SUBMISSION FROM EAST RENFREWSHIRE COUNCIL

Spending Review

1. The Council requires to address its financial position in the context of a longer-term financial strategy. In particular, given that 80% of the Council's available funding comes from Scottish Government grants, confirmation of individual council's grant figures for each of the next 3-years (the latter 2-years being planning figures) is essential.

2. The Council has established effective performance management arrangements for the Community Planning Partnership (CPP). These arrangements are designed to encourage partnership working and to ensure that all partners are provided with an opportunity to report on achievements against Single Outcome Agreement (SOA) outcomes. These arrangements are well established and are in line with the recommendations of the Christie Commission. The precise impact of the Spending Review upon the forthcoming update of the SOA or the operational element of the CPP will not be determined until individual grant figures are released in December.

3. East Renfrewshire has some of the most integrated health and social care services in Scotland. In 2005 the Council entered into partnership with NHS Greater Glasgow & Clyde to create a Community Health and Care Partnership (CHCP) under a single Director and management team. This has resulted in improved efficiency, shared costs and reduced duplication. More fundamentally it has provided more creative and joined up services for the people of East Renfrewshire. Services are designed around patient and customer pathways rather than working around the fault-lines of separate organisations.

4. The Council's response to the Christie Commission on the Future Delivery of Public Services gave evidence of how greater efficiency and improved outcomes can be achieved through common systems and joined-up local delivery. We emphasised the importance of local flexibility and innovation rather than a 'one size fits all' approach to Scotland's public services.

Increasing Demand for Services

5. As a part of its indicative budget for 2012/13, the Council incorporated a forecast financial pressure resulting from an increased elderly population.

6. Through the Council's response to the Christie Commission, we recognised that those who rely on public services the most are the vulnerable in society – including the elderly. In the coming years there will be increasing demand on many services due to demographic change and an ageing population. It is too simplistic, however, to assume that costs can be reduced and increases in demand met by simply reorganising the current management arrangements for older people's services, or social care in general.
7. Within East Renfrewshire, the Council has demonstrated that savings can be made by sharing management and back office costs with the NHS. To secure the long term sustainability of care for older people we need to start a new conversation in our communities about personal, family and neighbourhood responsibilities. We need to develop capacity for communities to provide more support to vulnerable people. We need to link together faith groups, community groups and voluntary organisations and provide them with support and expertise. The only way to do this is by working in local communities and by building on the good relationships and creativity we have spent years developing.

8. Further co-location, aligned resources and better joined-up objectives at a local level will be crucial to support the growing demand on our services.

Public Service Reform

9. Since introduction of Single Outcome Agreement arrangements, as a part of its budget developments the Council has ensured that financial resources are aligned with outcomes and the priorities of the Council.

10. The Christie Commission recommended the introduction of a new set of statutory powers and duties, common to all public bodies, which will focus on early intervention and preventative spending, rather than addressing problems that have already occurred. East Renfrewshire Council is well placed in this regard because many Council services have been designed around early intervention and preventing negative outcomes.

11. As noted previously, the Council has effective arrangements in place to encourage effective partnership working and to ensure that this working is strongly linked to national and local outcomes. Examples of specific services designed with local communities and partners around early intervention include:
   - What About Me? - a project undertaken by the Community Health and Care Partnership (CHCP) in partnership with healthcare providers and the Council’s Education department. The project works with vulnerable families at the earliest opportunity to provide holistic support and offer early nursery placements.
   - Telecare project - launched in April 2011 in partnership between Strathclyde Fire and Rescue, the CHCP and the Council’s Community Safety service. The project supports some of our most vulnerable residents by installing smoke alarms and linking these to community alarms. The project has recently been recommended for accreditation to the Telecare Services Associate Code of Practice in the areas of installation/maintenance and repair (CHCP) and monitoring (Community Safety service). The award will be collected at the national Telecare conference in November.
   - The Council’s community wardens have worked closely with Strathclyde Police and local communities to identify and target ‘hotspot’ areas that have experienced vandalism, violent crime and housebreakings. Community wardens focus on hotspot areas to deter would-be offenders
thus saving the cost of clearing vandalism and police time in call outs and arrests.

- **Young Person Services** work closely with other areas across the Council including Sports Services, Community Safety and external agencies such as the Police to divert young people from taking part in anti-social behaviour; to reduce underage and teenage pregnancies; reduce smoking; prevent young people moving to negative destinations once they leave school; and increase their employability.

- The employability service is working to deliver the worker Strategy in partnership with local businesses and Skills Development Scotland. This includes providing advice and support and building relationships between employers and local people seeking a qualification, a job or progression to another training programme. This approach to employability services has led to greater collaboration in looking at employment opportunities across a wider labour market area – thus enabling the Council to respond better to the challenging economic climate.

- The new East Renfrewshire Parenting Strategy will support earlier intervention and a tiered approach to ensure that parents and carers are signposted to the correct level of support to meet their needs. In addition, staff across a range of services have been trained to deliver ‘Triple P’ (Positive Parenting Programmes). These programmes and interventions will be available to parents and carers and are designed to improve outcomes for children and young people.

12. One of the Council’s key outcomes is to improve educational attainment and school leaver destinations for our children and young people. To understand the needs of pupils as they progress throughout primary and into secondary education, the Council has developed procedures to monitor the strengths and weaknesses of each pupil, enabling us to take appropriate action. This is supported by ‘cluster’ working and funding arrangements and has led to year-on-year improvements in outcomes for children and young people – even in the more deprived areas. In 2009/10, for example 53% of S4 pupils in St Luke’s High School achieved 5 or more awards at SCQF Level 6 or better, compared to 35% nationally. A total of 21% of pupils at St Luke’s are in receipt of free school meals compared to the Scottish average for secondary of 14%.

13. East Renfrewshire Council plays an active role in supporting vibrant and active local communities. This includes facilitation and support for community councils, tenant and residents groups, the voluntary sector and parent councils. The Council and NHS also support the Public Partnership Forum, which involves over 500 individuals and local organisations with an interest in health and social care. By working closely with these groups, the decisions made at a Council level are shaped and informed by those who access and use our public services. This level of community engagement is unmatched by other parts of the public sector, and the facilitation role played by local authorities ensures that local people are always actively involved in the design and delivery of public services.
Overall Funding Levels

14. Whilst the draft budget outlines overall local government resource levels, it will not be possible to determine the precise impact of this at a local level until individual council grant figures are announced in December.

15. Through the Council’s transformation programme significant advances have been made in delivering efficiencies of up to 25% in support services. We will continue to look for efficiencies in support services, however given the scale of financial difficulties facing the Council it is inevitable that cutbacks will also impact on front-line services.

16. The cumulative impact over the 3-year period of a flat cash revenue settlement which incorporates a freeze in Council Tax results in a real terms reduction in the Council’s funding and limits the Council’s flexibility in tackling this through a freeze in local taxation income.

Reducing Expenditure

17. In approving its revenue budget for 2011/12 at the Council meeting in February 2011, the Council also approved an indicative budget for 2012/13 incorporating agreed savings measures for that year to ensure delivery of a balanced budget. This followed extensive community engagement on savings options. The 2012/13 revenue budget will be formally approved by the Council in February 2012. However, the process to be followed over the next few months will likely be more of a fine tuning of the previously approved indicative budget for that year.

18. East Renfrewshire Council’s change and efficiency programme, ‘Public Service Excellence’ (PSE) has been in place since early 2009 and was designed to take the Council’s approach to efficiency to the next level recognising the tough financial challenges ahead.

19. Our goal has been to maximise what we could achieve through efficiency/PSE; sound financial planning; reducing staff costs and better procurement to minimise impact on frontline services. A range of efficiency indicators and targets have been identified through our service planning and are monitored throughout the year.

20. In East Renfrewshire, the Council has achieved 33% senior management savings and has focused on a clear set of design principles to determine layers of management and spans of control. We have also achieved management savings by creating integrated structures with other organisations at a local level (e.g. the CHCP). This has led to a leaner organisation and more efficient public services.

21. Through PSE we have focused on reducing duplication and streamlining support activities; ensuring our activities lead to real outcomes and benefits; channelling customer contact through our Customer First team and enabling
online services wherever possible; and reducing the number of buildings we have.

22. A notable example from 2011 has been the implementation of ‘Payments for Schools’ which allows parents to pay online for expenses such as school trips, school meals etc. Uptake in the first few months has seen 42% of transactions move to online – this is a significant channel shift and is saving time and resources in our schools, preventing the need for cash handling and giving a more flexible service to parents.

23. Whilst the focus to date in the PSE programme has been increasing efficiency in back office support and infrastructure projects the programme is now shifting its emphasis towards improving efficiency in front line services which will see the development and implementation of some new key workstreams including a huge programme of CHCP redesign and work in the housing service.

24. Our PSE programme has 13 workstreams with over 60 projects underway. We are currently on track to achieve in excess of £4million annual recurring savings by end of 2012-13. Key projects for 2012-13 and beyond include:

- CHCP transformation, including 40+ projects looking at the whole customer journey into and through CHCP provision; considering CHCP resource allocation; redesigning homecare, with a focus on prevention; reviewing premises & IT; introducing mobile working
- Implementation of improvements to our housing service
- Further services transferred to our one-stop Customer First team
- Further services made available to book, pay and apply for online
- Implementing further phases of our business support redesign including rolling out electronic document and records management
- Developing asset management frameworks for the range of Council assets.

25. East Renfrewshire Council is also leading a Clyde Valley project around shared support service functions (such as Finance, HR, ICT, Payroll etc). This has the potential to deliver significant savings to the public purse, particularly if replicated across other parts of Scotland, without impacting on outcomes for our communities.

Capital Spending

26. It is anticipated that capital grant will reduce significantly in 2012/13. Over the next few months the Council will require to review its previously approved 8-year Capital Plan to ensure this remains deliverable given the reduction in resources. This will be considered and a revised Plan approved at the Council meeting in February 2012.

Equal Pay

27. The Council implemented a new pay and grading system effective from 1 July 2006. To avoid potential Equal Pay litigation claims the Council entered into a compromise agreement with individual employees whereby the employee has
agreed not to seek legal redress in return for a compensation payment which buys out their right to seek an Employment Tribunal award. The vast majority of qualifying employees accepted the compromise agreement offered and payments made have been reflected within the Annual Accounts to date. A minority of qualifying employees have however not accepted the compensation offer and have indicated that they wish to progress their claim through an Employment Tribunal. In addition, a number of other employee groups have submitted claims. A provision of £895,100 as at 31 March 2011 has been included in the Council’s Annual Accounts to reflect the potential outcome of these claims. This represents 0.4% of the Council’s net relevant expenditure.

Welfare Reform and Other Legislation

28. Pending clarification of Welfare Reform proposals, the additional burden facing the Council has yet to be quantified.

East Renfrewshire Council

18 October 2011