

RESOLUTIONS: CABINET 7 JANUARY 2010

Item 3a - Revenue Budget 2010/11

Resolved:-

1. That the Cabinet endorses the new efficiency savings of £21.7m which have been built into the 2010/11 budget (an ongoing impact of £36.7m in 2011/12), arising from the review of budgets commissioned by the Cabinet in September. Details of the savings are set out in the 2010/11 Efficiency Plan attached as Annex 1 to these resolutions;
2. That given the level of financial uncertainty facing the County Council due to the current economic climate, regular reports be brought back to Cabinet on the County Council's financial outlook. This will ensure that the financial strategy remains robust and that the County Council can effectively plan to meet the financial challenges ahead.
3. That Executive Directors be asked to maintain an ongoing review of costs in order to identify opportunities for further efficiencies throughout the financial year to ensure costs are continually examined and reduced wherever practicable;
4. That the Cabinet proposes, for consultation, policy options for service reductions totalling £1.538m, as set out in Annex 2 to these resolutions;
5. That the Cabinet proposes, for consultation, policy options for increasing income through charging options totalling £0.3m, as set out in Annex 3 to these resolutions;
6. That the above proposals would result in no increase in council tax in 2010/11 (as far as can be determined in advance of final information on the council tax base, the confirmation of the level of government grant in 2010/11, and of the results of consultations on the budget proposals as set out above). The proposals would result in the provisional cash limits as set out in the following table.

Budget	2010/11 budget after additional efficiencies £m	Cabinet proposals for service reductions £m	Cabinet proposals for charging options £m	2010/11 provisional cash limits £m	Increase over 2009/10 %
Adult & Community Services	375.928	-0.335		375.593	1.07
Children & Young People	184.075	-0.657	-0.060	183.358	-1.26
Environment	135.969	-0.154	-0.020	135.795	4.37
Office of the Chief Executive	14.104	-0.392		13.712	-7.97
Resources	12.327		-0.220	12.107	-15.08
County Buildings	6.223			6.223	5.85
Corporate	13.421			13.421	-5.30
Financing Charges	47.284			47.284	22.34
Balances & Reserves	21.375			21.375	14.80
Area Based Grant	-85.284			-85.284	0
Change Contingency	0.211			0.211	0
LSPs	1.047			1.047	0
DSOs	-0.814			-0.814	0
BUDGET TOTAL	725.866	-1.538	-0.300	724.028	2.05
Collection Fund Deficit	1.160			1.032	
	727.026				

7. That the budget proposals set out in the report be made available to the Overview and Scrutiny Management Committee for the purpose of consultation, and for that Committee to consult as it sees fit amongst members of the O&S committees and to respond on that consultation;
8. Cabinet values the views of the consultees referred to below and has therefore resolved that in addition to O&S committees, the above proposals be consulted upon in accordance with the second stage of the consultation process set out in the report, with:
 - each of the 12 Lancashire Local Committees;
 - each of the 12 Lancashire district councils and the two unitary councils;

- Trade Unions;
- The Youth Council, and
- Business representatives.

The consultation will take place from now until 4 February when the Cabinet will consider its final budget recommendations to make to the Full Council on 18 February 2010;

9. That the Cabinet await confirmation of the grant settlement for 2010/11 and the council tax resources available for the year, together with feedback from the consultation process, before deciding on firm cash limit proposals within a council tax with no increase for 2010/11;

10. That in respect of the 2010/11 Schools Budget:

- the County Council's allocation of Dedicated Schools Grant (DSG) be used in accordance with the statutory requirement that it be applied in its entirety to the Authority's Schools Budget and the Schools Budget not be supplemented from other resources available to the Authority;
- the detailed allocation of resources within the Schools Budget be determined at a later date by the Cabinet Member for Children and Schools in consultation with the Executive Director for Children and Young People and the Executive Director for Resources and in conjunction with the Lancashire Schools Forum.

2010/11 Efficiency Plan

Efficiency Plan - Summary		
	2010/11	2011/12
	£m	£m
Adults and Community Services	7.651	15,620
Directorate for Children and Young people	6.875	11.513
Directorate for the Environment	4.564	6.480
Office of the Chief Executive	0.785	1.074
Resources Directorate	0.939	1.089
County Buildings	0.600	0.600
Corporate Expenditure	0.304	0.304
Overall Total	21.718	36.680

Efficiency Plan - Adult and Community Services

	2010/11	2011/12
	£m	£m
<p>Reduction in Directorate Headcount Overall 15% reduction in management posts across the directorate excluding service areas with specific savings options where headcount forms a significant part of their achievement. For illustrative purposes this equates to approx 80 fte posts.</p>	1.250	3.000
<p>Rationalise Adult Provision – Day Centre Care Staff Convert remaining Day Centre Officer posts to Community Support Workers to reflect reconfiguration of service and changing nature of the service provision.</p>	0.350	0.350
<p>Improve efficiency in Reablement service Savings to be achieved through a combination of improving the efficiency of the reablement service itself and reducing the pressure on the independent sector domiciliary budget as a result of significantly increasing the number of referrals to the service and continued achievement of positive outcomes (around 60% of people who have been through the reablement service do not need an ongoing service).</p>	0.400	1.100
<p>Implementation of Retail Model for Community Equipment The implementation of the retail model for community equipment across Lancashire, where simple aids to daily living will be provided by retail outlets via a prescription rather than provided on loan from centrally held stores. Provision of very small items of equipment will no longer be funded – reducing the running costs of the Joint Community Loan Stores and the purchase costs of the very small items.</p>	0.413	0.800
<p>Reduced sickness absence resulting in less Agency staffing expenditure. Estimated saving on Agency costs if sickness levels brought down to the County Council's average</p>	0.140	0.140
<p>Review of Social Care Block Contracts Align remaining social care block contracts to reflect actual usage levels</p>	0.400	0.400

Social Care Fee Uplifts Uplifts on social care fees are calculated using an agreed methodology. The estimated saving is based on moving away from this methodology and paying a 0.5% increase in each of the next 2 years on residential, nursing, day and domiciliary budgets across all providers.	4.132	8.264
Review High Cost Residential Placements Review of high-cost residential placements including Out of County placements with negotiated reductions in costs - 10 cases in 2009/10 and 50 in each of following 2 years at an average saving of £6k per placement per annum.	0.220	0.660
Rationalisation of in-house provider services / removal of LCCG residential subsidy	0.200	0.500
Lancashire Record Office Combination of reduced spend on transport and staff travel, reduced annual contribution to the development fund and termination of grants to local record publications societies	0.006	0.006
Cultural Services Management Restructure A review and integration of Cultural Services (archives, arts, libraries and museums) will result in a reduction of management posts at senior and middle levels without having direct impact of the customer experience of using frontline services.	0.040	0.200
New book supply contracts	0.100	0.100
Total	7.651	15.620

Efficiency Plan - Children and Young People

	2010/11	2011/12
	£m	£m
<p>Impact of Fostering review and procurement processes on the agency placement budget for Children Looked After</p> <p>- Impact of Fostering Review Reduce the total cost of Looked After Children placements agency budget resulting from investment made in the service as part of the Fostering Strategy in 2009/10. This will increase the number of in-house foster carers and thereby reduce the need to purchase more expensive external agency placements.</p> <p>- Procurement Processes Discounts achieved through improved procurement process for agency placements.</p>	1.544	2.885
<p>Utilisation of grant funding to support Directorate priorities Re-prioritisation of the use of grant funding to support existing rather than new activities.</p>	2.200	3.289
<p>Impact of Adoption Review A restructure of the Adoption teams and a current recruitment focus should result in an increase in the number of Looked After Children being placed with adoptive parents. This will reduce the cost to the Authority of placements made with external agencies.</p>	0.685	1.374
<p>Capitalisation of costs associated with the Building Schools for the Future programme. Charge to capital all costs that meet the required definition of 'directly attributable costs'</p>	0.400	0.400
<p>Increased income by traded services Increased income from a range of services within the Directorate.</p>	0.200	0.325
<p>Reduced costs through the continuation of the general spend less initiative. Continuation of the Directorate's spend less programme.</p>	0.743	0.743

<p>Savings on contracts for the Young People's Service through improved procurement and commissioning arrangements</p> <p>Review of current commissioning arrangements within the Young People's Service in order to identify efficiency savings through targeting future commission to key priorities.</p>	0.093	0.093
<p>Review office accommodation and premises currently used for the direct delivery of Young People's Service activities (YPS).</p> <p>To relocate, wherever possible, from existing YPS rented accommodation to alternative more cost saving arrangements. To review the current use of YPS premises by other services, groups and organisations to ensure that their use is on a full cost recovery basis.</p>	0.100	0.200
<p>Savings resulting from restructuring of the Directorate for Children and Young People.</p> <p>Restructure of the Directorate which will lead to a reduction in the number of posts.</p>	0.500	1.584
<p>Review service provision and resource allocation in the Young People's Service in relation to Prevention and Inclusion, and Open Access and Information Advice and Guidance</p> <p>Review resource allocation and revise working practices within Prevention and Inclusion, Open Access and Information Advice and Guidance. This will ensure that resources are appropriately focused on targeted young people and to statutory duties. It is expected that this will result in efficiency savings through a reduction in staffing requirements for IAG work in the field.</p>	0.210	0.420
<p>Cease Text Processing services</p>	0.200	0.200
Total	6.875	11.513

Efficiency Plan – Environment

	2010/11	2011/12
	£m	£m
Directorate Restructure Redesign of the Environment Directorate to create a more efficient modern organisation which is responsive to local needs and sustainable in the longer term. Likely to result in staff reductions of around 92 posts.	1.625	3.251
Consolidation and reduction of consultants/studies budgets	0.092	0.092
Review travel booking and accommodation arrangements	0.030	0.030
Public Transport timetables printing budget Public Transport timetables printing budget (consolidate and make better use of electronic means etc), advertising & reducing contribution/fee to Passenger Transport Information call line.	0.020	0.048
Rationalisation of Financial Administration due to introduction of Oracle Financials	0.100	0.143
Charging out the costs of Transport Regulation Orders where possible	0.070	0.070
Review of Directorate ICT support plus income generation	0.045	0.091
Reduction in Business and Performance Management staffing	0.038	0.052
Waste growth revised assumptions	0.100	0.100
Rationalisation of County Analysts service towards a more commercial delivery model	0.040	0.40
Review expenditure on road safety promotions and education	0.232	0.232
Renegotiate or competitively tender school crossing patrol service	0.058	0.100
Better procurement of the highway safety inspection work	0.090	0.090

Improve recovery rate for charges levied for damages to highways assets	0.170	0.170
Streamlining Operational procedures in street lighting reporting/asset management	0.100	0.100
Reduce spending in Roads/Bridges Teams on Agency staff, travel and supplies and services	0.136	0.136
Rationalise daily response teams	0.400	0.400
Better route planning for gully emptying	0.100	0.100
Reduce contribution to public liability provision due to reduction in claims due to inspection regime	1.000	1.000
Remove the inefficiencies caused by the formal internal contractor/client relationship for highway maintenance	0.118	0.235
Total	4.564	6.480

Efficiency Plan - Office of the Chief Executive

	2010/11	2011/12
	£m	£m
<p>Stop paper payslips Stop providing paper payslips. Make the payslip available on-line for employees to access and print off should they want a hard copy. Savings in printing and postage</p>	0.050	0.050
<p>Restructure of the counselling service Replacing 4 staff (3.2FTE) in the counselling service with an EAP (employee assistance programme/24/7 telephone counselling service) should improve the responsiveness of the service.</p>	0.030	0.030
<p>Restructure delivery of Equality & Diversity service Combining the Equality and Diversity (employment) team with the Policy unit Equality and Diversity team should enable efficiencies to be achieved to the value of one post.</p>	0.036	0.036
<p>Rationalise delivery of training through use of e-learning With a further investment to enable the development of a full suite of e-learning packages to replace a significant proportion of face to face delivery, this would release two Learning and Development staff from 2011/12 onwards to generate income. Income generation would be through the sale of training programmes to other Councils and partners. <u>Risk Associated</u> It should be noted that the position of public sector finances may dramatically reduce the amount of external training being purchased and thereby impact on the team's income generating capacity.</p>	0	0.066
<p>Outsource VCFS grants Outsource VCFS grants work to external partner. This option would require the outsourced service to be self funding. <u>Risks Associated</u> Whilst there is a risk of a lower level of grant to recipient bodies the outsourcing of VCFS grants is a model which has been introduced successfully in other authorities</p>	0	0.044
<p>General saving on supplies & services spend</p>	0.031	0.035
<p>Reduced support to Lancashire Partnership</p>	0.007	0.026

Reduction in performance related activity and support for Lancashire Partnership which will generate savings in supplies and services		
Review of Democratic Services	0.128	0.128
The proposals involve the centralisation and reorganisation of functions which will allow for savings to be made, in particular by disestablishing a number of posts when the current postholders retire over the course of the next 12 months.		
Business Services review within OCE	0.280	0.360
Management Restructure within the HR service	0.189	0.235
Restructure of customer service delivery within the HR service	0.034	0.064
Restructuring of the HR service to reduce posts in the customer service delivery areas such as HR advisers, employee engagement and workforce planning advisers, health and safety adviser and ICT trainer. The majority of savings will be realised from 2012/13 onwards (£0.361m)		
Total	0.785	1.074

Efficiency Plan – Resources Directorate

	2010/11	2011/12
	£m	£m
Delete post – Director of Business Improvement	0.120	0.120
Additional income from VAT recovery Development of pro-active work programmes in relation to VAT compliance for both internal and external clients resulting in an overall reduction in the County Council's VAT liability.	0.060	0.060
Additional debt recovery income	0.020	0.020
Rationalisation of ICT infrastructure This option is a culmination of procurement savings following standardisation, use of E-Auctions and the proposed transfer of budgets and decisions on refreshing PC's, laptops, tablets etc to a corporate decision maker rather than individual business managers. In addition, further procurement savings will arise from the proposed merger of the CLEO and Corporate Data Networks	0.500	0.500
Restructure ICT senior Management	0.100	0.100
Improved procurement of Repair & Maintenance	0	0.150
Rationalise building condition surveys & e-drawings This will involve a switch to dilapidation surveys from the current room to room full survey. There is a risk that the loss of information may reduce the ability to establish the extent of problems should significant issues occur.	0.100	0.100
Rationalise working practices on sports ground safety	0.039	0.039
Total	0.939	1.089

Efficiency Plan – County Buildings		
	2010/11	2011/12
	£m	£m
Vacate Red Rose Hub	0.600	0.600
Total	0.600	0.600

Efficiency Plan – Corporate Expenditure		
	2010/11	2011/12
	£m	£m
Reduce conferences expenditure (members)	0.019	0.019
Reduce subsistence & expenses claims (members)	0.034	0.034
Replace internal chauffeur service	0.061	0.061
Reduce consultancy/corporate marketing	0.190	0.190
Total	0.304	0.304

2010/11 Service Policy Options

<u>Policy Options - Summary</u>	£m	£m
Adult and Community Services		
Withdraw trailer library service	0.080	0.100
Reduction in book acquisition fund	0.200	0.200
Reduction in Arts grants allocation	0.055	0.055
	0.335	0.355
Children and Young Peoples Directorate		
Reprioritise grant to support directorate priorities	0.312	0.312
Review of Children's Homes	0.345	0.345
	0.657	0.657
Directorate of the Environment		
Use proportion of P&D income to support	0.100	0.100
Reduce consumer advice/civil law activities	0.054	0.054
	0.154	0.154
Office of the Chief Executive		
Closure of Brussels Office	0.016	0.062
Reduce corporate policy related support	0.042	0.042
Reduce performance management support	0.084	0.084
End use of the mobile unit vehicle	0.023	0.023
Revise arrangements for Overview & Scrutiny Committees	0.082	0.082
Review corporate communications and marketing	0.125	0.250
Reduce cabinet question time by 50%	0.020	0.020
	0.392	0.563
TOTAL POLICY OPTIONS	1.538	1.729

Adult & Community Services - Libraries	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Withdraw trailer library service and review mobile library routes to cover	0.080	0.100	0.100	0.100
State whether full or partial cessation: Partial				
Staffing effect: 2 posts fte – 1 scale 3/5 and 1 scale ½				
Impact on services commission for budget spend and on service users: Use of a trailer is not a cost-effective form of delivery of library services. Proposal is to take the remaining trailer off the road during 2009/10 and replace with a mobile library service. Routes and vehicles will then be reviewed with a view to running the service more economically by regarding the fleet as a single County-wide resource. There would be a reduction in service to the individuals in those communities currently using the trailer. The service is currently provided one full day per week at Croston, two full days per week at Banks, and one full day plus one morning per week at Gregson Lane. The replacement service offered would probably be one half day per site per fortnight.				
Risk associated with delivering option: There will be dissatisfaction among current users whose access to the Service is limited by the changes.				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: There may be some effect on the satisfaction rating from users who feel they are no longer receiving the same level of service. There would also be a minor reduction in opening hours which affects the Public Library standard on "Aggregate scheduled opening hours per 1,000 pop'n for all libraries". Current performance is 119 against a standard of 128.				
Impact on any locality issues: The library service is a service highly regarded by local communities and there have been examples of dissatisfaction from communities in the past that have received extensive press coverage eg, Caton and Waterfoot library closures in the 2005/06 budget.				
Any other issues: The trailer is over 20 years old and, in the opinion of the County's Fleet Manager, needs an investment of £6,000 - £8,000 urgently to keep it active, but needs replacing within two to three years. This proposal is to withdraw the trailer service completely and to deliver the service to these three communities from an existing mobile library. This will not only have a saving on existing costs, but will mean we do not have to find an additional £100,000-plus cost for a replacement.				

Adult & Community Services - Libraries	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Reduction in Resources Fund (Book Acquisition Fund)	0.200	0.200	0.200	0.200
State whether full or partial cessation: Partial				
Staffing effect: None				
Impact on services commission for budget spend and on service users: Examples of the way in which the Resources Fund could be adjusted include:				
Resources Fund (Reference Materials)				
<p>As part of the structure review and in line with the Service's move towards online services, we have been developing an Online Reference Library. There are many advantages to the delivery of reference services online, not least the ability to deliver services across the whole network of libraries instead of relying on access to hardcopy books on shelves in a limited number of libraries. One of the effects of subscribing online to major reference sources instead of holding them in hardcopy is that prices are reduced overall. For instance, to provide a multi-volume encyclopaedia in each of 20 libraries might cost in the region of £16,000 where an online subscription for all libraries to the same source might cost £10,000. Overall during the development of the Online Reference Library we have been able to provide a better service at less cost. Without withdrawing resources from other areas of stock, therefore, it would be possible to reduce the existing Resources Fund by £60,000.</p>				
Resources Fund (Newspapers and Periodicals)				
<p>The Service spends a proportion of its acquisition fund on the purchase of newspapers and periodicals; the current spending in this area is approximately £126,000. This option is to reduce that fund by about a third, thus saving £40,000 in a full year.</p> <p>Libraries have always offered newspapers and magazines for readers to look at in the library. Magazines range from the very ephemeral and popular to the academic; newspapers from the serious national daily to the local weekly. While newspapers and magazines are very popular with readers, much of what is on offer is now available on-line. Each of the national newspapers has an online site in addition to the availability online of other major news broadcasters such as the BBC. At the same time, many other sites are available which take the traditional role filled by newspapers and magazines – most notably job adverts and accommodation searching. It would therefore be possible to review the newspapers and magazines purchased with a view to reducing expenditure by a third without any real loss of service. A review and consultation could be carried out to focus the remaining fund where it would be most useful to users. Ephemeral magazines concentrating purely on leisure pursuits would be targeted first.</p> <p>The Resources Fund for 2009/10 is £2,967,000.</p> <p>Across the Service, the impact of the introduction of the Online Reference Library should be positive in that a wider range of services can be provided across the whole network of libraries. Inevitably, however, there are some users who regard a move from hardcopy to online resources as a bad move and have already complained to the County Council and through local newspapers. Equally, reducing the numbers of magazines and newspapers in libraries would not significantly reduce the service offered, but it would certainly give that impression to the section of the library community who are regular readers. We must be prepared for complaints from users who see the refurbishment of libraries and the introduction and updating of computers as being at the cost of the books and newspapers & magazines that they see as the traditional heart of</p>				

the service.

Risk associated with delivering option:

Low risk to achievement but high risk of complaint. On the reference stock side, the investment in the new services is already being made. There will be more complaints from users unconvinced that we are offering a better service in the longer term. In terms of newspapers & magazines, it is easily deliverable as a cost-saving option, but there will certainly be complaints from users.

Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Minimal. The changes to reference would hardly impinge on Standards for purchase of materials and in the longer term might have a positive effect on satisfaction rates. Reducing newspapers & magazines would not impinge on Standards for purchase of materials but would have a negative effect on satisfaction rates.

Impact on any locality issues: The change in the delivery of information through online materials has resulted in a number of complaints from customers, some of whom have complained directly to their district and county councillors.

Any other issues: Reducing the Resources Fund at all, particularly in the light of the O&S Task Group recommendation to maintain it at its current level at least, may be seen as a risk. It may be possible to do some consultation with readers over which titles should be reduced or cancelled to ensure the service is best aligned to readers demands.

Adult & Community Services - Arts Development Service	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Reduction in overall arts grant allocation of 10%. The allocation for 09/10 is £554k.	0.055	0.055	0.055	0.055
State whether full or partial cessation: partial				
Staffing effect: None to the Arts Development Service. Potential impact on staffing in some organisations in receipt of grants.				
Impact on services commission for budget spend and on service users:				
<p>The proposal is for the following reductions:</p> <p>£5k from sum ringfenced for public art (£25k) and £50k from project and development grants.</p> <p>This makes a total reduction of £55k.</p> <p>In the current financial year the total allocation for public art and project and development is c£152k. By 2011/12 this would reduce to c£97k.</p> <p>This reduction would result in:</p> <ul style="list-style-type: none"> • The loss of a minimum of £55,000 in additional investment, as all LCC's arts allocation is at least matched by other funding sources. The amount of other funding levered in 2008/9 was over 600% of the amount given as project and development grants i.e. an estimated loss of over £330k from other funding sources should the £55k reduction be approved. • Fewer people participating in creative activities across Lancashire, particularly within areas of deprivation, with consequent detrimental impact on wellbeing and quality of life. • A significant reduction in the number, scale and range of creative activities available in Lancashire. • Diminished ability of Lancashire Arts Development Service (LADS) to respond to local need. • A reduction in inward investment to the County, particularly from the Arts Council of England, which currently invests over £2 million in Lancashire. LCC's own support for creative activity is key to attracting this investment. • Reduction in investment would diminish LCC's influence in partnerships with Arts Council England NW, NWDA, district authorities etc. • A reduction in the scope to develop new initiatives with particular target groups for example young people, older people, disabled people and those experiencing ill health. • A limit to LCC's ability to support arts developments within a wide range of both arts and non arts organisations. • Loss of employment within the creative industries sector. 				
Risk associated with delivering this option				

Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc:

- An adverse impact on LADS' contribution to the delivery of the corporate Culture Strategy.
- A reduction in the County Council's influence within strategic partnerships, particularly with Arts Council England NW, NWDA, and district authorities.
- A reduction in the County Council's capacity to promote and respond to strategic and developmental arts initiatives.

Impact on any locality issues:

The initiatives supported within public art and project and development grants vary from year to year, depending on where applications come from.

All decisions on individual grant applications and proposals are taken by the Cabinet Member which will determine which applications are / are not supported in future.

The proposed reduction would lead to:

- A reduction in the County Council's influence within strategic partnerships, particularly with Arts Council England NW, NWDA, and district authorities.
- A reduction in the County Council's capacity to promote and respond to strategic and developmental arts initiatives.

Any other issues:

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Directorate for Children and Young People	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
<p>Policy option: Phasing out grant funded support when various community based projects end.</p> <p>The Children's Fund commissions short term intervention projects which are time limited to 31st March 2011. It is anticipated that there will be savings as current projects complete their work during the forthcoming year or project staff leave before the end of the project and are not replaced.</p> <p>Many of the projects commissioned by the Children's Fund are neighbourhood based. Examples of specific projects supported are Lancashire Parenting and the Group Intervention Project.</p>	0.312	0.312	0.312	0.312
State whether full or partial cessation: []				
Staffing effect: []				
Impact on services commission for budget spend and on service users:				
<p>Risk associated with delivering option:</p> <p>Risks are limited and will tend to focus on the future of the Children's Fund beyond March 2011 rather than the short term issues.</p>				
<p>Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc:</p> <p>Relationship with VCFS</p>				
<p>Impact on any locality issues:</p> <p>Many projects are locality based.</p>				
<p>Any other issues:</p> <p>None noted</p>				

Directorate for Children and Young People	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
<p>Policy option: Review of all aspects of staffing of the Authority's Children's homes and residential units, the review is to consider:</p> <ul style="list-style-type: none"> • Reduction in management posts in each home • Option of a manager managing more than one home • Deletion of one Team Manager level post (reduce from 4 to 3) • Review and consider joint allocation of admin and other back office staff to homes. • Review of the provision of meals to staff. • Employment of casual staff pool to reduce overtime costs 	0.345	0.345	0.345	0.345
State whether full or partial cessation: Part cessation of service				
Staffing effect: Equivalent to approximately 9 staff being redeployed/redundant				
Impact on services commission for budget spend and on service users: Some of the above options may be possible to implement with only minimal impact on the young people who live in the Children's Homes.				
Risk associated with delivering option: There will be a need to ensure that any changes are compliant with the legal and regulatory frameworks for Children's Home.				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: All Children's homes are inspected at least twice yearly by OfSTED. Reductions in their management levels may impact negatively on OfSTED judgements. This could have a knock on effect on CAAS and star ratings.				
Impact on any locality issues: Likely to be minimal although residents in the vicinity of homes affected may be unhappy if it is perceived that supervision levels in the homes have been reduced.				
Any other issues: -				

Directorate for the Environment	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Highways and Environmental Management Utilise a proportion of pay and display parking income to support mainstream highways improvement projects.	0.100	0.100	0.100	0.100
State whether full or partial cessation: Partial				
Staffing effect: None				
Impact on services commission for budget spend and on service users: Presently any surplus arising from the pay and display parking income (after deducting all parking enforcement costs) is available to Lancashire Locals to commit to additional expenditure on highways maintenance. Under this option £100,000 less will be available in future years as additional expenditure. The surplus income from Pay & Display is £300,000 per annum. Presently, £120,000 of this is committed as a contribution to parking enforcement. This option would result in only £80k being available to supplement expenditure on Highway improvements.				
Risk associated with delivering option: None				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: None				
Impact on any locality issues: Less surplus resources will be available to Lancashire Locals to spend on local priorities.				
Any other issues: Any surplus above £100,000 arising in any financial year will remain available to the Lancashire Locals.				

Directorate for the Environment	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Trading Standards Reduction in consumer advice and civil law activities	0.054	0.054	0.054	0.054
State whether full or partial cessation: Partial				
Staffing effect: 2 FTE				
Impact on services commission for budget spend and on service users: Possible small reduction in service to Lancashire consumers contacting Service for help/advice which should be absorbed by Consumer Direct Call Centre and slight reduction in work identifying and tackling trade malpractices/frauds. These two posts are vacant presently.				
Risk associated with delivering option: None				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Local PI for consumer satisfaction levels should be maintained as Consumer Direct supports the interface with the 20,000 plus Lancs. residents seeking help from the Lancashire Service				
Impact on any locality issues: Possibly a reduction in our ability to jointly promote (with District/regional partners) key consumer protection messages and initiatives e.g. Consumer Awareness events etc.				
Any other issues:				

Office of the Chief Executive	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Closure of Brussels office and re-design of European/international policy support	0.016	0.062	0.062	0.062
State whether full or partial cessation: PARTIAL				
Staffing effect: -1				
Impact on services commission for budget spend and on service users: Potential loss of influence through lobbying on European matters and ability to attract European funding				
Risk associated with delivering option: Reputational risk through reduced presence & reduction in European funding opportunities				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Limited				
Impact on any locality issues: Limited				
Any other issues: Savings in rental spread over two financial years due to lease arrangements (actual costs reduced by associated loss of income from SLAs). Staff currently based in Brussels would be redeployed to Preston but would visit Brussels on an agreed basis.				

Office of the Chief Executive	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Reduce capacity to undertake corporate policy related support and advice	0.042	0.042	0.042	0.042
State whether full or partial cessation: PARTIAL				
Staffing effect: -1				
Impact on services commission for budget spend and on service users: A reduction of posts within the team will impact on the ability to provide advice and support across the policy areas.				
Risk associated with delivering option: May impact on the county councils ability to meet key priorities				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Most of the cross cutting policy areas are significant in LAA terms. Capacity would be reduced, but this would be managed in a way that would minimise CAA impact				
Impact on any locality issues: N/A				
Any other issues: The reduction in Staffing numbers may have potential one-off redundancy costs				

Office of the Chief Executive	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Reduce capacity to undertake performance management related support and advice	0.084	0.084	0.084	0.084
State whether full or partial cessation: PARTIAL				
Staffing effect: -2				
Impact on services commission for budget spend and on service users: Support on Performance Management Framework for directorates' will reduce.				
Risk associated with delivering option: Will need to reallocate work within team to ensure risks are minimised				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Limited				
Impact on any locality issues: None				
Any other issues: The reduction in Staffing numbers may have potential one-off redundancy costs				

Office of the Chief Executive - Policy Unit DFM	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Cease the use of the mobile unit vehicle so will generate savings in running and maintenance costs	0.023	0.023	0.023	0.023
State whether full or partial cessation: FULL				
Staffing effect: 0				
Impact on services commission for budget spend and on service users: The ability of the county council to engage at a local level maybe criticised by citizens, partners and inspectors. This option also needs to be considered in the context of the corporate communications and marketing review.				
Risk associated with delivering option: Reputational risk – may be perceived as being remote				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: The ability of the county council to engage at a local level maybe weakened and criticised by external inspectors				
Impact on any locality issues: As above				
Any other issues: None				

Office of the Chief Executive – County Secretary & Solicitors' Group DFM	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Revise arrangements for Overview and Scrutiny Committees	0.082	0.082	0.082	0.082
State whether full or partial cessation: PARTIAL				
Staffing effect: -2				
<p>Impact on services commission for budget spend and on service users: Legislation requires councils to make provision for one or more scrutiny committees but the current pattern and number is a matter for local discretion and in theory at least one O&S committee could discharge all scrutiny functions provided the committee has power to review and scrutinise all executive and non-executive functions. The broad legal duties of scrutiny are:</p> <ul style="list-style-type: none"> • To be a consultee on health service reorganisations • To review and scrutinise matters relating to the health service • To scrutinise Crime and Disorder Partnerships • To deal with calls for action • To operate call-in <p>A revised pattern of O & S committees, based on a reduction from the existing 5 committees to 4, could be introduced, either by combining the Management Committee and Communities Committee, or by following LAA theme groups. Both options would involve a reduction in the frequency of committee meetings to about 30 per year and a reduction in the number of task groups to about 6 per year. There are currently about 45-50 committee meetings a year and some 10-15 task groups. In either case the revised structure would produce efficiency savings based on a reduced staffing requirement</p>				
<p>Risk associated with delivering option: The Council may be criticised for not placing enough emphasis upon the scrutiny function</p>				
<p>Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: Previous inspection regimes have examined the arrangements made for scrutiny</p>				
<p>Impact on any locality issues: None</p>				
<p>Any other issues: The reduction in staffing numbers may have potential one-off redundancy costs</p>				

Office of the Chief Executive - Policy Unit DFM	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Corporate review of Communications & Marketing	0.125	0.250	0.250	0.250
State whether full or partial cessation: New service will be implemented				
Staffing effect: to be determined				
Impact on services commission for budget spend and on service users:				
<ul style="list-style-type: none"> ▪ The Executive Leadership Team (ELT) has agreed to unify the council's marketing and communications staff and budgets within a new corporate communications service covering media, internal communications, marketing services and e-communications and working within a strategy and work plan agreed by ELT. ▪ The decision follows the recommendations of the recent marketing review, which identified the need to improve the planning, co-ordination, cost effectiveness and delivery of our communications & marketing work. ▪ A project group has been established to fully design the structure, roles and duties of the new communications function, agree the HR and financial processes and manage the transition to the new arrangements. Service managers and communications/marketing specialists will be part of this project group. 				
Risk associated with delivering option:				
The implementation is still at a formative stage and the project group has started to work on developing the new structure and ways of working. This is a complex project with many interdependencies that are in the process of being evaluated to determine the relative impact. The project group will report progress to ELT on a regular basis.				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc:				
The new structure and arrangements will improve the 'one council' approach and improve the county council's reputation.				
Impact on any locality issues:				
Any other issues				
The reduction in staffing numbers may have potential one-off redundancy costs				

Office of the Chief Executive - Policy Unit DFM	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Policy option: Reduce Cabinet Question Time by 50% which will result in savings in venue and other associated costs	0.020	0.020	0.020	0.020
State whether full or partial cessation: PARTIAL				
Staffing effect: 0				
Impact on services commission for budget spend and on service users: The ability of the county council to engage at a local level maybe criticised by citizens, partners and inspectors. This option also needs to be considered in the context of the corporate communications and marketing review.				
Risk associated with delivering option: Reputational risk – may be perceived as being remote				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: The ability of the county council to engage at a local level maybe weakened and criticised by external inspectors				
Impact on any locality issues: As above				
Any other issues None				

2010/11 Charging Policy Options

<u>Charging options - Summary</u>	£m	£m
Children and Young Peoples Directorate		
CYP: Charging Bank Account Schools for Statutory reconciliations	0.060	0.060
Directorate of the Environment		
Env: Fee income from minerals & waste site monitoring	0.020	0.020
Resources Directorate		
Res: Review charging to Lancashire Pension fund	0.220	0.220
TOTAL CHARGING OPTIONS	0.300	0.300

Directorate for Children and Young People	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
<p>Charging option: Introduce charging to bank account schools for the statutory reconciliation of accounts.</p> <p>Introduce charging to bank account schools</p> <p>There are currently 65 schools in Lancashire which operate individual bank accounts. Work by the Combined Finance Team is required to reconcile the transactions between the individual school's finance system and the Authority's financial ledger. There is currently no charge for this work which costs around £60k. The option would be to introduce charges to the schools for this service at a cost of £900 per school.</p>	0.060	0.060	0.060	0.060
State whether full or partial cessation: Introduction of charging				
Staffing effect: Nil				
Impact on services commission for budget spend and on service users: Schools will have to find the funds from their Individual Schools Budget Share.				
Risk associated with delivering option: There are no risks to this option. The Authority's financial ledger is the system used for the production of the statutory accounts and so a condition of having a bank account is that all transactions must be reconciled to the Authority's ledger.				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: None.				
Impact on any locality issues: Schools are facing a tighter financial outlook and there may be some resistance to this proposal.				
Any other issues: None noted.				

<u>Directorate for the Environment</u>	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Charging Option: Strategic Planning and Transport Increase fee income through pro-active programme of minerals and waste site monitoring.	0.020	0.020	0.020	0.020
State whether full or partial cessation:				
Staffing effect: Nil				
Impact on services commission for budget spend and on service users:				
Risk associated with delivering option: None noted				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: None.				
Impact on any locality issues: None noted				
Any other issues: None noted.				

<u>Resources Directorate</u>	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m
Charging Option: Reassessment of charges for services made to the Lancashire Pension Fund by the Pensions Administration and Treasury Management Teams.	0.220	0.220	0.220	0.220
State whether full or partial cessation:				
Staffing effect: Nil				
Impact on services commission for budget spend and on service users:				
Risk associated with delivering option: None noted				
Impact on CAAS/star rating, KPIs, Environmental Impact Assessment, etc: None.				
Impact on any locality issues: None noted				
Any other issues: None noted.				