,000 in an ongoing strategic capacity for arts within the Borough. This will show Darlington's commitment to the arts and provide the opportunity to lever in additional resources from other partners.

For the Dolphin Centre, the proposal involves:

- Consolidation of pool programme, reducing availability of certain facilities at quiet times
- Efficiencies within 'Under the Sea'
- Efficiencies within the health and fitness programme
- Closing the centre slightly earlier during the week, 10.30 pm and 7.30 pm at weekends, but facilities would still be available for events and conferences
- Increasing beverage prices by 0.25%
- Reductions in staffing hours in a number of areas from dry sports to cleaning and reception
- Reduction in a range of budgets across the operation

For Events, the financial support will be withdrawn and the revised structure will focus on sports development, arts outreach and support for community based events, as there will not be a specific delivery budget for this area of work. The traditional high profile events including Annual Fireworks Display, Rhythm n Blues Festival and Darlington by the Sea will have to be remodelled and admission charged, and only provided if they can break even.

For the Tourist Information Centre, this will become an unstaffed, leafleted facility within the Dolphin Centre.

### **Current Budget**

£4,110,190

### **Current Funding (if other than Council revenue or non-ring-fenced grant)**

£120,000 Arts Council funding.

### **Financial Savings (Gross)**

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>900</b>	<b>1,573</b>	<b>1,580</b>	<b>1,580</b>

(NB There would be mothballing costs for the Arts Centre and Civic Theatre, were the options for retaining provision set out above not successful; and in excess of £500,000 to pay back to the Arts Council were the Arts Centre to be closed and receipts not re-invested.)



## Budget Savings Proposal

### Proposal Title      **Street Scene**

#### Description of Proposal

This proposal is to reduce the overall expenditure within Street Scene services, from simple efficiencies to major service cuts and increased charges. The proposal will involve the following:

- A number of operational efficiencies
- General cuts across Street Scene budgets
- Reduction in waste minimisation and recycling budget by 60%
- Reduction in one member of staff dealing with environmental campaigns and recycling
- Delete the Street Scene Analyst post
- Reduce Team Leader capacity from 5 to 2
- Reduce mechanical sweeping of the small pavement sweepers from 6 to 4
- Reduce overall Street Scene fleet
- Reduce number of floral displays and associated labour
- Increase burial and cremation charges by 10%
- Reduce the number of bowling greens from 7 to 3 by closing 4
- Only cut rural road grass verges once per year
- Close aviary at South Park
- Reduce capacity within the Arboricultural Team
- Reduce Street Care Maintenance Team by one
- Reduce repairs and maintenance budgets for parks and open spaces

It is proposed that four of the current seven bowling greens will be closed or alternative management/governance arrangements put in place. Early discussions with the bowling community have been positive and there may well be opportunities for them to take on responsibility for a number of greens. The bowls clubs needed to register for leagues in late December/early January to enable them to compete next year. Registration has taken place which will mean that the greens will need to remain open for the next season. A small contribution from the PCT of £5,000 has been agreed to assist with the maintenance for next year. Discussions will continue with the bowlers with a view to them taking over at some point during next season.

Area of Work	Before Cuts	After Cuts
<b>Street Cleaning</b>		
Manual street cleaning, general housing estates	Visited and cleansed once a week as required	Visited and cleansed once a week as required
Manual street cleaning, terraced/back lane properties	Visited and cleansed twice a week as required	Visited and cleansed once a week as required
Manual street cleaning, council housing estates	Visited and cleansed three times a week as required	Visited and cleansed once a week as required
Main arterial roads into town, e.g. North Road, Haughton Road	Cleansed minimum once a day	Cleansed between two and three times a week depending on resource

<b>Area of Work</b>	<b>Before Cuts</b>	<b>After Cuts</b>
Mechanical sweeping, small precinct sweepers, J2s	There is a six to eight week programme of pre planned routes for the J2s which covers main housing and conurbation areas. In addition, one sweeper is dedicated to the town centre	Six to eight week programme will change to a ten to twelve week programme, although the town centre will retain its dedicated resource.
Fly tipping removal	24 hour target for investigation/removal. 100% compliance in relation to achieving targets.	Less staff available for the removal of fly tipping. Target times for removal of fly tipping increased.
Graffiti removal	2 x Street Care operatives undertake a graffiti removal as part of duty. Offensive graffiti removed within 24 hours. Other graffiti removed generally within 10 working days.	1 x Street Care operative undertaking graffiti removal as part of duty.
Litter bin emptying, general areas	4 x operatives.	3 x operatives.
Litter bin emptying, town centre	3 x operatives service litter bins as part of duty.	3 x operatives service litter bins as part of duty.
Street cleaning, town centre	3 x operatives undertake litter picking as part of duty.	3 x operatives undertake litter picking as part of duty.
<b>Grounds Maintenance</b>		
Rural verge grass cutting	Currently carry out two programmed cuts per year; one which is full cut, cleanse, gully emptying and mechanical sweeping; second is grass cutting and litter picking as required.	There will be one full cut, cleanse, gully emptying and road sweeping in August/September time.
Grass edging	Currently a programme of edging takes place in the winter where resources permit.	There will be limited, if any, edging.
Weed spraying	Contractor employed to undertake 2 treatments per year.	2 x Street Scene operatives to undertake continuous spraying for 6 months.

<b>Area of Work</b>	<b>Before Cuts</b>	<b>After Cuts</b>
Shrub bed pruning	1 x full prune in winter, 1 x cut to line in summer/autumn.	1 x full prune in winter, 1 x cut to line in summer/autumn.
Planting floral displays	Currently 94 floral displays throughout the Borough. 12 operatives employed in stripping and planting beds for 5 weeks.	Significant reduction in number of floral displays. A number of locations will have display removed completely while others are reduced significantly (i.e. reduced number of flowers whilst increasing grass coverage). 4 x operatives utilised for stripping and planting of beds.
Hanging baskets	Currently several hundred hanging baskets are arranged throughout the town centre. 2 x operatives required to erect baskets over 2 week period of time.	A significant reduction in the number of hanging baskets erected will be experienced. 1 x operative for one week required to erect baskets.
Maintaining floral displays and hanging baskets	Currently 1 x operative watering displays for 6 months. 2 x operatives required to weed displays for 4 months.	1 x operative for both watering and weeding of all baskets and displays.
Hedge cutting	All Council maintained hedges are cut on a twice yearly basis.	All Council maintained hedges will be cut on a twice yearly basis.
Leaf clearance	20 operatives x 6 weeks are employed removing leaves from both hard and soft scape areas across the Borough. 1 x large mechanical sweeper, hired for 6 weeks.	10 x operatives required to remove leaves from hardstanding areas only for 6 weeks.
Maintaining contracted school sites	Work undertaken as per contracts with individual schools.	Work undertaken as per contracts with individual schools.
Bowling green maintenance	7 x bowling greens situated across the Borough. 1 x full time operative required to maintain greens throughout year.	3 x bowling greens located across the Borough. 0.5 FTE required to maintain greens.

<b>Area of Work</b>	<b>Before Cuts</b>	<b>After Cuts</b>
Football field maintenance and line marking	Currently a maximum of 18 football pitches may be marked and maintained each week. This includes significant work during winter and additional maintenance work during summer.	Less staff resulting in marking in pitches on a fortnightly basis. Maintenance of pitches reduced also.
Sheltered housing accommodation (contracted)	3 x full time equivalent.	3 x full time equivalent.
Council house garden tidies (contracted)	3 x full time equivalent (seasonal)	3 x full time equivalent (seasonal).
<b>Refuse/Recycling Collection</b>		
Domestic household waste collection	Weekly refuse collection service from the kerbside, black sacks which are to be provided by the resident.	Weekly refuse collection service from the kerbside, black sacks which are to be provided by the resident.
Recycling collection, paper, card, glass	Recycling is carried out on a fortnightly basis for all properties.	Recycling collection will be carried out on a fortnightly basis to all properties.
Recycling, waste minimisation, marketing and promotion	One dedicated member of staff and £50,000 budget.	Reduced staffing/ resources, this post combined with another within Street Scene and reduced budget for carrying out promotional and marketing work by 60%.

### Financial Savings

<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>659</b>	<b>659</b>	<b>700</b>	<b>700</b>

## Budget Savings Proposal

**Proposal Title: Reducing level of disregard given in the financial assessment under the fairer contribution policy**

### Description of Proposal:

People with disabilities may be entitled to receive an additional premium, i.e. the Severe Disability Premium (SDP), providing they meet eligible criteria. In order to satisfy the conditions to meet the SDP criteria clients must receive Disability Living Allowance (DLA) Care component at the middle or higher rate or Attendance Allowance (AA), these benefits are paid to individuals who are physically or mentally disabled and need help with personal care or supervision to remain safe.

The financial assessment for adult social care, as laid out in the Fairer Contributions Policy, currently allows 50% of this income to be disregarded in the financial assessment when calculating a person's contribution to non residential services. It is proposed to reduce the amount of the Severe Disability Premium disregarded down to 20% in 2011/12 and then to 0% in 2012/13.

**Current Budget:** £500k

### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
200	400	400	400

## Budget Savings Proposal Review Adult Social Care Criteria

### Proposal Title: Saving 10% on personalised budgets (Adult Social Care)

**Description of Proposal:** The Adult Social Care Budget allocated to meet community care assessments for non-residential care to be cut by 10% and maintained at a similar level in a time of growing need and expectations.

To be achieved through a number of approaches: -

- **An immediate reduction in draft Resource Allocation System-** by which indicative personal budgets are calculated- in progress.
- **Review eligibility criteria for long term and ongoing social care funding-** in light of the redesign of the “Customer Journey” transformation programme.

### Background

Recent Department for Health guidance has been published in regard to eligibility criteria. The document states that:

”Councils should ensure that the application of eligibility criteria is firmly situated within this wider context of personalisation, including a strong emphasis on prevention, early intervention and support for carers. In practice, this may mean councils making adjustments where necessary to ensure a seamless approach between their personalisation programmes and the determination of eligibility for social care. “

The development of, and investment in preventative services such as telecare and re-ablement for those with presenting social care needs means that people will be supported to return to independence and self care and will not be provided long term funding.

To support this approach the Councils eligibility criteria for provision of adults’ non-residential support needs to be amended in light of developing personalised services and a greater focus on prevention and independence.

### Current Budget:

£6,754,378

### Financial Savings (net of implementation costs?)

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
375	675	675	675

## Budget Savings Proposal

**Proposal Title - Local Education Statutory Functions- evolving relationship between Schools and the local authority.**

### Description of Proposal

National funding allocations are removing grants which used to be paid to the local authority and are replacing them with increased funding paid directly to schools. The core focus of this proposal is to ensure that the local authority meets its statutory functions and that it provides fewer discretionary services and that schools are supported to have greater control and discretion over services that they fund. The local authority will still manage school admissions and place planning, will manage the assessments of special educational needs and will provide services to promote school improvement, good attendance and behaviour. Schools will manage more of the services they have traditionally funded the authority to deliver. In addition, other services will be managed by the authority and traded with schools, where there is a demand.

### Current Budget

£2,216,459.41 (core budget)

### Current Funding (if other than Council revenue or non-ring-fenced grant)

Dedicated School Grant savings will be returned fully to schools. The savings shown are savings to the council's core budget

### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
800	1,600	1,600	1,600

## Budget Savings Proposal

### Proposal Title - Early Intervention and Prevention

#### Description of Proposal

The proposal has three elements –

a review of the services to ensure that they are mainly focused families with identified needs or those most at risk. The services that will be provided will be evidenced based services which have been shown to be effective. This proposal is undertaken with Health colleagues who are currently aligned but will move to a single management structure.

a review of existing commissions awarded through the governance arrangements of the Children's Trust Joint Commissioning Unit.

shaping services in such a way that further services could be commissioned and be delivered through the Voluntary and Community sector.

#### Current Budget

£5, 277, 395.00

#### Current Funding (if other than Council revenue or non-ring-fenced grant)

Early Intervention and Prevention Grant

#### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
990	1,400	1,400	1,400



## Budget Savings Proposal

### Proposal Title - Early Years Inclusion Review

#### Description of Proposal

The objectives of this proposal are:

1. To review the current Early Years Inclusion Service
2. To move to a more advisory service for early years settings providing all year service not just term time.

The effect of the proposal would be to retain some staff to provide a training role for all settings and to establish a fund so that settings can buy in support as and when they need it.

#### Early Years Foundation Stage

Meeting the individual needs of all children lies at the heart of the Early Years Foundation Stage (EYFS). Every child deserves the best possible start in life, and support to fulfil their potential. A child's experience in the early years has a major impact on their future life chances. All Early Years providers must have and implement an effective policy for ensuring equality of opportunities and for supporting children with learning difficulties and disabilities. Practitioners should focus on each child's individual learning, development and care needs to ensure that all children should be treated the same, but that the unique skills and abilities of each child should be recognised and developed, and that 'inclusion is not optional: children have defined entitlements in this area and settings have legal responsibilities' (EYFS).

#### Flexible free entitlement

From September 2010, every Local Authority must offer 15 hours of free early education to all 3 and 4 year olds, over a minimum of 38 weeks. Individual settings will provide a minimum of 15 hours, however each setting will not necessarily provide this flexibility. The move to a flexible entitlement means that parents will have more choice about accessing their free entitlement. This could mean entitlement over a longer day or days or over school holiday periods based within maintained, private, voluntary and independent settings.

#### Aiming High for Disabled Children

The vision behind Aiming High is for all families with disabled children to have the support they need to live ordinary lives, as a matter of course. In order to deliver this there are three priority areas:

- Access and empowerment
- Responsive services and timely support

Improving quality and capacity in universal settings

## Family life

Family life today is very diverse and means that a 'one size fits all' approach to service delivery will not be successful. Giving families access to information advice and support of various kinds that they can make use of, as and when they think best, is most likely to be effective. Services need to be tailored to match need and targeted at those who most require support. This changing nature of family life means that inevitably parents sometimes find it hard to cope with a rapidly changing world. More mothers as well as fathers have to work either to pursue rewarding careers or through financial necessity, and so can find it hard to balance work and family life. If parents have a child with additional needs these problems can often be compounded.

Darlington's Childcare Sufficiency Assessment 2007/08 identified that only 28% of parents were currently using formal childcare for their disabled children, but 53% of them wanted to access formal childcare in the future, so it is likely that demand for formal childcare arrangements from parents of a disabled child or who has additional needs will increase in the future. In addition, 58% of parents of children with additional needs had more problems accessing childcare in the school holiday periods than other parents (26%). It is important that all settings have access to advice and support when it is needed throughout the whole year. Two pilot schemes were developed in response to these findings:

- The establishment of a Community Childminding Network, including overnight care, funded through Direct Payment Scheme
- A group of Private Day Nurseries providing a more flexible range of options for families

## Current Budget

£263,363

## Current Funding (if other than Council revenue or non-ring-fenced grant)

SureStart Grant/ Area Based Grant - Core Budget

## Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
50	60	60	60

## Budget Saving Proposal

### Proposal Title - Democratic Support

#### Reduced Support by Democratic Services

1. It is proposed to cut one post from Democratic Services. This will result in £39,000 structural savings to staffing. These savings are dependent upon reducing the number of services currently provided by the section.
2. These are set out in the following chart with a rough estimate of the proportion of the posts (1 posts and therefore 100%).

<p><b>Democratic Engagement</b></p> <p>Town Hall Events for Schools, Town Hall Treasure Hunts, Junior Mayor and Mayoress I'm a Councillor Get me out of Here; Shadowing Cabinet Members; Question time events; College events; Democracy Matters Newsletter; Democratic Engagement Stands at Events; Political Speed Dating Events Local Democracy Week Events</p>	<p>It is proposed to cut all of this work at a saving of <b>35%</b></p>
<p><b>Parish Councils:</b></p> <p>Stop providing secretariat for Parish Councils/Parish Meetings Association Discontinue support for Parishes or Charge Charging Parish Council Elections</p>	<p>It is proposed to charge for elections and for advice and secretariat. The Council will not withdraw the services to parishes but in line with other Councils in the region will charge for providing election services. The Council already charges parishes for eg legal advice, it is proposed to regularise the approach by charging for democratic services as well <b>15%</b>.</p>
<p><b>Other Democratic:</b></p> <p>Cease attending Planning Applications Pre-agenda meetings. Stop attending HR Appeals to take notes and use electronic recording Partnership Board/ Town Centre Board discontinue secretariat clerking arrangements.</p>	<p>A legal adviser also attends planning pre and so the absence of democratic services would not be problematic. HR Appeals are time consuming involving the writing up of lengthy minutes and attendance at the appeals. Appeals will be recorded and minutes typed up by secretarial staff. The time consuming element for other meetings is attendance at meetings and writing up of minutes <b>20%</b></p>

Election Services/Other Democratic Services

It is proposed to retain staff until after the forthcoming local election. Thereafter there will not be another election for 3 years (having had recent European and Parliamentary). It is proposed to make additional efficiencies during that period through possible reductions in meetings or other arrangements which it is anticipated will follow the election **30%**

### Financial Savings

2011/12	2012/13	2013/14	2014/15
£000's	£000's	£000's	£000's
39	39	39	39