

## Management Committee

Date: 30 September 2015



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# PLANNING OUR FUTURE – SERVICE CHOICES: ARGYLL AND BUTE COUNCIL

## 1.0 Purpose

1.1 This report provides the Community Planning Partnership with an update on the strategy agreed by the Council to address the key challenges facing Argyll and Bute in relation to population, the economy, the Single Outcome Agreement and the budgetary outlook.

## 2.0 Recommendations

2.1 Community Planning Partners bring their proposals for dealing with the challenges outlined within the Single Outcome Agreement to the next meeting in December 2015.

## 3.0 Background

3.1 The Council's estimated budgetary outlook has been based on a best and worst case scenario. The budget gap for the 5 year period 2016-17 to 2020-21 is estimated to be between £21.7m and £26.0m. The budget gap is weighted to the first two years, with a budget gap of up to £18.4m by 2017-18. This is in itself provides a challenge to deliver short term budget savings, whilst supporting the outcomes within the Single Outcome Agreement.

3.2 Argyll and Bute Council's Policy and Resources Committee, at its meeting on 18 December 2014, agreed the strategy to address the challenges within the Single Outcome agreement, entitled Planning our Future. There are 4 different elements to the strategy:

- Service choices
- Investing for economic growth
- Strategic Infrastructure Plan
- Investing for income.

3.3 Much of the focus over the last few months has been on the Services Choices element of the strategy in response to the short term budgetary outlook, however, as

part of Planning our Future, work has commenced on the other elements and officers keep under review any opportunities for innovation and transformational change.

## **4.0 Detail**

### **4.1 Service Choices**

4.1.1 Service Choices is an approach that plans for the estimated funding reductions by aligning the available budget to Members priorities.

4.1.2 The Service Choices process commenced at the beginning of the year and is progressing through the four key stages:

- Initial options identification
- Options review
- Business planning/Options Development
- Implementation.

4.1.3 Services were split up into service packages, and consideration was given as to whether the service could be stopped or reduced or whether it needed to be maintained or increased.

4.1.4 Service packages to be considered for a budget reduction have now progressed to Stage 3 of the process and developed savings options ensuring that the options are deliverable and that the risks and impact have been fully explored.

4.1.5 The next step in the process is to go out to public consultation on the savings options. There is a Policy and Resources Committee on 8 October 2015 and then a Special Council on 22 October 2015 to agree the savings options for public consultation.

4.1.6 The results of the public consultation will be considered in January and the Council will set its budget for 2016-17 in February 2016.

### **4.2 Other Planning our Future Elements**

4.2.1 The other areas that the Council have commenced work on are:

- Investing for economic growth
- Strategic Infrastructure Plan
- Investing for income.

4.2.2 In addition, the Council have been considering issues relating to innovation, income generation and investing for income. A report is due to be presented to the

Policy and Resources Committee on 8 October, outlining an approach to identifying and progressing innovative solutions.

## 5.0 Conclusions

5.1 This report outlines the strategy agreed by the Council to address the challenges within the Single Outcome Agreement.

5.2. The focus over the last few months has been on Service Choices in response to the short term budgetary outlook, however, as part of Planning our Future, work has commenced on other issues, which are highlighted. Officers continue to keep under review any opportunities for innovation and transformational change.

## 6.0 Implications

Strategic Implications	This report highlights the elements of the strategy agreed within the Council to address the challenges within the Single Outcome Agreement.
Consultations, Previous considerations	The Policy and Resources Committee agreed to the approach and Service Choices has progressed via a Project Board.
Resources	The Council is currently facing a budget gap of around £9m in both 2016-17 and 2017-18. The savings options identified as part of service choices aim to deliver enough savings to bridge this gap and will inevitably have implications on staffing levels. The Trade Unions are being consulted as the process progresses.
Prevention	The Service Choices process aims to balance the Council's budget whilst taking into consideration the priorities within the Single Outcome Agreement.
Equalities	Savings options could have equalities implications and where this is the case, an Equalities Impact Assessment will be completed.

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