

The Highland Council

14th February 2008

**Revenue Budget 2008/09
Administration Proposals
Efficiencies and Savings**

Revenue Budget 2008/09 - Efficiencies & Savings
Education Culture & Sport

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Administration	Review of office accommodation and all back-office functions.	0.323	0.510
2	Leisure Centres and Swimming Pools	Energy efficiency targets being applied across the 15 Sports Centres and 11 existing Swimming Pools.	0.040	0.075
3	Primary devolved	Energy efficiency improvements of 10% on a targeted basis across the Primary school sector.	0.180	0.180
4	Secondary devolved	Energy efficiency improvements of 10% on a targeted basis across the Secondary school sector.	0.200	0.200
5	Secondary devolved	Equalisation of arrangements for swimming tuition in schools with swimming pools.	0.086	0.129
6	School Transport	Creation of integrated Transport Unit with TECS and consolidation of existing school transport routes.	0.100	0.250
7	Other Bodies	This budget heading comprises mainly of payments to external bodies for the provision of school swimming lessons and also support of the 5 to 14 education in Scoraig. The level of activity supported by this budget has been falling over the past 2 financial years. It is therefore possible to reduce the budget by £7K (10%) with no impact on the current level of service delivery.	0.007	0.007
8	Primary & Secondary Devolved, Community Learning and Leisure	Standstill budget for non-staffing element of budgets. Saving relates only to budgets without any contractual commitments.	0.390	0.390
9	Primary and Secondary Devolved	Probationer teachers saving. Saving from appointment of probationer teachers into substantive teaching posts. Saving of up to £9k per post. Saving will reduce in subsequent years as salaries progress incrementally.	0.350	tbc
10	Pre school devolved	Planned saving from Review of Pre School provision.	0.240	0.360
11	Primary devolved	Adjust the teaching staffing formula. Removal of 0.5 FTE teacher entitlements at school roll bandings 16 to 19 and 44 to 47	0.140	0.210
12	Secondary devolved	Adjust the teaching staffing formula downwards by 3%.	0.180	0.180
13	Primary devolved	Rationalise teaching posts over and above devolved school management formula entitlement.	0.390	0.585
14	Primary non devolved	Class Contact Reduction (CCR). Budgets to be determined by formula now that initiative bedded in.	0.198	0.298
15	Hostels	Increased income for hostels through use by probationer teachers and increased grant income.	0.115	0.115
16	Schools General	Music tuition fees have not been reviewed since they were introduced in 1999. It is proposed therefore to increase the fees from £30 per term to £40 per term.	0.020	0.030
17	Income generation - School Meals, Letting and Leisure Centres	Increase the price of school meals by 10p for both Primary and Secondary sectors with effect from April 2008. The result of this proposal would increase school meal prices thus – Secondary £1.85 and Primary £1.65. In addition carry out a review of letting charges which were last reviewed in 2004.	0.329	0.329
18	School Cleaning	Revise contractual specification in order to achieve a 10% saving in the overall cost of the Building Cleaning Service.	0.400	0.400
19	Library Service	Revised digitisation programme for Am Baile budget.	0.025	0.025
20	Arts Development	Equalisation of cultural posts across Council area in recognition of proposed increase in Arts Council funding for Cultural Co-ordinators.	0.055	0.088

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
21	SEN devolved	Standstill budget for SEN budgets which are devolved to special schools.	0.048	0.082
22	Sports Development	Review delivery of play development, including deletion of specialist post.	0.030	0.040
23	Grants to external bodies	Standstill budget for all voluntary sector grants, with the exception of village halls (see separate No 25).	0.053	0.053
24	Grants to external bodies	Discontinue financial support for Mountain Bike World Cup event in Lochaber.	0.015	0.015
25	Village Halls	Equalisation of funding arrangements for village halls including council run facilities.	0.035	0.070
26	SEN non devolved	1% saving target for ASN funding held at Area level.	0.137	0.235
27	Library Service	Review support structure for school and community libraries, including deletion of 4 posts	0.098	0.155
28	Administration	Review management structures and administrative support	0.100	0.160
29	Administration	Reduce Quality Improvement Officer and related support by 4 FTE and in addition transfer 5 FTE posts currently funded by Government Grants into substantive teaching posts.	0.390	0.650
30	Secondary devolved	Review janitorial and technician staffing structures.	0.100	0.400
31	Primary devolved	Revenue savings from rationalisation of Primary schools in Council's approved capital programme	0.050	0.855
32	Primary and Secondary Devolved	Targeted voluntary early retirement process, recognising the number of conserved salary posts and opportunities to place Probationers. One-off costs of packages, estimated at up to £750k to be met from balances.	0.250	0.250
Total			5.074	7.326

**Revenue Budget 2008/09 - Efficiencies & Savings
Planning & Development**

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Economy & Development	Reduce HOL management fee (as programmed and agreed).	0.020	0.020
2	Property Management	Ballachulish TIC car park (licensed to Co-op - new income stream).	0.004	0.004
3	Building Standards	Increase budgeted income as a result of growth in fee income. This saving is net of service restructuring costs and improvements following SBSA Audit.	0.080	0.080
4	Planning Management	Review and increase fees charged to applicants for planning applications requiring advertising (at present the Service is subsidising these costs).	0.016	0.016
5	Across All Heads	Implement further restructuring following on from initial management restructuring and review of budgeted establishment (including some vacant posts not to be filled - report to PED Committee in the autumn).	0.160	0.160
6	Fisheries	Delete Fisheries Policy Officer post (Highland Fresh Mussels Ltd will continue to be supported by remaining officers).	0.035	0.035
7	Film Commission	Scottish Highlands & Islands Film Commission - increase partner contributions. Partner contributions not reviewed for 5 years. Collectively Moray, A&B, Orkney, Shetland, W. Isles contribute approx 30% to SHIFC costs.	0.006	0.006
8	Property Management	Sell totality of Ralia site (building, toilets and surrounding parking/landscaped areas). Resulting in capital receipt and saving in running costs.	0.027	0.027
9	Across All Heads	Standstill budget for non-staffing budgets, except for certain headings such as water, electricity, subsistence etc outside the Council's.	0.081	0.081
Total			0.429	0.429

Revenue Budget 2008/09 - Efficiencies & Savings
Social Work

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	C&CS - Support Services	Streamlining of Business processes post CareFirst/future restructuring proposals of Business Support	0.200	0.200
2	C&F	Vacancy management	0.150	0.150
3	CC - People with a Learning Disability	Further review of complex care packages; using independent assessor	0.100	0.100
4	CC - Older People Home Care and People with a physical disability	Strategy to maximise income by (a) developing approach to income recovery and (b) introducing cost recovery for small items of equipment below £20k and extend charging policy to cover loan of larger items.	0.130	0.130
5	CC - Older People: Home Care	Change and reduce number of registration fees	0.020	0.020
6	CC - Statutory Consultation	Review of consultation arrangements and introduction of in-house provision. Reduce core funding from HCCF and remove Age Concern funding.	0.200	0.200
7	C&CS - Training	Rationalise resources and management - delete conference budget and delete post	0.040	0.040
8	CC - People with a Learning Disability	Modernise day services for learning disabilities as in Caithness. Proposal relates to Angus Centre, Corbett Centre and Isobel Rhind Centre.	0.300	0.600
9	C&CS - Support Services	Deletion of 1/2 time post, Complaints post and Supported Employment post and support	0.075	0.075
10	C&F - Youth Action Service	Reduce HADAT support	0.019	0.019
11	C&F - Looked after Children	Rationalise childcare, family support, and pre-school education in Kinlochleven Associated School Group Area. Closure of Kinlochleven Centre.	0.030	0.050
12	CC - Independent Sector Care	Maximise use of dedicated and contracted day care services, and reduce purchase of spot day care places where there is an alternative service	0.100	0.100
13	C&F - Youth Action Service	SACRO - reduce grant for mediation and restorative justice services, and target remaining funding at high referral areas.	0.060	0.060
14	C&F - Youth Action Service	Review of young carer support. Reduce funding to Princess Royal Carers by 50%, and deliver support through existing youth services.	0.025	0.025
15	C&F - Youth Action Service	As a result of Court procedure changes, NCH Arrest Referral service can no longer be provided.	0.048	0.048
16	CC - People with a Learning Disability	Reconfiguration of the delivery of respite services to adults with a learning disability in the North Area	0.400	0.400
Total			1.897	2.217

Revenue Budget 2008/09 - Efficiencies & Savings TEC Services

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Transport and Plant	More efficient use of vehicle and plant fleet	0.100	0.100
2	Integrated Transport Services	Reduce staffing budget by 1 post	0.020	0.020
3	Corran Ferry	Increase ferry charges to customers by 20%. Ferry charges have not increased since February 2002.	0.200	0.200
4	Refuse Collection	Increase charges to commercial customers by 10%	0.250	0.250
5	Burials and Cremations	Increase all burial charges by 50%. Highland Council is currently in the lowest quartile for these charges and this increase would bring them into line with the Scottish average.	0.350	0.350
6	Grounds Maintenance	Rationalisation of bedding plants purchased each year, and move towards perennial planting.	0.100	0.100
7	Emergency Planning & Oil Pollution	Incorporate the oil pollution training and equipment budget within the overall Service training budget. Prioritisation of training needs across the Service.	0.025	0.025
8	Communications	Increase 3rd party income from radio masts. Increase 6.85% on current income of £438k.	0.030	0.030
9	Car Parks	Reduce car park maintenance budget by £100k (55%)	0.100	0.100
10	Structural Maintenance	Reduce external contractors payments by 10%.	0.338	0.338
11	Surface Dressing	Reduce external contractors payments by 10%.	0.250	0.250
12	Coast Protection	Re-target budget for small coastal protection schemes	0.007	0.007
13	Flood Alleviation	Re-target budget for small flood alleviation schemes	0.021	0.021
14	Lighting Services	Replace external contractor costs with TECS own workforce	0.210	0.210
15	Piers & Harbours	Slightly increase the margin on fuel sales	0.060	0.060
16	Piers & Harbours	Review of general maintenance budget related to condition surveys and prioritisation of need	0.050	0.050
17	Business Support	Review of business support function with 10% targeted reduction in staff numbers across all HQ and Areas	0.210	0.210
Total			2.321	2.321

Revenue Budget 2008/09 - Efficiencies & Savings
Chief Executive's Service

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	E-Government	Temporary extension of IS contract	0.800	0.800
2	Members' Services	Remove overprovision in Members' remuneration budget	0.443	0.443
3	Cross Service	Standstill budget for all non-staff non-contractual spend	0.060	0.060
4	Cross Service	Additional income generated through central services allocation	0.079	0.079
5	Central Support	Remove over provision in cosla membership budget	0.002	0.002
6	Members' Services	Reduce non-remuneration budget by 5%	0.025	0.025
7	Support Services	Move to secondary lease charges on photocopiers	0.010	0.010
8	Employee Development	Reduce consultancy costs by 20%	0.014	0.014
9	Corporate Development	25% reduction in central discretionary budget	0.012	0.012
10	IS-Client Contract Costs	Move to single IS Client - review of system support arrangements	0.035	0.070
11	IS-Client Contract Costs	Move to single IS Client - review of service desk arrangements	0.015	0.015
12	Personnel	Reduction in non salary expenditure across all codes	0.020	0.020
13	Public Relations	Reductions in non-staffing overheads	0.015	0.015
14	RLS Operational Management Area	Reductions in non-staffing overheads	0.015	0.015
15	INB&S Operational Management Area	Reductions in non-staffing overheads	0.024	0.024
16	CSER Operational Management Area	Reductions in non-staffing overheads	0.015	0.015
17	Central Support	Reduction in training budget and refocus on corporate priority training	0.011	0.011
18	Employee Development	Reduce training accommodation	0.006	0.006
19	IS-Client Contract Costs	Reduce number of RFCs raised by the Council (enabling Fujitsu to reduce staffing)	0.050	0.050
20	Service Point Network and Service Centre	Reduce funding for staff uniforms by 50%	0.007	0.007
21	Central Support	Reduction in non salary expenditure in committee and support services	0.040	0.040
22	Graphic Design	Increase external income	0.010	0.010
23	Registration	Increase income	0.019	0.019
24	Registration	Delete vacant post	0.036	0.036
25	Employee Development	Delete vacant post	0.033	0.033
Total			1.796	1.831

Revenue Budget 2008/09 - Efficiencies & Savings
Finance Service

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Exchequer	ECDM - Remove project and IT costs for enhanced service provision. Project ends during 2007/08.	0.067	0.067
2	Exchequer	Full year ECDM savings (£89k already taken in 2007/08)	0.094	0.094
3	Accounting	Removal of IT development project budget	0.080	0.080
4	Accounting	Reduction in External Audit Fee to base charge	0.020	0.020
5	Exchequer	Scottish Water Contract - additional income	0.010	0.010
6	Internal Audit	Reduction in travel budget	0.003	0.003
7	Internal Audit	Reduction in subsistence budget	0.005	0.005
8	Accountancy - Payroll	Reduction in overtime budget	0.010	0.010
9	Internal Audit	Income generated from Isles Councils	0.012	0.012
10	Insurance	Income from Village Halls	0.006	0.006
11	Exchequer	Increase in Summary Warrant Income retained by the Council.	0.025	0.025
12	Business & Technical Support	Reduction in stationery budget	0.007	0.007
13	Business & Technical Support	Delete vacant post of Performance Analyst	0.040	0.040
14	Internal Audit	Delete vacant post of Audit Assistant	0.024	0.024
15	Accountancy - Payroll	Reduce staff numbers through re-structure	0.028	0.028
Total			0.431	0.431

**Revenue Budget 2008/09 - Efficiencies & Savings
Housing & Property Services**

Ref.	Activity Heading	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Directorate and Administration	Allocation of 50% of Director of Housing and Property employee costs to HRA	0.064	0.064
2	Design	Deletion of post of Head of Design	0.066	0.066
3	Property	Deletion of post of Head of Property, with new post of Head of Housing Development and Estates funded 50% HRA	0.034	0.034
4	Directorate and Administration	Efficiency savings in relation to restructuring of Service Business Support function as a result of Service merger.	0.120	0.120
5	Other Housing - Homelessness	Increase homelessness income recovery by 5%	0.116	0.116
6	Property	Improved management of planned maintenance (5%)	0.020	0.020
7	Property	Improved management of cyclical maintenance by (5%)	0.030	0.030
8	Design and Property	Efficiency target in relation to restructuring of Service, following merger.	0.174	0.174
Total			0.624	0.624

Revenue Budget 2008/09 - Efficiencies & Savings
Corporate Savings

Ref.	Savings Proposal	2008/09 Savings £m	Full Year Savings £m
1	Water conservation in toilets - staff incentive scheme/ business improvement team proposal	0.070	0.145
2	Postages and couriers review	0.037	0.037
3	Bike to work salary sacrifice - employer NI savings	0.034	0.034
4	Childcare voucher salary sacrifice - employer NI savings	0.040	0.040
Total		0.181	0.256