



# FACING THE CHALLENGE

Warwickshire County Council • February 2011

## Message from the Leader of the Council

## The facts

### Why do we have to make £33 million of savings this year?

- Reduction in grants from central government of £22 million
- Additional pressures of £14 million
- These reductions are offset by an increased income of £3 million because there will be more households in Warwickshire paying council tax

### Total funding gap = £33 million

#### Pressures

In addition to significant reductions in Government funding the council is facing the need to increase spending because of inflation, growing numbers of older people and adults with disabilities who need support, and a continuing increase in safeguarding casework for vulnerable children.

The council has also been given extra responsibilities such as managing concessionary travel for older people and people with disabilities.



**Public sector bodies throughout the country are having to make savings to reduce the national deficit. Warwickshire County Council will play its part as it makes savings of at least £66 million, £33 million of which will have to be made in the 2011/12 financial year.**

The magnitude of the financial challenge means change is inevitable; services will undergo major reform and the council itself will become smaller. Prioritising high-quality, essential services means making significant decisions over how we can do more for less and which services to change. This approach is absolutely essential to put Warwickshire in a strong, sustainable position for the future.

Following the Government's Comprehensive Spending Review last year, we opened a very transparent discussion about the budget and invited local people to make their



own spending plans through our You Choose budget simulator. Residents collectively agreed with our approach to keep council tax low and prioritise our services to ensure we keep people safe and protect the vulnerable. The vast majority of respondents also said to focus on cutting the operational costs of running the council.

We are making the council a leaner organisation by sharing services, reducing the number of public buildings, restructuring the workforce and decreasing the number of management roles. The council is also evolving as a business-led

organisation where we will commission and enable others to provide services in the community.

Our guiding principles throughout the budget-setting process have been to:

- Protect the most vulnerable and the vital services that support them
- Keep people safe, foster independence and support enterprise
- Strive to achieve value for money
- Provide a leaner organisation

The financial situation means difficult decisions will have to be made but where these are required, we will deliver the changes sensitively, working with communities and staff to find solutions to meet local needs.

**Cllr Alan Farnell**  
Leader of the Council

# A leaner organisation

**Our focus is to protect services. This means ensuring our support services, processes and purchasing arrangements are working as smartly and efficiently as possible.**

**ICT** - We will be concentrating on mandatory ICT services, to save £1,043,000, and an additional £250,000 will be saved by ending out of hours ICT support.

**Human Resources** – Scaling back the HR service through efficiency measures and reductions in staff numbers will save £600,000 from the human resources budget.

**Finance** - By improving processes, reducing support to members and managers and sharing financial services with partners we will produce a total budget saving of £1.85m.

**Legal** - We are restructuring legal and governance arrangements to save £415,000.

**Better purchasing** - We have joined forces with other councils to achieve greater economies of scale and are part of a large purchasing consortium. We have reviewed all the council's procurement activity and have renegotiated contracts to secure even better deals.



## Restructure

**The council is moving away from a 'departmental' organisation and is centralising services, sharing management and resources to make savings and reduce any duplication.**

**Senior director posts have been halved and the number of senior management roles continues to reduce. In addition the council is not replacing people when they leave apart from posts delivering critical services.**

**The reduction of the workforce, achieved by natural turnover and retirement wherever possible, means the restructure is essential as we move towards becoming a smaller, commissioning organisation.**

## Buildings - Saving £4.4 million

**The council is making more efficient use of its property assets to make savings.**

**In Warwickshire, £14.7m was spent in 2008/09 just to keep buildings (excluding schools) running. This includes paying rent, rates, building maintenance, energy bills and other costs.**

**The council has already embarked upon a property rationalisation project to save £4.4m over the next three years. This involves working with partner organisations to share public sector properties and encouraging more mobile, low cost working practices.**

**All non-schools buildings will be reviewed to consider their future use and services will be assessed to see where staff can be best located in the future.**

## Raising income

A small proportion of the council's revenue comes from charging for some services. The council will no longer be able to subsidise services to the extent that it has done in the past as government grants, that helped pay for services, have been reduced or removed altogether.

- By increasing school and college transport charges for all post-16 students and those who chose to attend a faith school, we will raise £3.1m income. The fees will increase from £540 to £660 per pupil, which is nearer the commercial rate. (Low income families will still be subsidised).
- There will also be higher on-street parking charges in Warwick district and Rugby borough from April.
- Due to the rising number of older people and adults with complex needs we will be removing the high level of social care subsidy for those who can afford to pay.
- We will offer more traded services to schools to generate income.

# Reform - doing things differently

The council is undergoing a major transformation programme to modernise the way services are delivered. The government's move to reduce bureaucracy means the council has greater powers to deliver services determined by local need rather than national performance targets. The council is committed to doing more with less and will achieve this by reforming services, working in partnership with others and engaging with local communities.

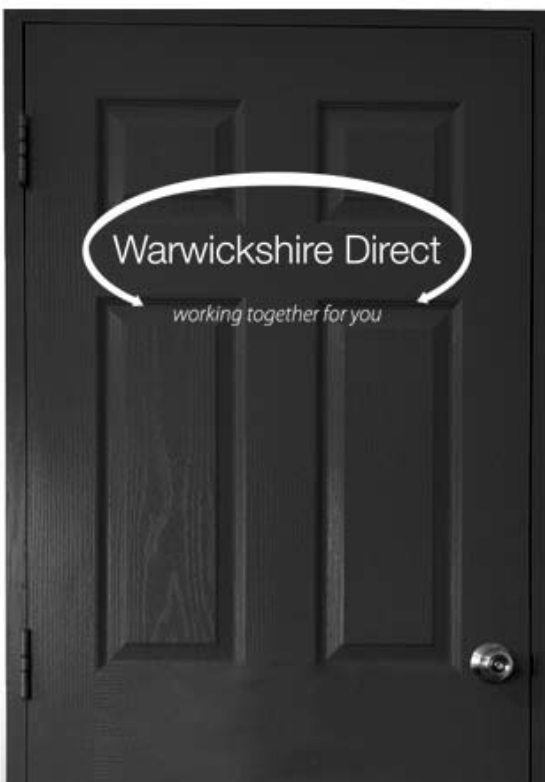
## Innovation

We are using innovative ways in which technology can deliver savings. For example, we offer a Telecare service which combines technology with care to make a practical difference to older people's lives and enables them to live independently at home. We are widening the range of services available online which offers our customers more convenience and is more cost effective for the council. We are also providing automated self-service machines, for example, in libraries so people can borrow, return and renew items themselves.

## One Front Door

The One Front Door project is about taking a common sense approach to customer access and providing a number of public services together in a way that suits customers - whether it's face to face, by telephone, email or through the web.

A key element is the use of municipal buildings and the project has been identifying locations where services can be brought together under one roof rather than scattered across several buildings. For example, there may be a community where a police station, library, children's centre and council one stop shop are all in close proximity. It is more prudent and better for the public to bring these services together behind one front door to share overheads including reception duties, utility and other accommodation costs.



## Maximising independence

Older people tell us that they want to live in their own homes for as long as possible and our approach is to ensure that older people and adults with disabilities can maximise all opportunities to live independent lives. Our reablement services help people regain the skills to be independent including, in the all important weeks following a hospital stay or time of crisis, giving people up to six weeks free support in their own homes to regain their skills and confidence. This investment not only provides better outcomes for our customers but also saves the council money as it avoids the need for costly long term care packages and admissions to residential care. The modernisation of home and intermediate care, teamed with the roll out of reablement is expected to deliver over £3 million savings over the next three years.



## Community involvement

In the current climate the council cannot continue to deliver all of the services that it has traditionally provided in the past but also recognises the value of services to local communities. The council is therefore developing ways to work more actively with communities and voluntary groups to find local solutions to take services forward and make them sustainable in the future. We are opening discussions with local groups about community involvement in a wide range of services including care homes, youth clubs and libraries.

## Sharing services

The council is developing further opportunities to share services and work in greater collaboration with other authorities. Recent examples range from joining forces with Coventry City Council to procure a highways maintenance contract, to providing a joint emergency planning unit with partners in Solihull and Coventry. The council already shares a legal department and customer service centre with Warwick District Council and will continue to work in partnership with other councils and public sector bodies to achieve better value for money.

Local Enterprise Partnership: The council is working to develop and grow the local economy through the Local Enterprise Partnership, which has replaced the old Regional Development Agency. A board has been set up containing representatives from local authorities and businesses to shape the use and allocation of Government money to create new jobs in the private sector. Efficiencies gained on the development of the Local Enterprise Partnership are £452,000.



**Tough Choices**

# Tough choices

The need to make £66 million of savings over the next three years has presented the council with tough choices. During the decision making process everything was scrutinised, with the aim of maintaining our core values of protecting the most vulnerable and our frontline services, keeping people safe, encouraging independence and enterprise, achieving value for money and working towards a leaner organisation.

We fully appreciate the concerns of residents and, in a number of areas where it has been possible, we have amended our savings proposals or phased in changes to lessen the impact.

- We have reinvested £1 million in youth services which will be directed at young people especially those who need it most
- Rather than removing the entire network of road safety cameras, we are using £250,000 to maintain a small number of cameras where there are known accident black spots
- We have protected £400,000 of funding to ensure there is no reduction in funding for winter road gritting

Significant savings in the budget resolution include:

## Transport and Highways

- Not replacing non-regulatory carriageway markings saves £100,000
- Reducing spend on longer-term highway maintenance by £500,000
- Stopping community transport services and subsidised evening bus services, and reducing the bus network serving Coleshill Parkway and Birmingham International will save £848,000 and a further £450,000 public transport saving, including subsidy of Sunday services
- Switching off street lights overnight will save £500,000 on energy bills
- Scaling back Countryside Access activity produces a saving of £500,000

## Adult Social Care

- Removing subsidies for people who can pay for adult social care services themselves creates a saving of £3.25 million
- Helping older people live at home through reablement, developing intermediate care with health and modernising home care will save £3.2 million

- Reducing the number of council-owned residential care homes and developing extra care housing as an alternative saves £1.9 million
- Reducing high-cost care packages, creating supported living opportunities and reviewing traditional day services to save £4.8 million

## Services for Children and Young People

- Reduce the youth service and youth centres to make a saving of £3.6 million
- Reducing the Educational Psychology Service and withdrawing the local authority subsidy to the County Music Service (which will become self-funding), will save £2.5 million
- Saving £3.1 million from school and college transport by reducing passenger assistants for primary school children and increasing charges for post-16 travel and faith school transport

## Community Safety

- Reducing speed camera enforcement will create a saving of £620,000
- Cutting back on Trading Standards activity such as preventative work to save £254,000
- Removal of £128,000 funding to Warwickshire Police for Police Community Support officers working on anti-social behaviour

## Other savings

- Reducing the opening hours of household waste recycling centres and using non-landfill waste disposal will make a saving of £3.1 million
- Reviewing libraries and opening hours to save £2 million

## Have your say

As we continue the budget setting process and look to the 2012/13 financial year we will be gathering your views. If you have a suggestion about how the council could save money please email: [youchoose@warwickshire.gov.uk](mailto:youchoose@warwickshire.gov.uk) We will be launching our You Choose budget simulator again from mid-May to October this year giving local residents the chance to submit their own savings plans. All ideas will be presented to councillors as they finalise budget plans for the next financial year.

You can raise issues regarding the budget or any other aspect of the council or other local services, at your

local Community Forum. To find out about your local Community Forum or raise an issue at a future meeting please email: [localities@warwickshire.gov.uk](mailto:localities@warwickshire.gov.uk)

Individual consultations will also be held with the public on major changes that affect communities. Consultations have already been held on issues such as social care charging and further consultations for this year include the review of the library service.

[www.warwickshire.gov.uk/facingthechallenge](http://www.warwickshire.gov.uk/facingthechallenge)



*Working for  
Warwickshire*