I refer to your letter of 5 February 2013 inviting comment on the Council’s budget process.

East Renfrewshire Council has undertaken consultation on its budget proposals in previous years. Details on that can be provided if required. In responding to your inquiry however, I shall focus on the Council’s recent consultation on its budget proposals for the 2 financial years 2013/14 and 2014/15. Last autumn, the Council undertook full consultation both on the priorities of the Council and savings proposals. To ensure full coverage and feedback the consultation was undertaken in a variety of ways and engaged with the community service users, staff and trade unions. The following documents provide detail on the consultation exercise:

- Budget Pack 2012 – this sets out the financial difficulties facing the Council and savings proposals over the next 2 financial years to address those difficulties.

- Feedback Pack Following Consultation – this document provides detail on the consultation exercises undertaken, the views expressed by consultees and the Council’s response to these.

I can confirm that this exercise was managed in-house and did not involve external advice.

I hope the attached is of assistance in the Committee’s inquiry.

Norie Williamson
Director of Finance
Dear Resident / Employee

Welcome

Welcome to East Renfrewshire Council’s ‘Shaping Our Future’ budget pack. You may be viewing this pack either as a hardcopy document or as part of our on-line forum.

This pack is all about your local Council giving you the opportunity to share your views on the key issues that determine how council services are delivered in future.

It is important that councils consult with local residents, service users and employees as much as possible prior to very important decisions being taken as these decisions could have an impact on the day to day services provided to residents by the Council.

Consultation is undertaken to ask residents for their views and opinions and involve them openly in decision-making before difficult decisions are made.

How our funding works

Scottish councils receive money from the Scottish Government each year to run local services; this is called the ‘Grant Settlement’ and is a major factor in determining how much the council can afford to spend in a year.

Government Grant is supplemented through Council Tax revenue. The more revenue that is collected, the more money is available to run services. For every pound that is spent by East Renfrewshire Council, around 81p comes from the Scottish Government and around 19p comes from Council Tax.

For the past 5 years, East Renfrewshire Council has chosen not to increase Council Tax levels in order to provide local people with some relief from growing financial pressure. Combined, the Grant Settlement and Council Tax revenue must cover the costs of all the services we provide.

For the next 2 years Government Grant will be reduced by 0.6% in cash terms when compared to the current year’s level. This means that spending pressures from pay increases, inflation, rising population numbers (in particular the older people in our community) and service demands need to be absorbed by the Council.

To receive that full level of grant, the Scottish Government requires councils to freeze Council Tax levels and maintain teacher numbers in line with pupil numbers over the next 2 years. It is estimated that the proposals within this budget pack will deliver against these grant conditions.
What we have to save

Despite delivering a balanced budget last year and successfully closing the budget gap in previous years, the pressure is on the Council once again to save money without significantly compromising important local services.

In response to continuing cuts in public funding, the council’s budget strategy group has agreed to continue its long-term approach to financial planning and plans to set a two year budget from 2013/14.

The Council estimates that savings totalling £10.96 million over the next two years are needed to deliver balanced budgets for these years.

East Renfrewshire Council will not be alone in feeling the pain of spending cuts. Predictions made by the Scottish Government’s Chief Economist suggest that it could be 2027 before public finances return to the levels they were in 2009 – an estimated loss to the Scottish budget of some £51 billion.

Details on the make-up of the budget pack

East Renfrewshire Council’s functions can be seen below:-
To help give you an insight into what these savings mean in relation to the overall spend of the Council below we have listed what each service spends and what that means as a percentage of overall spend can be seen in the graph below.

<table>
<thead>
<tr>
<th>Service</th>
<th>Total Yearly Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>£9.653 million</td>
</tr>
<tr>
<td>CHCP</td>
<td>£43.847 million*</td>
</tr>
<tr>
<td>Education</td>
<td>£113.374 million</td>
</tr>
<tr>
<td>Environment</td>
<td>£27.983 million</td>
</tr>
<tr>
<td>Finance</td>
<td>£5.978 million</td>
</tr>
</tbody>
</table>

* This is the amount of money the council contributes to the CHCP. Contributions are also made by NHS Greater Glasgow and Clyde.

This budget pack will take a look at each of these services and outline what savings are being proposed. The savings identified within this pack need to be delivered to give a balanced budget over the next two years.

We will then ask for your comments to ascertain if you agree with the savings proposals currently being identified and if not, why not, and what other savings we could consider in its place.
The Council has to save £10.96m over the next two years and the savings identified to date have come to a total of £10.69m which leaves a shortfall of £270,000. The budget strategy group are aware of this shortfall and are confident that we will be able to find these additional savings by continuing to review how savings can be made through transformation of our services and continuing to increase efficiency during year two to close this small gap.

The majority of our savings have been through efficiencies and as the diagram below shows 70% of the savings have been managed through efficiencies with 30% being managed through service savings.

<table>
<thead>
<tr>
<th>Efficiency Savings 2013/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Savings</td>
</tr>
<tr>
<td>30%</td>
</tr>
<tr>
<td>Efficiencies</td>
</tr>
<tr>
<td>70%</td>
</tr>
</tbody>
</table>

There are 5 different types of savings that have been identified and these are:

- **Service redesign savings** – this is where we have looked at how we deliver a service to see if we can do it more efficiently e.g. can we do it with fewer staff or do it in a different way. The aim is to maximise efficiencies and in many cases the changes will be invisible to the public. However, in some cases there may be significant changes in how the service is delivered.

- **Asset savings** – this is where we have identified buildings that we either no longer use or which are not used as well as they could be. It has then been decided that we can continue without holding on to a particular building.

- **Financial savings** – this is where additional income could be achieved by increasing income streams, reducing the demand on council funding. This type of saving also reflects the reduced costs of financing the Council’s loan debt taken out to help fund necessary investment in capital assets.
• **Procurement savings** – this is where we save money by renegotiating contracts with external suppliers. Where possible this will be done in collaboration with other councils to maximise savings.

• **Other savings** – this category is used to identify other savings which do not sit in the 4 categories listed above.

The diagram below shows what percentage of each type of saving make up this budget.
Service redesign savings

East Renfrewshire is a prudent Council and works hard on a day to day basis to ensure that we deliver best value for money for residents. Some of the savings listed below are not part of the consultation process as we already started to make the changes but we wanted to make sure that you were made aware of them:-

• Changes have been made to the way we print material such as leaflets, forms and large run letters. Our printing process and equipment are more efficient and more printing is now being undertaken by external printers who have gone through a robust procurement process. We will use less paper which will have the added benefit of helping the environment.

  This will realise a total 2 year saving of £74,000.

• Will continue to review our management and administration staffing structures. As part of our Public Sector Excellence Programme which is the name of our internal change programme to help us transform our organisation without impacting on the quality of the services we deliver. We are committed to finding smarter ways in which to work and take out unnecessary administrative steps without impacting on quality.

  This will realise a total 2 year saving of £793,000.

• We will undertake service redesigns within Community Health and Care Partnership (CHCP). A number of the service redesigns planned within the CHCP are in response to the forthcoming changes to social care that will be brought about by the Self Directed Support Bill. Self Directed Support gives the individual much clearer information about the funding they are entitled to as a consequence of their support needs and greater choice over the support and services they can purchase with that funding. People can choose whether they have a direct payment and manage the budget themselves, or whether they would like the Council or another agency to manage their individual budget on their behalf. This means we will need to redesign existing services, including our own council-provided services, so that people can exercise more choice over which care provider to use, or whether to use funding to support them in different ways. By exercising more control and being able to tailor support packages to meet individual needs we can target resources more effectively. Just now, people often have to fit into services, rather than services fitting around people.

  The CHCP currently spends approximately £450,000 a year on transport for attendance at a range of services including day care and short breaks. We use a variety of methods to provide transport including minibuses and taxis. As we begin to give people access to individual budgets for care and support we need to think about whether group transport is the best way forward. People will have funding for transport within their individual budget if they need help with this aspect of their lives.

  We believe this change work will realise a total 2 year saving of £60,000.
• The CHCP commissions services on behalf of our customers from a range of external suppliers, in fact, this makes up nearly half the Council CHCP budget. We will review all externally purchased services to ensure we are getting best value for money. This work will be undertaken at the same time as we move across to the Self-Directed Support model of delivery where many customers will choose their own care package. In particular we will review where people are cared for away from their home area and we will look at the way short breaks are organised to ensure people have flexibility and choice.

We anticipate that this will save us £245,000 over two years and the majority of this will come from care providers becoming more efficient.

• This efficiency review in relation to Self-Directed Support also applies to our own Council provided services. We closed our hostel for people with learning disabilities, Atholl House, back in 2002. The people who lived in the hostel were given their own tenancies in houses and flats nearby but we continued to directly provide support to people in their own homes. Most Councils commission supported living services from the third sector (the third sector refers to social activity undertaken by organisations that are not for profit and non-governmental) and in fact the majority of the supported living services we have in East Renfrewshire are provided by third sector organisations. When we compared the costs of the Atholl support service to the costs of other similar local services we realised that Atholl is much more expensive to provide in-house.

We therefore think that the Atholl support service will not be sustainable in the long term as our customers begin to choose who provides their support. We want to be able to manage this change carefully both for our customers and our staff.

By redesigning and then commissioning support from external providers we can realise a total 2 year saving of £180,000.

• We know that our day services for people with learning disabilities are highly valued by the people who use them and their carers. Over recent years the services have developed new programmes and approaches which aim to include people in their own communities and develop opportunities for volunteering and employment. We want to further develop this approach to make our services more flexible and efficient in response to self-directed support.

We will review our services to enhance their flexibility, by streamlining our management structure and looking carefully at the skill-mix of staff we think we can save £169,000 over the two year period.

• Bonnyton House is the Council’s only residential care home and provides 34 beds, 6 of which are for respite care. Based on our current occupancy rates, we can reclassify 3 of the respite beds as permanent beds with no impact on our customers and maximise the income from this service.

This will realise a total 2 year saving of £72,000.
• Our Care at Home services provide support to about 1,000 people in East Renfrewshire. This is a really important part of our strategy to help support vulnerable people in their own homes. The majority of people provided with support are older people. Services are provided by a mixture of ‘in-house’ Council staff and private sector provision. We have in the last year invested significantly in our ‘re-ablement’ service, which provides intensive rehabilitation support to older people to help them regain the skills they had after an illness or a period in hospital. This has helped people to do more for themselves and has helped to reduce the demand for future services. We now intend to make the long term service as efficient and flexible as possible by looking at our rota systems and improve the scheduling of visits.

This will realise a saving of £280,000 over two years.

• The CHCP has been working with the Registered Social Landlords who provide sheltered housing to redesign the more traditional warden services into housing management services which can respond more flexibly to the needs of individual tenants. We have already worked successfully with Barrhead Housing Association to achieve this and are also providing additional support to help tenants access a range of community opportunities.

By working in a similar way with the other housing support providers and by sharing and developing our telecare services and ‘Safety Net’ responder service we can realise a total 2 year saving of £200,000.

• East Renfrewshire Council currently employs 27 teachers in nursery schools, classes and family centres. In addition almost all our pre-five establishments have a head teacher. Many local authorities across Scotland do not have any teaching staff at these locations within their own areas. We will reduce teachers in pre-five whilst retaining at least 1 teacher per centre and off-set the reduction in teaching staff with an increase in Child Development Officers. This will reduce the number of teachers by 12 and increase the number of Child Development Officers by 12. We currently invest in helping our Child Development Officers work towards gaining a degree, which is a BA in Childhood Practices.

This will realise a total 2 year saving of £106,000.

• Over the last few years the Council has endeavoured to reduce the number of children per teacher in P1 classes to 18 where possible. As well as the significant financial cost this has been challenging because in areas where there is a high demand for school places, the Council can only legally restrict class sizes to 25. This year the Council has managed to achieve a pupil teacher ratio of 18 to 1 in P1 by the use of teachers on temporary contracts but in light of the budget constraints it will be extremely difficult to maintain this in all schools in future years. By reducing the number of teachers in P1 classes we will realise savings through natural turnover and by having less on temporary contracts.

This will realise a total 2 year saving of £909,000.
• We will undertake a review of school support arrangements within schools. This includes looking at services within schools which work to support teachers. This will include a review and managed reduction in staff in:-

• Schools technician service will be redesigned resulting in a 10% saving.

• Pupil support assistants for additional support needs children will be reduced by 10%. This will slightly reduce the amount of resource available to provide personalised support to these children. The department will work with schools to best allocate the available resource to meet varying demand and continue to ensure that children’s needs are met.

This will realise a total 2 year saving of £197,000.

• Over the last few years the adult and family learning service has been undergoing a process of redesign to focus on literacy and numeracy since these are the key to employability and to support English as a second language. Additional savings have been identified through a reduction in staff numbers which can be achieved by natural turnover and voluntary redundancy.

This will realise a total 2 year saving of £109,000.

• A review of sports centres management and staffing structures, programmes and opening hours will be undertaken. The revisions to opening hours are expected to be on a relatively small scale. Part of the exercise will be looking in detail at the levels of use and identifying if there are times when it does not justify opening all or part of the building with the most obvious example being the last hour of the day through the week. The review will be driven by looking at the centres’ programme and considering what is the best programme mix to deliver on both income and customer service. It will look at issues such as the balance to be struck between income generating activity such as swimming lessons and enabling access for casual swimming.

This will realise a total 2 year saving of £160,000.

• We have already realised savings to our library service and to date this has realised a cost saving of £75,000. It is our intention to continue with that review by looking across our supervisory and management levels in relation to better alignment of shift patterns and continuing with the introduction of self service. We will also review the opening hours in Busby and Thornliebank libraries to reflect customer demand.

This will realise a total 2 year saving of £80,000.
• We will undertake a review and redesign of our arts development services including visual arts and community drama. This will look at staffing levels, supplies and services, budgets and opportunities for additional income. We will increase support to schools focusing on early years and additional support needs areas. This would mean working with pre-5 establishments and with schools to extend their cultural experiences and support Curriculum for Excellence in doing so. There is research evidence that says early engagement in cultural activity influences lifelong cultural activity: it also has an impact on attainment and achievement, including well-being, self-confidence and problem-solving.

This will realise a total 2 year saving of £56,000.

• We presently run 2 schemes to help older people who are not able to look after their own garden. The garden assistance scheme is free to all those over 65 who have no one in their household who can help and they must also live in a house with council tax set at Band D or lower. Mr Diggit is a much smaller scheme but open to residents in houses Band E and above but who have particular needs. We are considering introducing charging arrangements to cover the £240,000 cost of these schemes and views are invited on what you would consider to be an appropriate charging mechanism.

This will realise a total 2 year saving of £240,000.


Asset savings

• Savings will be generated from the schools rationalisation which has already been undertaken. This relates to the amalgamations of Giffnock and Robslee Primary Schools and Auchenback and Springhill Primary Schools which have already been implemented. As these amalgamations are being undertaken on a managed basis, savings will continue over the next 2 years.

This has already realised a total 2 year saving of £806,000.

• A full review of how we use our assets and how they are run has been undertaken over recent years.

There are savings to be realised by reducing energy costs in our community facilities. This saving has been made possible by training our staff in energy efficiency working together with good housekeeping and efficient management of bookings. This will not impact on our customers.

The sale of Rhuallan House in Giffnock will realise a saving on running costs and a potential receipt for the Council from its sale. Rhuallan House is presently used as office accommodation for staff and for lets to community groups. It is a beautiful old building which is not fully utilised and which has a backlog of maintenance. With the present pressure on resources, it is unlikely that the Council will be able to afford to maintain the house properly in the future and a new owner could provide more investment to restore the house. Staff can be accommodated in other office buildings with community bookings reallocated to other facilities. In particular, plans are already in place for improvements to Giffnock library and it is possible that increased space for community groups can be included in the redesign of the library to provide a central community hub for Giffnock.

Transfer of Dalmeny Hall which is located at Barnes Street, Barrhead to the ownership of an existing and established club already operating in the area. Dalmeny Hall is used by a variety of community groups for activities including meetings, dance classes and keep fit classes. It is also available for social functions including children’s birthday parties. The hall is currently underused but we are planning where possible for current users of these premises to be able to continue using the facility.

Plans to sell or lease the old Barrhead Registration Office are already being implemented. This office has been closed to the public since 2010 when the service transferred to the Barrhead Main Street offices. Sale or lease of this building will mean we no longer have to pay costs for rates, repairs/maintenance, cleaning and electricity.

The range of proposals above will realise a total 2 year saving of £125,000
Financial Savings

• We will increase income to the Council by increasing charges and fees to some of the services we provide. Outlined below are the increases which we are recommending and which will be discussed at the Council’s Cabinet meeting on 6th December 2012. This is not part of the consultation process but we wanted to make you aware of them:-

• Increased charges for care at home, community and meals on wheels/lunch clubs by 5%. In addition charges for providing the service at Bonnyton House will increase to cover the actual cost of providing the service, this will mean a 7.5% increase.

• The Environment department will increase the charge for most services by 5%. However, special uplift service will increase by 10% and the hire of Rouken Glen pavilion will increase by 9%.

• Most charges with the Education department will increase by 5%. Schools meals will increase by 5%, as will most sports, library and arts charges. Charges for Wraparound Care-Term Time will remain at the current levels. Action Zone charges for young people, summer holiday programmes charges and Ardentinny Study weekend charges will also remain at the current levels.

• There will be a 5% rise in charges for community facilities and non-statutory registration fees will take place but this will not happen until 2014/15.

• As part of our last budget consultation we proposed reducing the level of music tuition provided. We received some very strong feedback both from the users of the service and their parents. Through this parents indicated that they would not like to see the service reduce and that they would be willing to pay more to help meet the costs. We have listened to this feedback and as a result we will be raising the costs of music service in the first year of this budget by £20 and then by a further £20 in the second year of this budget. Concessions and free tuition for SQA exams will continue. Membership of choral groups will be set at £60. £10,000 will be saved by merging Carlibar and Williamwood Music Centres. This service will operate from Williamwood and transport will be provided for pupils from Barrhead and Neilston to and from Williamwood on a Saturday.

• The Council does not currently recover the full cost of some social work clients from other local authority areas. The actual cost of these services will be recharged to those councils from April 2013.

This will realise a total 2 year saving of £621,000.

• Loan charges – Savings will be achieved through the continued active management of the Council’s loan debt.

This will realise a total 2 year saving of £1,200,000.
Procurement savings

- Procurement savings will be made by realising efficiencies across all Council services. We will ensure that we have the best value for money supplier providing our services. Departments will also work together and where possible the Council will work collaboratively with other authorities to negotiate the best prices from external suppliers. Examples:-
  
  - A saving in transport provision for children and young people with additional support needs has been achieved through contract efficiencies. The pupils will see no reduction in service provision.
  
  - A saving in transport provision costs for children to and from school has been achieved through contract efficiencies. The pupils will see no difference to service provision.
  
  - We are embarking on a ‘Public Social Partnership’ with third sector providers of supported living services for people with learning disabilities. This is a new way of developing models of support services in partnership with care providers, individuals who need support and their families which will help us achieve savings by sharing services and identifying new ways to provide support, ultimately leading to support services being tendered.
  
  - We have already redesigned the dementia day services and tendered this service. This continues to deliver efficiencies of 16% over the course of the contract.
  
  - Procurement savings will also be found by reducing office supplies.
  
  - A review of the tender for waste disposal costs will realise a saving – the new rates are much improved.
  
  - East Renfrewshire and Renfrewshire Council jointly commission a range of care and repair services. This service has gone through a new tender exercise and will realise a saving.

This will realise a total 2 year saving of £1,265,000.
Other savings

• In previous years the council has taken a number of decisions regarding cost savings. Some of these cost savings have generated additional savings beyond the life of the budget year they were originally identified in, providing valuable savings measures for this budget, for example a review of the cleaning service within schools. In addition existing budgets have been scrutinised to ensure they reflect current demands and to see if any further savings can be identified especially in areas such as utilities, stationery and telephone costs.

  **This will realise a total 2 year saving of £2,292,000.**

• A saving will be realised by reviewing the spend allocation for area forums. This would see a 20% reduction on the general allocation made available for the area forums to draw down on and withdrawal of the roads allocation.

  **This will realise a total 2 year saving of £24,000.**

• We will reduce the amount given over to the community grants scheme to realise a saving. This saving identified means reducing this grant scheme by 30%, the current spend on this grant scheme is £52,300.

  **This will realise a total 2 year saving of £16,000.**

• In 2010/11 a review of certain staff terms and conditions was undertaken and saving identified and nationally reviewed and agreed. Some estimates of saving were made at this point in time, this has now been reviewed and a more accurate saving figure been identified. The removal of the essential car user allowance scheme is planned from 2014/15.

  **This will realise a total 2 year saving of £182,000.**

• We will retain the free fruit initiative for children in younger primary classes however we will remove the free fruit initiative for P4-P7.

  **This will realise a total 2 year saving of £91,000.**

• Foreign language assistants supplement the teaching of foreign languages across all our secondary schools. These positions are employed on a fixed term temporary contract and contracts are renewed annually. These positions will no longer be filled. The teaching of modern languages will still be maintained through the core teaching provision. Only 20% of Scotland’s councils currently employ foreign language assistants.

  **This will realise a total 2 year saving of £63,000.**

• We will stop providing supplementary funding for values and citizenship programme currently given over to schools to promote good citizenship in pupils. Arrangements will be managed locally by individual schools within available resources.

  **This will realise a total 2 year saving of £78,000.**
The budget strategy group had some additional savings put forward for their consideration but ultimately decided not to take these savings at this point as they did not believe that they were in the best interests of the Council and its residents. Below, for your information, we have outlined some of the savings that we have decided not to take.

- Removal or reduction of the community ER magazine.
- Removal of free fruit for nursery children.
- Removal of youth counselling services.
- Removal of youth diversion activities in sports and arts services.
- Removal of grants to voluntary organisations.
- Closure of Rouken Glen Training Centre.
- Reducing the budget for winter gritting of roads.
- Closure of Barrhead Civic Amenity Site.
- Discontinuing the graffiti removal team.
Your Feedback

Now for your view on the savings presented above – please tick to indicate your feedback and provide additional details in the box provided if required:

### I broadly agree with the savings presented

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree or disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
</table>

### I am broadly supportive of the approach taken by the Council to identify savings options

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree or disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
</table>

If you disagree or strongly disagree with any of the savings identified above, do you have any suggestions for alternative savings? Please provide us with any of your suggestions in the space provided below.

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About You

Are you a resident of East Renfrewshire?
☐ Yes ☐ No

Are you an employee of East Renfrewshire Council?
☐ Yes ☐ No
Equality Question

To make sure that we reach as many people as possible in the community we monitor all equalities areas i.e. disability, ethnicity, etc. The questions below are based on national standard questions on equality. To help us with this please fill in the details below – these questions are optional. Thank you.

Gender:  □ Male  □ Female  □ I prefer not to tell you

Age:  □ Under 16  □ 16-25  □ 26-35  □ 36-45
□ 46-55  □ 56-65  □ 66+  □ I prefer not to say

What is your religion or belief?
□ Christian  □ Buddhist  □ Hindu  □ Sikh  □ Jewish
□ Muslim  □ Atheist  □ Agnostic  □ I prefer not to say
□ Other, please state __________________________________________

What is your sexual orientation?
□ Hetrosexual (man and woman)  □ Lesbian
□ Gay  □ Bisexual  □ I prefer not to say
□ Other, please state __________________________________________

What is your ethnic group?

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<th>Asian or Asian British</th>
<th>Black or Black British</th>
<th>Chinese or other ethnic group</th>
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</table>
□ Irish | □ White and Black African | □ Pakistani  | □ African  | □ Any other background  |
□ Any other white background | □ Any other mixed background | □ Bangladeshi  | □ Any other black background |
| | | □ Tamil  | | |
| | | □ Korean  | | |
| | | □ Any other Asian background  | | |
□ I prefer not to say | | | | |
If you have completed this survey in hardcopy then a pre-paid envelope has been provided for you and all completed budget packs should be returned to East Renfrewshire Council Headquarters no later than Sunday 16 December 2012.

East Renfrewshire Council,
Council Headquarters,
Eastwood Park,
Rouken Glen Road,
Giffnock
G46 6UG

This survey can be completed at www.eastrenfrewshire.gov.uk/budget and can be made available in a range of languages and formats, including large print, braille, audio, electronic and accessible formats.
Feedback Pack Following Consultation
2 Year Budget 2013-2015
Dear Resident / Employee

Welcome

Welcome to East Renfrewshire Council’s ‘Shaping Our Future’ feedback pack. You may be viewing this pack either as a hardcopy document or online.

At the end of 2012 East Renfrewshire Council gave you the opportunity to share your views on the key issues that determine how council services would be delivered in future.

We explained that it is important to us to consult with local residents, service users and employees as much as possible prior to very important financial decisions being taken as these decisions could have an impact on the day to day services provided to residents.

We committed to a period of consultation and we said that we would undertake the following actions:

- to openly engage communities, employees and partners to provide the facts on the financial challenge facing the council and hard decisions that will be required to be taken

- to communicate regularly with our employees to highlight the impact of proposed budget savings on their employment

- to reflect on the views expressed by our communities and continue to support our most vulnerable residents
How our funding works

Scottish councils receive money from the Scottish Government each year to run local services; this is called the ‘Grant Settlement’ and is a major factor in determining how much the council can afford to spend in a year.

Government Grant is supplemented through Council Tax revenue. The more revenue that is collected, the more money is available to run services. For every pound that is spent by East Renfrewshire Council, around 81p comes from the Scottish Government and around 19p comes from Council Tax.

For the past five years, East Renfrewshire Council has chosen not to increase Council Tax levels in order to provide local people with some relief from growing financial pressure. Combined, the Grant Settlement and Council Tax revenue must cover the costs of all the services we provide.

For the next two years core Government Grant will be reduced by 0.6% in cash terms when compared to the current year’s level. This means that spending pressures from pay increases, inflation, rising population numbers (in particular the older people in our community) and service demands need to be absorbed by the council.

To receive that full level of grant, the Scottish Government requires councils to freeze Council Tax levels and maintain teacher numbers in line with pupil numbers over the next two years. Budget proposals have been framed to deliver against these grant conditions.

What we have to save

Despite delivering a balanced budget last year and successfully closing the budget gap in previous years, the council once again has to save money without significantly compromising important local services.

In response to continuing cuts in public funding, the council’s budget strategy group has agreed to continue its long-term approach to financial planning and plans to set a two year budget from 2013/14.

**We estimated that savings totalling £10.96 million over the next two years were needed to deliver balanced budgets for these years.**

East Renfrewshire Council is not the only council feeling the pain of spending cuts. Predictions made by the Scottish Government’s Chief Economist suggest that it could be 2027 before public finances return to the levels they were in 2009 – an estimated loss to the Scottish budget of some £51 billion.
How We Consulted

It was important that we gave residents the opportunity to provide us with feedback on our proposals in as many different ways as possible.

We therefore provided residents with the opportunity to speak to us face to face, online and in hardcopy using the same form that we made available online.

In total over 1300 people took part in this consultation. We are committed to continually improve the way we do consultation to ensure that we encourage as many people as possible to take part.

Our full consultation took place over two phases:-

Phase One

We interacted with our residents to get their views on the priorities for the future. This phase ran from September 2012 through to October 2012 and residents provided feedback by responding to the Citizens panel postal survey. 699 residents took part in the survey and provided us with a response.

During Phase One we also undertook face to face discussions with residents and 245 participants took part and provided their views. It helped us with our work to develop our Single Outcome Agreement and our Outcome Delivery Plan.

The Single Outcome Agreement (SOA) sets out how the Community Planning Partnership will work towards improving outcomes for the local people in a way that reflects local circumstances and priorities.

The Outcome Delivery Plan (ODP) is a three year plan, updated annually which focuses on our activities, performance measures and targets. It conveys what the council is doing to ensure delivery of the agreed local outcomes and of our corporate statement. It details what we are working towards to help deliver on the bigger, more strategic, Single Outcome Agreement outcomes.
Phase Two

Phase Two of our consultation focused on the budget decisions that we were considering for Financial Years 2013/2014 and 2014/2015.

This consultation ran from November 2012 through to December 2012 and residents and employees were given the opportunity to provide their views through an online forum, a face-to-face budget event and they also had the opportunity to provide their responses in hardcopy form.

Over 400 people responded during Phase Two.

253 of those people who responded did so through the website. The online consultation ran for a month from 16 November 2012 through to 16 December 2012. They read through the online ‘Shaping Our Future’ document and provided us with comments and feedback on some of the savings that we proposed. Roughly 50% of the online respondents were council staff. Two thirds were female and 40% were in the age group of 36-45.

80 residents responded in a similar way as above but they chose to receive a hardcopy of our ‘Shaping Our Future’ booklet and to provide written feedback to us. The responses received in this format saw two thirds coming from residents and one third from East Renfrewshire Council employees. This channel was particularly favoured by our older respondents i.e. those aged 56 or over (36% of respondents).

We held our face-to-face budget event with service user representatives at St Ninian’s High School on Monday 26 November and we had 70 people attend. There was a 50/50 gender split with a predominately good mix of age groups, the only exception being the age group of 18-35 which had slightly less representation than we would have liked. There were a number of facilitated sessions and people were encouraged to give their views and feedback. These sessions were facilitated by Senior Management representatives from each of our service areas. Everything discussed at these sessions was recorded and fed into the budget consultation feedback.
What Did Our Consultation Tell Us?

Phase One

Our Phase One consultation provided feedback on what we should prioritise for four key life stages.

1. For the stage of ‘Babies and Young Children’ you asked us to focus on:-
   • Develop and improve local support networks
   • Tackle child poverty
   • Child care (access, information and value)

2. For the stage of ‘Young People’ you asked us to focus on:-
   • Improving availability of facilities and activities
   • Schools – leaver support and career advice, ASN support
   • Tackle poverty – prevention and early intervention

3. For the stage of ‘Adults’ you asked us to focus on:-
   • Employment opportunities (job creation and local industry)
   • Quality and availability of housing
   • Opportunities for lifelong learning

4. For the stage of ‘Older People’:-
   • Reduce isolation and impact of isolation
   • Availability of local groups and facilities
   • Foster an improved sense of community

All of these points have now been fed into our Single Outcome Agreement and Outcome Delivery Plan.
Phase Two

Phase Two of our consultation process focused on our budget. It outlined what savings were being proposed and asked for residents’ comments to ascertain if they agreed with the savings proposals identified and if not, we asked you to explain why not and what other savings we could consider in its place.

We highlighted that the Council has to save £10.96m over the next two years and the savings identified to date have come to a total of £10.69m which left a shortfall of £270,000.

The majority of our savings identified were found through efficiencies with 70% of the savings managed this way and 30% managed through service savings.

The savings identified fell into five categories and these were:-

- **Service redesign savings** – this is where we have looked at how we deliver a service to see if we can do it more efficiently e.g. can we do it with fewer staff or do it in a different way. The aim is to maximise efficiencies and in many cases the changes will be invisible to the public. However, in some cases there may be significant changes in how the service is delivered.

- **Asset savings** – this is where we have identified buildings that we either no longer use or are not used as well as they could be. It has then been decided that we can continue without holding on to a particular building.

- **Financial savings** – this is where additional income could be achieved by increasing income streams, reducing the demand on council funding. This type of saving also reflects the reduced costs of financing the council’s loan debt taken out to help fund necessary investment in capital assets.

- **Procurement savings** – this is where we save money by renegotiating contracts with external suppliers. Where possible this will be done in collaboration with other councils to maximise savings.

- **Other savings** – this category is used to identify other savings which do not sit in the four categories listed above.
At our budget event on 26 November we had broad support for proposals and savings discussed within CHCP, Environment, Arts and Community Services workshops.

This event did provide a greater degree of discussion and questioning regarding Education proposals – particularly nursery teaching provision, class sizes and school support arrangements.

The hard copy responses we received indicated a stronger level of disagreement with proposals and the approach, compared to the online survey. 71% disagreed or strongly disagreed with the savings proposals with particular reference made on the disagreement with closure and future sale of Rhuallan House and the impact on learning disability, nursery, and school support arrangements.

Our online survey showed that the service redesign proposals were the only element with high levels of disagreement but in general we had broad support for all other areas of savings.

Looking at each type of saving in a bit more detail, the following feedback was received:-

**Service Redesign**

- Across all three engagement channels, we received 240 specific written comments in relation to service redesign savings proposals
- 70% of these related to 3 top areas:-
  - School support arrangements (75 references)
  - Reduction in nursery teachers (51 references)
  - Class sizes (45 references)

**Assets**

- A low volume of comments made (34 specific comments in total)
- The main proposal referenced within written comments received was the sale of Rhuallan House. However, within these comments, there was some provisional support for the Rhuallan proposal if there is assurance of alternative accommodation at a reasonable cost.

**Financial, Procurement and Other Savings**

- Financial – Low volume of comments with two thirds of comments in relation to education charges increase.
- Procurement – Very few specific comments made (17 in total)
- Other savings – Very few specific comments made (20 in total)
We also asked you to provide us with any alternative savings options that we may be able to consider and you put forward the following suggestions:

- Most commonly referenced alternative option was to consider cutting the ER magazine for residents and instead provide only web-based and Facebook information.
- The other options with 8 or more people providing feedback were:-
  - Cease free fruit in schools
  - Reduce bureaucracy/management posts

All of your feedback has been invaluable to us and has helped inform the decisions that the budget strategy group have taken.

The budget strategy group has decided to progress with the majority of the spending proposals set out in the original consultation as we had broad agreement with most of them. However, it is important that we provide some further explanation behind some of the points made, and in particular the top three points made under service redesign where the feedback registered the most dissatisfaction with the proposals.

- We will proceed with a review and managed reduction in schools technician service staff by 10%. The reduction in pupil support assistants of 10% for individual special needs children is provisionally planned to go ahead in August 2014. However this decision will be reviewed in the budget setting process for 14/15 and only if absolutely necessary will this saving be taken. If the saving is taken it is expected that the staff reduction can be achieved by natural turnover.

  We are committed to working with our schools to help them implement these changes whilst limiting the impact on pupils. If we find that schools rolls increased over forthcoming years or the number of our pupils who require pupil support assistants increase then we will review this.

- We will proceed with the reduction in teaching staff in all our pre-five establishments by a total of 12, replacing them with Child Development Officers working towards improving their qualifications. However we are committed to retaining at least 1 teacher per centre. This will ensure that in East Renfrewshire Council nurseries, we still have one of the highest ratios of teachers in nurseries across Scotland whilst utilising the excellent skills of our Child Development Officers.

  We will continue to help as many of our Child Development Officers as possible to work towards a degree in Childhood Practices. The degree takes a holistic view of children’s development, learning and well-being and covers areas such as: protecting and caring for children; working with parents and carers; encouraging children to become healthy, active and achieving.
• We will proceed with removing the funding for additional teachers to achieve a pupil/teacher ratio in P1 of 18 to 1 or less.

In 2010, when many of our P1 pupils were in classes of 30, we increased the number of teachers available in schools to teach in P1. We later supplemented this increase by using newly qualified teachers, who were funded by the Government, and short term council funding to achieve a ratio of 18 to 1 in all of our schools in primary 1.

In August 2011 there was legislation change which reduced the maximum number of children in a primary 1 class from 30 to 25. Even without additional teacher funding, children in P1 will now naturally be in smaller classes than before 2010 with the average class size expected to be about 20.4 (subject to placing requests) and therefore the priority for this funding is significantly less. Even in the past where class sizes have been high, the quality of learners experience has been validated by HMIE as very good or excellent.

The current P1 ratio of 18 to 1 has been possible by using teachers on temporary contracts. The affected contract teachers will not have their contracts renewed and no permanent member of teaching staff will be impacted.

• We had proposed introducing a charging scheme for our garden assistance and Mr Diggit schemes. However, we have decided not to proceed with charging for next year only. We have asked officers in our Environment Department to look again at how we deliver this service and what is the best way forward for it.

At the moment we are still looking to introduce charging the year after next. However, this will depend on what recommendations our officers bring forward.

• We will continue with the saving options to stop using Rhuallan House as unfortunately the building is not up to the standard it should be and we do not currently have the funding to upgrade it.

However, we are making a commitment to the residents who currently regularly use this facility that we will work with them to find them suitable alternative accommodation in one of our other locations.

There are no plans to sell Rhuallan at this point in time. Economically it is not thought to be the best time to sell however, if a suitable offer were to present itself then we will look at this.
• You asked us to look again at the provision of the community ER magazine. This magazine costs less than £40,000 per year to provide four copies which are delivered to every household.

Whilst we have decided at this point in time not to include this saving into the budget, we have asked officers in our Corporate Communications Team to look again at this publication and provide options for its future.

• You suggested that we look at reducing bureaucracy/management posts. Since 2007 we have been focused on reducing our management costs and creating a much flatter structure within the organisations. To date we have gone from seven directors down to five and we have also made an almost 40% reduction in our Head of Service level of management.

We will continue to focus on this and we are committed to continuing to review our structure and management levels to ensure that we are delivering best value for money to the residents of East Renfrewshire.