

Budget Reductions in Stockton Council

1. The council's net revenue budget (now including Public Health) is currently running at approximately £175m (that excludes the schools budgets, which are not controlled by the Council).
2. For budget planning purposes, the budget has now been divided into three categories:
 - (a) Public Health – the Council receives a ring-fenced allocation from Central Government
 - (b) so-called 'Big Ticket' items
 - Adult Social Care
 - Children's Social Care
 - Energy and Waste
 - between them these three areas account for approximately £60 million
 - (c) all other services
3. The budget gap by 2016/17 is estimated at £17.8 million, on the current state of knowledge i.e. prior to taking account of the announcement on 26 June that the CLG budget will be cut by a further 10% in 2015/16, the highest percentage cut of any Government Department. It is not yet clear what the impact will be on individual local authorities – an extension of current Government policy, which favours local authorities in the South East, would indicate the probability of a higher than 10% 'share' for Stockton.
4. The Council's planning has been based on asking the three 'Big Ticket' areas to contain expenditure at current cash levels, notwithstanding pressures and demands, and to identifying savings of about £10.6m from the other services, equivalent to about 10% on average (on top of major savings already made over the last three years).
5. The strategy has been to protect frontline service delivery, and particularly services to the most vulnerable people, as much as possible, and this inevitably leads to higher than average reductions in management capacity and in support services.
6. In relation to the functions in which this Partnership is most directly interested, a summary of the key proposals is set out below;
 - (a) I will be retiring at the end of March 2014, and my current responsibilities will be shared between the Director of Public Health (taking on Environmental Health and Trading Standards & Licensing) and a new post of Head of Housing & Community Protection (taking on Community Safety and Security Services).
 - (b) With effect from March 2015 it is expected that there will be a further re-structure bringing Environmental Health and Trading Standards & Licensing under a single managerial post
 - (c) the part-time post of Principal Licensing Officer will be deleted

- (d) three posts in Community Safety will be deleted; the part-time post of Casework Development Officer in the ASB Team, and the current posts of ASB Team Manager and Performance Manager, the duties of which will be included within a new post of Operations Manager
 - (e) there is a savings target of £230k for the Youth Offending Service (approximately 20% of the YOS budget) and it is currently anticipated that this can be achieved without a major impact on service delivery, by taking advantage of reductions in caseload, and the implications will be considered in detail at the YOS Management Board on 23 July.
 - (f) the Drug & Alcohol Action Team is largely unaltered, being funded through the Public Health allocation, and there will be no further impact on levels of staffing in relation to the ASB Team or the Neighbourhood Enforcement Service.
7. Some other savings are not yet worked up in any detail but exist solely as agreed targets, including a commitment to save £250k per year from youth work by 2015/16, which will be part of a review also including sport development and cultural services. 8. At the Head of Service level there will be a reduction of 6 posts (from 22 to 16), over the medium term period.
9. The currently approved savings and targets total £9.4 million of the £10.6 million required, and the profile of the savings over the next three years will achieve balance in the period. The remaining £1.2 million recurring from 2016/17 and beyond will be considered again when the impact of the Chancellor's forthcoming round of announcements is understood (i.e. when the necessary supporting detail is published, which may not be for several months).
10. The loss of capacity will be challenging but key frontline services have been protected as much as possible, and the planned approach will facilitate succession planning and orderly transition, avoiding sudden changes in the short term.
11. The Government has also announced an expansion of the 'Troubled Families' programme, with an extra £200m per year to continue the programme for a further five years i.e. 2015/16 to 2019/20, to address a further 400,000 families (i.e. on top of the 120,000 national target for the first 3 years of the programme). The funding per family is reduced from £3,750 to £2,500. A simple pro-rata basis, using the Stockton share of the first three years of the programme (379 families from the original 100,000 funded families nationally) suggests just under £3.8 million for Stockton over the five year period, i.e. just under £760k per year. This is only a small fraction of what we are losing in terms of Government grant, and Central Government is re-directing our resource base, contrary to its stated policy of 'localism'.

Mike Batty

Head of Community Protection