

The Highland Council

Education, Culture and Adult Services Committee 26 October 2016

Agenda Item	7
Report No	ECAS 63/16

Revenue Budget

Report by Director of Care and Learning

Summary

This report provides members with an update on the Care and Learning revenue budget position to the end of September 2016, including in relation to Looked After Children/Out of Authority Placements, 3rd sector Leisure and Culture funding, Special School Budgets, and staff resources for Early Learning and Childcare expansion.

1. Background

- 1.1 This report sets out the monitoring position for the Service as at end September 2016.
- 1.2 The report also provides an update on the RAG status of current year 2016/17 budget savings, including the Care and Learning Service share of transformational savings.

2. Monitoring Position 2016/17

- 2.1 The monitoring forecast for the year to 30 September is enclosed as **Appendix 1**. The statement forecasts a year end overspend of £1.362m, representing 0.35% of budget, and a slight improvement on the £1.461m variance reported to the last Committee. The main variances are as summarised below:
 - Primary and Secondary schools - a forecast underspend on Class Contact Reduction within Primary budgets based on past trends, largely offset by overspends in Secondary, relating to the impact of budget saving targets (**Appendix 2a** highlights red and amber savings within the Secondary sector).
 - PPP Contracts – as reported to Committee in August, savings have now been achieved within the PPP2 contract, and the monitoring reflects a one-off gain of £0.320m in the year, in addition to ongoing savings of £0.100m p.a. from the negotiated deal, and £0.100m on insurance.
 - School transport – a forecast overspend due to the increased number of school days falling within the 2016/17 financial year (budgets are set on a baseline number of school days, although discussions are taking place with Finance with regard to budget setting for future years).
 - Property costs – there continues to be a forecast overspend on inspection and maintenance contracts, as was the case in 2015/16 and per previous reports to this Committee. This is reflective of a more robust arrangement for inspection of equipment and response to maintenance issues arising.

- Service Management Team – underspend largely related to accounting for Criminal Justice Services recharge.
- Hostels – as previously reported to members, there is an unachieved saving target of £0.100m against hostels.
- Unallocated Corporate Savings – as previously reported, there are a number of corporate savings allocated to the Service, and currently held within this budget. These include savings for attendance management, agency staff, recruitment freeze and procurement. These saving targets are being held centrally pending identification of the specific savings which will be attributed to the target, and which sit against budgets across the Service. These overspends therefore need to be considered against underspends reported elsewhere within the Service.
- Looked After Children – forecast overspend, with further information and context set out in section 3.
- Family Teams – underspend on staff costs due to vacancies, as per a separate report to this meeting of the Committee.
- Other Services for Children - underspend on staff costs in Youth Action Services due to vacancies.
- Specialist Additional Support Services – underspend on equipment and material budgets, and arising from staff vacancies.

2.2 The Service Management Team continues to give consideration to any actions that are required and achievable to address the position reported.

2.3 The following table explains the movement in overall Service budget from the last report to this Committee.

	£m	£m
Budget June 2016 – per August Committee		388.016
ICT Charges decrease in budget	-0.036	
Sutherland Youth Grants	-0.004	
Community Health Coordinator and Community Food and Health Practitioner - increase to NHS Quantum	0.220	
Strategic Change and Development Fund - Transformational Projects resource funding	0.066	
Sensory Impairment	0.062	
Fuel Savings	-0.013	
Business Support transfer to Finance	-0.038	
Auto Enrolment	0.414	
Redundancy Lump Sum	0.129	
Voluntary Severance	0.665	1.465
Budget September		389.481

2.4 An updated RAG (Red/Amber/Green) status has been prepared for the current list of budget savings for Care and Learning. This is enclosed as **Appendix 2a**. This list reflects all Care and Learning Service savings, as well as a supplementary list (**Appendix 2b**) for those corporate and transformational savings now allocated against the Service.

3. Looked After Children / Out of Authority Placements

3.1 This financial year a saving of £0.45M has been taken from this budget heading. The remaining £9.80M has been split between an Out of Authority Placement budget of £9.06M, and an Alternatives to Out of Authority Placements budget of £0.74M. These alternatives are new provisions developed in Highland to return young people from residential schools out with the area.

3.2 These budgets are currently projected to overspend by £1.487m by the end of this financial year. This position may alter significantly throughout the year due to fluctuation in the number of children in residential care; for example, a substantial sibling group has put considerable pressure on resources. A review of the new placements in recent months reveals that there is a trend towards higher cost placements, which contributes to the higher spend. Managers have revised the procedure for assessing the cost of placements, but there remain challenges in balancing cost against the needs of individual young people.

3.3 Three of the current placements are short-term, and staff are working on returning these children home, to kinship care or foster care. A reduction of three placements would reduce the budget overspend by £0.30M by the end of this financial year.

3.4 Discussions are on-going with NHS Highland on funding young people still in Children's Services residential care who are over 18 years old, have an Additional Support Need and require the support of Adult Services into their adulthood.

3.5 The number of young people placed out with Highland is the lowest it has been in recent years, at 25 young people. This is 44% of the total of 57 young people presently funded from this budget. Whilst reducing the number of placements out with Highland, we have also reduced the number of residential placements in Highland to help manage down the budget spend. At the same time, the Service is working with Third Sector Partners on 'Edge of Care Services' to work with families to keep their children at home and avoid placement in care. These partners are able to apply for grant funding to pay for these new services and Aberlour has successfully secured funding for a small-scale pilot in the Mid Area, to begin in January.

3.6 The Programme of Alternatives to Out of Authority Placements (OOA) continues to develop new provision in Highland, allowing young people to return to the area at significantly less cost than an out of authority placement, and there is renewed focus on maximising use of these resources.

3.7 The Service is also currently tendering for the management of supported through care properties in Inverness, and has re-let a residential contract for three units in Highland.

4. Funding for 3rd sector culture and leisure services

- 4.1 The Council agreed reduced funding for 3rd sector culture and leisure services at its meeting in December 2014.
- 4.2 Phase 1 involved a reduction of 5% in all grants and payments, and this was implemented from 2016/17.
- 4.3 Phase 2 involved a further 45% reduction in total funding, to be implemented as part of a review that involved the reconsideration of all existing payments, to be implemented from 2017/18. A subsequent Council decision enabled implementation of this review to be delayed by a number of months, and it was also agreed that groups should receive notice of one year regarding the change to their funding.
- 4.4 All other organisations were asked to submit applications by 1 August 2016.
- 4.5 A sub-group of ECAS members met to consider applications on 24th August and 5th October 2016. Members took account of existing funding commitments in relation to Caithness Horizons, Strathpeffer Pavilion Association, Eden Court and the Highland Resort, Aviemore.
- 4.6 The sub-group agreed to recommend the funding allocations set out in **Appendix 3**. This is based on implementation of the new rates from November 2017.
- 4.7 It should be noted that these allocations do not achieve the savings decided at the December 2014 Council, thus creating a budget pressure in 2017/18 and subsequent years.
- 4.8 These proposals include a £50,000 fund for Village Halls. It is intended that Halls could apply for up to 20% of running costs, at a maximum of £500.
- 4.9 These proposals include a £10,000 fund for adult education, and it is proposed that High Life Highland is asked to administer this, in collaboration with community partnerships and local organisations. The funding targeted at sports development of £34,000, would also be administered by High Life Highland.
- 4.10 No allocation has been recommended for Caithness Horizons in 2018/19. The present agreement is believed to end in March 2018, and further discussions will be required with Caithness Horizons and possibly other funders, regarding this matter.
- 4.11 Organisations have been written to, to advise them of these recommendations, and further correspondence will follow this meeting.

5. Special School Budgets

- 5.1 Arising from discussion at Committee on 25 August, in connection with the reported out-turn for financial year 2015/16, members requested information on the projected overspend in Special Schools, including information on roll projections.
- 5.2 Enclosed as **Appendix 4**, is a position setting out the budget, 2015/16 out-turn and 2016/17 projected out-turn for each of the Council's special schools. The majority

of the overspend across the schools relates to staff costs, with vehicle and other costs being a factor also. The drivers behind the increase in costs include changes to school rolls and needs, and additional staff costs arising from the opening of new demountable units at St Duthus and St Clements.

5.3 While mainstream school budgets are formula driven, based upon the schools DSM (devolved school management) scheme, the budget for special schools the budget basis is largely historic, and has not been routinely updated or reviewed to reflect changes in school roll or need.

5.4 The school rolls for each facility in recent years are as shown below.

	Drummond	St Clements	St Duthus
2009/10	76	37	14
2010/11	71	35	14
2011/12	78	29	13
2012/13	77	30	15
2013/14	87	32	14
2014/15	85	30	13
2015/16	83	25	16
2016/17	90	25	18

5.5 Officers of the Care and Learning Service are now undertaking reviews of Special School Budgets, to consider the appropriate budget model going forward, and in liaison with Head Teachers, any measures required to review spending levels. Further reports will be provided to Committee on these reviews.

6. Early Learning and Childcare

6.1 The expansion of Early Learning and Childcare from the current 600 to 1140 hours a year by 2020 will require extensive planning, consultation and co-ordination. This is necessary to reflect the increases in workforce and infrastructure across all services that will be impacted by early years expansion, and also to ensure the Council meets milestone dates, targets and key objectives as they arise.

6.2 There is a substantial level of engagement with Local Authorities by both the Scottish Government and the Scottish Futures Trust, and Local Authorities need to work closely with all national stakeholders and external advisors, as well as local legal, planning, property, facilities and finance teams to ensure a collaborative approach to this significant programme.

6.3 This requires a co-ordinated local structure to manage the delivery of the programme that ensures the Council keeps abreast of the national developments, and enables collection of local data and feedback local requirements and expectations to the national teams. The Council must develop robust status reports and data systems to facilitate this, support local project plans, to ensure this work remains on time and within budget, and that senior officers and elected members are kept informed of progress as we move towards 2020.

6.4 It is therefore proposed that the Council appoint a seconded post to support this transformational change. The expected cost of the post is circa £39,000, with this being met from within the existing budget for additional flexibility in childcare.

- 6.5 The Northern Alliance authorities have also been formed into a consortium to support the Scottish Futures Trust and Scottish Government in the roll out of enhanced provision, including the major capital developments that will be required.
- 6.6 It is envisaged that a dedicated officer will be necessary to support this collaboration.
- 6.7 The Council expects to be notified of additional revenue and capital funding for the expansion of Early Learning and Childcare, as part of the Spending Review.

7. Implications

- 7.1 **Resources** – as set out within this report and appendices.
- 7.2 **Climate Change/Carbon Clever** – the savings proposals set out in **Appendices 2a** and **2b** include savings associated with energy efficiency which should contribute to the Council's climate change targets.
- 7.3 **Risk** implications – **Appendices 2a** and **2b** set out the RAG status of budget savings.
- 7.4 There are no **legal, equalities, Gaelic** or **rural** implications to highlight.

8. Recommendation

- 8.1 Committee is asked to consider this report and
- a) Note the forecast out-turn for the 2016/17 financial year.
 - b) Agree the Red/Amber/Green (RAG) status of budget savings.
 - c) Note the update provided in relation to Looked After Children
 - d) Agree the funding allocations for 3rd sector culture and leisure services.
 - e) Note the update in relation to Special School budgets, and the actions being taken to review budget and spending.
 - f) Agree the post to provide additional support for expansion of Early Learning and Childcare.

Designation: Director of Care and Learning

Date: 17 October 2016

Author: Brian Porter, Head of Resources

CARE AND LEARNING SERVICE REVENUE MONITORING REPORT- 2016-17

1st April 2016 to 30st September 2016	£'000 Actual YTD YTD	£'000 Annual Budget	£'000 Year End Estimate	£'000 Year End Variance
BY ACTIVITY				
Education Services				
Secondary Schools	32,743	68,278	68,278	0
Primary Schools	30,027	61,057	60,836	(221)
Schools General	2,143	1,595	1,769	174
Learning and Teaching	988	1,155	1,155	0
	65,901	132,085	132,038	(47)
Adult Services				
Commissioned Adult Services	23,506	91,820	91,820	0
Commissioned HLH Services	7,181	14,359	14,359	0
Other Leisure Services	108	290	223	(67)
Services for Vulnerable Adults	1,628	2,778	2,815	37
Grants to Voluntary Organisations	728	1,730	1,711	(19)
	33,151	110,977	110,928	(49)
Service Management and Resources				
PPP	10,046	26,460	25,940	(520)
School Transport	4,061	13,361	13,959	598
Catering, Cleaning and Facilities Management	6,495	13,351	13,376	25
Pensions, Insurance and Other Pan-Service Costs	1,817	2,801	2,861	60
Resources Teams and Property Costs	2,464	4,413	5,274	861
Service Management Team and Support	1,802	3,563	3,304	(259)
Hostels	447	918	1,033	115
Unallocated Corporate Savings	0	(937)	0	937
	27,132	63,930	65,747	1,817
Children's Services				
Looked After Children	9,938	20,135	21,156	1,021
Family Teams	7,829	16,385	15,667	(718)
Childcare and Early Learning	7,254	15,768	15,759	(9)
Other Services for Children	1,656	3,964	3,639	(325)
Commissioned Children's Services Income from NHS	(2,142)	(9,274)	(9,274)	0
	24,535	46,978	46,947	(31)
Additional Support Services				
Additional Support- Schools	13,844	28,051	27,966	(85)
Specialist Additional Support Services	3,425	7,460	7,217	(243)
	17,269	35,511	35,183	(328)
TOTAL CARE AND LEARNING	167,988	389,481	390,843	1,362

	£'000 Actual YTD YTD	£'000 Annual Budget	£'000 Year End Estimate	£'000 Year End Variance
BY SUBJECTIVE				
Staff Costs	102,146	210,080	207,732	(2,348)
Other Costs	74,151	203,360	205,914	2,554
Gross Expenditure	176,297	413,440	413,646	206
Grants	(2,967)	(5,496)	(4,907)	589
Other Income	(5,342)	(18,463)	(17,896)	567
Total Income	(8,309)	(23,959)	(22,803)	1,156
NET TOTAL	167,988	389,481	390,843	1,362

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	Secondary Education	Introduce a standard timetabling structure across Highland secondary schools, based on 33 periods, which is the optimal staffing and timetabling model	0.075			0.075	R	0.000	Further schools have moved to 33 period week August 2016, with plans being developed to support all secondaries to move by August 2017. No significant financial saving is however forecast.
C&L	Transfer of Residential Properties	Saving of the maintenance budget following the planned transfer of former ECS residential properties to Community Services	0.030			0.030	R	0.000	Transfer arrangements are progressing however no saving in maintenance is expected due to the need to address existing condition issues.
C&L	Management of Secondary School Facilities	Transfer of management of secondary school community use to HLH	0.025	0.025	0.025	0.075	R	0.000	Saving subject to the wider review of the future of the Catering, Cleaning and FM function.
C&L	Residential care	Cease use of all spot purchased beds with external contractor	0.550	0.450		1.000	A	0.300	
C&L	Secondary Education	Use of more technology to deliver the curriculum	0.400	0.200		0.600	A		
C&L	Conserved teacher salaries	Current national conservation of salary arrangement ends April 2016	0.200			0.200	A		Conservation has ceased, though due to staff turnover the level of saving is lower than had been expected.
C&L	School Catering	Redesign menu options to effect cost savings. The proposal will continue to meet required nutritional standards for school meals. The saving equates to a c4% reduction in food costs.	0.160			0.160	A	0.120	Saving forecast lower than expected.
C&L	School Lets	Increased income from school lets, arising from school lets review and potential changes to that policy in relation to free lets.	0.150			0.150	A	0.075	Progress with review delayed pending ongoing discussions on wider review of the Catering, Cleaning and FM function.
C&L	Management and staffing savings	Management Savings - 2 posts- C&L senior management structure	0.150			0.150	A	0.110	Saving implemented and 2 posts released under VR, albeit the saving lower than the sum forecast.
C&L	Secondary Education	Re-job sizing secondary school promotion structures	0.100	0.050	0.100	0.250	A		
C&L	Eden Court	16.8% saving target	0.100			0.100	A	0.089	
C&L	School Lets	Over and above existing savings relating to the phasing out of free lets, look to further increase the charges levied on users.	0.035			0.035	A	0.017	See comment for school lets above
C&L	School Transport	Review arrangements for Gaelic school transport provision to target a 6% saving against the current spend of £0.332m	0.020			0.020	A	0.010	Policy in relation to this aspect of transport under review with report back to come back to Committee.

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	School Transport	Review arrangements for school transport provision to denominational schools to target a 6% saving against the current spend of £0.070m	0.004			0.004	A	0.002	Policy in relation to this aspect of transport under review with report back to come back to Committee.
C&L	NHSH Adult Services	4.3% Saving Target	4.100			4.100	G		
C&L	Early Years staffing re-structure	Maximisation of grant funding	0.438			0.438	G		
C&L	Secondary Education	Reduce teaching staff allocation by 1%	0.400	0.200		0.600	G		
C&L	Cleaning Services	Major review of service to look at service standards and options for service delivery	0.400			0.400	G		
C&L	Highlife Highland	4.3% saving target (£0.148m savings already included in HC 18/12/14 agreed savings)	0.325			0.325	G		
C&L	Secondary Education	Remove any over entitlement teaching posts	0.280			0.280	G		
C&L	Major School Capital Projects	Savings arising from capital investment in new schools projects. Savings derive from staffing structures, energy efficiency improvements, and other school budgets.	0.250	0.200		0.450	G		
C&L	Community Health co-ordinators	Stop funding to NHS Highland to provide targeted support to areas	0.240			0.240	G		
C&L	Health Weight Dieticians	Stop funding to NHS Highland to provide dietary advice in areas of need	0.200			0.200	G		
C&L	Primary and Secondary Education	Efficiency saving from revised school management	0.200	0.300	0.300	0.800	G		
C&L	Savings from specialist services	Closure of the Black Isle Education Centre with full saving achieved as a result.	0.200			0.200	G		
C&L	Highlife Highland	4% reduction in funding for HLH in 2015/16 and a 1% reduction in the following three financial years	0.140	0.140	0.140	0.420	G		
C&L	School Catering	Increase school meal prices over the next 4 years by 10p per meal per annum in addition to the inflationary increase	0.138	0.135	0.131	0.404	G		
C&L	Early Years	Removal of PTs & QIO in Early Years	0.130	0.070		0.200	G		

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	School Transport	Additional Support Needs transport - a review to achieve a 6% saving target on ASN transport costs of £2.1m (incl c£0.350m on escorts).	0.126			0.126	G		
C&L	Senior management	Deletion of 2FTE posts- Children's services	0.120			0.120	G		
C&L	Unallocated budget	Funding not specifically allocated, earmarked for community capacity building	0.106			0.106	G		
C&L	Learning & Teaching	Remove Curriculum Development Secondments	0.105			0.105	G		
C&L	Early Years staff training	Reduce budget	0.100			0.100	G		
C&L	Education Central Budgets	Change the parameters when central supply cover kicks in	0.100			0.100	G		
C&L	Cleaning Services	Over and above the saving from the primary school week, and existing agreed savings currently being implemented of £580k, implement further reductions to cleaning specification across buildings.	0.090			0.090	G		
C&L	Cleaning Services	4% budget saving target for the Cleaning function in 2015/16 - To be achieved through a combination of cost efficiency and service reduction.	0.090			0.090	G		
C&L	CAMHS	Deletion of posts (Child and Adolescent Mental Health service)	0.086			0.086	G		
C&L	Catering Services	4% budget saving target for the Catering function in 2015/16 - to be achieved through a combination of cost and production efficiency.	0.085			0.085	G		
C&L	Primary and Secondary Education	A 6% reduction in school non-staffing DSM budgets	0.080	0.070		0.150	G		
C&L	3rd party grants and payments	Reduction of 5% in grants and support to 3rd party organisations providing culture, leisure and learning services in 2016/17. Further reduction of 45% in the budget from August 2017, linked with major policy review. (Proposal excludes HLH Ltd, Inverness Leisure & Eden Court which are covered by proposal 45).	0.063	0.373	0.200	0.636	G		
C&L	Wrap-around childcare	Increase income target	0.060			0.060	G		

Service	Activity Heading	Savings Proposal	Savings				Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m	3 Year Total £m			
C&L	Savings from specialist services	Stop providing an Autism Outreach Education Service by raising the level of awareness and understanding of ASD at a local level through a systematic training strategy delivered at an Area level (50k – 1FTE coordinator post)	0.050			0.050	G		
C&L	Education Central Support	Reduce manpower and workforce planning teams	0.050	0.050		0.100	G		
C&L	Savings from specialist services	Reduction in ASL Legislation budget that is generally underspent by managing the risk of legal challenge effectively at an earlier stage (50k);	0.050			0.050	G		
C&L	Information, Support & ICT Team	Remove project budget for current projects when complete (£250k phased), recharge staff time on capital ICT projects to capital budget (£20k)	0.050			0.050	G		
C&L	External funding officer	Delete post - post currently vacant. Duties will require to be undertaken by commissioning officer and Head of Service	0.046			0.046	G		
C&L	Commissioning officer post	Delete post - post currently vacant. Duties will require to be undertaken by existing post holder	0.045			0.045	G		
C&L	Resources Teams - Service Information and Support	On the assumption that the Council reaches agreement with NHSH over the transfer of resources back to the Council, to provide specialist business support, there may be scope to achieve savings through integration and restructuring of these resources within the existing SIAS team.	0.030			0.030	G		
C&L	Catering Services	Increased income generation - with a focus on commercial opportunities and new income sources.	0.030			0.030	G		
C&L	School Transport	Charges for concessionary places - the charges are currently set at a flat rate of £1 per day. The charge will be reviewed, with a view to a flat increase for all charges, or introducing a sliding scale based on route distance. A 100% increase on existing income could produce £25k.	0.025			0.025	G		
C&L	Resource Manager Youth Justice	Delete post	0.025			0.025	G		

2016/17 - 2018/19 Savings

Service	Activity Heading	Savings Proposal	Savings				3 Year Total £m	Saving RAYG (enter R, A, Y, or G)	Projected saving-red amber yellow	Comment
			2016/17 £m	2017/18 £m	2018/19 £m					
C&L	School Catering	Introduce charging for school hostel pupil lunches.	0.023			0.023	G			
C&L	School Lets	Additional income generation from more consistent application of the existing 2009 school lets policy	0.020			0.020	G			
C&L	Music Tuition	A 10% reduction in the Music tuition budget	0.020	0.050		0.070	G			
C&L	Plockton School of Music	6% saving target on funding provided	0.014			0.014	G			
C&L	Primary and Secondary Education	CPD training budget	0.010			0.010	G			
C&L	Highlife Highland	4% reduction in funding for Inverness Leisure in 2015/16 and a 1% reduction in the following three financial years	0.008	0.008	0.008	0.024	G			
C&L	Savings from specialist services	Reduction in SLA to Glachbeg Farm as only 2 of the 3 days currently contained within the SLA are used consistently (6k).	0.006			0.006	G			
C&L	Blindcraft	6% Saving Target in 16/17	0.003			0.003	G			
C&L	Education Central Budgets	Skills for work funding	0.060			0.060	TBC			
C&L	Eden Court	4% reduction in funding for Eden Court in 2015/16 and a 1% reduction in the following three financial years	0.005	0.005	0.005	0.015	TBC			

2016/17 - 2018/19 Corporate & Transformation Savings

Appendix 2b

Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17		Comment
				2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	
Corp 5	Voluntary Severance	Voluntary Severance	Allocation agreed 30/05/16 (includes £300k for ASN)	-1.933	G	
PIM16	Transport Programme	Seeking contract variation opportunities for school and public bus services provision; home-to-school transport efficiencies; future services provision re-tendering	Allocation agreed 30/05/16	-0.506	A	Pending outcome of tendering exercise. Risk that savings not delivered to the level expected,
Corp 6	Recruitment Freeze	Recruitment freeze for non-exempt posts	Allocation agreed 30/05/16	-0.288	G	
Corp 4, TSP Proc 1 & 3, TSP WPP4-SSJV9	Procurement	Procurement Shared Service & Collaborative Spend	Allocation agreed 30/05/16	-0.299	A	Awaiting further details of the specific procurement activity which will deliver the anticipated saving.
Corp 2	Fees & Charges	10% increase on all fees and charges that are not nationally set, or a different amount has already been agreed	Allocation already included within HC 25/02/16 Service budgets; Based on actual % increases for individual fees & charges budgets	-0.175	G	
PIM1 & PIM20	Entitlements & Digital Services	Simplifying & streamlining entitlements applications processes Channel shift activity - increase the number of services accessible on-line, via the Council's website, and via the Council's Service Centre	Allocation agreed 30/05/16	-0.192	R	Forecast saving will result in time savings within the school office and other care and learning teams. At this time it is not anticipated this saving can be realised as a cashable saving.
Corp 3	Energy	Reduced consumption, pricing & behavioural change	Allocation agreed 30/05/16	-0.166	A	Delivery subject to progress with delivery of corporate action plan to reduce consumption.
	Information Management		Allocation agreed 30/05/16	-0.070	R	Pending clarification of the expected cashable savings the project can deliver.

2016/17 - 2018/19 Corporate & Transformation Savings

Appendix 2b

Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17		Comment
				2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	
PIM8	Fuel Procurement	Rationalise arrangements for fuel procurement	Agreed to allocate 30/05/16; WG to confirm sums per service ; Final allocation agreed 25/07/16	-0.013	G	
Corp 1	Salary Sacrifice	Savings from salary sacrifice schemes	Allocate proportionate to take up of schemes in year to date	-0.113	A	Further scheme uptake over the course of the year should provide a better indication of achievement of saving.
Corp 7	Management and staffing savings	Agency Staff	Allocation agreed 30/05/16	-0.054	R	Will be managed as part of a wider 'staff budget' saving.
PIM27	Reduction in Light Vehicles and Plant	3 year programme to reduce the number of items of light vehicles and plant utilised full-time by the Council	Allocation agreed 30/05/16	-0.054	A	Awaiting details from the project of how/where the specific savings will be achieved.
	Savings to be Identified		To be considered at 27/06/16 Board	-0.001	G	
PIM2	Attendance Management	Reduction in sickness absence by continuing to adopt a robust and consistent approach to attendance management	Allocation agreed 30/05/16	-0.106	R	Will be managed as part of a wider 'staff budget' saving.
PIM2A	Travel, Subsistence and Overtime	Reduction in the costs of staff travel, subsistence and overtime through management action and greater use of technology	Allocation agreed 30/05/16	-0.051	A	Budgets will be top-sliced but ongoing monitoring will be required to establish of expenditure trends have altered also.

2016/17 - 2018/19 Corporate & Transformation Savings

Appendix 2b

						2016/17
Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17 Service Allocations C&L £m	Saving RAYG (enter R, A, Y, or G)	Comment
Agreed TSPB 17/08/15	Invergordon SW Office Relocation	Invergordon SW Office Relocation	Allocated in full to C&L budget	-0.050	G	
Total				-4.071		

	16/17 Budget	17/18 Grants		Total 17/18 Payment	18/19
		Apr - Oct incl. 16/17 rate	Nov to Mar new rate (pro rata)		
Eden Court	506,954			501,954	496,954
Caithness Horizons	90,000			90,000	tbc
Strathpeffer Spa Pavilion building maintenance	5,200			5,200	5,200
Aviemore Highland Resort	150,000			180,000	180,000
Village halls	152,154	88,757	20,833	109,590	50,000
Nairn Community Centre	65,252	38,064		38,064	
Duthac Centre	16,203	9,452	3,713	13,165	8,912
Assynt Leisure Centre	23,028			23,028	23,028
Lochalsh Leisure Centre	48,775			48,775	48,775
Mallaig Swimming Pool	81,057			81,057	81,057
North Coast Swimming Pool	39,309			39,309	39,309
Poolewe Swimming Pool	45,911			45,911	45,911
Highland Disability Sport	3,391			3,391	3,391
Puffin Pool	7,175			7,175	7,175
Camanachd Association	6,768	3,948		3,948	
Nairn Sports Club	7,050	4,113		4,113	
Highland Association of Curling	3,023	1,763		1,763	
Linnhe Leisure (Nevis Centre)	165,803	96,718	37,997	134,715	91,192
Sports Councils	68,882	40,181		40,181	
Sports Development - HLH			15,785	15,785	34,000
AROS	12,901	7,526	2,956	10,482	7,096
Highland Printmakers	13,822	8,063	3,168	11,231	7,602
Lochaber Music School	16,587	9,676	3,801	13,477	9,123
Lyth Arts Centre	2,697	1,573		1,573	
Promoters Arts Network	1,106	645		645	
Room 13	7,372	4,300	1,689	5,989	4,055
Society of Badenoch & Strathspey Artists	7,372	4,300		4,300	
Strathpeffer Pavilion	41,467	24,189		24,189	
SHBT Strathpeffer Spa Pavilion	4,560	2,660	1,900	4,560	4,560
Arts Promoters Scheme	38,703	22,577		22,577	
Adult Learning - HLH			4,167	4,167	10,000
LEAD	7,372	4,300		4,300	
WEA	14,744	8,601		8,601	
Highland Boys Brigade	3,158	1,842		1,842	
Highland Guide Association	3,088	1,801		1,801	
Highland Scout Association	3,000	1,750		1,750	
Grantown YMCA	14,514	8,466		8,466	
Highland Girls Brigade	1,128	658		658	
Inverness Sea Cadets	516	301		301	
Thurso Youth Club	12,790	7,461		7,461	
Wick Youth Club	12,790	7,461		7,461	
Sutherland youth grants	4,422	2,580		2,580	
Youth Highland	24,428	14,250	5,598	19,848	13,435
				1,555,363	1,170,775
				1,356,471	1,151,471
				198,892	19,304

Total Proposed Payments

1,555,363

1,170,775

17/18 budget

1,356,471

1,151,471

Budget Pressure

198,892

19,304

Special School Revenue Budget Position

Appendix 4

Cost Centre	2016-17		2015-16
	Annual Budget	Projected Outturn Variance	Final Outturn Variance
Staff Costs	2,180,903	569,206	585,125
Other Costs/Income	20,412	33,806	30,996
Drummond School	2,201,315	603,012	616,121
Staff Costs	329,321	190,192	148,277
Other Costs/Income	23,693	- 4,382	- 1,210
Tain, St. Duthus	353,014	185,810	147,067
Staff Costs	765,467	127,819	57,124
Other Costs/Income	31,344	14,941	19,266
Dingwall, St Clements	796,811	142,760	76,390
Staff Costs	288,368	- 67,533	- 81,457
Other Costs/Income	53,502	- 33,952	- 18,772
Black Isle Education Centre	341,870	- 101,485	- 100,229
Saving Target assuming facility closure	- 200,000	200,000	-
Black Isle Education Centre incl saving target	141,870	98,515	- 100,229

Note: St Duthus/St Clements - increase in variance 2015/16 - 2016/17 takes account of additional staffing associated with the new demountable units opened at the facilities.