



Gloucestershire

COUNTY COUNCIL

Cabinet

2.00 pm

on

Thursday

18 November 2010

Agenda Item 4 attached

Please retain for use at the Council's meeting on 24 November 2010

Cabinet	<i>Gloucestershire County Council</i>
Thursday 18th November, 2010 2.00 pm	
Cabinet Suite - Shire Hall, Gloucester	
AGENDA	

Item	Discussion	Portfolio
4	Meeting the Challenge (Pages 1 - 66) To consider the portfolio of change emerging from the "Meeting the Challenge" agenda	Leader

The Cabinet

Cllr Mark Hawthorne, Cllr Paul McLain, Cllr Tony Hicks, Cllr Antonia Noble, Cllr David Thorpe, Cllr Will Windsor-Clive, Cllr Chas Fellows, Cllr Jackie Hall, Cllr Ray Theodoulou and Cllr Stan Waddington

NOTES

- 1. DECLARATIONS OF INTEREST** – Members requiring advice or clarification about whether to make a declaration of interest are invited to contact the Monitoring Officer (Nigel Roberts ☎ 01452 425201/fax: 426790/e-mail: Nigel.Roberts@gloucestershire.gov.uk) prior to the start of the meeting.

- 2. INSPECTION OF PAPERS AND GENERAL QUERIES** - If you wish to inspect Minutes or Reports relating to any item on this agenda or have any other general queries about the meeting, please contact:

Jane Cleaver, Cabinet Team Leader

☎:01452 425096/fax: 425850/e-mail: jane.cleaver@gloucestershire.gov.uk

- 3. DEFINITION OF A KEY DECISION** - A Key Decision is one that is, if implemented, is likely to

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-
- Result in significant additional expenditure or savings to the value of £500,000 or more, or
 - Be significant in terms of its effect on communities in two or more electoral divisions.

4. GENERAL ARRANGEMENTS - Will Members please sign the attendance list.

EVACUATION PROCEDURE - in the event of the fire alarms sounding during the meeting please leave as directed in a calm and orderly manner and go to the assembly point which is **outside the main entrance to Shire Hall in Westgate Street**. Please remain there and await further instructions.

Agenda Item 4

MEETING THE CHALLENGE

AGENDA NO:

Cabinet Date	18 th November 2010
Cabinet Member	Mark Hawthorne - Leader
Key Decision	YES
Other Documents	Comprehensive Spending Review (HM Treasury)
Main Consultees	Council tax payers, Service users , Staff, Trades Unions, Scrutiny, Partners and other key stakeholders (including health and the voluntary sector), Business rate payers
Planned Dates	November 2010 –February 2011
Divisional Councillor	County Wide
Officer(s)	<p>Peter Bungard, Chief Executive - 01452 425875 peter.bungard@gloucestershire.gov.uk</p> <p>Stephen Wood, Group Director: Business Management – 01452 427492 stephen.wood@gloucestershire.gov.uk</p> <p>Jane Burns, Assistant Chief Executive – 01452 425202 jane.burns@gloucestershire.gov.uk</p>
Purpose of Report	To consider the implications of the Government's Comprehensive Spending Review and the Council's response
Recommendations	<p>That the Cabinet:</p> <ol style="list-style-type: none">1. Notes the impact of the Comprehensive Spending Review on the Council's finances over the next four years2. Approves the draft Corporate Strategy and consults further on the Strategy3. Initiates specific consultation on Home to School Transport, Day Centres, Public Transport, Highways, Libraries, Targeted Young People's Services and Employees' Rewards and Remuneration as set out in Annexes 4 – 10 attached
Resource Implications	This report sets out the overall strategy to deliver savings of £108m required following the Comprehensive Spending Review.

Report

Introduction

1. In the Budget in June 2010 the Chancellor set out broad spending plans designed to reduce the UK's serious budget deficit. The Budget aimed to achieve a balanced position by the end of 2015-16. On the 20th October the Chancellor announced further details of where the public spending reductions were to be made in the Comprehensive Spending Review. The Council has been preparing for this announcement and this report sets out the main points of the Spending Review, what it means for the council and what people have been saying through the Meeting the Challenge consultations across the county. The principal recommendations in the report initiate further consultation with the public and staff. Final decisions will be taken as part of the MTFs at County Council on 16th February 2011.

Comprehensive Spending Review

2. The Chancellor of the Exchequer delivered the report of the [2010 Spending Review](#) to Parliament on 20 October 2010. The report publishes Departmental Expenditure Limits for the four-year Spending Review (SR) period; 2011/12, 2012/13, 2013/14 and 2014/15. Individual local authority allocations will be announced as part of the 2011/12 Local Government Finance Settlement which is expected to be published in December. It is not yet clear whether this announcement will cover years beyond 2011/12.
3. In a letter to Local Authorities, Secretary of State for Communities and Local Government said overall revenue funding to local authorities from all Government departments will reduce by 26% in real terms. He added *"local authorities will have greater control over more than £7bn of funding from 2011/12 which is moving into Formula Grant, being unringfenced or is new funding for the SR10 period."*
4. Around £4bn of funds (a breakdown is provided in Annex 1) will be moved into Formula Grant. The figures show that the grant reductions are "front loaded" – the cash reduction in 2011/12 is 10.7% and this figure is after allowing for additional funds for social care.
5. Councils which choose to freeze Council Tax in 2011/12 will 'have the resultant loss to their tax base funded at a rate of 2.5% in each year of the Spending Review period.' 'The new grant scheme will be open to all councils which decide to freeze or reduce their council tax in 2011/12. If authorities do, they will receive additional funding in 2011/12, equivalent to raising their 2010/11 council tax by 2.5%.' It is the Cabinet's intention to meet these criteria and freeze the Council tax in 2011/12.

In a related announcement the County Council was informed that it would not be receiving government funding for the Waste Disposal PFI Project.

Further details on the Comprehensive Spending Review are included in Annex 1.

Consultation to Date

6. During September, the County Council undertook a wide-ranging discussion with members of the public, staff, elected Members and partners about the dilemmas faced and the choices to be made given the new financial context. Called "Let's Talk", the discussion used a variety of methods to capture information and views. A full report on the consultation exercise is available on the website. The total number of formal responses was almost 3,000 and it is estimated that over 5,000 people took part. The results give some clear messages about priorities and these have influenced the development of the new Corporate Strategy.
7. The public gave us a clear message that we should protect services for the most vulnerable people, with high levels of support for:
 - Care of older people
 - Care for vulnerable adults
 - Child protection and care for vulnerable children
 - Fire & Rescue
 - Supporting thousands of voluntary carers

However, when faced with the financial challenges we face, people recognised and understood the need to make tough choices across the piece. In particular, people thought we should look first for savings in the following areas:

- Parking
- School transport
- Libraries
- Archives
- Life-long learning
- Trading standards & consumer advice
- Traffic improvement schemes
- Council-funded additional police officers
- Coroners
- Registrars
- Emergency management

These views have helped to influence and shape the proposals we set out in the Strategy and we will continue to consult with service-users and other stakeholders where significant service changes are proposed.

New Corporate Strategy 2011-2014

8. The main purpose of the Strategy is to set the overall strategic direction of the Council. It sets out the vision and values of the Council; the overall aims and objectives; the priorities for the next four years; the change programmes which help to deliver those priorities; risks and how performance will be measured.

9. Our plans are built on three clear values that will help to steer us through the years ahead. Applying these values will mean that the Council is not only smaller, but also more flexible and more responsive to local people's needs and expectations.

Values - Living within our means

We believe that it's wrong to spend more than we can afford or to pass financial problems on to the next generation. This means we have to make difficult decisions now and focus on our priorities, manage our budgets and reduce our borrowing.

Values - Providing the basics

In the coming years we will have less money and will have to make sure we spend it where the need is greatest. Our role is to make sure local people get good outcomes from their services and we understand that it is the quality of the service that matters to local people, not who provides it.

Values - Helping communities help themselves

The Council is at its most effective when it is helping people to live successful lives as independently as possible and helping communities to help themselves. We believe that if you give power to local people you get better results and achieve better value.

The ways which the council will support active communities is set out in Annex 3

10. Given the new financial context, the new Corporate Strategy describes the service changes which will be necessary to deliver the expectations of the Comprehensive Spending Review and is closely aligned to the Medium Term Financial Strategy.
11. There are four main themes which cover the wide breadth of our business. These are:
- Getting our own house in order
 - Protecting vulnerable people
 - Supporting active communities
 - Building a sustainable county

The main themes are described below and further specific details are set out the attached draft Strategy

Corporate Strategy Themes - Getting Our Own House in Order

- 12 Every pound spent on running the council is a pound that is not spent on front-line services. There is a cost associated with running any council but we will continue to minimise and reduce that cost. We will do everything we can to be as efficient as possible, reduce the council's running costs and get the best value out of our assets.

We are committed to a fundamental review of the way the Council operates which will not only take out management and support staff and reduce back-office costs but will focus the Council on its core job of securing good outcomes for local people based on sound evidence of local people's needs.

We will look to share back-office services with other public sector partners, whether that means buying-in services at better cost than we can deliver them ourselves, or generating income or reducing costs by providing services for others.

Although we will employ fewer staff, we will continue to develop our workforce to be highly skilled and productive so that they can respond effectively to local needs. We will ensure that remuneration and reward reflect the needs of the service and the prevailing economic and employment conditions. Technology will be a key, both to reduce the back-office support needed by managers, and to help customers access our services more easily online through a fully transactional website.

As our workforce gets smaller, we will also free up buildings and equipment which will reduce running costs and our debt.

By doing this, we believe we can make Gloucestershire County Council not only leaner and more focussed but also more effective and responsive to local people's needs.

Specific details are contained in the Corporate Strategy

Corporate Strategy Themes - Protecting Vulnerable People

- 13.** Protecting vulnerable children, young people and adults is one of our most important areas of work. It accounts for a large proportion of our budget and we know from the 'Let's Talk' conversation that local people support our view that this should be a top priority for the council.

The way we look at social care is changing dramatically. We have begun to give people much more choice about the support they receive including, when possible, giving people direct control of the money we are providing. We need to make best use of available resources, and that means putting power directly in the hands of those receiving care to make good choices about what support they receive.

With demand for and referrals to children's social care increasing, we will continue to improve the way we respond to children and young people who are at risk at the same time as reducing the pressure on those services by better targeting of preventative work. This means intervening at the right time and allowing families to have a say in their package of support whilst reducing some untargeted, universal provision. This will focus resources where they can make the most difference.

We also want to promote better working at a local level by encouraging closer working between different professionals and further integration with partners in order to provide a more seamless service. This will include close working with children's centres, schools and colleges to improve outcomes, particularly for the most vulnerable.

Specific details are contained in the Corporate Strategy

Corporate Strategy Themes - Supporting Active Communities

- 14.** An active community can be a self-governed school, a charity, local people volunteering, vibrant Town and Parish Councils or the collective action of good neighbours. We want to help communities to do more themselves and give them more control over local services like schools, children's centres, libraries and youth centres.

We know that Gloucestershire's army of volunteers already make a huge difference to thousands of people's everyday lives in their neighbourhoods, towns and villages. We want to work more closely with Gloucestershire's voluntary and community sector to make it easier to volunteer, and to match people who want to volunteer with the groups that need their help.

We support the steps the government is taking to strengthen the autonomy and independence of schools. We will still continue to have an important strategic role in education but will focus our resources on ensuring access to high quality provision and helping those schools which need particular support. We will also continue to offer support and back-office services to schools on a business-like footing, working closely with the schools community.

We recognise that some of the services we will have to stop are still important to local people, so we want to make it as easy as possible for communities to take over local centres or activities. This will include handing over buildings to community ownership, helping communities get their own ideas off the ground and encouraging people to volunteer.

We believe that not only is this approach more sustainable in the long-term, but that it will also make them more flexible to local needs.

Specific details are contained in the Corporate Strategy

Corporate Strategy Themes – Building a Sustainable County

- 15.** Gloucestershire County Council is responsible for planning and delivering much of the infrastructure that keeps the county working and moving. The financial challenges mean that we need to find significant savings, but we are committed to doing this in a way that avoids creating problems for future generations.

We will prioritise those services that keep the county up and running, that make Gloucestershire an attractive place to do business, and that directly protect the public from harm.

There will need to be a shift in emphasis to a core maintenance service, to reflect the tighter financial limits over the short to medium term. The service will continue to focus on maintaining the county's roads in a safe condition, cost savings and opportunities for joining up services with partners to better meet the needs of local communities

We want to take a joined up approach to the transport network. We recognise that different solutions are needed for large urban centres, smaller towns and rural villages. We want to make sure that the money we put into passenger transport is being used as effectively as possible and is focussed on getting people to work, school and essential services.

We will also continue our efforts to reduce our carbon emissions and to reduce the amount of waste that we send to landfill.

Impact on Staffing

16. The Comprehensive Spending Review estimates that 490,000 public sector jobs will disappear as a result of the spending reductions. The Local Government Association estimates that 100,000 of these lost jobs will be in local government. In Gloucestershire we estimate that over the next four years about 1,000 jobs will go. The Council is committed to minimise compulsory redundancies and will offer opportunities for the reductions to be achieved through voluntary means wherever possible through redeployment, retraining and vacancy management.

Support for Staff

17. As a good employer, to maintain performance and to provide support to staff that may leave, the Council proposes to continue with a number of core support arrangements in place. These will include:

- An independent employee assistance helpline
- Arrangements to help staff leaving the Council look for other jobs
- Priority for those staff who are under notice of redundancy to apply and be considered for vacancies and remain with the Council

Improved arrangements will be put in place for Managers to develop their skills, receive advice and guidance which will reflect the changes in working practices and Council structures and enable them to support and lead their staff appropriately.

In addition, there will be targeted development for managers to ensure that they are able to fulfil their responsibilities with respect to managing the implementation of the programme.

Core Council - towards a new Operating Model

18. The current council officer structure has been in place since 1 April 2006. It has provided a solid framework on which to build strong governance and services which perform well and deliver good outcomes for the people of Gloucestershire. Whilst this structure has served the organisation well, the time is now right to consider the most effective organisational design to meet the new financial reality and service demands.
19. The environment for local government is fluid and is likely to remain so. It is therefore important that any new structure is flexible and able to respond swiftly to changing needs. At the same time, the council needs to reduce costs and improve productivity in line with Meeting the Challenge.
20. An organisation redesign needs to deliver the following:
- Flexibility and responsiveness
 - A significant reduction in management costs, including reducing the number of managers and the layers of management which is consistent with effective delivery

- A clear strategy for what the council does and mechanisms to allocate resources to priorities
- A single council view about residents and customers and their needs based on accurate and reliable data and knowledge
- Needs led services and a mixed economy of service providers
- Professional and technical services which support the business and which are delivered from a central point for consistency and affordability
- Capacity to deliver major change programmes
- Clear accountabilities, particularly in relation to statutory roles
- Better joint working with partners now and in the future
- Structures by themselves are not enough. Strong leadership will be needed to ensure that the new arrangements operate in a disciplined way

21. The Chief Executive has commissioned a piece of work on a new 'operating model' for the council. The intention is to reduce senior management costs by at least a third (£5m) over the period of the Medium Term Financial Strategy. A report will be brought to the next meeting in December with proposals for implementation from April 2011.

Finance

22. The reductions in finances mean that the council has to find savings to meet current costs and future cost pressures. During the meeting the challenge consultations people were asked about a potential shortfall of £120m over the next four years. Whilst this equates to broadly 30% of the current budget of £400m, it more accurately related to approximately £60m of current spend and £60m for future cost growth. Significant future costs include changing demographics, ageing infrastructure, new responsibilities and rising waste disposal costs.

23. With the CSR now published a clearer picture has emerged. However, significant pieces of information are still missing will not be available until the individual council allocations are set out in December. Not until this stage can a detailed budget be produced. However, we do know enough to know that significant action needs to be taken as soon as possible to prevent the financial position from worsening.

24. Current forecasts suggest a loss of Formula Grant of £43m (28%), although this is offset over the period by a potential £10m by 2014/15 for Social Care. Taking account of inflation and medium term pressures as described above, it is estimated that savings of around £108m are required over the next four years. This is broadly consistent with the £120m discussed as part of the MTC consultation and represents a very challenging picture.

25. Over the next four years budgets are expected (subject to consultation and final local government finance settlement) to reduce, in cash terms, as follows:

	£	
Children & Young People's Services	8.6m	(11%)
Adult and Community Care Service (the Adult Care element is not being reduced in cash terms)	2.7m	(2%)
Community Safety	5.6m	(22%)
Environment (excluding Waste & Concessionary fares)	6.7m	(15%)
Central Services	3.9m	(24%)

These cash reductions are after taking account of the extra costs from inflation, demographic growth and other pressures.

These reductions are offset by increases in costs for the new statutory responsibilities for concessionary fares (£6m) and additional waste costs (£9m) primarily driven by landfill tax.

Those budget changes are broadly consistent with the views expressed through public consultation.

Strategic Risk

26. There are risks associated with any change. The size, scale and timing of the proposed changes require very careful planning and management. Risks are an integral part of that process and detailed risk logs will be produced in the relevant project documentation.
27. In addition, we have looked at the risks “in the round” in terms of impact on particular communities, equalities and impact on the most vulnerable; and impact on key partners.
28. It is recognised that the closure of facilities can have a detrimental impact on communities. This risk is mitigated by the “community offer” of asset transfer to groups with affected communities.

Equalities

29. The Council will be following the recent advice produced by Equalities and Human Rights Commission for decision-makers. Equalities duties do not prevent local authorities from making difficult decisions about re-organisation, redundancies and service reductions which may affect one group more than another. However, we are required to demonstrate that financial decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different members of the community.
30. Written Equalities Impact Assessments - ('EIAs'), which already form a key component in the Council's approach to writing new policies and amending existing ones, will be produced for all Meeting the Challenge proposals. An EIA has been produced to accompany this report.

Partners

31. All partners, particularly public sector partners, are affected by the CSR. Key partners, through the Accountable Bodies Group have given a commitment to share information on emerging plans and to understand the collective impact. These conversations will continue as the detail emerges.

Early Years and Schools

32. There remains some uncertainty about the details of schools funding. The schools budget for 5 to 16 year olds will increase by 0.1% in real terms each year of the Spending Review period. This includes £2.5bn of funding for the new pupil premium and previously ring- fenced grants. Although the schools budget nationally has received a level of protection there will still be increased pressure on the funding available, especially locally as falling rolls results in a

decrease in income. In addition the impact of schools choosing to opt for Academy status is also uncertain in the short and medium term The council and the Schools' Forum are consulting on proposals for reviewing funding arrangements in order to ensure funding is allocated transparently and targeted more appropriately to need. .

Funding for early years education has been confirmed by the Government; details of funding for Sure Start which includes children's centres is yet to be announced.

Police Contract

33. The Council entered into a contract with Gloucestershire Police in April 2006 to fund, over time, an additional 63 police officers. These officers were in addition to the normal police establishment funded by the Police Authority and Government. The tough financial climate means that the Council will have to concentrate its core responsibilities in future. Following strong feedback from the public it is therefore intended to cease the police contract from April 2013 and to use some of the money through other partnering opportunities.

Consultation to be undertaken on proposals

34. As explained above public consultation has underpinned the development of the draft Corporate Strategy. Further consultation will be undertaken on the draft Strategy and the detailed Medium Term Financial Strategy when it has been produced in December. However, a number of specific service related consultations are being launched as part of the Meeting the Challenge process.

These specific consultations are set out in the attached annexes as follows:

Annex 4	Highways
Annex 5	Home to School Transport
Annex 6	Public Transport
Annex 7	Day Centres
Annex 8	Libraries Strategy
Annex 9	Targeted Young People's Services

In addition Annex 10 sets out proposals for consultation with employees on changes to rewards and remuneration.

Employee Consultation:

35. There is a statutory requirement for the council to undertake consultation with a view to reaching agreement with trade union representatives on:
- Ways of avoiding dismissals
 - Reducing the number of employees to be dismissed and mitigating the effects of dismissals. This duty applies even when the employees to be made redundant are volunteers

In addition all employees who are to be made redundant are consulted.

A formal return to the Secretary of State (Section 188) has been made notifying them of

proposals which reduce headcount and which starts the formal consultation process.

Guidance from ACAS Code of Practice advises employers that consultation should begin as early as possible and allow for longer than the statutory period of consultation, wherever possible. The minimum statutory period would be 90 days.

Reducing the potential for compulsory redundancies makes good business sense and meets the obligations in the ACAS Guidance on Handling Redundancies. Processes are in place to achieve this by:

- a) Implementation of a “gateway” process to ensure that permanent recruitment is to business critical roles only
- b) Providing opportunities for staff to volunteer for redundancy and/or retirement but with strict criteria and restricted to specific areas where reductions in staff are required in accordance with proposals
- c) Remaining open to suggestions from staff and trade unions

Scrutiny

- 36.** Cabinet welcomes scrutiny of its proposals. This report will be available for the Budget and Performance Scrutiny Committee on 17th November, the Overview and Scrutiny Management Committee on 30th November and all Scrutiny Committees as part of their scrutiny of the MTFS during January 2011. Cabinet Members will be available to assist scrutiny in their work.

Next Steps/Timetable

- 37.** Following approval of the proposals in this report Cabinet will consult with staff and stakeholders. A detailed MTFS based on these proposals will be submitted to Cabinet on 15th December. Cabinet will make its final recommendations to Council on 2nd February and County Council will make final decisions as part of MTFS and Council setting process on 16 February.

Report Title	Meeting the Challenge
Statutory Authority	GCC
Relevant County Council policy	New Corporate Strategy and Medium Term Financial Strategy
Resource Implications	As set out in the report
Sustainability checklist:	N/A
Partnerships	Reductions in funding may impact on partner organisations
Decision Making and Involvement	Let's Talk campaign aimed at engaging a broad spectrum of views
Economy and Employment	Reductions in staff numbers
Caring for people	Proposals include major redesign of care services
Built Environment	Proposal for asset disposal and sharing with partners
Landscape	N/A
Education and Information	Impact on schools to be announced. Information improvement through a proposed new Fully Transactional Website
Equality Impact Assessment (EIA)	<p>Has an EIA been completed? Yes/No</p> <p>Was a differential impact identified? Yes/No</p> <p>Please refer to individual service EIAs</p> <p>A copy of the full EIA can be accessed on GLOSTEXT via www.gloucestershire.gov.uk/index.cfm?articleid=4047 Alternatively a hard copy is available for inspection from Jane Cleaver, Democratic Services Unit (e-mail jane.cleaver@gloucestershire.gov.uk) and will be attached to the signed copy of the minutes.</p>
Human rights Implications	None
Consultation Arrangements	As set out in the report

2010 Spending Review

The Chancellor of the Exchequer delivered the report of the [2010 Spending Review](#) to Parliament on 20 October 2010. The report publishes Departmental Expenditure Limits (DELs) for the four-year Spending Review (SR) period; 2011/12, 2012/13, 2013/14 and 2014/15. Individual local authority allocations will be announced as part of the 2011/12 Local Government Finance Settlement which is expected to be published in December. It is not yet clear whether this announcement will cover years beyond in 11/12.

CLG Local Government Resource DEL

The CLG Local Government Resource DEL is largely made up of Formula Grant (RSG + NNDR), it will also include the new Council Tax Freeze Grant and a small number of other unidentified grants

HM Treasury and Communities and Local Government (CLG) have quoted various figures relating to the CLG Resource DEL. The following table aims to pull together all the figures in relation to this DEL and detail what they include.

CLG LG Resource DEL	Terms	10/11 Baseline	11/12	Annual Change	12/13	Annual Change	13/14	Annual Change	14/15	Annual Change	SR10 Change	SR10 Average
		£bn	£bn	%	£bn	%	£bn	%	£bn	%	%	%
Including Fire & Police	Cash	28.5	26.1	-8.4%	24.4	-6.5%	24.2	-0.8%	22.9	-5.4%	-19.6%	

In his letter to Local Authorities, the Secretary of State for Communities and Local Government said overall revenue funding to local authorities from all Government departments will reduce by 26% in real terms. He added “*local authorities will have greater control over more than £7bn of funding from 2011/12 which is moving into Formula Grant, being unringfenced or is new funding for the SR10 period.*”

Grants Rolling into Formula Grant

Around £4bn of funds (a breakdown is provided in the Annex) will be moved into Formula Grant and is included in the CLG Local Government Resource DEL (i.e. those in the table above). The 10/11 figure in the table above has been adjusted for these grants to provide a like-for-like comparator.

The following table is taken from the Spending Review and shows figures from the LG Resource DEL in cash terms.

CLG LG Resource DEL	10/11 Baseline	11/12	Annual Change	12/13	Annual Change	13/14	Annual Change	14/15	Annual Change	SR2010 Change
	£bn	£bn	%	£bn	%	£bn	%	£bn	%	%
Resource DEL	28.5	26.1	-8.4%	24.4	-6.5%	24.2	-0.8%	22.9	-5.4%	-19.6%
of which Funding for Formula Grant	28	25	-10.7%	23.4	-6.4%	23.2	-0.9%	21.9	-5.6%	-21.8%
of which Council Tax Freeze	0	0.7	n/a	0.7	0.0%	0.7	0.0%	0.7	0.0%	n/a
of which Other	0.5	0.5	0.0%	0.4	-20.0%	0.4	0.0%	0.4	0.0%	-20.0%

NB Local Government DEL includes funding for police and fire authorities. Excluding these contributions LG DEL for councils will fall by 28%

Grants will be rolled into Formula Grant at various points over the Spending Review period. Consequently some grants remain separate amounts for the earlier years.

Grants that are being rolled into Formula Grant are listed by Department below. However, those grants that will be included part way through the Spending Review period are highlighted in italics.

CLG	Supporting People Race Equality <i>Open Source Planning</i>	Housing Strategy for Older People Economic Assessment Duty <i>Fire</i>
DfT	Concessionary Fares	Other Transport Revenue
Defra	Animal Health Enforcement	
DfE	Total (includes LSC Staff Transfer, Service for Children in Care and Child Death Review Processes)	
DH	AIDS Support	Preserved Rights
	On-Going PSS (previously formed from Mental Health, Child and Adolescent Mental Health Services, Learning Disability Development Fund, Mental Capacity Act and Independent Mental Capacity Advocate Service, Carers, Adult Social Care Workforce, LINKs)	
	Recycled PSS including Safeguarding and Autism (previously formed from Social Care Reform, Learning Disability Campus Closure Programme and Stroke Strategy)	
	New PSS Funding	

Other Core CLG Revenue Grants

The Secretary of State announced that local authorities would have greater control over more funding and also a reduction in core revenue grants from 90 to less than 10. The 9 core grants will be:

- Early Intervention Grant – worth £2bn
- Public Health Grant - from 2013/14 (**ring fenced**)
- Learning Disabilities
- New Homes Bonus – worth £196m in 11/12 and £250m annually in 12/13-14/15
- Council Tax Freeze Grant – worth £700m each year in 11/12-14/15
- Housing Benefit and Council Tax Benefit Administration Grant
- PFI Grant
- Dedicated Schools Grant (**ring fenced**)
- Preventing Homelessness - Baseline £70.97m, £90m in 11/12 and 12/13, £89.3m in 13/14 and £88m in 14/15. This includes funding for Housing Management.

Other Headline Announcements

Formula Grant

- An additional £1bn for personal social services will be included in Formula Grant by 2014/15.

Council Tax Freeze Grant

- Authorities, which choose to freeze Council Tax in 2011/12, will 'have the resultant loss to their tax base funded at a rate of 2.5% in each year of the Spending Review period'. 'The new grant scheme will be open to all billing and major precepting authorities, including police and fire authorities, which decide to freeze or reduce their council tax in 2011/12. If authorities do, they will receive additional funding in 2011/12, equivalent to raising their 2010/11 council tax by 2.5%.' The SR report tables show this will cost CLG £700m in each of the four years.

Education

- The schools budget for 5 to 16 year olds will increase by 0.1% in real terms each year of the Spending Review period. This includes £2.5bn of funding for the new pupil premium. Arrangements for Pupil Premium Grant are to be determined.
- £15.8bn of capital funding will be made available for schools over the Spending Review period. The Government will rebuild or refurbish over 600 schools from the Building Schools for the Future (BSF) and Academies programme.

Social Care

- As mentioned above, £1bn will be put into Formula Grant for Personal Social Services, meaning total funding for social care, including rolled-in grants, will be £2.4bn a year by 2014/15.
- In addition, £1bn of funding will be provided through the NHS budget to support joint working between the NHS and councils in the provision of social care.

Transport

- Bus Operators' Subsidy will be reduced by 20%, saving over £300m by 2014/15.
- Statutory concessionary travel entitlements will remain.
- Revenue grants to local authorities from DfT will be reduced by 28%. Moving from 26 grant streams to 4 from 2011/12
 1. major schemes (capital)
 2. block funding for highways maintenance (capital); and
 3. block funding for small transport improvement schemes (capital).
 4. Local Sustainable Transport Fund (capital and revenue) - £560m bid-based fund to support packages of transport interventions that support economic growth and reduce carbon emissions.

Fire and Rescue Services

- Formula Grant funding for fire and rescue services will decrease by 25% over the period, weighted to the third and fourth year of the period.

Housing

- The 'New Homes Bonus' will be introduced to incentivise councils to grant planning permission for the construction of new homes, by matching Council Tax receipts for each new home built for a number of years.
- The council housing finance system will be reformed to give councils more freedom.

Economic Growth

- The Regional Growth Fund is a £1.4bn bid-based revenue and capital fund over 2011/12, 2012/13 and 2013/14. A panel will assess funding bids from Local Enterprise Partnerships as well as the private sector.
- A White Paper will be published later in the year with more details on incentives for encouraging growth in local areas. This will also contain more details about the introduction of Tax Increment Financing announced last month.

Council Tax Benefit

- From 2013/14 Council Tax Benefit (CTB) will be localised; Government also plans to reduce spending on CTB by 10%.
- Government will consider measures to give authorities more flexibility 'to manage pressures on council tax', to be implemented from the same date.

Local Authority Borrowing

- Interest rates on new loans from the PWLB have been increased to 1% above the rate for Government gilts, previously the rate tracked gilts. The Treasury estimate this will lead to a reduction of 17% in self-financed expenditure by councils over the Spending Review period.

Internal Restructuring

- In 2011/12 a £200m capitalisation fund will be available for capitalisation to support authorities wishing to deliver savings through internal restructuring.

Public Sector Pensions

- The state retirement age will reach 66 in 2020, four years earlier than planned.
- Employee contributions to public sector-pensions scheme will be increased. However, they will remain as 'defined-benefit' schemes. A consultation will be launched on a 'Fair Deal' system, recommended by Lord Hutton.

Carbon Reduction Commitment Energy Efficiency Scheme

- The CRC Energy Efficiency Scheme, formerly the Carbon Reduction Commitment, started in April 2010 and is a mandatory climate change and energy efficiency scheme whereby organisations purchase allowances equal to their annual carbon emissions. The money raised through these allowances is then recycled back into the system in the form of rewards to organisations who reduce their emissions, thereby providing a self-financing financial incentive to reduce energy use.

However, the Spending Review states that: “Revenues from allowance sales totalling £1bn a year by 2014/15 will be used to support the public finances, including spending on the environment, rather than recycled to participants”. The scheme was due to begin taking the first allowance payments in April 2011, with the pay-back scheme due to start in October 2011. As announced in the Spending Review, the first allowance sales for 2011/12 are now due to start in 2012, instead of 2011, in order to reduce the burden on organisations.

Annex-List of grants moving into Formula Grant

Grants Going into FG	Baseline	11/12	12/13	13/14	14/15
	£m	£m	£m	£m	£m
Supporting People	1,636.00	1,625.00	1,620.00	1,620.00	1,590.21
Housing Strategy for Older People	20.00	15.50	13.50	11.50	10.50
Race Equality	0.17	0.03	0.03	0.03	0.03
Economic Assessment Duty	11.03	1.50	1.50	3.00	3.00
Open Source Planning				15.00	20.00
Fire				49.82	50.28
Concessionary Travel	223.00	224.00	204.00	208.00	212.00
Other Transport Revenue	112.00	79.00	72.00	80.00	83.00
Animal Health Enforcement	8.50	4.80	4.00	3.20	2.40
LSC Staff transfer, Services for Children in Care & Child Death Review Processes	114.05	109.34	83.17	70.51	66.34
AIDS Support	25.50	27.70	30.30	33.10	36.20
Preserved Rights	235.40	228.84	221.68	215.11	209.80
On-Going PSS	752.34	767.02	784.43	804.98	826.31
Recycled PSS inc. safeguarding & autism	303.00	318.15	335.75	354.91	373.11
New PSS Funding		530.00	930.00	1,000.00	1,000.00
TOTAL	3,440.99	3,930.88	4,300.36	4,469.16	4,483.18

Meeting the Challenge

**Gloucestershire County Council's
Draft Corporate Strategy 2011-2014**

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Foreword by the Leader and the Chief Executive

Gloucestershire County Council has a strong track record of improving outcomes and delivering good value for money for local people. Over recent years we have managed to keep Council Tax rises below any other County Council in England at the same time as generating £60million of efficiency savings and improving or maintaining good performance across all our main services.

However, we know that even tougher financial times are ahead. We estimate that, in line with all UK local authorities, we will need to find additional savings of £120million over the next four years.

The coalition government's top priority is to dramatically reduce the nation's debt, and it is only right that Gloucestershire County Council should play its part.

With over 60% of the money we spend coming directly from government, many of the savings made at national level will impact on our own income and local services. We do not want to simply pass that pressure onto local people and we have promised to freeze council tax for one year. At the same time, cost pressures and demands are increasing for some of our biggest services. We already have one of the highest proportions of older people in the country and that population is predicted to increase more sharply than in other areas.

The costs of caring for the most vulnerable children and young people (one of our most important jobs) have risen steeply and will continue to rise. Dealing with the county's waste is also getting more expensive, particularly the penalties for burying waste in landfill sites. Together, these issues amount to multi-million pound pressures on our budget which we cannot avoid and we need to plan for savings of up to 30% on our current budget. However strong our track record has been, better efficiency will not be enough in the future.

However challenging this may be, we also see it as an opportunity not only to find new ways of doing things, but also to radically redefine our relationship with local communities. There will be areas where we need to step back from service provision in order to allow communities to take on a more active role, making it easier for local people to volunteer, to take community ownership of council buildings and to support each other.

That's why we initiated the 'Let's Talk' campaign - our biggest conversation in recent years. We need everyone - County Councillors, council tax-payers, staff, service users and our partners to work together to help us decide what sort of Council we will be in the future. As a result of that conversation, we have a better understanding of which services are most important to local people, which need to be updated, modernised and stopped and where we should introduce fair charging for those services that not everyone needs or uses.

We know that for many of our service users and staff the next few years will mean upheaval and uncertainty. While we can't avoid that, we do promise to be fair and open about what we are doing. We truly believe that a more flexible, responsive council will deliver better value and outcomes for local people and will be a better and more fulfilling place for staff to work.

Cllr Mark Hawthorne
Leader

Peter Bungard
Chief Executive

Our Vision and Values

Our plans are built on 3 clear values that will help to steer us through the years ahead.

Applying these values will mean that the Council is not only smaller, but also more flexible and more responsive to local people's needs and expectations.

Living within our means

We believe that it's wrong to spend more than we can afford or to pass financial problems on to the next generation. This means we have to make difficult decisions now and focus on our priorities, manage our budgets and reduce our borrowing. We will do that by:

- Being as efficient as possible and saving money by joining up with our partners
- Making tough but necessary choices about the services we provide and taking responsibility for those choices
- Implementing cuts in government grants locally – where government has had to cut funding streams for specific services, we will not be able to afford to subsidise those services locally
- Reducing our debt and the burden it places on our revenue finances

Providing the basics

In the coming years we will have less money and will have to make sure we spend it where the need is greatest. Our role is to make sure local people get good outcomes from their services and we understand that it is the quality of the service that matters to local people, not who provides it. Our focus should be on:

- Improving outcomes for the most vulnerable children, young people and adults
- Providing the infrastructure and services that keep the county moving and working
- Making decisions that promote long-term sustainability
- Finding the best, most efficient way of delivering services. If someone else can do a better job or make the money go further, then we should make use of their skill and expertise.

Helping communities help themselves

The Council is at its most effective when it is helping people to live successful lives as independently as possible and helping communities to help themselves. We believe that if you give power to local people you get better results and achieve better value. Our approach will be to:

- Give individuals more say in the services they receive, putting them in charge of decisions about the support they receive
- Empower communities to do more themselves and giving them the tools they need for community action
- Recognise that some areas need more help than others and that, with a little support, they can get their ideas off the ground
- Transfer buildings and other assets to community ownership so that they can become a hub for local activity - flexible and responsive to local needs.

Our Funding

[To be finalised at February budget council meeting]

This strategy is all about our service outcomes and available funding for the 4-year period from 2011/12 to 2014/15.

The Comprehensive Spending Review 2010 is, as anticipated, a tough settlement for local government with the need to make major savings.

We do not know the final detail of the county council's grant settlement, which depends upon funding distribution across the country and a welcome consolidation of numerous grants. Our funding for 2010/11 will become clearer through specific grant letters in December and January, and then our local political decisions when Council sets the budget in February.

Whilst there will be 'devil in the detail', the overall direction of travel is very clear and we would be unwise not to continue with our preparations between now and the end of March 2011.

Let's Talk - What You've Told Us So Far

Around 5,000 residents and stakeholders engaged in our 'Let's Talk' campaign. This has given us a clear message about which services local people are most interested in, which services you value most and where you think we should focus our efforts to drive down cost.

The public gave us a clear message that we should protect services for the most vulnerable people, with high levels of support for:

- Care of older people
- Care for vulnerable adults
- Child protection and care for vulnerable children
- Fire & Rescue
- Supporting thousands of voluntary carers

However, when faced with the financial challenges we face, people recognised and understood the need to make tough choices across the piece. In particular, people thought we should look first for savings in the following areas:

- Parking
- School transport
- Libraries
- Archives
- Life-long learning
- Trading standards & consumer advice
- Traffic improvement schemes
- Council-funded additional police officers
- Coroners
- Registrars
- Emergency management

These views have helped to influence and shape the proposals we set out in the rest of this strategy and we will continue to consult with service-users and other stakeholders where significant service changes are proposed.

Getting Our Own House in Order

Every pound spent on running the council is a pound that is not spent on front-line services. There is a cost associated with running any council but we will continue to minimise and reduce that cost. We will do everything we can to be as efficient as possible, reduce the council's running costs and get the best value from our assets.

We are committed to a fundamental review of the way the Council operates which will not only take out management and support staff and reduce back-office costs but will focus the Council on its core job of securing good outcomes for local people based on sound evidence of local people's needs.

We will look to share back-office services with other public sector partners, whether that means buying-in services at better cost than we can deliver them ourselves, or generating income or reducing costs by providing services for others.

Although we will employ fewer staff, we will continue to develop our workforce to be highly skilled and productive so that they can respond effectively to local needs. We will ensure that remuneration and reward reflect the needs of the service and the prevailing economic and employment conditions. Technology will be a key, both to reduce the back-office support needed by managers, and to help customers access our services more easily online.

As our workforce gets smaller, we will also free up buildings and equipment which will reduce running costs and our debt.

By doing all of this, we believe we can make Gloucestershire County Council not only leaner and more focussed but also more effective and responsive to local people's needs.

We will:

Management and administration

- Redesign the Council's structure in order to reduce overall management costs by at least a third, reduce layers of management and minimise administrative and support costs.
- Make back-office savings across all areas by pooling resources, centralising specialist teams (such as procurement) that are currently distributed across the council and significantly reducing staff numbers.
- Invest in customer self-service, increasing the range of services that people can apply for online and making it easier for our customers
- Take advantage of the reduction in external inspection and government target-setting by paring back performance monitoring to those activities that are critical to our business.

- Continue a programme of LEAN reviews to streamline internal processes, focus on customer needs and achieve efficiency savings
- Review and renegotiate contracts with external suppliers to drive down costs, and where possible join up with other public sector organisations to increase our collective buying power
- Consolidate all the Council's transactional services into a single Business Service Centre

Buildings and assets

- A core rural estate of 6400 acres, reducing the number of farms from 88 to 50.
- The receipts from the disposal will go towards reducing the burden of council debt
- Reduce our overheads and generate capital receipts from selling surplus office accommodation and recycling or returning spare computers and other equipment

Smarter 'shopping

- Reduce our energy costs and carbon emissions, and move towards a carbon-neutral position by maximising income from the generation of renewable energy from our property assets
- Reduce our transport costs by cutting business mileage and working with our partners to integrate the procurement, use and maintenance of vehicles

How will we measure change

For later drafts, each section will include a small number of key, smart targets against which we will measure change, e.g.

- *Headline financial targets for each of the main savings proposals*
- *Number of LEAN reviews successfully completed*
- *Reduction in number of managers*
- *Headline cost & productivity indicators*

Protecting Vulnerable People

Protecting vulnerable children, young people and adults is one of our most important areas of work. It accounts for a large proportion of our budget and we know from the 'Let's Talk' conversation that local people support our view that this should be a top priority for the council.

The way we look at social care is changing dramatically. We have begun to give people much more choice about the support they receive including, when possible, giving people direct control of the money we are providing. We need to make best use of available resources, and that means putting power directly in the hands of those receiving care to make good choices about what support they receive.

With demand for and referrals to children's social care increasing, we will continue to improve the way we respond to children and young people who are at risk at the same time as reducing the pressure on those services by better targeting of preventative work. This means intervening at the right time and allowing families to have a say in their package of support whilst reducing some untargeted, universal provision. This will focus resources where they can make the most difference.

We also want to promote better working at a local level by encouraging closer working between different professionals and further integration with partners in order to provide a more seamless service.

We will:

Children, Young People & Adults

- Join up Council and NHS front-line services to reduce management costs and overheads and remove artificial boundaries for service users
- Look to the voluntary and community sector to continue to provide a broad range of services but will focus our funding where there is clear evidence that people are in need
- Introduce fairer charging for those who can afford to pay and want to buy extra support
- Drive down costs through smarter 'shopping', making more use of providers in the independent sector
- Increase the number of people who receive personal budgets and are in charge of their own social care

Children & Young People

- Put in place a new targeted young people's service and integrating Connexions into this new service. The new service will focus on early intervention for those young people who are most at risk and support for the most vulnerable young people. This will mean radically reshaping our existing Youth Service and reviewing our current outdoor education provision
- Modernise services to vulnerable children, focussing child protection resources on those children who are at most risk and working in partnership with schools, health and other partners to provide high-quality, preventative support for other vulnerable children and young people.

Older people & vulnerable adults

- Put a bigger emphasis on helping older people back to independence and recovery, recognising that many can return to full independence following a relatively short period of support
- Reduce the emphasis on traditional day centres. Where demand is already going down, we anticipate a number of centres will cease to be viable over the coming years, but we will make sure we fully involve users in all decisions about the future of their centre.
- Joining up with other councils to develop and deliver care models that better meet people's needs including the development of a wider range of housing options to avoid the necessity for people to move into residential care
- Help people to stay active and healthy so that they can remain independent and enjoy a good quality of life into old age.

How will we measure change

For later drafts, each section will include a small number of key, smart targets against which we will measure change, e.g.:

- *headline financial targets for each of the main savings proposals*
- *X fewer looked after children*
- *x% on self-directed support/personal budgets*

Supporting Active Communities

An active community can be a self-governed school, a charity, local people volunteering, vibrant Town and Parish Councils or the collective action of good neighbours. We want to help communities to do more themselves and give them more control over local services like schools, libraries and youth centres.

We know that Gloucestershire's army of volunteers already make a huge difference to thousands of people's everyday lives in their neighbourhoods, towns and villages. We want to work more closely with Gloucestershire's voluntary and community sector to make it easier to volunteer, and to match people who want to volunteer with the groups that need their help.

We support the steps the government is taking to strengthen the autonomy and independence of schools. We will still continue to have an important strategic role in education but will focus our resources on ensuring access to high quality provision and helping those schools which need particular support. We will also continue to offer support and back-office services to schools on a business-like footing, working closely with the schools community.

We recognise that some of the services we will have to stop are still important to local people, so we want to make it as easy as possible for communities to take over local centres or activities. This will include handing over buildings to community ownership, helping communities get their own ideas off the ground and encouraging people to volunteer.

We believe that not only is this approach more sustainable in the long-term, but that it will also make them more flexible to local needs.

We will

Working with communities

- Encourage people to play an active part in their communities by volunteering
- Introduce a small grants scheme to help communities and community groups get their ideas off the ground
- Work with district councils to help community groups, voluntary organisations to provide a range of activities for young people
- Following strong feedback from the public, discontinue the discretionary funding of police officers from 2013 and seek other partnering opportunities
- Devolve responsibility for more of our services to Town and Parish Councils where they are keen to take on that role

- Support communities to take more responsibility for road safety activities and education
- Continue to provide registration services but reduce the number of offices and ensure the service covers its own costs
- Open 4 new Community Fire Stations in Cheltenham and Gloucester and a new Life Skills Centre which will provide a place where people can learn about personal and community safety issues in an interactive, stimulating environment.
- Make the most of opportunities for a 'one-stop-shop' approach, where a range of services and activities are based in a single building
- Focus our early years support on children and families who are most in need

Libraries, culture & lifelong learning

- Focus our resources and reduce costs within Libraries by reshaping the service on a core group of libraries with good opening hours and access to a range of services and information. We will continue to provide access to a library across the county and will seek to work in partnership with local communities to extend and enhance the core offer.
- Scale back lifelong learning, arts and culture and concentrate the services on areas that attract external funding or where income can cover the full cost.

Schools

- Give successful schools the freedom to buy in a wide range of value for money services and reduce our role accordingly
- Continue to reshape school provision where there is a mismatch between demand and supply or where outcomes for pupils need improvement

How will we measure change

For later drafts, each section will include a small number of key, smart targets against which we will measure change, e.g.

- *Headline financial targets for each of the main savings proposals, etc*

Building a Sustainable County

Gloucestershire County Council is responsible for planning and delivering much of the infrastructure that keeps the county working and moving. The financial challenges mean that we need to find significant savings, but we are committed to doing this in a way that avoids creating problems for future generations.

We will prioritise those services that keep the county up and running, that make Gloucestershire an attractive place to do business, and that directly protect the public from harm.

There will need to be a shift in emphasis to a core maintenance service, to reflect the tighter financial limits over the short to medium term. The service will continue to focus on maintaining the county's roads in a safe condition, cost savings and opportunities for joining up services with partners to better meet the needs of local communities

We want to take a joined up approach to the transport network. We recognise that different solutions are needed for large urban centres, smaller towns and rural villages. We want to make sure that the money we put into passenger transport is being used as effectively as possible and is focussed on getting people to work, school and essential services.

We will also continue our efforts to reduce our carbon emissions and to reduce the amount of waste that we send to landfill.

We will:

Roads

- Focus on carrying out essential maintenance and repairing potholes, scaling back plans for road building and park-and-ride improvements
- Concentrate on responding to problems reported by the public and local communities whilst reducing the amount spent on routine inspection and monitoring of street lighting and road condition
- Work closely with District Councils and Parish and Town Councils to provide joined up services

Passenger Transport

- Completely redesign our passenger transport network with a focus on transport to work, school and essential public services such as hospitals and doctors
- Remove discretionary home to school transport and introduce fairer charging through parental contributions

Community Safety

- Protect and maintain current levels of emergency response in Fire and Rescue services while looking at more efficient models of delivery
- Merge our Emergency Management service into Fire & Rescue, bringing the service under direct, front-line control of the Fire & Rescue Service
- Focus our Trading Standards service on enforcement activities and areas where consumers are at most risk.

Parking

- Raise an additional £1m of parking revenue to reinvest in passenger transport and roads, by introducing new parking schemes and making savings through smarter procurement and reviewing charges

Supporting Business

- Focus Economic Development on supporting local businesses and inward investment, and withdraw sponsorship of the South West's office in Brussels and other outside bodies
- Develop a strategy with Gloucestershire First for driving local business and encouraging local enterprise

Waste Management

- Carry on pursuing a Joint Waste Authority in partnership with our District Councils in order to progress towards our long term recycling targets and solve the conundrum of how we dispose of the residue in a sustainable way
- Trust people to make the most of the new collection schemes being introduced by District Councils, integrating promotions and campaigns aimed at persuading the public to recycle more into our mainstream communications

Planning

- Review our planning & development department to protect those services that help generate income for the Council and continue to meet our statutory obligations

How will we measure change

For later drafts, each section will include a small number of key, smart targets against which we will measure change, e.g.

- *Headline financial targets for each of the main savings proposals*
- *Recycling rate*

Appendices (to be included in future drafts)

- How we'll drive change: high level summary of the portfolio of change programmes
- How we'll measure performance: Balanced scorecard of performance and value for money measures
- Corporate risks

Background

The Government's Policy on Big Society has an ambition of putting more power and opportunity into people's hands. They want to give citizens, communities and local government the power and information they need to come together, solve the problems they face and build the Britain they want. They want society – the families, networks, neighbourhoods and communities that form the fabric of so much of our everyday lives – to be bigger and stronger than ever before.

One of the aspirations is that local people and groups will become more empowered to run and improve local services themselves.

Gloucestershire County Council wants to work with communities to develop the interest, entrepreneurial skills, networks, governance, volunteers, social enterprises etc that will be needed for them to flourish.

We already work with a whole range of local organisations and groups and we actively promote and encourage volunteering in the wider community and with our own staff. Now we want to do more.

Our approach

- The Council is at its most effective when it is helping people to live successful lives as independently as possible and helping communities to help themselves.
- We believe that if you give power to local people you get better results and achieve better value.
- Our approach will be to empower local people and communities to do more for themselves and give them the tools they need for community action – **active communities**
- We recognise that some areas need more help than others and that with a little support they can get their ideas off the ground - **building community capacity**
- We wish to transfer buildings and assets to community ownership so that they can be a hub for local activity, flexible and responsive to local needs – **local hubs**

We offer a menu of new opportunities to improve the help and support available to communities to help themselves, including:

- A new GCC website which includes a wealth of useful information and signposting about how and where to volunteer; access to information on volunteering organisations and opportunities; and links to the growing amount of national information to support the Government's Big Society policy.

- A new Supporting Active Communities Grant of £50k which provides one-off funding to help local groups and organisations with projects which build local capacity.
- A Community Assets Transfer Scheme which gives communities the opportunity to take over the running of library and youth buildings for community benefit. This includes attractive leases, peppercorn rents, grant funding for repairs and maintenance and grants of up to 50% of the sale proceeds to fund the improvement of an alternative community building.
- Investment of £300k (£50k per district) to extend and develop new or existing activities for young people.
- Significant changes in adult social care which promote people's independence and give them more choice and control over the support they receive. Those eligible for support will receive a personal budget, which can be used to buy traditional social care or ordinary community services. Through the new website, www.yourcircle.org.uk, we hope to help people enhance their own circle of support to help them live independently. Their circle of support might include their GP or their spouse; a local community club or help in their own home; a prescription collection service or home safety equipment. As 'Your Circle' develops, there will be a chance for voluntary organisations, community groups and local businesses to fill gaps in the market and provide services that reflect people's choices and their wish to look beyond traditional social care services to meet their needs.
- A new contract to promote and support volunteering across the county from April 2011.
- An invitation to parish and town councils to identify opportunities to devolve services to them and for them.

Meeting the Challenge – a Strategy for Highways

Strategy

Continue to focus on the quality of customer service and to maintain the county's roads in a safe condition. In order to reflect the tighter financial limits over the short to medium term, there will need to be a shift in emphasis to a core maintenance service.

The new service will be designed around maintenance, people's safety, cost savings and opportunities for joined up street services with Districts, Parish and Town Councils to better meet the needs of local communities.

Maintenance

Capital investment funds the structural maintenance work – the improvements that provide longevity and resilience to reduce the amount of day to day routine and reactive maintenance that might otherwise be required. There is always a balance between longer term investment and spend on routine and reactive work. That balance can and will shift for many reasons, not least because of available funding, other priorities and indeed overall condition.

Under meeting the challenge it is proposed that the emphasis shifts from the higher cost work designed to provide a long asset life (of 15-25 years) to one which focuses on the medium term condition and appearance. Whilst the asset life will not be as long, the upfront cost is less so more miles of road can be covered. This improves the appearance and reduces the risk of potholes.

Revenue spend will remain focused on ensuring the public's safety with targeted policies to ensure consistent intervention and maintenance levels. Response periods will need to be reviewed and in some cases extended to ensure consistency across services and best value from the available funding. Work is also underway with other authorities to seek a common approach to safety defect thresholds.

Other Highways Activities

Integrated transport schemes, which include improvement schemes, traffic calming and local safety schemes, are generally capital funded. In the short term the proposal is to defer schemes to focus on maintenance. Accordingly, the only schemes that would go ahead would be those funded by external funding e.g. central government ring fenced grant or developer contributions. This is in line with community expectation, i.e. we focus spend on road repairs.

There will be a redesign of the street lighting service, aligning it with general highway service standards and delivery, a greater reliance on publicly reported problems and retaining focus on energy conservation, i.e. continuing to dim and switch off plus removal. Traffic Signals will also be reviewed with an emphasis on energy

conservation and consideration of removal. There will be a review of bridge assets, which considers weight restrictions, removal or transfer of ownership if non critical. In terms of road safety the focus will be to increase income, review community involvement in School Crossing Patrols and facilitate education.

Links to localism agenda

The highway delivery across Gloucestershire is managed through a consistent approach to asset need. It focuses strongly on parish and town council engagement to represent communities. The strategy moving forward will place a greater emphasis on the diversity of needs between urban and rural communities, strengthening relationships with Districts to create a more joined up focus to doorstep services. The approach will maintain the GCC strategic asset management approach across the county with targeted interventions, particularly for the strategic network, enhanced with government grant or developer funding. It would however facilitate an opportunity for Districts to call off a county contract for work and top up GCC spend. It is envisaged that this will be particularly apt for key urban areas, especially those with few parish and town councils, where the more joined up approach to doorstep services could include co-location of staff and the opportunity to remove duplication and use the Districts stronger community links and knowledge to deliver services. It will still be important to retain and strengthen links with Parish and Town Councils and seek similar arrangements regarding top up for services should communities choose to retain or strengthen them e.g. grit bins.

Members of the public become a stronger partner, with community self help becoming ever more important e.g. winter and flood alleviation. We are also exploring more innovative and flexible ways of dealing with community concerns around speed. This includes working with the Police to facilitate a more flexible approach to community speed enforcement through the Road Safety Partnership.

Value for money

Maximising contract savings is essential and will remain a key component of the strategy. The current Atkins contract extension has already delivered a number of benefits, which includes transfer of further liability to Atkins, renegotiation of supply chain contracts bringing in approximately 10% efficiencies in capital structural maintenance, a strategy for reducing accommodation costs at Imperial Gate and protecting GCC liability from proportionately higher overheads during a period of falling turnover.

A new contract will be procured for start date 2014. A full range of options for the contract will be reviewed and assessed, which support more joined up doorstep services and maximize marketplace competition etc.

The Highways function will be subject to a restructure over the next 6-12 months, which will see both the GCC and Atkins workforce and overheads reduce by more than 30%.

Regional and sub regional opportunities for shared contracts are currently being explored for specialist areas e.g. a joint framework approach for Traffic Signals.

Links to Policy change and Risk

Policy change will be necessary to provide consistency across the asset, clarity for communities in terms of managing expectation and to, ensure legal, health and safety compliance to minimise risk and liability.

The strategy relies strongly on member and community engagement. Demand for services is stronger than ever with individuals keen to lobby for their areas in terms of schemes and this is set to increase going forwards as cuts bite. There will be concern regarding the impact on local politics e.g. pressure for speed limits, lorry watch, traffic calming etc.

Note 1 - Highways Strategy Financial Estimates 2011/12-2014/15

Capital programme (new borrowing) of £10m, subject to review in December with LTP3 settlement.

Revenue Highways budget including GH, Road Safety, Traffic Management and PROW/Flood is £28.9m including ABG, reducing to £21m over the next 4 years. Funding for frontline maintenance will be looked at closely over the next four years to ensure we're getting the best value for money for council taxpayers. We will be looking to work smarter and more efficiently by:

- Focusing our gritting routes on 80% of journeys and working with communities to encourage them to help themselves during bad weather
- Reviewing street lights and traffic signals to ensure they are sustainable and encouraging the public report problems to us.
- Focusing our gully clearing and drainage on areas of priority. Working with district and parish councils more to tackle problem areas.
- We will review our approach to routine maintenance of signs/lines, environmental, bridges and safety defects, whilst working with District and Parish/Town Councils to improve the approach to Street scene

We will also be looking at non-frontline maintenance budgets, including a reduction in staffing numbers, overheads, increasing charges and moving more to an enabling approach to service delivery e.g. Road Safety education.

Home to School Transport Policy Changes

1. Background

The Council provides free home to school travel to 10% of Gloucestershire's pupils and students at an annual cost of approximately £14m. Most of this travel recognises statutory requirements, but a growing proportion is discretionary. It is the discretionary elements that we propose to consult on with the intention of providing a revised service that is:

- clear and understandable;
- fair and equitable to everyone;
- meets statutory requirements; and
- reflects the current financial situation.

2. Proposals for a Revised Service

We are proposing that the County Council should reduce its support for discretionary home to school travel, on a phased basis.

Phasing:

Existing pupils who already receive free transport will **not** be affected unless they change schools, move to post 16 courses, or there is another change in their circumstances

For **new primary aged pupils**, the proposed changes will be introduced with effect from **1 September 2011**. Parents submitting their forms for 2011 will be advised that their children may not receive free travel.

For **new post 16 students**, the proposed changes will be introduced with effect from **1 September 2011**. Students have not yet completed the application process for post 16 courses and will be advised of likely changes to transport rules AND possible increased charges.

For **new secondary aged pupils**, the proposed changes will be introduced with effect from **1 September 2012**. This is to reflect the fact that preference forms for secondary admission in 2011 have already been submitted.

Services we propose to stop are:

- **Faith: free transport for catholic children to catholic schools**
Transport is currently provided to around 620 catholic pupils but not to other faiths. Savings approximately £450k p.a.

- **Grammar: free transport to selective schools.**
Transport is currently provided to around 600 pupils living in the Gloucester, Cheltenham and Stroud districts only. Savings approximately £380k p.a.
- **Joint Catchment Areas: Only provide transport to the nearest school, where children live in a joint school catchment area.**
Some children live in areas with a choice of secondary school and receive transport to either, even though one may not be their nearest school. Savings approximately £200k p.a.

Services we propose to reduce are:

- **Post 16: Provide transport only to the nearest post-16 provision**
There are an increasing number of applications for longer, more costly journeys. Most needs should be able to be met locally. Savings approximately £150k p.a.
- **Transport for non-entitled pupils: Clarify the rules and apply the policy consistently in areas such as available routes, SEN and school reorganisation**
In specific circumstances the law expects travel assistance to be provided to non-entitled pupils. In others, assistance is the result of local custom and practice. Savings approximately £460k p.a.

3. Resource Implications

If discretionary policies are changed, as proposed, the savings by year 5 would be approximately £2m per annum. If there are no changes to policy, the annual cost of home to school transport is expected to rise by £1.7m.

It is estimated that the review of the Home to School Transport Policy will cost £135k from existing resources.

Recommendations

- **To consult on the proposals to reduce support for discretionary home to school travel; and**
- **That any changes to policy should have a phased implementation**

4. Consultation Feedback

At the road shows, the public consistently raised home to school transport as an area where savings should be considered. School transport was also the very top item that people completing the online budget simulator said should be cut. Nearly 18% said that we should reduce costs in this area.

Wide-ranging consultation is planned between the 29th November 2010 and 14th January 2011 to include:

- Representative bodies (diocesan authorities, governors' association, heads of faith/selective schools)
- Parents and communities affected (3 x selective school meetings; 2 x faith school meetings; 4 x area meetings)
- Engagement with young people (including web-based and social networking sites)

Consultation documents will be widely circulated in hard copy form and available to complete on-line.

5. Performance Management/Follow-up

This project will be managed through the Meeting the Challenge programme arrangements

An Equality Impact Assessment (EIA) has been drafted and no overall differential impact identified. The draft is being considered by the Equalities Forum and will be finalised in the light of their comments and the responses from public consultation before the February cabinet meeting. A copy of the full EIA will be accessible in due course on GLOSTEXT via www.gloucestershire.gov.uk/index.cfm?articleid=4047.

Public Transport Review

Executive Summary

Local buses and community transport play a key role in Gloucestershire enabling people and businesses to prosper. However where public transport cannot be provided on a commercial basis the council has an annual budget of £5.1 million for bus subsidy, grants and infrastructure to help meet local needs.

The recent Spending Review settlement is based upon cutting waste and taking hard decisions about priorities, including which vital transport services can we afford to sustain. In order to achieve our Meeting the Challenge savings targets we will be consulting on proposals to save £2 million on passenger transport through greater prioritisation, achieving better value for money and making internal efficiencies.

This consultation will shape the future of passenger transport in Gloucestershire so that funding helps assist in the recovery of the local economy and meet the essential needs of the most vulnerable in our society.

Context

Over 21 million passenger trips are made annually on local buses in Gloucestershire on a network of over 150 services. Last year 18 million trips were made on the commercial bus network, 2 million trips on the supported buses, 1 million trips on park and ride and 220,000 trips on community transport.

Patronage is rising, helped by the introduction of free concessionary travel for disabled people and those aged over 60, and public transport accessibility has consistently exceeded our local target. We have also secured investment in vehicles and infrastructure through a Quality Partnership serving Cheltenham and Gloucester.

In recent years underlying transport costs have consistently outstripped increases in government funding, driven by rising labour costs and an increase in diesel prices of 41% since 2000. Future cost pressures are expected particularly from reductions in concessionary fares funding and operator reimbursement from April 2011 and a 20% reduction in Bus Service Operator Grant from April 2012. This will reduce scope for savings from commercialising better performing subsidised services and will increase the risk of cost growth as commercial operators withdraw marginal services.

Whilst savings from the LEAN pilot, additional revenue from passenger growth and fare increases have helped contain costs recently, analysis of our bus contracts shows a wide variation in subsidy per passenger. In part this could be attributable to years of organic network growth, as the council has stepped in to replace withdrawn commercial services and has taken opportunities to run services using external grants. It also suggests that some of our existing 'big bus' transport solutions do not provide good value for money and that alternatives such as community transport minibuses would be more suitable.

In any event new pressures on local government funding mean that some of these services are unsustainable in their current form and call for a fundamental review of the passenger transport network.

Any decisions taken about the future of passenger transport services will be taken in the context of Meeting the Challenge.

Proposals

Decisions about transport subsidy have to be made on a logical basis. Traditionally authorities have used cost based criteria, however reductions made only on this basis can:

- Disadvantage those living in rural areas where journeys are longer
- Leave an unbalanced network which does not serve key destinations
- Result in undermining of the commercial network and a spiral of decline.

It is important that the revised network is robust, fit for purpose and sustainable at a lower level of subsidy. For this reason we are consulting on proposals to adopt the following key principles in the redesign of our network:

Guiding principles

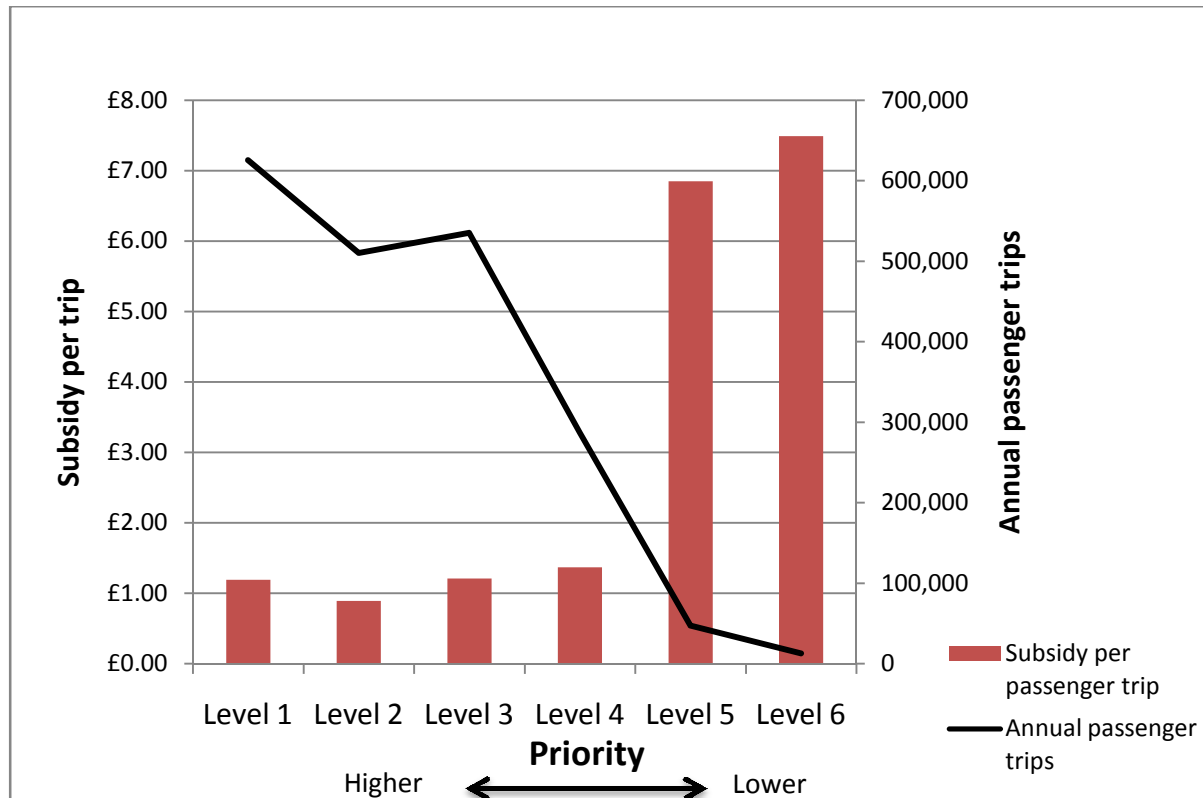
1. safe, reliable and financially sustainable services
2. services which focus on addressing people's needs, rather than wants
3. prioritising access to essential services such as education, employment and health
4. a hub and spoke network where services from rural areas feed into trunk routes
5. more flexible ticketing, possibly based on smart cards
6. better journey information via the web and mobile phones

What will it mean?

1. fewer evening and Sunday services
2. fewer and less frequent journeys
3. fares brought in line with commercial bus operators
4. community transport and taxis play a greater role in urban areas for those who need a door to door service
5. rural provision based more on community transport feeding into market towns
6. combining contracts where it is efficient, i.e. school children using public transport
7. we will not duplicate commercial services which are within walking distance
8. St Oswald's Park and Ride service withdrawn early in 2011/12; services in south Gloucester are redesigned.
9. Lower priority services may have to be withdrawn, starting in early 2011/12.
10. Funding for community transport is protected and redistributed to reflect future service demands.

To help inform this process existing supported bus services have been prioritised into six levels. Services in Level 1 perform a strategic function, such as providing key inter urban links. Services in Levels 2-6 are prioritised according to subsidy per passenger trip and the ratio of revenue/cost reflecting an increased emphasis on financial sustainability. We are also reviewing our contributions to cross boundary services managed by neighbouring authorities and developer funded services.

Table 1. Annual trips and subsidy per passenger on the supported bus network



By grouping services into levels one can see the incremental effect of building up the supported bus network in terms of passengers carried, subsidy per passenger and communities served.

For example it can be seen from Table 1 that over 1.1 million single passenger trips are made annually on supported bus services in Levels 1 and 2. The average subsidy is just over £1 per person for a single trip (or £2 for a return trip).

The number of trips made on those services in Levels 5 and 6 is just over 60,000, or 5% of the number made in Levels 1 and 2. The average subsidy is around £7 per person (or £14 for a return trip).

It should be noted that the ranking of individual services may change over time for reasons including:

- to reflect new information arising from impact assessment and consultation feedback;
- fluctuations in passenger demand, fare revenues; and contract prices;

- commercial bus service withdrawals;
- availability of external funding (e.g. developers, neighbouring authorities)

However, work to date on this process illustrates the need to review which transport services we can afford to continue subsidising, with an emphasis on access to education, employment and health services. It also highlights the importance of challenging how these essential journeys are provided. We acknowledge that conventional public transport is not always the most cost effective solution and that community transport and voluntary car schemes may be the best way we can continue to provide residents in isolated communities with access to essential facilities.

Further work is underway to ensure that the decision making process takes greater account of socio economic factors and access to essential services such as education, employment and health.

Financial Implications

The proposal is to save £2 million over 2011/12, 2012/13 and 2013/14.

Current budgets and proposed savings are shown below. This includes £1.4 million of Area Based Grant for rural transport which is no longer ring fenced.

Service	2010/11 budget	Proposed budget	Saving
<i>Public Transport</i>	<i>£4.1 million</i>	<i>£2.5 million</i>	<i>£1.6 million</i>
<i>Community Transport</i>	<i>£0.6 million</i>	<i>£0.4 million</i>	<i>£0.2 million</i>
<i>Park & Ride</i>	<i>£0.4 million</i>	<i>£0.2 million</i>	<i>£0.2 million</i>
<i>Total</i>			<i>£2.0 million</i>

Savings achieved from the LEAN pilot, over and above those realised, mean that over £400,000 (20% of the total) can be saved in 2011/12 with no impact on front line services.

Key Risks & Mitigations

Inability to access to essential services

- Consult users and use accessibility planning tools to understand the impact of proposals
- Continue support for local transport services which are critical in meeting needs.
- Maximise funds available for front line support from procurement and administrative efficiencies.
- Coordination between public transport and school transport service contracts.

Rural isolation and gaps left by urban bus withdrawals

- Continue support for community based transport schemes.
- Encourage innovative solutions such as the 'V' service in Cheltenham
- Redesigned 'hub & spoke' network reduces operating costs of rural transport

The community transport sector may not have capacity to meet increased demand

- Build capacity in this sector by working with Community Transport Association to invest £220K Rural Social Enterprise Programme grant.
- Encourage the sector to innovate and move away from grant reliance to commercial trading.
- Allow the sector to use vehicles no longer required by the council.

Commercial services are withdrawn

- Maintain dialogue with operators to identify any at risk services/routes early.
- Plan for implications of changes to concessionary fares funding and fuel duty.

Consultation

In order to make the necessary savings we need to redesign the whole network within the next two years. Before we do this we wish to consult on the guiding principles between mid November and the end of January 2011, asking users, residents, parishes and businesses what they think should be considered when designing the future bus service in their area, and what alternative solutions could be explored. It is important that the consultation is linked with concurrent consultations on changes to concessionary fares and home to school transport policies.

More detailed local area reviews would need to be carried out in phases over next two years, guided by the principles of redesign, working within future budgets and reflecting annual changes in demand for education transport. Further details of this phasing will be made available in February 2011.

Equalities and Accessibility

Changes to the way the council supports public transport could reduce travel options for some vulnerable groups of residents who do not have access to a car. This could include those on a low income, young people in education, older people and those who are rurally isolated.

The guiding principles behind the network review aim to give priority to helping these people access essential services, particularly health, education and employment, to avoid exacerbating problems caused by social exclusion.

We will use consultation feedback to inform the redesign of services, together with the results of ongoing work using accessibility planning tools.

A more detailed Equalities Impact Assessment will be published when Cabinet makes its decision in February 2011.

Day Centres

Context

The way we look at social care is changing dramatically. We have begun to give people much more choice about the support they receive including, when possible, giving people direct control of the money we are providing. We need to make best use of available resources, and that means putting power directly in the hands of those receiving care to make good choices about what support they receive.

We aim to reduce the emphasis on traditional day centres. Where demand is already going down, we anticipate a number of centres will cease to be viable over the coming years, but we will make sure we fully involve users in all decisions about the future of their centre.

Cabinet to agree to C&AC Directorate staff undertaking formal consultation specifically on the closure of the following day centres:-

- Pear Tree, Chipping Campden – day centre for adults with a learning disability
- Dursley Training Unit, Dursley – day centre for adults with a learning disability
- Newholme Day Centre, Cirencester – day centre for older people and physical disabilities
- Hatherley Day Centre, Gloucester – day centre for older people and physical disabilities
- Glebe Day Centre, Dursley – day centre for older people with dementia

Formal consultation will be required with the following people, anticipated time period: 12 weeks:

- Users
- Carers
- Staff
- Partners who share premises
- Groups representing Older People and people with Physical and Learning disabilities
- Independent, Voluntary and statutory agencies

When the formal consultation period has been concluded and if a final decision to close has been made the next steps would be:

- Give staff a 3 months' notice period of redundancy
- Users will need to have their needs reviewed, be allocated a personal budget based on that need and a support plan which would set out how their outcomes would be met through the use of the personal budget. This could not start until final decision had been made and is likely to take 3 months if the Adult Fieldwork teams prioritise this work.

Libraries

Over the next 4 years the County Council estimates it will need to find savings of up to £120m because of national debt, spending pressures and government cuts. When making decisions on where to cut services, our Cabinet are working to the following principles (values):

- We must live within our means
- Provide the basics
- Help communities to help themselves.

The Library Service

The Library service in Gloucestershire has been undergoing change for some time to reflect the changing way people access information and books. The reality of 28% reductions in funding means the process of change will now be much faster, as we cannot afford to sustain the current library network. We are proposing to:

- Invest in a core network of main libraries geographically spread across the county
- Make best use of technology in the areas where our customers value it most
- Think creatively about how to sustain services in as many communities by sharing costs and premises with partners, and
- Give the community the opportunity to run community libraries themselves

While this is about the future of libraries, it is also a blueprint for the way all community services will be delivered in Gloucestershire going forward. It is about the county council working in partnership with communities, and with other people who deliver services locally.

Of course, this is about saving a big chunk of money – around £2.5m savings from operational costs and further income generated from selling off buildings we can no longer afford to run. We will protect as many jobs as we can. However, it's also an opportunity to completely rethink how the county council and our public sector partners deliver services and reflect the changing way people use the library services especially with the development of the internet.

If we get this right, it will mean our customers are able to access a range of services either directly from their home or under one roof.

On the future budgets that we have available, we believe the following is the best solution for the county because it:

- Provides a geographic spread of main libraries across the county
- Allows us to develop a modern 'express' style of local library service that fits the changing lifestyles of our customers, embraces technology and ensures our libraries remain relevant to peoples' lives
- Reflects the changes happening in our society

- Retains not only our most used libraries but the libraries that account for 70% of all library visits
- Creates opportunities to share buildings with partners and offer a one stop shop to our customers
- Gives the community the opportunity to introduce new services to meet local needs
- Takes learning from other authorities and from the private sector
- Builds on the developments we have made to our library service in recent years, and of which we are most proud.

The proposal

When considering what our future library building needs should be, our priorities have been to:

1. Achieve a strategic geographic spread of main libraries around the county, supplemented by a more modern library service
2. Retain our top most used libraries
3. Our third priority has been co-location opportunities that can financially support the retention of a local library service.

9 main libraries – Our 9 main libraries will offer a comprehensive range of fiction and non-fiction books including the latest bestsellers and DVDs to hire and give you access to technology, community and education events as well as advice and support from our staff. They will offer either access to other County Council services or the services of our partners. Our Cheltenham and Gloucester Central libraries will continue to be our flagships, opening 6 days a week including some late nights until 7pm. The other main libraries will be Tewkesbury, Stroud, Cirencester, Newent, Dursley, Coleford and Stow. These will each open 6 days a week, 9am – 5pm or 10am – 6pm on weekdays and 9am -1pm on a Saturday).

24/7 virtual library service – Our online library service is increasingly preferred by some people and exciting advancements in technology mean we could develop this service so that our customers can experience a virtual library tour without having to leave the comfort of their own home. They would be able, as now, to reserve books, renew and search the catalogue and use online reference resources too.

We will invest more in our online library service so that our customers can:

- Order and renew online
- Research online
- Download eBooks and eAudios from the library catalogue
- Arrange direct postal delivery of requested items (for a fee)
- Have a local pick-up point to collect the items they have ordered

We will also develop Apps for smart phones to make our online services even more accessible and investigate the new technology available to make the virtual library experience mentioned above, possible.

Library Express – Just like the supermarket, sometimes you don't need a whole range of services all the time, you just need the essentials and a few extras. Our *Library Express* service aims to provide just that. The difference between *Library Express* and our main libraries will be the range of stock, opening hours and extended services that are available. They will have self serve facilities so that you can quickly collect and drop off books and DVDs, and you will also be able to get advice and assistance as well as access to other County Council services or the services of our partners. We propose to have a *Library Express* service at Chipping Campden, Fairford, Tetbury, Winchcombe, Lydney, Bishops Cleeve, Charlton Kings, Up Hatherley, Quedgeley, Longlevens and Hucclecote.

Express Libraries will be open 3 days during the week plus half day on a Saturday. We will also be exploring ways to extend opening hours by working with partners and possibly volunteers.

Library Link – We have identified a number of additional locations where we aim to share facilities with our strategic partners and offer a full *Library Link* service. This would include some book stock, self serve facilities and public internet access. It would be a place where people could drop off, reserve and collect books and a delivery and collection service from our main libraries could be made. Staffing would be provided but just for a short period as the principle would be that people 'self serve'. Volunteers may also be able to extend opening hours too.

For *Library Link* to be affordable, we need a number of partners to either move into a library building or for the library to share a building owned by a partner.

The locations we have identified where *Library Link* could be possible are Nailsworth, Moreton, Stonehouse, Churchdown, Prestbury, Bourton and Wotton. We can no longer afford to fund these libraries on their own.

The more community, voluntary, private and public sector organisations can come forward and agree to share costs and premises with us at these locations, the more flexible the operating hours can be.

More details of our *Library Link* service can be found at www.gloucestershire.gov.uk.

Community run library service – For the remaining existing libraries in the county, we will offer the community the chance to take over the building for community use and we will work together to make community asset transfer a feasible and attractive option. This will also give local people or community groups the opportunity to run their own library service to suit local demand and we can offer a more flexible *Library Link* service if required in any community to suit the budgets they have available to purchase this service. To find out more information about Community Asset Transfer, please visit our website at www.gloucestershire.gov.uk.

Meeting the needs of the most vulnerable – We will have personal conversations with the most vulnerable users of our library service and those living in very rural areas, so that we can meet their specific needs. This could include:

- Services to housebound people provided by volunteers
- Travel provided (at cost or through volunteers) to attend library clubs at main Libraries
- Order and direct delivery by Village and Community Agents or volunteers
- Community drop off points
- Continuing to provide a postal service to visually impaired people through the RNIB
- Providing library related learning activities at children’s centres
- All of the additional services available through our 24/7 online service which will also be of benefit.

This strategy aims to give us a modern and affordable library service that can be accessed from home as well as being geographically spread across the county. It also gives the opportunity for communities and other organisations to work together to influence what services they need for the future in their local area.

It will make our services more efficient and streamlined, encourage joint working and raise income through the selling of buildings we can no longer afford.

The Facts and Figures

For those who regularly use the library it can be an important aspect of their life – mostly we find that libraries play a role for many young children and families, older people and adults with specific needs for a service, for example research, job seekers etc.

The most used libraries in the county are:

Library	Number of visits
Cheltenham	429,000
Gloucester	280,000
Stroud	148,000
Up Hatherley	137,000
Tewkesbury	132,000
Quedgeley	102,000
Hucclecote	113,000
Cirencester	111,000
Charlton Kings	107,000
Bishops Cleeve	177,000
Longlevens	94,000

Below this level, the number of visits to all other libraries drops considerably.

Sharing facilities with other council or partner services

Our libraries have been providing more than books for many years now and the service has developed to reflect the needs of our customers. We have also been offering access to other county council services and the services of our partners for a while. These include CRB checks, Homeseekers (social housing registration), Council Direct services and Adult Social Care information. From April 2011 library staff will support those people applying for concessionary bus passes (over 60s and disabled people).

We have many volunteers already supporting us to deliver books to housebound people or to work as IT buddies. We hope our proposals for the future library service will encourage much more volunteering.

Our proposals for shared facilities with partners, offer a one stop shop for public services. By working together we will be able to offer people access to local services in one multi-use building; speak to your local police officer, get health advice whilst registering your baby's birth and then browse for, drop off or collect books and DVDs. We are currently working with Gloucestershire Constabulary and the NHS to increase use of shared facilities with our partners.

Engagement plan

We expect consultation on these proposals to begin on 18th November 2010. Full details will be available on our website www.gloucestershire.gov.uk at that time. The purpose of the consultation will be to inform people about the proposed changes to library services and to understand the impact this will have.

The consultation plan will explore the following areas:

- Concerns about the proposed service change
- Perceived level of impact
- Level of interest in community run libraries and the Library link services.

It is important to note that this consultation should not be used to explore whether the service change should happen and/ or whether the budget for the service should be reduced. Feedback on this will be available through the council's consultation on the budget proposals. We will consult with the following groups:

- Current library users including special service users i.e. mobile library, home link and music service users
- Other Gloucestershire residents;
- County and District Councillors;
- MPs;
- Parish and Town Councils;
- Voluntary Sector Organisations;
- Community groups;

- BME and traditionally hard to reach groups (inc. young people);
- Business rate payers;
- Library Staff
- Any other key partners

The means by which we will do this will include:

- Self selecting questionnaire
- Public road shows
- Wider engagement activities

Analysis of the feedback will be analysed and considered prior to a new Library Strategy being passed as policy by Council in February 2011.

Questions and answers

Do Council's have to provide a library service?

County Councils must provide "a comprehensive and efficient library service" and within reason, are able to decide how best to provide that service.

How much value does the council place on its library service?

We are proud of many of the developments we have made to our library service in recent years. For those people who regularly use the library it can be an important aspect of their life. We know that library use plays a valuable role for many young children and families, for older retired people and also especially for adults who have a specific needs for an aspect of library services at some point in their life, for example for specific information and research, for job seekers and for readers.

The budget cuts mean we can no longer afford our current library service. Our proposals aim to recognise the importance of libraries in communities whilst balancing the pressure providing a service where we:

- Live within our means
- Provide the basics
- Help communities to help themselves.

How much money will these proposals save?

We expect to save around £2.5million in operational costs.

How many jobs will be lost?

Across all of the service changes the County Council is proposing, we expect about 1000 redundancies. Until a decision on the library strategy proposals is made, we cannot give redundancy figures.

What feedback did you have from the public during your Meeting the Challenge campaign?

More than 50% of those that attended one of our road shows suggested we could either reduce or stop the library service. The results of our leaflet and online questionnaire also reflected this.

For those that completed our online budget simulator the Libraries and Information service, along with archives and lifelong learning received the second largest budget cut from the public.

Feedback we have received from our staff and the public include:

Run other council and partner services out of libraries or other public buildings
Can be drastically cut as most people have access to the Internet
Reduce the library services reliance on buildings and staff, improve access to services via the internet
Smaller, but better stocked libraries would be better. Cut back on rarely used libraries
Introduce more charging for library services
An Amazon style Library catalogue - Large central stock unit with online ordering and next day delivery
Set up Friends Groups to help raise funds for their local library, in the same way as GP surgeries and hospitals do
Request donations of unwanted books. These could be added into library stock or put on the Sale trolleys
Fewer actual libraries - central locations only
The mobile library is a luxury which can no longer be afforded
Library services aren't essential – cut them
The library service is wonderful; I wouldn't like to lose it!
The role that libraries play in reducing isolation was highlighted by many respondents

Many of these suggestions reflect our proposals for the future of our library service.

When will the changes come into effect?

It will take time to change the service to meet our proposals and will be done in the context of other changes, for example the development of our website to be more transactional and the procurement and delivery of our ICT strategy.

Are we the only county having to change our library service like this?

Gloucestershire is not alone in having to significantly rethink its library service - this is happening across the UK. We have looked at best practice across the country so that we learn from what others are doing.

Does the Council own all of the current libraries?

Most buildings are owned by the Council and a few are leased.

How many people in the county currently use the library service?

Our biggest area of service in 2009/10 was the 114,000 books/CDs borrowed and 90,000 visits made to our website which included orders and renewals. Our most significant 'extended services' included the Summer Reading Challenge, Book Start, RNIB talking books, Ask Us enquiry service and library clubs ranging from Baby Bounce and Rhyme for pre-school children and their parents or guardians to family history days to library clubs for older people.

Why are you reducing opening hours at some of the best used libraries?

Simply, we can no longer afford our current library service. However, where partners and volunteers are able to come forward and share any of our Library Express facilities with us, we will be able to reconsider the opening hours.

What other library services will stop?

Our traditional mobile library vehicle will be replaced by a modern style of local library service that fits the changing lifestyles of our customers, as outlined in our proposals above.

Mobile libraries are expensive to run and many mobile library customers also use other libraries. We will have personal conversations with the most vulnerable users of our library service and those living in very rural areas, so that we can meet their specific needs.

What will happen to the library buildings that are being closed?

We will offer the community the chance to take over the building for community use and we will work together to make community asset transfer a feasible and attractive option. This will also give local people or community groups the opportunity to run their own library service to suit local demand and we can offer a more flexible Library Link service if required in any community to suit the budgets they have available to purchase this service.

If no suitable offers to take over the building for community use are received, the building will be sold on the open market.

Where can I find out more about the terms and conditions that apply to communities running their own library service or Community Asset Transfer?

The terms and conditions relating to either transfer of building ownership and our flexible Library Link Service can be found on our website at www.gloucestershire.gov.uk.

If the library strategy proposals are approved, when do you expect some libraries to close?

We do not expect any library to close before July 2011.

Policy for Community use of Buildings for Library Community Asset Transfer

The community offer for libraries

We will:

- Provide the community group with book shelving and library furniture.
- Provide the group with a 'start up' collection of books -taken from the library's existing stock.
- Provide a one off payment for purchase of a PC and suitable software and license.
- Provide training with setting up a library and follow up with further advice and guidance during the transition period
- Liaise with our book suppliers and obtain discounts for provision of new books purchased by the community run organisation
- Give advice on the range of small scale Library Management Systems that are on the market to enable the community to assess a suitable system for purchase.

We cannot:

Provide access to the Internet owing to security reasons as this is attached to the GCC network.

Offer access to the library service's Library Management System (Talis) owing to data protection and licensing issues.

Further advice and guidance:

During the transition period we will work with the community group to support the transfer and after the transition period the community will be provided with a named library contact to deal with queries.

Further advice, guidance and training outside the scope of the transition arrangements will be available to the community organisation from Library Services for Education (LSE).

The Community Asset Transfer offer has in principle been agreed as part of Meeting the Challenge.

There are two options available for the offer as part of the Community Asset Transfer offer which are set out in a separate information pack.

Targeted Young People's Services

The majority of young people in Gloucestershire achieve well and make a successful transition through education into employment, making strong contributions to the community. Unfortunately, though, some do fail to achieve and do not benefit from all the positive experiences Gloucestershire can offer. Outcomes for Care leavers are of particular concern.

Resources and professionals are currently focused on providing general services to all young people. However, as resources are constrained it makes sense to focus on where they will have most impact – working with young people at risk before problems become entrenched. This will also mean working even closer with local community, faith and activity groups to sustain the excellent activities that are available for the great majority of young people.

As part of Meeting the Challenge, the council proposes to focus its resources on young people who are in greatest need and those at risk of not making a successful transition into adulthood. The council will need to work with local communities, local councils, schools and colleges to ensure that the wide range of existing general activities run for local people are still available to the majority of young people. To achieve this, a complete redesign of Young people's services is proposed including the Connexions Service, Youth Service, Outdoor and Environmental Education, Youth Offending Service and Post 16 Service.

The redesign will need to take account of changes in Government policy including a focus on early intervention and the introduction of a new All Age Guidance service (replacing the Connexions Service) for young people. In addition there will be a green paper on the future of the criminal justice system that will include changes to the youth justice system. At the present time we do not know the level of funding available for the Youth Offending Service and Connexions Service which may impact further on the funding available for Young People's Services.

Redesign of Young People's Services

There are two key objectives – to sustain a wide range of general services for all young people and to develop an effective targeted service that will support young people at risk.

Objective 1 - to continue to sustain a wide range of general services for all:

Over 70% of young people already take up a broad range of opportunities and are actively engaged in positive activities in their communities. Most of them use leisure, cultural and community run activities rather than council provided youth services. We are therefore proposing to phase out the use of traditional youth centres and will work with local communities, schools, district, parish and town councils and the voluntary sector to develop different models of delivery, including how many of the

buildings can be used as community assets. The new All Age Guidance Service will be nationally commissioned from September 2012 and will deliver general advice and guidance on education, training and employment removing the responsibility from the Local Authority. Our aim will be to provide information and signposting about the broad range of activities and opportunities, and work closely with district councils, schools and colleges.

In summary we propose:

- Investment of £300k to support the voluntary sector across all the districts to extend and develop new or existing provision.
- To provide information on services, activities and their education and training choices for all young people

Objective 2 – to develop an effective targeted service for young people at risk

The proposal is to replace a range of existing services – youth service, Connexions, crime prevention, housing support, substance misuse teams - with a new, locality based prevention and early intervention service. Specialist teams – those working with LAC and Care leavers, youth offenders, young people needing specialist support regarding substance misuse - will remain but will be organised to provide effective programmes for young people. The new service will:

- Bring professionals – youth workers, social workers, police officers and health practitioners - together in locality bases
- Identify young people at risk of involvement in anti-social and risky behaviour that impacts on the quality of life in our communities.
- Intervene effectively with the most vulnerable young people, supporting them to overcome the barriers and difficulties that they face and enabling them to become effective adults.
- Carry out the council's statutory responsibilities in relation to children in need, care leavers, young offenders, young people with learning difficulties and/or disabilities and unemployed young people.
- Reduce the number of high level interventions.

In order to maintain a local focus to delivery, facilitate good multi-agency engagement and ensure services are attractive to young people it is proposed to develop a young people's access point in each district utilising current youth centres. The following sites are proposed:

- Whaddon youth centre – Cheltenham
- Coney Hill – Gloucester
- Impact centre – Cirencester
- Tewkesbury youth centre – Tewkesbury
- The Main Place – Coleford, Forest of Dean
- Stroud youth centre – Stroud

The location of other staff will be reviewed alongside the development of locality children's services more generally. The new service will also utilise other council facilities and 'pop in' points where appropriate, especially in rural areas.

A change programme will need to be put into place to manage these developments; this will need to include workforce development and also consider how the service is to be commissioned in the long term.

Implications

Other GCC owned youth centres will all be made available to community groups as part of the council's new approach to community assets, but will no longer offer GCC funded youth work activity. General Connexions advice on careers and future opportunities will no longer be available through schools and colleges. The council will also need to focus its efforts on its core role of supporting the most vulnerable, this means ceasing its role in leading the provision of environmental and outdoor education facilities and activities such as the Duke of Edinburgh Scheme. It will be interested, however to consider how existing facilities might be developed by other partners so that opportunities are still available for young people.

Timescales

November 2010 to January 2011:	Consultation with young people, communities and partners on the proposed redesign of young people's services. This will include discussions over the transfer of assets to the community.
February 2011 to March 2011:	Restructuring of the current youth support service.
April 2011 to July 2011:	Transition to the new service including completion of transfer of community assets.
July 2011:	Commissioning of positive activities via District Councils.

Other options considered

Two alternative options have been considered:

1. To protect young people's services from funding reductions
2. To maintain all existing services with reduced funding

The serious challenges that the council faces with respect to its budgets means that all areas of current activity have to be considered for reduction. Feedback from the public has also confirmed the importance of child protection. Maintaining all current services, but at a reduced level would risk the sustainability of some and also fail to ensure that resources were targeted where the greatest impact will be felt. All the evidence, and local experience, suggests that professionals are well able to identify young people at risk and early, coordinated intervention can make the greatest

difference. At the current time existing services can be too fragmented to effectively target the most vulnerable young people and this argues for a radical rethink of the way we work in local areas. This will mirror developments across all children services from children's centres through to social care, focussing on targeted early intervention rather than 'one size fits all' general services or a range of separate specialist teams.

Risk assessment

The consultation process will test the potential risks of the proposals for young people's services; an equality impact assessment is currently being undertaken and will be informed by the consultation process. There are two main risks currently identified:

1. Significant disruption to existing services results in poor outcome for young people
2. Existing valued community activities are lost during the change process

Both of these risks will be mitigated by using a programme management approach and establishing a dedicated programme team to support and manage the change process leaving existing line managers to ensure current good performance is maintained. The team will include staff focused on working with local communities to identify potential opportunities to maintain and develop existing community bases.

Recommendations

Cabinet is recommended to:

- 1. Endorse the proposals in this report for consultation**
- 2. Agree the proposed timescales**
- 3. Request detailed consultation is undertaken with young people, staff, key stakeholders and local communities**
- 4. Request a further report following the consultation period**

Reward and Remuneration Arrangements

The County Council recognises that the quality of the workforce directly affects its ability to meet local people's needs. Therefore it remains committed to being a good employer, developing skilled and productive staff with reward and remuneration arrangements which both underpin this aim and reflect the prevailing economic and employment market conditions. Specifically the reward and remuneration strategy must:

- Underpin the council's HR Strategy
- Ensure that remuneration arrangements reflect service and business needs
- Reduce the overall cost of the salary bill thus protecting jobs and services

Pay rates are nationally negotiated and council staff pay is frozen for the next two years, consistent with the Government's policy for public sector pay. Similarly, council employee pension schemes are nationally defined and are currently subject to a formal review. Early indications are that employee contribution rates are to rise significantly over the next four years and a full report on the future of public sector pensions is expected in March of next year.

At a local level the council proposes to begin consultation on a number of employment terms and conditions which will include revisions to:

- Redundancy and protection arrangements
- Additional payments
- Car and mileage allowances

It is likely that changes will be phased in.

Consultation Feedback

Through the Meeting the Challenge sessions and suggestions, staff came up with ideas about how we could save money on staff pay and benefits. These suggestions will be considered as part of this review.

Performance Management

This project will be managed through the Meeting the Challenge programme arrangements.

Equality Impact Assessments will be completed for each review of benefits and will be published on the council's website.

Recommendations

- That Cabinet authorises officers to begin consultation on proposed revisions.

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