

# Aims of the session:

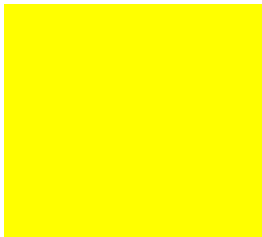
- Alert community representatives to the budget challenges faced by Argyll and Bute Council.
- Uncover ideas and suggestions that the council can use as the budget is set.



# What to do as you listen..



Do less or stop doing



Carry on doing, but do it more efficiently



Continue to invest





# Corporate budget overview

21 September 2010



# Where we are now

- Lower risk
- Improved and improving picture
  - Corporate planning
  - Performance management
  - Corporate processes
- No planned BV2 audit in next 3 years
- Tackling financial challenges
- Continuing to improve
  - Public Service Improvement Framework
  - Best Value 2 Project

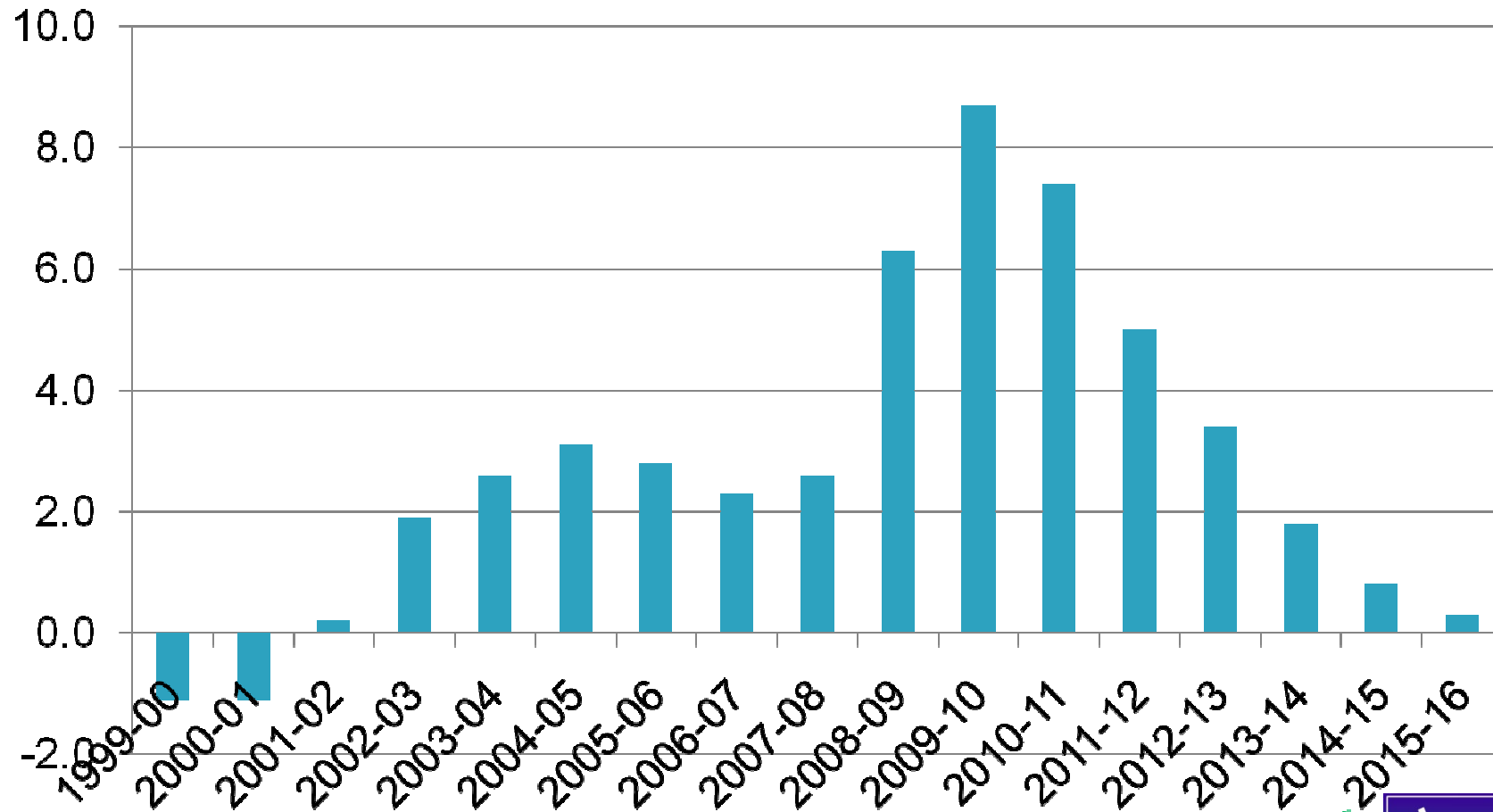


# The national picture

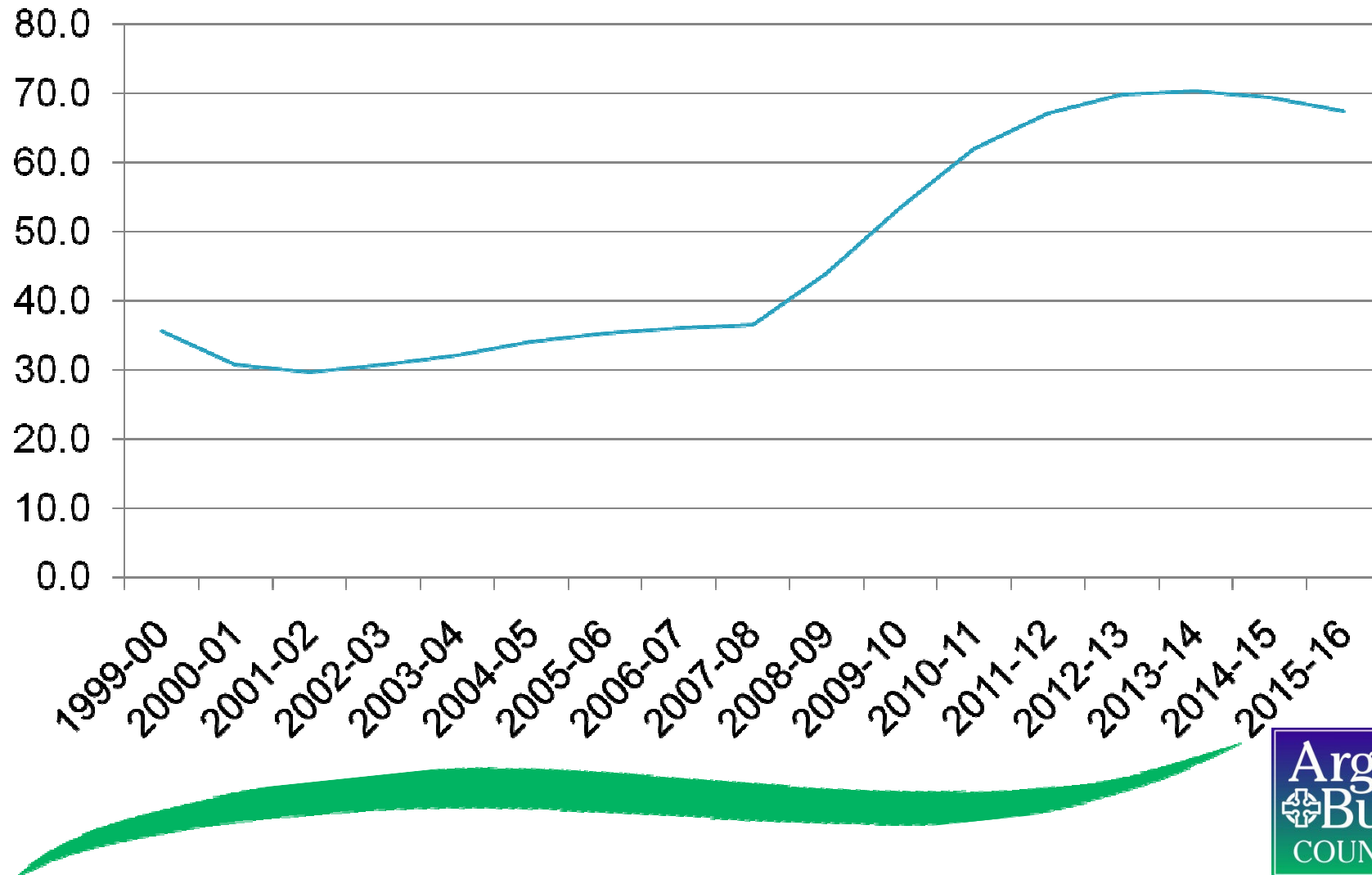
- Global and national recession
- Private sector recession v public sector
- New UK government
- Emergency budget 22 June
- Make sure we're prepared



# Public Sector Net Borrowing From 1999/2000 (As % GDP)



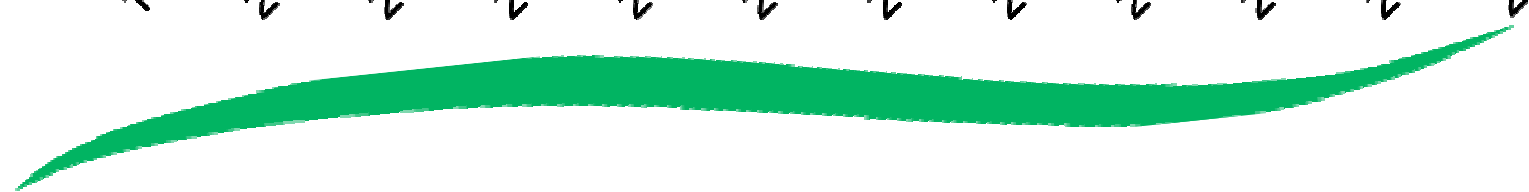
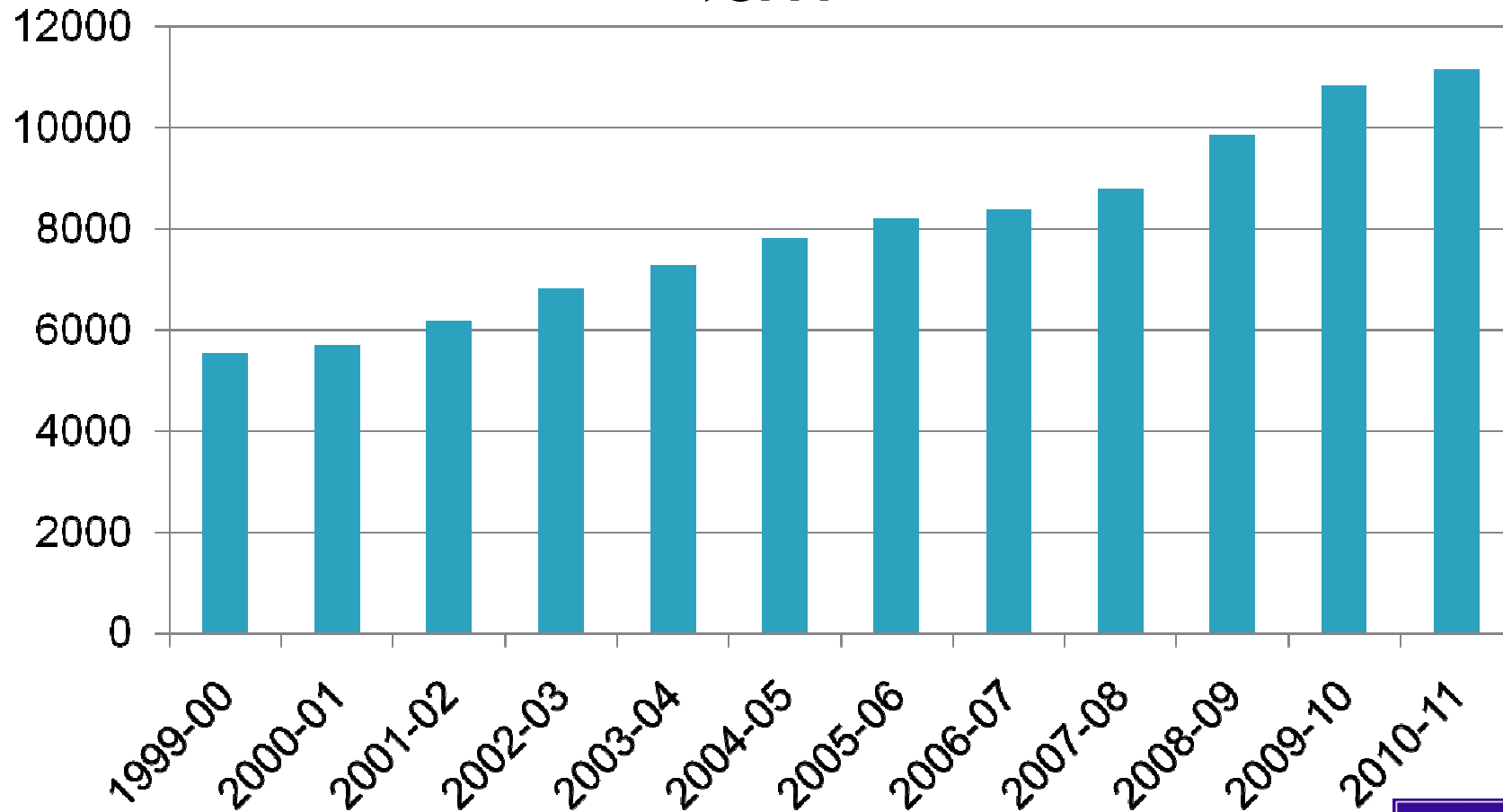
# Public Sector Debt As % GDP Since 1999/2000



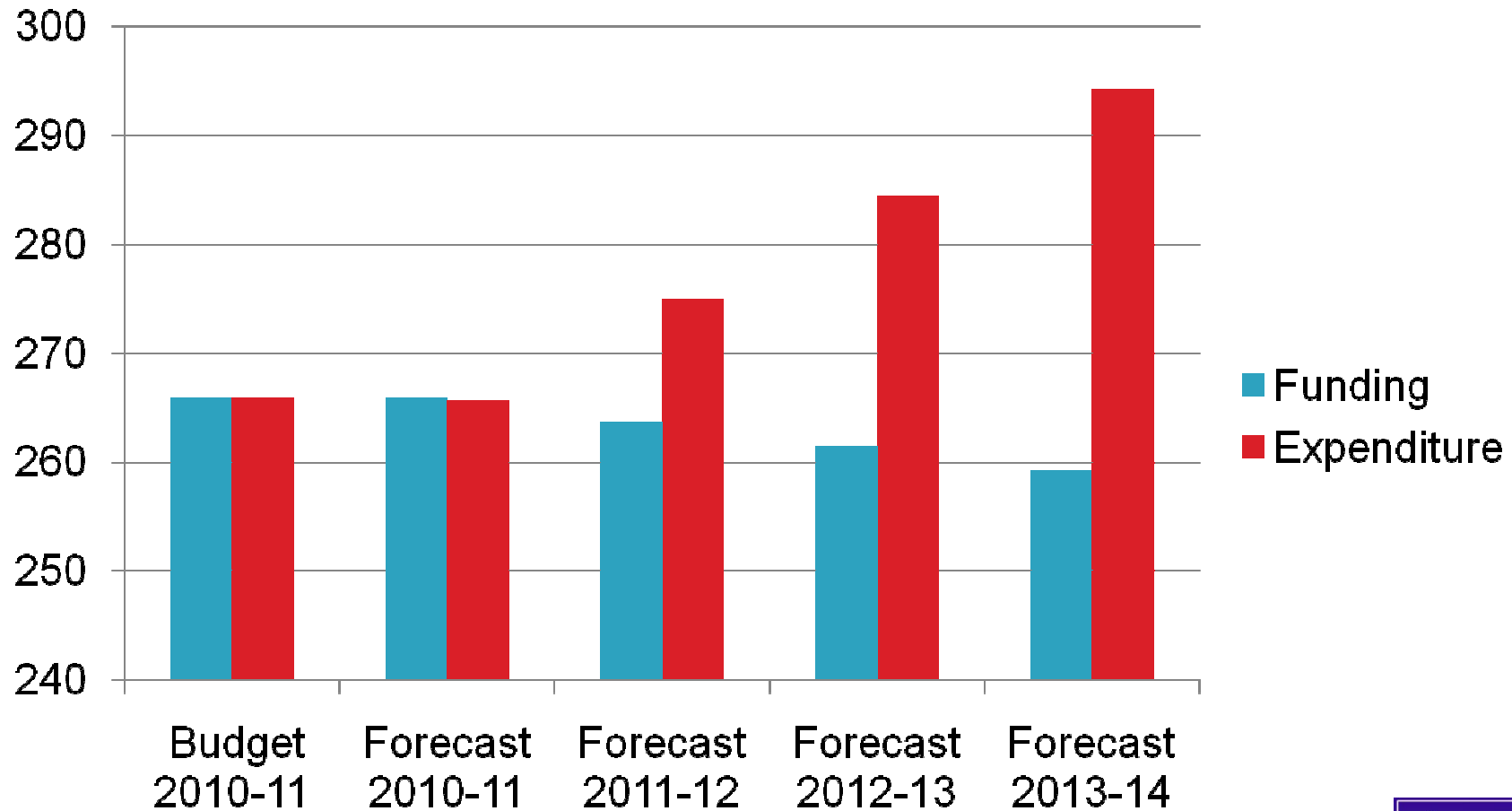


# Trend In Gov Funding For Councils

## £m

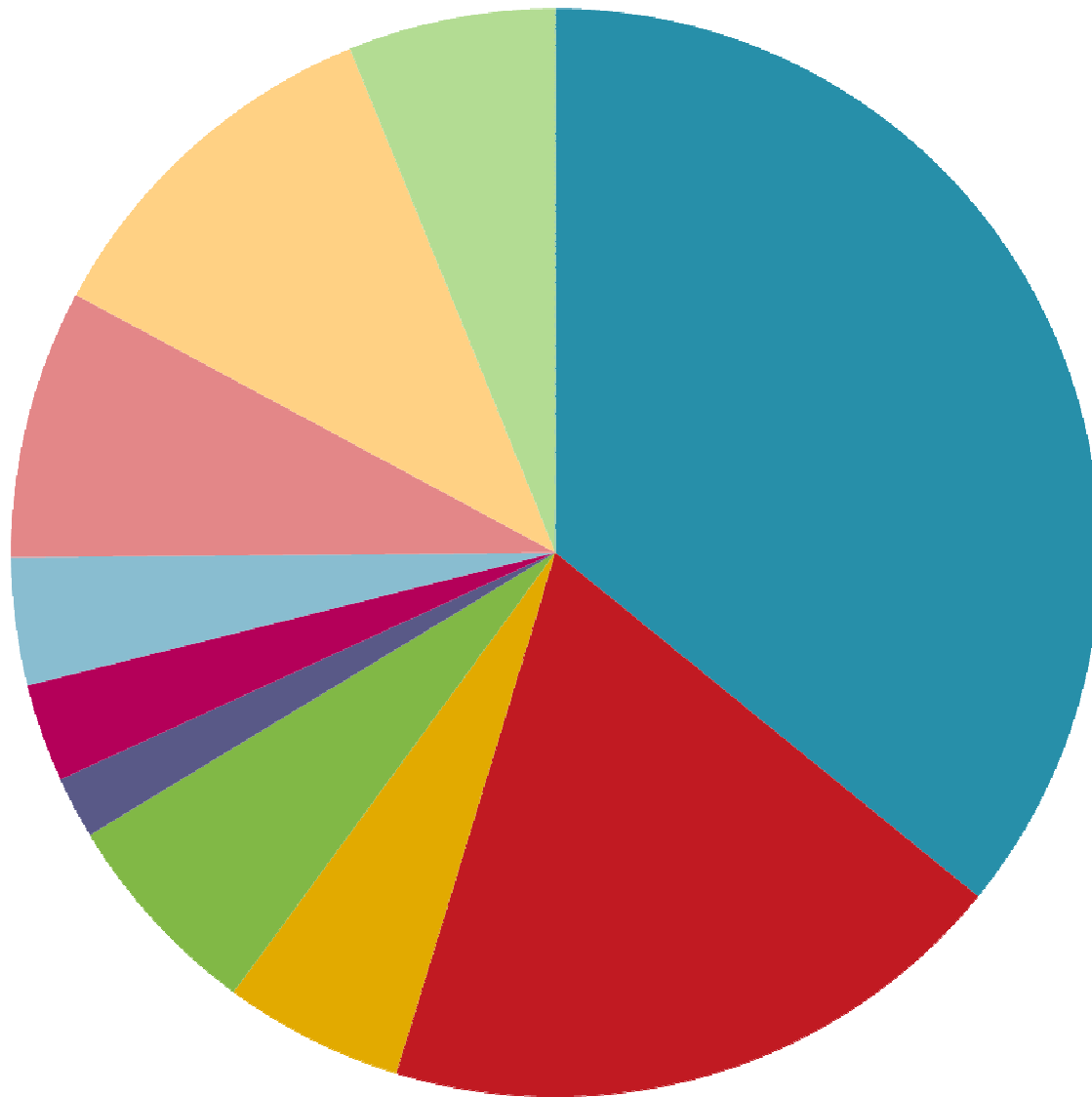


# Argyll and Bute Budget Forecasts £m



# Budget past, present, future

- Nearly 10 years of growth
- Our expenditure has increased by 96% 1996/97 to 2009/10 (all councils +99%)
- Future outlook more challenging:
  - Reduced funding and increasing demand
  - Funding gap between £9m and £13 million
  - Annual position for next 3 years and beyond
- 2023 before real spending power of public sector returns to 2009 levels

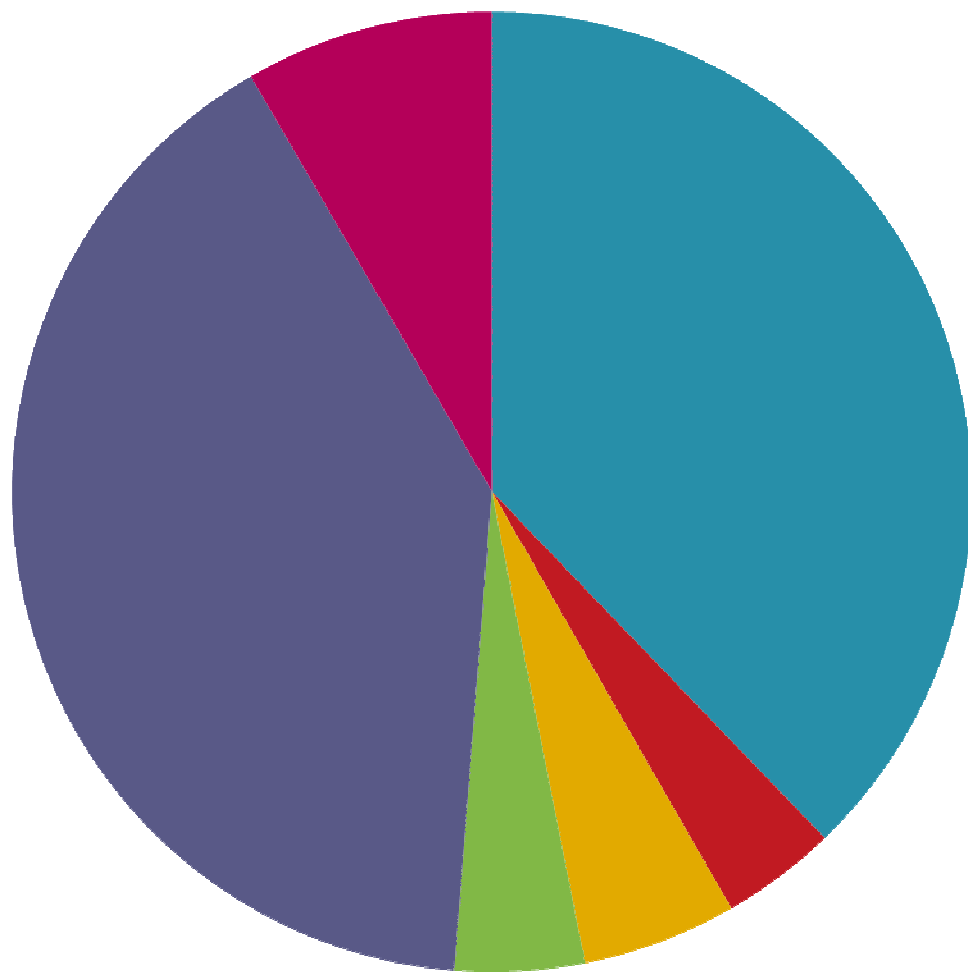


- Education
- Social Work
- Roads & Transport
- Environmental Services
- Planning & Development
- Culture & Sport
- Housing Support
- Police & Fire
- Loan Charges
- Miscellaneous



Council Service	Budget - £m	Budget - %
Education	99.6	35.9
Social Work	52.3	18.8
Roads & Transport	14.8	5.3
Environmental Services	17.4	6.3
Planning & Development	5.1	1.8
Culture & Sport	8.1	2.9
Housing Support	10.5	3.8
Police & Fire	22.2	8.0
Loan Charges	30.5	11.0
Miscellaneous	17.1	6.2
Expenditure	277.6	100.0





- Employees
- Premises
- Supplies and services
- Transport
- Payments to others
- Loan Charges



Type	2010-11 Budget £m	2010-11 Budget %
Employees	121.8	43.9
Premises	12.5	4.5
Supplies and services	16.7	6.0
Transport	14.0	5.0
Payments to others	130.1	46.9
Loan Charges	26.9	9.7
Gross Expenditure	322.0	116.0
Income	-44.4	-16.0
Expenditure	277.6	100.0



# Approach

- Start early compared to previous years
- Fundamental and radical look
- Need to be creative/open minded
- Engagement/consultation with public, communities, media, employees/ TUs
- Regular briefings for members
- Initial draft by November – Allows November to February for consideration
- Implement as agreed don't wait till February



# Transforming services

- Strategic initiatives
  - Modernisation Phase Three
  - Shared services
- Corporate resources
  - Process for change
  - Asset management, IT and procurement
  - Service review programme – 15%



Service
Education Review
Governance and Law
Waste Management
Roads Operations
School and Public Transport



Service
Catering, Cleaning, Janitorial
Improvement and HR
Children and Families
Leisure
Economic Development



- Third sector engagement/ involvement
- Community engagement - options
- TU and employee engagement
- Equalities impact assessment
- Sustainability assessment



- Baseline of current service
- Benchmarking -
  - Questions not answers
  - Areas to improve
- Options -
  - Identification, shortlisting, preferred option
- Implementation plan -
  - Deliverability, risk



- Demands/expectations/obligations
- Strategic risks
- Key priorities
- What performance we want
- Different categories of service



- Category 1- areas where we want to focus our resources and perform at a high standard
- Category 2 – areas where we want to continue to provide a service but limit our financial input
- Category 3 – areas where we want to drive down costs subject to minimum standards being achieved
- Category 4 – things we just stop doing



# Initial communication approach

- Briefings
- Web based and paper based briefing document
- Service specific focus groups
- Consultation with community partners
- Feedback and next steps from October onwards





# Next steps

- Report progress to Budget Working Group
- No surprises for elected members
- Robust communication and consultation
- Draft budget by to members - November
- Prepare for decision making



Budget brainstorm

Initial consultation approach



# Aims of the session:

- Alert community representatives to the budget challenges faced by Argyll and Bute Council.
- Uncover ideas and suggestions that the council can use as the budget is set.



# It's just the start....

- |   |                                       |   |   |
|---|---------------------------------------|---|---|
| ✓ | Understanding of the budget           | ✗ | Expecting the public to do the job of councillors and council staff |
| ✓ | Ideas on what we could do differently | ✗ | Definitive answers  |
| ✓ | Where to find out more                | ✗ | Formal consultation   |
| ✓ | Tell the people you represent         | ✗ | Going to be easy  |

What do you think?



# Can we group the suggestions?

- Similarities?
- Differences?

