



SPECIAL EDUCATION FOR LIFE SCRUTINY COMMITTEE – 15 DECEMBER 2015

**SUBJECT: MEDIUM TERM FINANCIAL PLAN – SAVINGS PROPOSALS FOR
2016/17**

REPORT BY: CHIEF EDUCATION OFFICER

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Members with details of 2016/17 savings proposals within the Directorate of Education & Lifelong Learning to support the Authority's Medium-Term Financial Plan (MTFP).

2. SUMMARY

- 2.1 The report provides details of savings proposals for Members to consider prior to details being presented to Cabinet for final determination.

3. LINKS TO STRATEGY

- 3.1 The budget setting process encompasses all the resources used by the Council to deliver services and meet priorities.

4. THE REPORT

- 4.1 The Directorate's savings proposals for 2016/17 may be summarised as follows:

	£'000
NIL impact savings	
- 2016/17 proposals	1496
Low impact savings	
- Library book fund reduction	55
- Maintenance of school buildings (50/50 funding with schools)	329
Medium impact savings	
- Community Centres	64
- Contribution to GAVO Play Programme	20
Total savings proposals	<u>1,964</u>

4.2 Full Year Effect of Proposals Implemented in 2015/16

4.2.1 Included in the 2015/16 budget strategy previously agreed by Members was the proposal to reduce the library service opening hours. These were to be implemented part way through the 2015/16 financial year and as such would deliver a part year saving in 2015/16.

4.2.2 The proposals were duly implemented in 2015/16 and will deliver additional savings in 2016/17 as a result of the full year effect. The additional savings resulting from this full year are £67k.

4.3 Proposals that have no Public Impact

4.3.1 The total proposed savings of £1.964m include an amount of £1.496m that would have no direct impact upon the public. These savings can be achieved through a combination of budget realignment, structural reviews and vacancy management.

4.4 Proposals that will have a Public Impact

4.4.1 The remaining savings proposals of £0.468m will impact upon the public to varying degrees.

4.4.2 The remainder of this report focuses on these proposals.

4.4.3 Library Book Fund Reduction £55k (Public Impact: Low)

The County Borough Library Service proposes to reduce its book fund by a total of £105k between 2016 and 2018, amounting to £55k (2016/17) and a further £50k (2017/18) respectively. Following these proposed reductions, the remaining book fund budget will amount to £272k.

The proposed reduction protects public access to library facilities and all customer facing services and is considered a measured approach whilst offering a substantial contribution to the Authority's MTFP.

Members should note that the proposed reductions will weaken the Council's ability to meet the Welsh Government's Public Library Standards Framework 2014-2017, specifically, but at this stage we do not know the precise effect.

Welsh Public Library Standards Core Entitlements and Quality Indicators	Entitlement and Quality Indicator Description
Core Entitlement 3	Provide access to a range of services and resources to support lifelong learning, personal well-being and development, and community participation.
Core Entitlement 12	Provide access to high quality resources in a range of formats, including those in the welsh language, reflecting changing forms of publication.
WPLSQI 8	Up to date reading material
WPLSQI 9	Appropriate reading material
WPLSQI 12	Supply of requests

Caerphilly County Borough Council Libraries are adjudged currently as one of the best performing services in Wales based on its 2014-2015 annual update return.

4.4.4 **Maintenance of school buildings – 50/50 funding with schools £329k (Public Impact: Low)**

Following the introduction of the Fair Funding regulations in 2000, the Directorate retained a residual revenue budget to assist with lower value capital schemes. In recent years this budget has typically been used to enhance the core capital programme by offering assistance on a 50/50 basis to support school projects. Schools presently submit bids annually in the Autumn term for consideration for the following financial year. This proposal will have little or no impact upon compliance with statutory maintenance but will adversely affect school condition survey works.

The proposal involves removing the budget of £329k in its entirety in 2016/17. It is acknowledged that this will have an adverse effect upon school buildings with the potential to accelerate their depreciation and worsen their general condition.

To mitigate this effect, it is proposed to consider that we utilise Local Management of Schools (LMS) contingency balances to support continued investment with schools in school buildings. It is specifically suggested that a sum of £750k be earmarked over 3 years (£250k per annum) to support schemes as bid/priorities with schools.

The letter requesting bids from schools for 2016-17 projects has already gone out on the basis of 50/50 funding. It is therefore suggested that the 50/50 commitment is retained for 2016-17 but funded from LMS contingency and that we give notice that for the following 2 years the split will be 70% (School) / 30% (Central Education).

This arrangement would have the benefit of still supporting school capital projects but utilising LMS contingency funds for the central education proportion, thereby fulfilling the MTFP proposals.

4.4.5 **Community Centres £64k (Public Impact: Medium)**

A Task and Finish group, made up of Members from the Scrutiny Committee, was established to review the Council's support of community centre provision throughout the County Borough and make any recommendations necessary under the Medium Term Financial Plan.

The group met on four occasions in the summer of 2015, and considered a range of issues, including:

- Community Centre locations
- Proximity of Community Centres
- Asset Transfer
- Operation and Performance of Community Centres including building condition and suitability for future delivery or local ownership and management by interested voluntary sector groups

The group subsequently made the following recommendations to achieve the MTFP savings target of £64k in 2016-2017:

- That the council cuts the budget for payment of water rates for community centres to achieve savings of £27k.
- That the council reduces its caretaking contribution from 12 hours per week to 11 hours per week for each community centre, and recharges each community centre for one hour per week to achieve savings of £14k.
- That up to three centres be put forward for closure, Rhymney Day, Tirphil and Channel View (Risca), to achieve savings of £18k.
- That miscellaneous items be cut from the Community Centre service budget to achieve savings of £5k.

Recommendations were presented to the Education and Lifelong Learning Scrutiny Committee on 22 September 2015. At that meeting Members moved the report. The intention is to report this matter to Cabinet, early in the new year, for final determination.

4.4.6 **Contribution to GAVO play programme £20k (Public Impact: Medium)**

The MTFP proposal is to reduce the Gwent Association of Voluntary Organisations (GAVO) contribution by £20k from its present £50k. The £50k annual grant funding of GAVO by CCBC Youth Service (since 2008) supports the employment of a full time Holiday Scheme Coordinator, whose function is to advise and support any groups considering the provision of School holiday period-specific activity for Children and young people between the ages of 8-18. While less effective in the first years of operation, this role has in the past 12 months has developed more positively. Although a steering group to inform this role has been in place since inception, this has not completely enabled the role to be as focussed on holiday-specific support as first envisaged. However, in recent times the present incumbent has nevertheless provided the types of support necessary to a number of partner groups, both statutory and voluntary in nature.

The current proposal of reducing the £50k grant by £20k to £30k is intended to strike a balance between making the necessary savings and enabling, in part, the continued support of a partner group. The present medium impact assessment is not in relation to the impact on service users but an indication that this funding arrangement has been in place for 6/7 years and is the Youth Service's most significant example of external (voluntary sector) funding support. There will be minimal impact on service users, as the Youth Service would take up any shortfall in capacity.

5. EQUALITIES IMPLICATIONS

- 5.1 An equalities impact assessment will be completed for the 2016/17 savings proposals that will have an impact on the public. This is to ensure that decisions that affect different individuals and groups are assessed at an appropriate and relevant level and at the correct stage in the process.
- 5.2 Consultation with residents, when done in accordance with the Council's Public Engagement Strategy and the Equalities Consultation and Monitoring Guidance, also ensures that every resident, regardless of circumstances, has the opportunity to have their views heard and considered in the Council's decision-making process.

6. FINANCIAL IMPLICATIONS

- 6.1 The financial implications are detailed throughout the report.
- 6.2 Further details were reported to Cabinet on 14 October 2015.

7. PERSONNEL IMPLICATIONS

- 7.1 The personnel implications of any agreed savings will be managed in accordance with the Council's HR Policies.

8. CONSULTATIONS

- 8.1 There are no consultation responses that have not been reflected in this report.

9. RECOMMENDATIONS

- 9.1 Members of the Scrutiny Committee are asked to consider and comment upon the range of savings proposals outlined in this report.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure that the views of the Scrutiny Committee are considered prior to savings proposals being presented to Cabinet.

11. STATUTORY POWER

- 11.1 The Local Government Acts 1998 and 2003.
The 1964 Public Libraries and Museums Act.

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Councillor Wynne David, Chair, Education for Life Scrutiny Committee
Councillor James Pritchard, Vice-Chair, Education for Life Scrutiny Committee
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Gwent Association of Voluntary Organisations (GAVO)

Background Papers: Medium Term Financial Planning files (Education Finance and Directorate Management Team) – located in offices on 3rd floor, Penallta House
Community Centres Task & Finish Group report.