



**POLICY AND RESOURCES SCRUTINY COMMITTEE –  
5TH OCTOBER 2010**

**SUBJECT: CONSULTATION ON PROPOSALS TO MEET BUDGET CUTS –  
CORPORATE SERVICES**

**REPORT BY: DEPUTY CHIEF EXECUTIVE**

**1. PURPOSE OF REPORT**

1.1 To seek Members views on proposals to cut Corporate Services budgets in line with the medium-term financial planning assumptions.

**2. SUMMARY**

2.1 Council report of 25 February 2010 provided details of the need for Corporate Services to achieve savings of circa £2.1m by 31 March 2015.

2.2 Since that date, Members will have received further information (in lieu of the comprehensive spending review outcomes due in November) that suggest Corporate Services savings may need to be accelerated to meet a target more like circa £3.0m.

2.3 The proposals in the report to Council are summarised as:-

2.3.1 Service Reprovision

**Target Savings to  
be Achieved**

- |  |       |
|--|-------|
| ▪ Rationalise Events, Marketing and Communications | £200k |
| ▪ Transfer of Cash Offices to Post Offices         | £50k  |
| ▪ Reprovision of Tourism Facilities                | £250k |
| ▪ Asset Management Rationalisation                 | £250k |
| ▪ Reprovision of Customer First Facilities         | £250k |
| ▪ Increase Collaboration/Shared Services           | £200k |

2.3.2 Service Efficiencies

**Target Savings to  
be Achieved**

- |  |       |
|--|-------|
| ▪ ICT Replacement  | £50k  |
| ▪ Delays in ICT Developments                               | £200k |
| ▪ Introduce BPR and further Redesign Back Office Functions | £250k |

2.3.3 Service Reductions

**Target Savings to  
be Achieved**

- |   |       |
|---|-------|
| ▪ Back Office (Reduction in Posts) / Vacancy Management | £500k |
|---|-------|

2.4 This report provides proposals for consultation for the achievement of the savings target of £2.1m.

### **3. LINKS TO STRATEGY**

3.1 This report relates primarily to the efficient and effective use of the Council's revenue resources.

### **4. THE PROPOSALS**

4.1 Rationalise Events, Marketing and Communications - £200k

4.1.1 Options are contained in Appendix 1 of this report.

4.2 Transfer of Cash Office functions to Post Offices - £50k

4.2.1 Proposals are contained in Appendix 2 of this report

4.3 Reprovision of Tourist Facilities - £250k

4.3.1 Head of Economic Development and Regeneration is currently undertaking an option appraisal in respect of Llancaiach Fawr and this will be brought forward in due course. Proposals will need to be considered in time for the 2012/13 budget round.

4.4 Asset Management Rationalisation - £250k

4.4.1 There currently exists a £45m Capital shortfall in maintaining our assets to minimum standards.

4.4.2 A Members Seminar is to take place, which will set out proposals which will include:

- Transfer of assets to community ownership
- Co-location of certain community activities
- Community facility closures

4.4.3 A further report will be required to be considered once the seminar has taken place and Members views sought.

4.5 Reprovision of Customer First Activities - £250k

4.5.1 Proposals are contained in Appendix 3 of this report

4.6 Increase in Collaboration/Shared Services - £200k

4.6.1 Work is ongoing to determine areas for sharing services with other local authorities. Currently under consideration is ICT, HR and Health & Safety. Further reports will be brought forward.

4.7 ICT Replacement - £50k

4.7.1 This has already been implemented with effect from 1 April 2010.

4.8 Delays in ICT Developments - £200k

4.8.1 A review of all our current systems is underway and procurement options in respect of "joint contracting" with other local authorities is being considered as one of the options to drive out efficiencies.

4.8.2 This work ties in with national initiatives in respect of PSBA and the work of the Innovation and Efficiency Board of WAG. The timetable for this will be to agree proposals in time for 2012/13 budget.

4.9 Introduction of Business Process Reorganisation and Back Office Reductions - £750k

4.9.1 This will require, over the period, to reduce the workforce by a further minimum of 25 posts.

4.9.2 However, given the future projections on likely further cuts required, this is likely to double to at least 50 posts.

4.9.3 To avoid the need for unnecessary redundancies, the service will implement the workforce strategies already considered by this Committee, ie voluntary retirement; flexible retirement; reductions in working week; career breaks; etc. However, reducing the workforce to this extent will mean compulsory redundancies but every effort will be made to keep this to an absolute minimum.

## 5. FINANCIAL IMPLICATIONS

5.1 It is important to recognise that Corporate Services has already made significant savings (circa £2m) in previous years and has made cuts to protect frontline service delivery elsewhere in the Council:-

2007/08	-	£400k	}	£2.085m
2008/09	-	£620k		
2009/10	-	£870k		
2010/11	-	£195k		

This being achieved without the need for one compulsory redundancy to date.

5.2 Proposals contained within this report will contribute to the savings target required. Currently, budget savings for Corporate Services are proposed as follows:-

2011/12	2012/13	2013/14	2014/15
£1m	£525k	£225k	£225k

However, these will need to be revisited in light of revised planning assumptions which will be available in December 2010 when the allocations for 2011/12 and future years are announced.

## 6. PERSONNEL IMPLICATIONS

6.1 Introducing change on this scale will require careful planning and management. Change and restructuring in the way services are designed and delivered is inevitable. This will require some services to be delivered in a different way and some to be stopped altogether.

6.2 As stated in 4.9.3, the workforce strategies that are being put in place will assist in managing our need to employ less staff, in order to minimise the need for compulsory redundancies.

## 7. CONSULTATIONS

7.1 This paper and the appendices are being used as the basis for consultation with staff, trade unions and Members.

## **8. RECOMMENDATIONS**

8.1 Members views are sought in the proposals contained within this report.

## **9. REASONS FOR THE RECOMMENDATIONS**

9.1 Proposals are designed to achieve the savings targets.

## **10. STATUTORY POWER**

10.1 Local Government and Housing Act 1989.

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### Appendices:

Appendix 1	Options for Rationalisation of Events, Marketing and Communications
Appendix 2	Proposals for Transfer of Cash Office Functions to Post Offices
Appendix 3	Proposals for Reprovision of Customer First Activities