

**Manchester City Council
Report for Resolution**

Report to: Neighbourhoods Scrutiny Committee -18 November 2014
Economy Scrutiny Committee - 19 November 2014
Executive – 26 November 2014

Subject: Budget Options for Growth and Neighbourhoods 2015-17

Report of: Deputy Chief Executive (Growth and Neighbourhoods) and City Treasurer

Summary

This report provides Members with information on the draft savings options for the Growth and Neighbourhoods Directorate. Scrutiny committee is invited to comment on the options and identify areas where they would like to see further information as part of the December scrutiny cycle.

The savings options will then form part of the draft budget which will be reported to Executive in January, prior to a recommended budget going to the February Budget Executive.

Executive is recommended

To note the savings options included in the paper and the associated consultation and scrutiny processes which will inform the development of the budget proposals.

Wards Affected: All

| Community Strategy Spine | Summary of the contribution to the strategy |
|---|--|
| Performance of the economy of the region and sub region | Providing leadership to drive forward the growth agenda for the city and ensure economic growth is sustained. This will be done through working in partnership with key sectors and other authorities and public bodies within the conurbation and region. |
| Reaching full potential in education and employment | Raising skill levels of Manchester residents and ensuring they are connected to education and employment opportunities across the city. |
| Individual and collective self esteem – mutual respect | Equipping residents with the capacity and confidence to enable an increase in independence and doing more for themselves. |

| | |
|--------------------------|--|
| Neighbourhoods of Choice | Ensuring clean, safe and green neighbourhoods that have access to good quality amenities. Creating places where people want to live and stay. |
|--------------------------|--|

Implications for:

Equal Opportunities Policy: Yes
Risk Management: Yes
Legal Considerations: Yes

Financial Consequences for the Capital and Revenue Budgets

The report contains draft savings options for comment for a draft budget report being prepared for January Executive. The draft options in the report total £6.639m for 2015/16 and further £5.151m for 2016/17.

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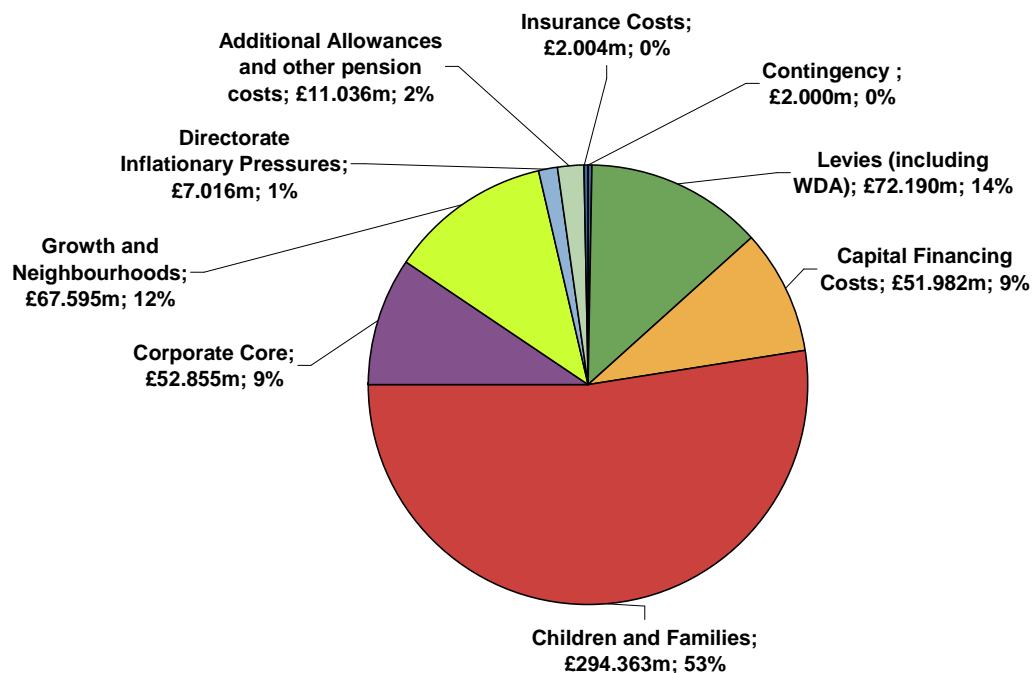
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Background documents (available for public inspection):

None.

1. Corporate Introduction and Context

- 1.1 As set out in the Report to Budget Executive in February 2014, the Council is facing a significant funding gap for 2015/16 and 2016/17. This was estimated as £60m rising to £100m. Assumptions have been reviewed and the latest best estimate is £59m (15/15) rising to £91m (15/17). It has to be stressed that there are no figures for the Financial Settlement for 2016/17 so these figures are an estimate and the position will change as more information becomes available.
- 1.2 For 2015/16 the c£60m shortfall is made up of £50.8m reductions in government funding as part of the financial settlement, and £14.8m for unavoidable cost pressures partly offset by a £6.5m increase in other resources (dividends, business rates and other grants).
- 1.3 This is part of a continued trend of budget reductions. By 2016/17 this would mean a c40% reduction in the directorate cash limit budgets from £534m to £324m since 2011. As the Council has a low Council Tax base and is hence more reliant on central government grant funding it has received a disproportionate share of the reductions. This has been coupled with the ineffective nature of the incentives for growth such as New Homes Bonus.
- 1.4 As part of the budget process all of these assumptions are being reviewed and updated. This includes reviewing the levels of council tax, business rate and other sources of income that are likely to be received as well as the cost pressures. The work will culminate in the preparation of a draft budget for consideration by members in early January, following the receipt of the Provisional Financial Settlement due mid to late December. The Council will need to develop a package of measures in order to deliver a balanced budget and the draft savings options set out in these scrutiny reports form an important part of the process.
- 1.5 The Council has a net revenue budget of £561m which is summarised in the pie chart below. The levies cover services provided at a GM level particularly waste disposal and transport. There is limited flexibility to reduce these, the capital financing costs or the historic pension liabilities, so the focus is on the Directorate budgets for Growth and Neighbourhoods, Children and Families and the Corporate Core.



1.6 In coming to a draft and then recommended budget, the decision making process will need to be guided by the strategic priorities for the Council which are summarised in the box below.

| | |
|---------------|--|
| Growth | More jobs in Manchester Growth in key sectors New homes Skilled labour market Improved connectivity and infrastructure |
| Reform | Fewer people out of work Improved educational attainment Health improvements Fewer Looked After Children Better early years experience |
| Place | Clean and safe neighbourhoods Quality green space Vibrant local areas Major attractors – sport, culture and shopping |

1.7 The agreed budget principles, as set out below, can then provide the framework within which decisions are made:

- Leadership for Reform – Economic Growth, reduce worklessness and dependency, promote private sector investment.
- Targeted Services – Provide effective safeguarding and protect the most vulnerable, support effective integration of health and social care and integrated commissioning at neighbourhood level. Work to reduce

- dependency, manage demand effectively and support residents to be economically active.
- Universal Services – ensure provision of high standard of services for residents from education to libraries, ensure services provide support to those most in need
 - Neighbourhoods – Budgets should be neighbourhood focused, with the aim of providing places where people choose to live and work that are clean and safe with a good housing offer and a range of accessible local services.
 - Core – Centres of Excellence to drive reform, provide effective support services, protect customer facing services, and maintain the Council's leadership role within AGMA and the Combined Authority.
- 1.8 This report provides Members with information on the draft savings options for the Growth and Neighbourhoods Directorate. Attached to the report are the detailed savings schedules. The savings options put forward as part of this report have been assessed by officers for their deliverability and impact. This information is included in the Schedules with a risk or RAG (Red/Amber/Green) rating and a summary of the potential impact. The proposals have also been considered by Executive Members who are keen that all the identified options are set out so they can be considered and consulted upon. However, where there are particular concerns about the extent of their impact on the priorities for the city these have been shaded grey.
- 1.9 Scrutiny Committee is invited to comment on the options and identify areas where they would like to see further information as part of the December Scrutiny cycle. The report also identifies and provides information on those options that will require equality impact assessments.
- 1.10 The savings options that are agreed will then form part of the draft budget which will be reported to Executive in January, prior to a recommended budget going to the February Budget Executive and March Council.

2. Directorate Strategy and Overview

- 2.1 The Growth and Neighbourhoods Directorate is well placed to ensure that the Council has the capacity to deliver its priorities of creating the conditions for economic growth, influencing the regional strategy through involvement at a national and Greater Manchester level, and developing local neighbourhoods where people choose to live. This includes encouraging development and investment into the city, raising skill levels and creating employment opportunities; delivering and managing culture, sport and housing; as well as ensuring the city is clean and green, well maintained and safe, and residents take pride in their surroundings. Member and resident engagement will underpin this work and be a critical part of delivering sustainable behavioural change. Culture and sporting excellence are at the heart of the growth agenda and have been, and will continue to be, a major regeneration catalyst.

- 2.2 This report sets out the draft savings options for the Growth and Neighbourhoods Directorate for 2015-17 and how the reduced resources will be realigned to deliver the priorities for the city and the Council.

3. Budget Review

- 3.1 The Growth and Neighbourhoods directorate is currently split across the functions listed in the table below. The directorate has an overall budget of £187m gross / £102m net for 2014/15 before the application of the proposed savings, and a staffing complement of 1,364 FTEs.

Table 1: Growth & Neighbourhoods Cash Limit budget

| Service Area | 2014/15 | | |
|--|----------------------|--------------------|-----------------|
| | Gross Budget £000 | Net Budget £000 | FTE Posts |
| Neighbourhood Delivery | 53,875 | 39,182 | 517 |
| Community and Cultural Services | 33,696 | 22,614 | 351 |
| Regeneration | 19,224 | 6,019 | 67 |
| City Centre Regeneration | 1,133 | 412 | 7 |
| Policy, Partnerships and Research | 7,383 | 2,550 | 69 ¹ |
| Planning, Building Control and Licensing | 6,038 | 240 | 116 |
| Strategic Development | 19,770 | (1,959) | 222 |
| Directorate Support | 11,037 | (1,463) | 15 |
| Sub - Total | 152,156 | 67,595 | 1,364 |
| Waste Levy | 34,398 | 34,398 | 0 |
| Grand Total | 186,554 | 101,993 | 1,364 |

- 3.2 The savings options relating to the Growth and Neighbourhoods Directorate for 2015-17 total **£11.79m**. A summary of the savings options for 2015-17 is shown in Table 2 with further information provided in Section 4 below.

¹ Includes 22 FTE who are not part of the service, the majority are part of the Greater Manchester Energy Advice Service which is self financing and part of the GM Low Carbon hub.

| Growth and Neighbourhoods | Net Budget 2014/15 | Saving Options 2015/16 | Saving Options 2016/17 | Indicative FTE Reduction |
|----------------------------------|---------------------------|-------------------------------|-------------------------------|---------------------------------|
| Service Area | £'000 | £'000 | £'000 | |
| Neighbourhood Focus | 15,850 | 2,236 | 1,676 | 77 |
| Waste and Recycling | 49,657 | 1,200 | 2,800 | 0 |
| Leisure and Libraries | 5,599 | 955 | 25 | 1 |
| Culture and Galleries | 7,274 | 405 | 200 | 7 |
| Supporting Growth | 3,352 | 1,843 | 450 | 10.5 |

3.3 The report shows how these savings will be achieved whilst continuing to provide the leadership and focus for the sustainable growth and transformation of the city through:

- Identification and promotion of opportunities to develop the city's fabric, infrastructure, business and skills base;
- Encouraging new investment and development;
- Connecting local communities to the employment opportunities;
- Working with our partners and neighbourhoods, so that the city is clean, safe and green; and
- Ensuring communities take pride in and ownership of their area and lives.

4. Overview of Business Case for Savings in Growth and Neighbourhoods

4.1 If Manchester's economy is to remain resilient and, as conditions improve, the strongest opportunities for future growth are to be maintained, the Council needs strong leadership capacity. This leadership must support the city by securing more of the powers and influence which are needed to align national resources to the city's priorities. The recent announcement on devolution of powers and resources to Greater Manchester (GM) is a key aspect of this aspiration. This includes securing the maximum ability to invest in transport, digital, housing and other infrastructure, and in skills. The ability to secure resources from Europe and from joint investment with the private sector will also be key to developing local investment models and the types of development which support local priorities. Critical to this will be strengthening of the city's evidence base and further development of the analysis of what is required to enable Manchester to be a World Class city into the future.

4.2 The Growth and Neighbourhoods directorate will drive new opportunities for commercial, residential and other related development across the city encouraging new investment and development aligned to our key economic growth sectors, and in doing so increase employment opportunities for local residents. This approach will ensure that the City Centre, which remains the biggest single driver of growth for Greater Manchester and the wider region, along with other key employment sites, continues to improve their economic performance. The directorate will also continue to effectively oversee stakeholder management associated with the continued delivery of key transformational projects. This will require strong partnerships with business

as well as Universities, Government, other public sector, European players and other partners.

- 4.3 If Manchester people are to make the most of the opportunities that will be created by growth, the Council will need the strongest possible capacity to connect actions at all levels to secure skills provision which matches the needs of Manchester's growing and diversifying economy with strategic support to the city's schools and colleges. Ensuring that Manchester people have the skills needed to enable the city's economy to grow will be critical. The need to reduce dependency underlines the local imperative of significantly reducing worklessness and encouraging skills development. Work and skills must be at the heart of all of our people based interventions.
- 4.4 The city has made progress over the past ten years in helping Manchester residents to improve key outcomes such as education, skills, health and reducing crime and disorder; often faster than national rates of improvement, enabling gaps between Manchester and elsewhere to be closed. To continue and accelerate this trend in the new context will require an approach in which the Council integrates its capacity to support growth with its capacity to support Manchester people. The proposed integration of Neighbourhood Focussed services - Neighbourhood Delivery, Neighbourhood Regeneration and Community and Cultural Services - is central to the Council's ability to manage and develop places where people want to live now and into the future.
- 4.5 Initiatives are being implemented to build greater resilience and capacity within neighbourhoods whereby residents undertake more activity themselves, demonstrating a commitment to their communities and reducing expectations on public services. In this context, it is recognised that a strong universal offer can support residents to become less reliant on targeted services. Over the next year, this work will continue, with a particular focus on waste and recycling and continuing to encourage residents to use digital channels to report problems or request services.
- 4.6 Partnerships with communities and voluntary groups, for example, in the provision of cultural and leisure facilities will become even more important. We need to engage and build capacity within our communities to create independent and thriving places, sustained positive and active lifestyles and a vibrant volunteer sector.
- 4.7 Over the past ten years Manchester's population has grown at a faster rate than any other UK city. The objective of the Manchester Strategy is to ensure that the city has a residential offer that enables the city's economy to continue to grow, providing homes that can attract and retain those working in Manchester. The ability to identify and deliver a range of residential growth interventions will be driven forward by our Manchester Place Partnership with the Homes and Communities Agency which will draw upon the skills and knowledge within the strategic development function. This function will also support the development of the Residential Growth Strategy at a Greater Manchester level.

5. Key Changes and Savings to be Delivered

The key changes set out below outline how the Growth and Neighbourhoods directorate proposes to refocus its resources over the next two year budget period. These options have been developed in a way that will allow the directorate to achieve its objectives and support the Council, with its partners, to achieve its ambitions of economic growth, people-focused reform reducing dependency on high cost services and a focus on place, delivering services that meet the needs of Manchester's diverse neighbourhoods. As a result, they have been grouped under two headings - Neighbourhood Focus and Supporting Growth.

Neighbourhood Focus

- 5.1 Growth & Neighbourhoods provide a wide range of universal services both to internal and external customers. These include community facilities and services that residents can expect to be available to everyone such as libraries, leisure, environmental services, collection of waste and recycling, street cleaning and grounds maintenance, neighbourhood enforcement and access to information and advice.
- 5.2 The options include the adoption of a new holistic and integrated approach to the development and management of neighbourhoods via a refreshed **Neighbourhood Function**. The integrated offer would include services currently delivered through Community and Cultural Services (CCS), Neighbourhood Regeneration (NRT) and Neighbourhood Delivery (NDT) teams. These services currently deliver a wide range of operational and strategic functions which include enforcement and compliance, ward coordination, and the management and development of parks and green spaces. Work is required to bring forward robust and integrated operational arrangements for this new function.
- 5.3 A range of savings options have been proposed which will deliver between a 10% and 20% reduction in resources of **£1.476m or £2.952m** respectively. The 10% reduction would be delivered through efficiencies from greater integration and a reduced requirement for direct operational management. A 20% reduction would include these efficiencies plus significant service reductions in most neighbourhood based activity including proactive enforcement, community, stakeholder and business engagement and a shift away from universal provision to focussing remaining resources at areas of greatest need.
- 5.4 Further options include the reduction at a neighbourhood level in the delivery of **Cash Grants**. Two options have been developed, the first of which involves the removal of Cash Grants, enabling a saving of **£960k**. The Council and partners will need to work with residents to assist them in identifying alternative funding sources for local groups and activity. An alternative would be to develop a tighter and more structured programme of Cash Grants coupled with a reduction in the budget of **£320k**. The criteria would be

realigned more clearly to the city's priorities and where investment could be levered elsewhere e.g. recycling, work & skills, cleaning the city, strengthening capacity in neighbourhoods. Using Cash Grants in this way could help meet the Council's other savings priorities and targets which will be channelled through the new place based Neighbourhood Teams who will commission in line with local priorities.

- 5.5 **Waste Collection and Disposal, Recycling and Street Cleansing** remains the single biggest area of spend within the Directorate with gross expenditure of almost £50m. Savings of 10% are targeted through the external procurement of a joint service for Waste Collection and Street Cleansing which would deliver **£1.6m** in comparison to the current level of spend.
- 5.6 Further savings will be sought by reducing the costs of waste disposal, through working with residents to reduce the amount of waste they produce and to recycle more. It should be noted that these savings will be challenging to deliver due to both the mechanics of the waste levy and because any savings will rely on ensuring effective and sustained behaviour change across the city. Here, total savings of **£2.4m** from the waste levy are targeted in 2016/17 following the award of the new contract. This will require investment in the Education, Engagement and Enforcement function, in conjunction with the new contractor, to deliver the required behaviour change amongst residents.
- 5.7 **Leisure Services** have made significant changes over the past year through the construction of new facilities, the award of a contract to Greenwich Leisure Limited to manage community leisure facilities, which will save **£235k**, and the development of the Eastlands and Wythenshawe Trusts to manage the remaining indoor leisure facilities. These arrangements will be further built on to deliver additional efficiencies of **£250k** through the transfer of some sports and leisure delivery, such as school swimming and sports development, to these operating partners.
- 5.8 The option of an integrated approach to events is currently being explored, to be achieved by aligning the development, delivery and commissioning of all major events within Growth and Neighbourhoods. Notwithstanding this wider integration, closer alignment on the Major Sports Events Strategy with the Eastlands Trust will remove duplication and drive a commercial focus, saving **£200k**.
- 5.9 Savings of **£70k** could also be achieved by replacing free swimming for over 60's and for under 16's with a charged model, in line with current tariffs. It is recognised that this is likely to significantly impact on participation rates and have a negative impact on health outcomes for these residents.
- 5.10 The **Libraries Service** has made significant changes over the past two years through the development of an outreach model which has reduced the potential for further savings. The options therefore focus on improving efficiency through the adoption of a new library management system at GM level, saving **£25k**, and a reduction in the level of resources available for

books and other materials of either **£100k** or **£200k** which will have an increasingly noticeable impact on users and the availability of new material.

- 5.11 In order to achieve any further savings in the library service, there would need to be a further review of statutory provision, considering closures, alternative models and an increased reliance on volunteers. Any reduction in library services would need to be informed by a new city wide needs assessment and equalities impact assessment and would be subject to a 12-week statutory public consultation.
- 5.12 **Galleries and Culture** have options of efficiency savings of **£30k** efficiencies from changes to contractual arrangements and **£45k** from savings resulting from the realignment of the Culture Team into City Policy and more broadly integrating it with the emerging neighbourhood focus arrangements .
- 5.13 Further savings options of up to **£222k** could be made from a further redesign of the Galleries Staff team as part of the Growth and Neighbourhoods transformation programme. Loss of public facing staff would negatively impact on provision and the user experience. A reduction in resources of **£220k** in respect of grants to Cultural Organisations is also an option for consideration.
- 5.14 A further option for savings of **£88k** has been identified through the closure of Platt Hall. More detailed work is ongoing on potential legal issues arising out of this option which could mean that there is a requirement to continue to maintain the building and house the collection. The saving is therefore relatively low in comparison to the potential impact.
- 5.15 The Directorate has also commissioned a piece of work to consider **income generation** from the Council's sporting, leisure and cultural assets which is due to report back in late November 2014. It is likely that this will identify opportunities for bringing more income into the Council. However, it is not possible to say what will be deliverable within the current budget period at this stage.

Supporting Growth

- 5.16 A range of **feasibility and commissioning budgets** which have been used to pump prime transformational initiatives such as Manchester Life and many small scale localised initiatives have been reviewed. The focussing of resources will enable the saving of **£680k** from these budgets to be used to support and deliver transformational projects. A further reduction of **£220k** will be made through better integration of physical and infrastructure related policy roles within **City Policy** with some reduction in capacity.
- 5.17 The continuing transformation, growth and economic recovery within the city will however translate into greater volumes of planning applications and building control work which will facilitate the delivery of **£200k** of savings in **Planning and Building Control** through a combination of additional income and efficiencies.

- 5.18 The **Strategic Housing** service will deliver savings of **£363k** by maximising the way Housing Revenue Account (HRA) funding is used informed through learning from experience elsewhere. This will ensure that it is appropriately funding both posts and functions that relate to the management and maintenance of the HRA stock and services that directly benefit HRA tenants.
- 5.19 It is also proposed to review and restructure the service to ensure that it is being delivered as efficiently as possible which will achieve a saving of **£180k** through workforce reductions.
- 5.20 Corporate Property will lead on the future introduction of the One Public Estate initiative; this will enable collaboration opportunities to be explored at a strategic level with public sector partners enabling property assets to be better utilised increasing the opportunity for property related savings to be made in the future.
- 5.21 To ensure that the City Council is in position to maximise the opportunities that this will present, it will need to continue the property rationalisation of the Council's **Operational Property Estate**. This will result in reduced running costs with anticipated savings of **£450k** between 2015 and 2017.
- 5.22 Management of the Council's **Investment Property Estate** is currently split between the Council's in-house Development Team and an external provider. The external contract expires in June 2015 and the ongoing requirements are being reviewed in conjunction with a review of the overall Investment Estate. Additional income and efficiencies of **£200k** are proposed to be delivered through this process.

6. Partnerships and Enablers

- 6.1 The role of partners and the way in which the directorate works with them is critical to the delivery of the objectives set out within the Manchester Community Strategy.
- 6.2 The Neighbourhood Focus options will further strengthen partnership working at both a strategic and neighbourhood level. The relationship with Greater Manchester Police is particularly strong with some teams currently being co-located within Police stations. Registered Providers also undertake a range of activities within neighbourhoods across the city. There is recognition and a willingness to reduce areas of duplication and work more collaboratively to provide the best outcomes for Manchester residents. An example of this can be seen in Wythenshawe where Wythenshawe Community Housing Trust has worked with the Council to test the options to take on greater responsibilities on behalf of the Council. An evaluation of this is underway and will help inform further work going forward.
- 6.3 Partnership working with stakeholders who drive and support the city's work and skills priorities, such as Jobcentre Plus, colleges and training providers will be crucial. The relationships with the recently formed Eastlands Trust and new Leisure provider, GLL, will form a solid foundation on which to further

develop and strengthen the indoor leisure offer across the city. The relationship with the University of Manchester in respect of the City Galleries is also an important one and continues to be significant in the way the city attracts visitors from across the globe and is a key contributor to Manchester's economy.

- 6.4 The commitment made by volunteers and community activity to the priorities of the city, and in particular the work of the directorate to support and enable this are well recognised. As the organisation moves forward, it is essential that these volunteers and groups continue to be supported so that they feel equipped to take on greater responsibilities and are able to influence and support others within their neighbourhoods to become more resilient and independent.
- 6.5 Other opportunities that are emerging with partners include One Public Estate. The programme will drive estate rationalisation across the whole public estate, supporting a place-based collaborative approach to managing land and buildings and to use capital and property assets to generate savings and promote local economic growth.
- 6.6 The directorate's relationships with the other two Council directorates; Children and Families and the Corporate Core are also critical if the organisation is to deliver the desired outcomes for Manchester residents. For example, staff in Growth and Neighbourhoods currently support the reform agenda in a range of ways including working in Troubled Families Local Integration Teams in neighbourhoods and delivering the Working Well programme to support those furthest removed from the labour market.
- 6.7 It will be essential that our partners and community organisations are fully consulted on the key options being brought forward to respond to the budget reductions required and to ensure full account is taken of the impact on particular groups of residents. Equality Impact Assessments and associated reviews will be undertaken to address this.

7. Impact on Residents and Communities

- 7.1 Every opportunity will be taken to explain to residents how the directorate intends to re-provide some of the services as opportunities and economic growth permits. At present there are no options in Growth and Neighbourhoods which will require a specific focussed consultation process. We will however engage with residents and consider their views as part of the overall budget consultation process.
- 7.2 Equality Impact Assessments of all major reductions will be carried out.

8. Workforce Impact

- 8.1 The projected workforce impact of activity to deliver the **£3.892m** of 2015/17 workforce savings requires staffing reductions in a number of areas across the Directorate in alignment with the options described. It is expected that if the

savings are agreed at the maximum levels proposed that a reduction of **95.5 FTE** will be required. The transformation and reduction of the workforce will be managed in alignment with the *m people* principles and, through the development of skills across the workforce, support effective planning for the future. The detailed impact on specific roles will continue to be identified as specific options are developed, and supported by continuous engagement with the Trade Unions and staff. Robust workforce planning arrangements are in place to ensure that, as functions and roles change, the skills and focus of the workforce are effectively developed in alignment with this.

- 8.2 The development of the workforce within the directorate continues to be a priority to ensure our workforce are adequately skilled and deployed to deliver against our strategic objective of developing opportunities for Growth and Reform across the city. Development of leadership and management capacity at all levels remains important to support innovation and lead the development of services that can support greater independence at a neighbourhood level and lead to better outcomes for residents. The Directorate must build on its successes in developing partnership and collaborative models of delivery and identify further opportunities to develop more effective and integrated ways of working. The implementation of clear career pathways and development opportunities will support succession planning particularly in key areas where we have identified challenges in terms of skills or knowledge required for the future. The development of reward and recognition initiatives will aim to increase morale and further embed the Council values with the workforce during the challenging times ahead.

9. Next steps

- 9.1 The savings options set out in this report are being considered as part of the production of a draft budget for January Executive. Members are asked to comment on the options and identify areas where they would like further information to be considered as part of the December scrutiny committee cycle.

Members of the public who wish to comment on these options will be able to do so on the Council's internet page www.manchester.gov.uk/budget.

The webpage will contain a link to this report, a plain english summary of the options for consideration and a place where people can post any general comments or ask questions about the options.

Following consideration of the reports by the Executive on 26th November the general consultation on all of the Council's budget options will be launched. The general consultation will run through to Executive in February 2015.

Appendix 1 Growth and Neighbourhoods

| Description of Saving | 2014/ 15 Baseline Budget | Type of Saving | RAG Deliverability | RAG Impact | Impact | Amount of Saving Proposal | | | FTE Impact (Indicative) | Subject to Public Consultation (Y/N) |
|---|--------------------------------|--------------------------------|-----------------------|---------------|--|---------------------------|---------|-------|-------------------------------|---|
| | £,000 | | | | | 2015/16 | 2016/17 | Total | | |
| | | | | | | £,000 | £,000 | £,000 | | |
| Neighbourhood Focus | | | | | | | | | | |
| Integration of Neighbourhood Functions across the Directorate (CCS, NDT, NRT) | 14,890 | Efficiency / Service Reduction | Amber | Amber | Proposed saving from integration of the neighbourhood functions from across the Directorate with a 10% reduction in the level of resources (excluding libraries). This will require greater efficiencies and reduced capacity in some neighbourhood functions. All savings will be from workforce reductions. | 638 | 838 | 1,476 | 38.5 | N |
| | | Service Reduction | Red | Red | Proposed saving from integration of the neighbourhood functions from across the Directorate with a 20% reduction in the level of resources (excluding libraries). This will require efficiencies and result in significantly reduced capacity, and therefore service reductions across all neighbourhood functions. All savings will be from staffing and will be dependent on achieving workforce reductions. | 638 | 838 | 1,476 | 38.5 | N |
| Sub Total Neighbourhood Focus | | | | | | 1,276 | 1,676 | 2,952 | 77.0 | |
| Maximising access to Community Funding (Cash Grants) | 960 | Service Reduction | Green | Amber | A reduction, of one third of the budget for community projects and initiatives with criteria better aligned to the Council's priorities. This may reduce the ability to engage with communities. | 320 | - | 320 | - | N |
| | | Service Reduction | Green | Amber | A further reduction, of the remaining two thirds of the Cash Grants budget for community projects and initiatives. This may significantly reduce the ability to engage with communities. | 640 | - | 640 | - | N |

| | | | | | | | | | | |
|--|---------------|-------------------|-------------|-------|---|--------------|--------------|--------------|-----------|---|
| Sub Total Community Funding | | | | | | 960 | 0 | 960 | 0 | |
| Sub total Neighbourhood Focus | 15,850 | | | | | 2,236 | 1,676 | 3,912 | 77 | |
| Waste, Recycling and Street Cleansing | | | | | | | | | | |
| Increased efficiency from waste collection and street cleansing contract | 16,020 | Efficiency | Green | Green | Increased efficiency of waste collections and street cleansing. | 1,200 | 400 | 1,600 | TUPE | N |
| Reduction in levels of residual waste to help reduce our waste levy | 33,637 | Efficiency | Red | Green | Reducing costs from the waste levy are dependent on embedding behaviour change and increasing recycling rates across the City at a faster rate than other GM districts. | - | 2,400 | 2,400 | 0 | N |
| Sub Total Waste, Recycling and Street Cleansing | 49,657 | | | | | 1,200 | 2,800 | 4,000 | 0 | |
| Leisure | | | | | | | | | | |
| Efficiencies from revised leisure contract | 2,645 | Efficiency | Green | Green | Savings from new contract will have no impact on services. | 235 | - | 235 | - | N |
| Transfer of functions to the Leisure Trust | 590 | Efficiency | Amber | Green | Transfer employees responsible for sports development delivery into the Leisure Trust arrangements. | 250 | - | 250 | 10 (TUPE) | N |
| Reduced costs of sports events | 1,170 | Efficiency | Amber | Green | Minimal based on reduction in staffing and costs of venue hire through increased commercialisation. | 200 | - | 200 | 1.0 | N |
| Removal of free swimming provision | 70 | Service Reduction | Green | Red | Removal of free swimming will impact on customer engagement, attendance and public health benefits. | 70 | - | 70 | | N |
| Sub Total Leisure | 4,475 | | | | | 755 | - | 755 | 1 | |
| Libraries | | | | | | | | | | |
| Efficiencies from the GM library management system | | Efficiency | Green | Green | No impact, efficiencies from the GM library management system. | - | 25 | 25 | | N |
| Reduced funding for libraries materials | | Efficiency | Green | Green | Reduction in funding for new material will reduce the quantity of new material available. | 100 | - | 100 | | N |
| | 1,124 | Service Reduction | Amber | Amber | Significantly reduced budget for new materials which will have a noticeable impact for users. | 100 | - | 100 | | |
| Undertake a further review of statutory library provision with a new city wide needs assessment and EIA to explore further library closures and/or the introduction of alternative models such as increased reliance on volunteers | | Service Reduction | Amber / Red | Red | Reduction in the number of facilities / growth in outreach libraries. | | | TBC | | Y |
| Sub Total Libraries | 1,124 | | | | | 200 | 25 | 225 | 0 | |

| | | | | | | | | | | |
|--|--------------|--------------------|-------|-------|---|------------|------------|------------|------------|-------------|
| Sub total Leisure and Libraries | 5,599 | | | | | 955 | 25 | 980 | 1 | |
| Galleries & Cultural Grants | | | | | | | | | | |
| Undertake a service redesign in Galleries | | Efficiency | Green | Amber | Reduced resources within the Gallery in back office roles. | 172 | - | 172 | 3.5 | N |
| | | Service Reduction | Green | Red | Reduction in public facing roles which engage local communities. This has the additional risk of potential loss of funding from the Arts Council. | 50 | - | 50 | 1.5 | N |
| Reduce grant funding to organisations | 7,274 | Reform | Amber | Amber | Reduced grants to current recipients, it is likely to require time to adjust business models / plans in advance of any changes to ensure sustainability. | - | 200 | 200 | - | N |
| | | Reform | Green | Green | Reduce grant to current recipients due to deficit funding arrangements. No impact. | 20 | - | 20 | | N |
| VAT efficiencies | | Efficiency | Green | Green | No impact. Efficiencies from changes in contractual arrangements. | 30 | - | 30 | | N |
| Explore Closure of Gallery of Costume (Platt Hall) | | Service Reduction | Green | Amber | Loss of cultural facility, access to the collection would be reduced | 88 | - | 88 | | N |
| Align culture resources in City Policy function | | Efficiency | Green | Green | Minimal impact and greater alignment with existing policy and programme management functions. | 45 | - | 45 | 2.0 | N |
| Sub Total Galleries & Cultural Grants | 7,274 | | | | | 405 | 200 | 605 | 7.0 | 1360 |
| Supporting Growth | | | | | | | | | | |
| Additional income generated from planning fees. | 675 | Income generation. | Green | Green | This will create a further stretching target around planning income which is currently considered deliverable but which would not be sustainable during an economic downturn. | 150 | - | 150 | | N |
| Efficiencies within the building control service. | 259 | Efficiency | Amber | Green | Efficiencies within Building Control and increased income generation. | 50 | | 50 | | N |
| Strategic Housing service redesign | 869 | Efficiency | Green | Green | Maximisation of HRA funding. | 363 | - | 363 | - | N |
| | | Service Reduction | Green | Green | Reduction in resources within the empty property team which will reduce the resources | 180 | - | 180 | 4.0 | N |

| | | | | | | | | | | |
|--|--------------|--------------------------------|-------|-------|--|--------------|--------------|---------------|-------------|---|
| | | | | | available to work with landlords and to bring empty properties back into use. | | | | | |
| Redesigning strategic planning, policy, research and environmental strategy roles within City Policy | 2,375 | Efficiency | Green | Green | Better integration of physical / infrastructure related policy roles. Some reduction in capacity. | 220 | - | 220 | 6.5 | N |
| Rationalisation of the operational property estate | 10,475 | Efficiency / Collaboration | Amber | Amber | Rationalisation of the current number of properties and reductions in running costs will be required. This would result in the relocation of staff and increased occupancy in retained buildings. Savings are expected to be in the region of £450k - £1m. | - | 450 | 450 | | N |
| Generation of additional income from the investment estate | (13,441) | Income generation / Efficiency | Amber | Green | Increased income target for property strategy team and efficiencies from the external management contract will be required. | 200 | - | 200 | | N |
| Reduction in the Feasibility and Commissioning budget | 2,140 | Efficiency | Green | Green | Reduction in ability and scope to pursue lower level strategic projects and local initiatives. | 680 | - | 680 | | N |
| Sub Total Supporting Growth | 3,352 | | | | | 1,843 | 450 | 2,293 | 10.5 | |
| Total Growth and Neighbourhoods | | | | | | 6,639 | 5,151 | 11,790 | 95.5 | |