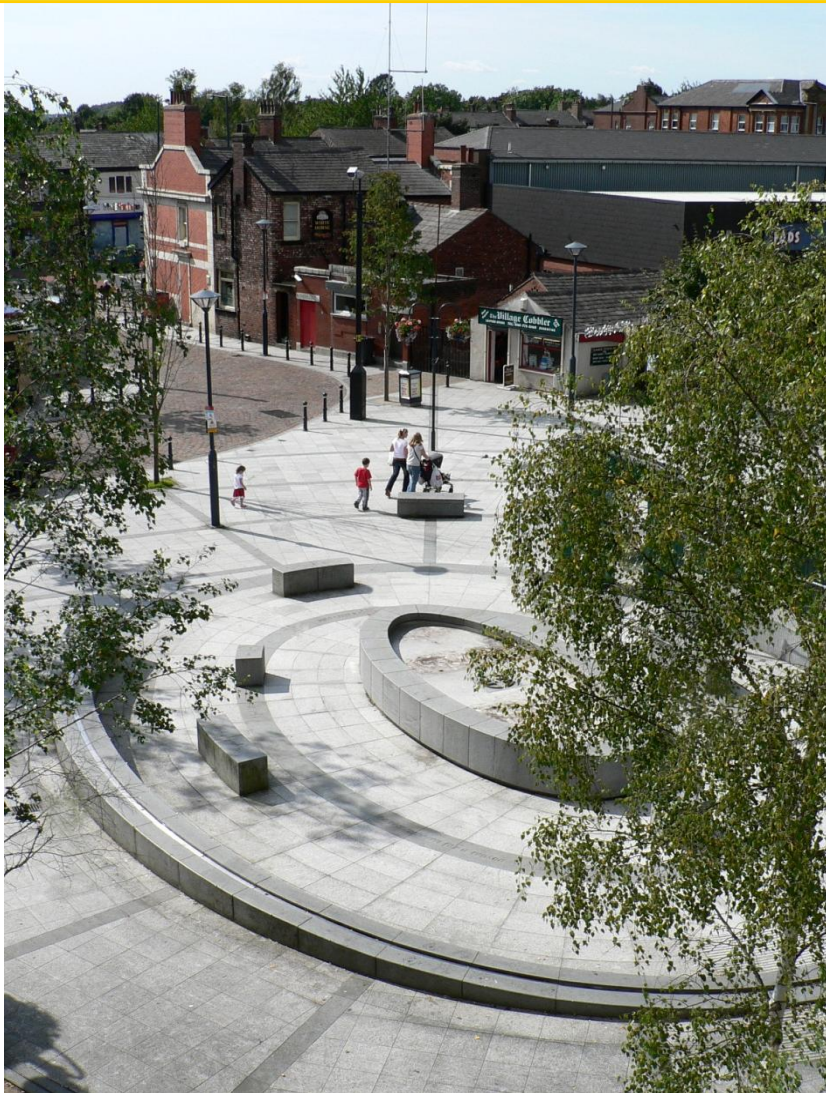


Draft Budget Cuts Programme 2016-17 Information Pack

Published December 2015



Introduction

Welcome to our 2016/17 Budget Information Pack which provides more information about our proposals to address the cuts the Council is required to make. It provides answers to a series of questions and helps you to consider the different options in more detail.

Preparing for the 2016/17 Budget has been particularly challenging as we have very limited information regarding the level of Government funding we are likely to receive.

Normally, we receive indicative allocations from Government in the summer, however this year the process has been delayed to allow for the Chancellor's Comprehensive Spending Review. It is likely to be mid-December before we get clarity of Bury's grant allocations for 2016/17.

A 30% cut to Local Government funding over a four year period has been reported, however it is not clear at this stage how these cuts will be spread over the four years.

We **estimate** that we will have to find cuts in of nearly **£15.5 million** for 2016/17; this is on top of cuts of **£54 million** that we have already had to make since 2010.

We believe we can mitigate the scale of this reduction through measures we already have in place, including;

- Generating income from our investments
- Securing additional funding
- Ensuring levies from other bodies (e.g. waste & transport) are kept to a minimum

Taking these measures into account, we estimate that service cuts of **£11.6 million** will be required.

The purpose of this document is to seek your views on our proposals.

There is no doubt that sustained cuts of this level this will have serious consequences for our Borough and for the many services we provide and which so many people rely on.

We feel strongly that Bury is treated unfairly by the way that the Government distributes its money because many similar Councils receive significantly more funding per head, and have historically experienced lower grant reductions. We continue to lobby the Government on your behalf about this under our **“Fair Deal for Bury”** campaign.

Despite this we will continue to look to balance our books by doing things differently, by prioritising services, by focussing on people with greatest need and by striving for yet more efficiency savings. We have continued to invest in the borough and substantial progress is being made on redeveloping Radcliffe Town Centre, improving our roads, providing better facilities for older people and protecting our children through the use of 20mph zones.

We will do all that we can to reduce the impact of the cuts, particularly on our most vulnerable residents, and try to offer alternative arrangements where we can.

Please let us have your views on the proposals set out in this document by **9th February 2016**. Final proposals for savings will be published prior to the Council meeting on **24th February 2016** where the Budget will be formally set.

This is a public meeting and you are most welcome to attend.

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|--|---|--|---|
|  | <p>Councillor Mike Connolly Leader of the Council</p> |  | <p>Councillor Rishi Shori Deputy Leader of the Council Cabinet Member for Finance & Housing</p> |
|--|---|--|---|

The Council is changing....and we need your help

This is what we have done.

- Reduced from 4 to 3 departments; reducing management and administration costs, and creating more “joined up” services
- 30% reduction in management posts since 2010
- Fewer staff – over 400 employees have left the Council since 2010 largely through voluntary arrangements
- Made cuts of £54 million since 2010 (out of a controllable net budget of £100m). These have largely been through efficiencies / working differently, maintaining front-line services where possible
- Self management of facilities e.g. sports and leisure facilities
- “Digital by Default”, e.g. we have introduced a new transactional website to make services more accessible to residents (24 hours) and reduce running costs
- 3 weekly waste management collections; improving recycling rates and reducing waste disposal costs

As the Council faces further cuts, the challenges of maintaining services and addressing demand become increasingly difficult, and cannot be addressed alone.

We now need the help of our residents and communities e.g. creating less litter, promoting more self care and self ownership of issues, prevention, and taking responsibility for their actions.

Changing the expectations about what the Council can deliver – In the future, the Council will not be able to meet all the public’s needs/expectations or be able to deliver services at the quantity/quality/standard that we currently provide. The Council will need to be up-front about the need to cut services, spell out why levels of service are reducing, develop more targeted services or in some circumstances stop delivering services altogether.

Working more closely with individuals and communities to deliver services – The Council will not be organisationally or financially able to meet all service needs in the future and therefore will need to work with individuals and communities to encourage them where possible to undertake more for themselves. This is an approach that we will need to consider across all the Council's services.

This approach builds on the very long standing and successful 'self management' partnerships operating for bowling greens, football pitches, allotments and other leisure facilities such as Gymnastics and Burrs Activity Centre. More of this approach is needed and involves engaging and encouraging a greater partnership between the Council and voluntary community groups in providing services in their area. Over the coming period we will be working with 3rd Sector partners to develop a new and comprehensive Strategy that will support a transformation of this important area.

Stronger focus on demand reduction - Part of the principles behind Public Service Reform is to manage the demand for services, reduce this demand where possible and to identify more cost effective ways of meeting the demands that remain. We have had some success for example through the changes we made in the refuse collection arrangements which has changed people's attitude towards recycling and helped the Council reduce the expensive costs of tipping rubbish into landfill.

Can we do more for less? – Bury Council, its Members and employees have and continue to work miracles in delivering services with less resources and at lower cost.

Over the coming period we must redouble our efforts to ensure the services we directly provide are securing value for money and are delivered in the most effective way as I know our residents would expect this. This will mean doing things differently to the way we have always delivered services; **No change** is not an option for us!

Changing the way Residents access services

Bury Council has been trying to widen access options in addition to providing very traditional ways residents access services and secure information about services. Whilst there have been developments with the Council's web site to move to become a 24/7 Council access is still primarily through face to face contact and telephone.

The challenge for us is that we need to offer a wider range of 'self service' remote options similar to the high street experience so familiar to many of our residents, such as booking holidays, on-line shopping, and banking. In a post 2015 environment the Council will have to look to becoming a 'virtual' Council where the 'high street' experience of 'self service' using smart technology becomes mainstream, whilst still offering the traditional options, but these, because of affordability, will have to steadily reduce over time.

Invest to Save

The Council has and will continue to explore opportunities for growth and reduce its costs through the promotion of innovative service alternatives or develop new service offers. For example through Invest to Save, over £1m has been saved through directly employing a small resource to market and promote Fostering and Adoption Services.

Other examples are where the Council leads on generating income for our customers or partner organisations – over £2m has been generated for customers through benefits advice linked to financial assessment services in respect of adult care, a proportion of which becomes income for the Council too.

Bury is the leading authority in the development of charging for loaning out major artworks to International Exhibitors in the Far East. With a small resource to market and put together exhibitions on behalf of Greater Manchester Councils, thousands of pounds of fee income has been generated.

In growth terms the development of Tourism and Culture offers, Bury has seen a transformation as a destination and a place where artists and performers want to come to Bury. Tourism spend is increasing along with hotel stays which in turn helps local businesses and where future investors see Bury in a positive light.

Our Vision, Purpose and Values

Earlier this year, the Council launched its new 'Vision, Purpose and Values' document, which supports the changes that will need to take place in the way the Council works in the future. The document focuses on six Corporate Priorities for 2015-2020:

1. Drive forward, through effective marketing and information, proactive engagement with **the people of Bury to take ownership of their own health and wellbeing**
2. Continue to **develop business friendly policies to attract inward investment** and new jobs so that Bury retains its position as a premier destination for retail, leisure, tourism and culture
3. **Ensure new and affordable housing is developed** to support growth in the Bury and Greater Manchester economy
4. Build on the culture of efficiency and effectiveness through new, progressive and integrated partnership working models **to drive forward the Council's and Greater Manchester Public Service growth and reform agenda**
5. **Ensure staff have the right skills to embrace significant organisational change,** through embedding a culture of ownership, empowerment and decision making at all levels of the organisation
6. Work **toward reducing reliance on government funding** by developing new models of delivery that are affordable, add value and based on need

Key Facts

- The Council operates over **113** different service areas.
- We serve a population of **186,200** people.
- We provide services to **82,000** individual households.
- We currently have approximately **3,400** FTE staff (this excludes teaching staff in schools).
- Over **400** staff have left the organisation since 2011 as a result of cuts in funding.
- Our current Net Budget is **£128.6 million**.
- The table below shows that we will have had to make cuts totalling nearly **£70 million** since 2010.

| Year | Cut (£ million) |
|--------------|-----------------|
| 2011/12 | 9.6 |
| 2012/13 | 8.7 |
| 2013/14 | 9.9 |
| 2014/15 | 9.7 |
| 2015/16 | 15.8 |
| 2016/17 | 15.5 (tbc) |
| Total | 69.2 |

Summary of Changes

We have summarised the proposed changes into the following categories;

| Category | Explanation | Amount |
|-------------------------------------|---|------------------------|
| Alternative Service Delivery Models | We will develop new models of service delivery to ensure that service outcomes are maintained. This will include new approaches to staffing and the use of buildings. | £1.990 million |
| Grant Optimisation | We will maximise the benefit to the Council from new and existing grant funding opportunities. | £1.450 million |
| Grants to Voluntary Sector | We will review how the Council operates with the Voluntary Sector, reviewing grants to ensure that key outcomes are achieved. | £0.150 million |
| Income Generation | We will further develop existing income streams and identify new sources of income. | £1.600 million |
| Better Use of Buildings / Assets | We will continue to review our asset base ensuring the optimum use and financial return. | £0.150 million |
| Procurement Savings | We will review the way we buy goods and services and continue to strive for best value. | £1.788 million |
| Service Redesign | Given the scale of cuts facing the Council, it is inevitable that some services will be reduced in quality, frequency, or even stop altogether. Where this happens we will work closely with service users to identify alternative means of provision. | £2.471 million |
| Staff Restructuring | Staffing is a significant cost for the Council as most of our services rely on people to deliver them. Equally staff are our greatest asset, and we rely heavily on commitment and goodwill at times when budgets are being cut. We will continue to review staffing structures and ensure that operational processes are as efficient as possible. | £1.780 million |
| Use of New Technology | We will continue to make use of new technology, to ensure our services operate efficiently and are accessible to all. | £0.200 million |
| TOTAL | | £11.579 million |

Frequently Asked Questions

What happened to the “Plan for Change” ?

This is the most financially challenging time for Local Authorities across the country in our history. Bury, unfortunately, is no exception and we have already been forced to make massive cuts year on year. We are trying our hardest to protect front line services and identify more efficient ways of working but as the cuts increase, this is becoming increasingly difficult.

The Plan for Change was a three year plan covering the period 2012-2015. For 2015/16 and 2016/17, however, budgets have been set as a one year exercise given the limited availability of funding information.

For future years, we will seek to develop longer term strategies in line with the Council’s new “Vision, Purpose & Values” policy document.

How much more money does the Council have to find ?

We initially estimated that we would need to make cuts of £15.5 million in 2016/17.

This can be mitigated to a degree through prudent financial management, however we still anticipate having to make service cuts totalling £11.6 million – these are outlined for consultation within this pack.

In addition to reduced funding, the Council faces pressures e.g. Customer demand, inflation, increments, and levies from other bodies. Finally we still face considerable uncertainty following the localisation of Business Rates – where we currently share income (and losses) with the Government.

Ultimately, we understand the Council will retain all business rates income, however Central Government support will be phased out completely. We continue to monitor this situation.

Will there be further cuts ?

The 2016/17 cuts requirement can only be based upon estimated figures, given the lack of any funding information from the Government; we do not expect to receive this until December 2015.

It therefore remains a possibility that further cuts could be required for 2016/17.

Going forward, it is a certainty that further cuts will be required.

It is reported that the Chancellor is seeking further cuts of 30% to Local Government over the next four years, however the timing / profiling of these cuts is unknown at present.

How is work progressing towards achieving savings for Internal Efficiencies ?

Wherever possible so far, we have maintained front-line services and achieved cuts through internal efficiency savings and new service delivery models.

We will continue with this approach, however, given the level of savings made to date this is becoming increasingly difficult and we are now at the point where real service reductions are inevitable.

What is the difference between back office and front line services ?

We use these terms to show the difference between those services which directly work with or relate to our residents (front line), for example children's centres or leisure centres, and those which are needed to make sure the organisation works well (back office), for example, financial management.

How are you supporting staff through this process ?

We have put in place a range of support for staff including:

- Now and Next – we have a dedicated resource area on the intranet where employees can find out more information about training opportunities, CV skills, interview techniques and apply for jobs.
- Redeployment – staff who are facing redundancy are prioritised and either matched with suitable vacancies or given the opportunity to apply for vacant posts across the Council when they occur. This takes place before jobs are advertised internally.
- Voluntary Severance, Voluntary Early Retirement and Flexible Retirement – we have offered staff a range of options to allow us to make efficiencies and changes to the organisation.

How can I get involved in the consultation?

- Attend a public meeting – dates of the Township Forum meetings are on the website www.bury.gov.uk/Budget201617 and will be promoted in the local media.
- Read the proposals and comment online at www.bury.gov.uk/Budget201617
- Read the information at your local library and send in your comments
- Call us 0161 253 5371
- Email Budget201617@bury.gov.uk
- Write to us at Budget201617, Bury Council, Knowsley Street, Bury, BL9 OSW to leave your comments or request a hard copy of the proposals.

What are the next steps in the budget consultation process?

We are consulting on all the proposals until 9th February 2016.

The comments and feedback will then be analysed before final proposals are taken to Budget Council on 24th February 2016.

The Budget Council is a public meeting which members of the public can attend. It takes place in the Council Chamber at Bury Town Hall.

Alternative Service Delivery Models

We will develop new models of service delivery to ensure that service resilience and sustainable outcomes are maintained. This will include new approaches to staffing and the use of buildings.

£1.990 million

Why are we making these proposals ?

The Council is seeking to examine alternative ways of delivering remaining Council services and change the expectations about what the Council can deliver.

What changes are we undertaking to meet these Cuts ?

The Council is seeking to examine alternative ways of delivering remaining Council services, ensuring they are fit for purpose and sustainable and to help service users be better informed about what the Council is able to deliver.

What changes are we undertaking to meet these Cuts ?

Building upon the recent launch of our Local Authority Trading Company (LATCo), "Persona Care Limited", we will be exploring other service areas across the Council where this service model can be applied.

Will front line services be affected – what changes will residents see and when will this take place ?

Cuts to any budget will inevitably impact on services and these proposals will see a reduction in capacity and an increase in waiting times.

We will seek to maintain service outcomes, however the delivery mechanisms will be different and more targeted.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

Management and administrative processes will be examined as part of this proposal and further efficiencies targeted.

Does this mean additional charges for services ?

We aim to achieve the saving through reductions in cost, however increased charges will be made where it is appropriate and necessary to do so.

Does this budget proposal affect staffing ?

As in previous years we will seek to manage any job losses, in the first instance, on a voluntary basis, however compulsory redundancies may be necessary. Where there are compulsory redundancies, every effort will be made to facilitate redeployment for affected individuals.

Will I be consulted on how these changes affect my personal circumstances ?

Yes. We would welcome views regarding these proposals.

Grant Optimisation

We will maximise the benefit to the Council from new and existing grant funding opportunities

£1.450 million

Why are we making these proposals ?

We will continue to be innovative in the way we use existing Grant Funding, and we will continue to explore new funding opportunities.

What changes are we undertaking to meet these Cuts ?

Public Health- We will be reviewing how we utilise grant monies allocated for Public Health to ensure we get the maximum benefit for residents.

Children & Young People - We will make more effective use of grant funding available for young people.

Economic Development – we will seek to access more European Funding to assist with the regeneration of the

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

More effective use of external funding should reduce the impact of cuts on front line services.

A risk remains that some of grants may not be available in future years.

Does this mean additional charges for this service ?

We aim to achieve the cut through better use of grant funding, however, charges will be made where it is appropriate and necessary to do so.

Does this budget proposal affect staffing ?

There are no direct staffing implications from these proposals.

Will I be consulted on these changes ?

Yes. We would welcome your views regarding these changes.

Grants to Voluntary Sector

We will review how the Council operates with the Voluntary Sector, reviewing grants to ensure that key outcomes are achieved.

£150,000

Why are we proposing these Cuts ?

To review the relationship between the Council, the Community and the Voluntary Sector.

What changes are we undertaking to meet these Cuts ?

We will review funding to the voluntary sector, with a greater focus on outcomes that support the Council's priorities.

Will front line services be affected – what changes will residents see and when will this take place ?

We will seek to maintain service outcomes, and opportunities for the Community to engage with the Council, however the delivery mechanisms may be different.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

Management and administrative processes will be examined as part of this proposal.

Does this mean additional charges for this service ?

This service area does not currently levy charges, however charges will be made where it is appropriate and necessary to do so.

Does this budget proposal affect staffing ?

To be determined.

Will I be consulted on how these changes affect my voluntary group or individually ?

Yes. We would welcome any views regarding these changes.

Income Generation

We will further develop existing income streams and identify new sources of income.

£1.600 million

Why are we making these proposals ?

We will build on existing sources of income, and identify new sources of sustainable income where possible.

What changes are we undertaking to meet these Cuts ?

We will review the potential for all services to generate new / additional income.

We will ensure we continue to offer quality services to partner organisations at affordable prices under "buy-back arrangements".

Additional income will be generated through more robust enforcement activity.

The Council's Treasury Management Strategy will continue to contribute to this element of the proposals.

We will seek to generate sustainable sources of income under our "Property Investment Strategy".

Will front line services be affected – what changes will residents see and when will this take place ?

We will seek to maintain current service provision in these areas – funded by additional income being generated.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

Management and administrative processes will be reviewed to ensure maximization of income.

Does this mean additional charges for this service ?

The primary focus will be on identifying new customers and generating additional income but increased charges to cover costs cannot be ruled out.

Does this budget proposal affect staffing ?

There are no direct staffing implications from these proposals.

Can other suggestions to improve income be made ?

Yes. We would welcome any suggestion that would result in the Council securing increased levels of income.

Better Use of Buildings / Assets

We will continue to review our asset base ensuring the optimum use and financial return.

£150,000

Why are we proposing these Cuts ?

The Council manages a large portfolio of assets which we continually review to ensure the best use and financial return.

What changes are we undertaking to meet these Cuts ?

Under-utilised assets will be reconfigured / disposed of - resulting in reduced running costs.

We recognise that this sometimes takes time and the Council's own financial rules permit a temporary use of balances pending review / development of new facilities, or disposal of assets.

Will front line services be affected – what changes will residents see and when will this take place ?

Underperforming assets may be subject to change of use / disposal.

Will any geographical area be particularly affected by this proposal ?

Not known at this stage, however assets will be examined "Borough wide".

What back office changes are proposed to achieve this target and minimise impact on front line services ?

We will ensure that our back office functions facilitate effective and responsive management of our assets.

Does this mean additional charges for this service ?

The income generating capacity of assets will be examined.

Does this budget proposal affect staffing ?

As in previous years, we will seek to manage any job losses.

Can I still comment on these proposals ?

Yes. We would like your views regarding these changes.

Procurement Savings

We will review the way we buy goods and services and continue to strive for best value.

£1.788 million

Why are we making these proposals ?

A large proportion of the Council's budget is spent on buying goods and services. We already have a strong track record of effective procurement and will be seeking to build upon this.

What changes are we undertaking to meet these Cuts ?

Re-tendering of existing contracts will be undertaken to ensure Value for Money, and clarity of outcomes.

Will front line services be affected – what changes will residents see and when will this take place ?

It is unlikely that improved procurement savings will impact on service outcomes.

Will any geographical area be particularly affected by this proposal ?

Savings will relate to all areas.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

We continue to make effective use of the latest procurement techniques and undertake joint exercises with other Greater Manchester Authorities where appropriate.

Does this mean additional charges for this service ?

No.

Does this budget proposal affect staffing ?

There are no direct staffing implications from these proposals.

Can other suggestions to reduce procurement costs be made ?

Yes. We would welcome any suggestions that would result in the Council reducing its costs.

Service Redesign

Given the scale of cuts facing the Council, it is inevitable that some services will be reduced in quality, frequency, or even stopped altogether. Where this happens we will work closely with service users to identify alternative means of provision.

£2.471 million

Why are we proposing these Cuts ?

This is the most challenging category of these proposals; whilst we strive to make efficiency savings where possible, the scale of cuts is such that some services will see reduced levels of provision.

What changes are we undertaking to meet these Cuts ?

In light of the recent Greater Manchester Devolution Agreement, we will work jointly with NHS colleagues to redesign Health & Social Care Services to ensure the health and wellbeing of residents.

Services will be more "joined up" and promote awareness and self-care.

By working closer together we aim to secure "economies of scale".

We will make better use of community assets across partner organisations.

We will undertake reviews of management and admin arrangements across services

Will front line services be affected – what changes will residents see and when will this take place ?

Yes; there will be noticeable changes to some of the above service areas, and this will start from April 2016.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

Management and administrative processes will be examined as part of this proposal.

Does this mean additional charges for this service ?

No.

Does this budget proposal affect staffing ?

There may be job losses. We will seek to achieve this on a voluntary basis in the first instance, however compulsory redundancies may be necessary. Where there are compulsory redundancies, every effort will be made to facilitate redeployment for affected individuals.

Can I comment on these proposals ?

Any proposals will, in the first instance, be discussed with affected staff before consulting more widely.

Staff Restructuring

Staffing is a significant cost for the Council as most of our services rely on people to deliver them. Equally staff are our greatest asset, and we rely heavily on commitment and goodwill at times when budgets are being cut. We will continue to review staffing structures and ensure that operational processes are as efficient as possible.

£1.780 million

Why are we proposing these Cuts ?

Staffing is a key element to all services. We need to continually review structures to ensure they are fit for purpose and sustainable.

What changes are we undertaking to meet these Cuts ?

We will review front line services to ensure cuts to services are minimised, but they will have to operate within reduced budgets.

We will make greater use of volunteers in some service areas.

Further restructuring will take place in back office services where a large number of senior staff have already left the organisation under voluntary redundancy / early retirement options.

Management savings have already been made by the transition from 4 to 3 departments.

There are no changes to staff Terms and Conditions in 2016/17.

Will front line services be affected – what changes will residents see and when will this take place ?

There may well be a reduction in the standard of service – e.g. longer processing / response times, more emphasis on self service. We will use the latest technology to mitigate this impact.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back office changes are proposed to achieve this target and minimise impact on front line services ?

Improved use of technology, e.g. the Council's new transactional web site

Greater flexibility in job roles / multi-skilling

More sharing of staff between service areas

Continued development of Apprenticeship schemes

Does this mean additional charges for this service ?

No.

Does this budget proposal affect staffing ?

Inevitably, resources will have to be reduced as further rationalisation takes place. Over 400 staff have already left (or have agreed to leave) the organisation. Potentially there will be further job losses and we would seek to achieve this on a voluntary basis in the first instance, however compulsory redundancies may be necessary. Where there are compulsory redundancies, every effort will be made to help people find redeployment opportunities.

Through training and development the future focus has to be the introduction of a range of skills and upskilling and re-training where appropriate to achieve successful outcomes in this crucial area.

Can I still make contact face -to-face or over the phone about these proposals ?

Yes. Any proposals will, in the first instance, be discussed with affected staff before consulting more widely.

Use of New Technology

We will continue to make use of new technology, to ensure our services operate efficiently and are accessible to all.

£200,000

Why are we proposing these Cuts ?

We will continue to invest in and develop new technologies to make services more efficient and accessible.

What changes are we undertaking to meet these Cuts ?

We will develop new technology to assess the care needs of customers.

We will make greater use of assistive technology to ensure people can remain in their own homes for longer and reduce demands upon Social Care budgets.

Will front line services be affected – what changes will residents see and when will this take place ?

Customers should see more streamlined assessment processes.

An enhanced range of assistive technology will be available.

Use of new technology will be key to service redesign and development alternative service delivery models

We will encourage services to operate “digitally by default” through the Council’s new transactional website; allowing residents to undertake transactions 24/7.

Will any geographical area be particularly affected by this proposal ?

All geographical areas would be affected.

What back of office changes are proposed to achieve this target and minimise impact on front line services ?

Back office services will be reconfigured to support the roll out of new technology / IT systems.

Does this mean additional charges for this service ?

Potentially, where additional support / equipment is made available to residents.

Does this budget proposal affect staffing ?

There are no direct staffing implications from these proposals.

Can I still comment on these changes ?

Yes – any feedback / suggestions are welcome.