

MIDDLESBROUGH COUNCIL

COUNCIL MEETING **WEDNESDAY 14 DECEMBER 2011**

RAY MALLON
ELECTED MAYOR

BUDGET RECOMMENDATIONS 2012/2013

I intend to refer for ease of reference to each of my original proposals, which were placed before the Council on the 5 October 2011, and will now become recommendations and form part of the budget process for the financial year 2012/2013 and beyond.

In doing so I will highlight those I do not intend to change, those that are to be withdrawn and those that will be modified.

Environment

1. Cease current funding for the Shopmobility service, which will save £40,000.
 - I now recommend that the service remain open for one more year whilst alternative funding is found to secure its future. This will make a saving of £40,000 by March 2013.
2. Cease all current subsidised bus services, which will save £60,000.
 - I now recommend that the provision of subsidised bus services be revised in order to make the savings of up to £60,000, the details of which will be presented in the near future.

3. Reduce the number of Street Wardens by approximately 16 posts, which will save £450,000.

- I now recommend that this should stand.**

I can confirm though that a town centre presence would still be maintained

4. Introduce a £20.00 charge for Residents' Parking Permits, which will result in income generation of £100,000.

- I now recommended that this should stand.**

5. Increase allotment charges to £60.00 per annum for full sized plots and remove concessions, which will result in income generation of £20,000.

- I now recommend that this should stand.**

6. Introduce a £10.00 charge for all "junk jobs" which will result in income generation of £150,000.

- I now recommend that this should stand.**

7. Reduce the Environmental Education Service by approximately 2-3 posts, which will save £50,000.

- I now recommend that this should stand.**

8. Reduce budgets for streetscene, countryside management, street lighting and highways, which will result in up to 21 front-line posts being lost and around 10% reduction in standards, with a saving of £525,000.

- I now recommend that this should stand.**

9. Close the Council depots at Lloyd Street and Prissick and the land sites be offered for sale.

- I now recommend that this should stand.

10. All service units from Lloyd Street, Prissick and Stewart Park be relocated to Cargo Fleet Lane depot with a saving of £150,000.

- I now recommend that this should stand.

Regeneration

11. Reduce the Library Service Book Fund, which will save £50,000.

- I now recommend that this should stand.

12. Close the mobile library service, which will save £50,000.

- I now recommend that this should stand.

The Council will however develop an alternative service to those who are housebound.

13. Reduce library management by the equivalent of 1.5 posts, which will save £36,000.

- I now recommend that this should stand.

14. Reduce the Council's contribution to Tees Valley Unlimited, which will save £59,000.

- I now recommend that this should stand.

15. Reduce the Council's contribution to the Stockton / Middlesbrough Initiative, which will save £38,000.

- I now recommend that this should stand.**

16. Withdraw from the Tees Archaeology Service, which will save £23,000.

- I now recommend that this should stand.**

17. Reduce staffing in mima and museums to the equivalent of 1 post, which will save £25,000.

- I now recommend that this should stand.**

18. Reduce Council Officer support to Community Councils to the equivalent of 1 post, which will save £20,000.

- I now recommend that this should stand.**

19. Reduce Community Council Annual Grant allocation to £500 per Community Council, which will save £60,000.

- I now recommend that this should stand.**

20. Reduce financial support to public events, which will save £15,000.

- I now recommend that this should stand.**

21. Remove the Big Screen after the completion of the Olympic Games, which will save £15,000.

- I now recommend that this should stand.**

22. Reduce the equivalent of 1 post in Culture and Events Section and savings through a new box office system, which will save £20,000.

- I now recommend that this should stand.

23. Reduce the equivalent of 1 post in the Town Centre Management team plus associated marketing costs, which will save £45,000.

- I now recommend that this should stand.

Social Care

24. Reduce 3 posts within the Community Inclusion Service, which will save £100,000.

- I now recommend that this should stand.

25. Obtain increased income and contributions from Health, in providing residential support to people at risk leaving hospital, which will result in income generation of £200,000.

- I now recommend that this should stand.

26. Secure a price freeze on residential and non-residential service care contracts, which have a current value of £25m, which will save £1.1m.

- I now recommend that this should stand.

27. Introduce an Information Technology system that automates administrative processes. This will result in the loss of 8-10 posts, which will save £100,000.

- I now recommend that this should stand.

28. Close the Dial a Ride service, which will mean the loss of approximately 4 driver posts and result in a saving of £250,000.

- **I now recommend that this should stand.**
- **I also recommend however, that an alternative scheme, which will focus on providing travel and taxi vouchers to those people who are most adversely affected, should be introduced.**

The transport to day care will continue to be provided where needed.

29. Introduce contributions for the supply of “everyday” equipment such as special cutlery sets etc to people suffering from disability, which will result in income generation of £50,000.

- **I now recommend that this should stand.**

30. Reduce individual social care package costs on the basis of need, which will save £200,000.

- **I now recommend that this should stand.**

The Partnership

31. Reduce service provision across all services provided by Mouchel, which will save £399,000. This will include efficiency savings from technology and from the corporate review of administration.

- **I now recommend that this should stand.**

32. Terminate the external lease of Rede House and relocate staff, which will save £282,000.

- I now recommend that this should stand.

Strategic Resources

33. Merge the Financial Planning and Procurement teams, which will save £159,000.

- I now recommend that this should stand.

34. Merge ex-Mouchel and Council accountancy staff, which will save £190,000.

- I now recommend that this should stand.

35. Reduction in at least 2 Asset Management posts within the TAD and Enterprise Centres, which will save £37,000.

- I now recommend that this should stand.

36. Reduction to the equivalent of 1 post within the caretaking section, which will save £13,000.

- I now recommend that this should stand.

37. Reduction to the equivalent of 1 post due to the merger of CFL Asset Management and Corporate Asset Management, which will save £16,000.

- I now recommend that this should stand.

38. External Audit Fees to be reduced, which will save £20,000.

- I now recommend that this should stand.

39. Reduce the Audit Plan specifications, which will save £25,000.

- **I now recommend that this should stand.**

40. Reduce the frequency of cleaning of all Council buildings and therefore reduce the number of posts by approximately 15 FTE, which will save £250,000.

- **I now recommend that this should stand.**

41. Reduce the costs of maintaining all Council buildings in the following areas, which will save £363,000:

- **Repairs and maintenance**
- **Ensuring buildings are more energy efficient**
- **Improving the procurement of building services**

- **I now recommend that this should stand.**

Children Families and Learning

42. Close Lanehead Outdoor Education Centre, which will save £87,000.

- **I now recommend that this should stand.**

43. Reduce the support services funded by the Council to schools (e.g. behaviour, language, attendance and careers support), which will save £150,000.

- **I now recommend that this should stand.**

44. Reduce the cost of Special Educational Needs by providing better support to children and young people at an early stage. This will result in the reduction of approximately 6 posts and save £500,000.

- I now recommend that this should stand.**

45. Reduce the costs of long-term placements by using part of Gleneagles as a provider of long term residential care, which will save £350,000.

- I now recommend that this should stand.**

46. Joint Council working in the training and recruitment of foster carers and reduce costs associated with the use of social work agencies, which will save £150,000.

- I now recommend that this should stand.**

47. Price freeze and contract savings from the renewal of Residential Care contracts, which have a current value of £1.1m, which will save £90,000.

- I now recommend that this should stand.**

Legal and Democratic Services

48. Reduce the working hours of the Members Office Manager and other non-staffing savings, which will save £50,000.

- I now recommend that this should stand.**

Chief Executive/Assistant Chief Executive Department

49. Reduce the numbers of staff up to approximately 6 posts, which will result in a saving of between £70,000 and £110,000.

- **I now recommend that this should stand.**

50. Reduce ICT costs and corporate training and remove long service awards and Middlesbrough News/Middlesbrough Matters, which will save £78,000.

- **I now recommend that this should stand.**

Senior Management

51. Reduce further the number of senior managers and support by approximately 30 posts across the Council, which will save £1,525,000.

- **I now recommend that this should stand.**

Community Buildings and Services

52. Close Grove Hill Youth & Community Centre

- **I now recommend that this should stand.**
- **I also recommend that the community based activities be transferred to and provided from the Grove Hill Resource Centre.**

53. Close Beechwood Youth & Community Centre

- **I now recommend that this should stand.**

- I also recommend that the community based activities be transferred to and provided from the Grove Hill and Easterside Resource Centres.

54. Close Kader Youth & Community Centre

- I now recommend that this should stand.
- I also recommend that further work be performed with a view to the services from the Youth and Community Centre being provided within the locality from other premises.

55. Close North Ormesby Youth and Community Centre

- I now recommend that the North Ormesby Youth and Community Centre should remain open.
- I also recommend that the North Ormesby Library and Pavilion buildings be closed and the services provided within those buildings be transferred to the Youth and Community Centre.

56. Close Thorntree Youth Centre

- I now recommend that this should stand.
- I also recommend that the Community based activities be transferred to and provided from the Thorntree Community Centre.

57. Close Newport Neighbourhood Centre

- I now recommend that this should stand.

- I also recommend that the community based activities be transferred to and provided from the Newport Settlement.

58. End the Council lease for Park End Community Centre

- I now recommend that this should stand.
- I also recommend that the building be offered to the community so that community facilities can be provided at the location. Some funding would be available if the community consider the suggestion viable.

However, if the suggestion is rejected by the community or cannot be advanced for some other reason, then the services presently provided will be transferred to and provided by the Thorntree Community Centre.

59. Close Brambles Farm Community Centre

- I now recommend that this should stand.
- I also recommend that the building be offered to the community so that community facilities can be provided at the location. Some funding would be available if the community consider the suggestion viable.

However, if the suggestion is rejected by the community or cannot be advanced for some other reason, then the services presently provided will be transferred to and provided by the Thorntree Community Centre.

60. Close Grove Hill Library

- I now recommend that this should stand.
- I also recommend that the library based activities be transferred to and provided from the Grove Hill Resource Centre.

61. Close Easterside Library

- I now recommend that Easterside Library should remain open.

62. Close Marton Library

- I now recommend that Marton Library remains open.
- I also recommend that consultation with the public of the locality should occur with regard to the continued use and community involvement of the library as a whole.

63. Close Thorntree Library

- I now recommend that this should stand.
- I also recommend that the library based activities be transferred to and provided from the Thorntree Community Centre.

64. Close Coulby Newham Childrens Centre, which is based at Rosewood, St Augustine's and The Avenue Primary Schools

- I now recommend that this should stand.

65. Close Acklam Childrens Centre, which is based at Green Lane and Newham Bridge Primary Schools

- **I now recommend that this should stand.**

66. Close Breckon Hill Childrens Centre

- **I now recommend that this should stand.**

67. Close Brookfield / Kader Childrens Centre, which is based at Acklam Whin and Kader Primary Schools

- **I now recommend that this should stand.**

68. Close Childrens Centre venue at Archibald Primary School

- **I now recommend that this should stand.**

69. Close Childrens Centre venue at Newport Primary School

- **I now recommend that this should stand.**

70. Close Childrens Centre venue at Thorntree Primary School

- **I now recommend that this should stand.**

71. Close Childrens Centre venue at Brambles Farm Primary School

- **I now recommend that this should stand.**

72. Close Mill Hill Recreation Pavilion

- I now recommend that this should stand.

73. Close Thorntree Park Pavilion

- I now recommend that this should stand.
- I also recommend that the building be offered to the community so that community facilities can be provided at the location. Some funding would be available if the community consider the suggestion viable.

However, if the suggestion is rejected by the community or cannot be advanced for some other reason, then the majority of services presently provided will be made available at The Neptune Centre.

74. Close Middlesbrough Deaf Centre

- I now recommend that this should stand.
- I also recommend that further consultation occurs with the users of the centre to relocate the services to other suitable premises, which should include the Youth Club facility.

75. Withdraw the subsidy from Langdon Square Community Centre

- I now recommend that this should stand.
- I also recommend that the subsidy should be reduced and phased out over a three-year period, so that the centre can become self-supporting.

76. Close the Southlands and Pallister Park Centres and relocate their indoor leisure provision to the Neptune Centre. The existing outdoor sports facilities will continue to be available for public use. (The Joe Waltons brand will be retained). The Council will work with those businesses currently based at the Southlands Centre in identifying alternative premises.

- **In terms of the leisure and community use of the Southlands Centre, it is clear to me from what I witnessed at first hand and from all the feedback received, that the Centre is one which not only serves the local community but the town as a whole.**

On this basis I am therefore now to recommend that the Southlands Centre will remain open.

In doing so however, I will ensure that all steps are taken to maximise income generating opportunities, whilst at the same time seeking to reduce expenditure where possible.

I have also asked that the current rent levels for the commercial units within the Centre are examined to ensure that they reflect fair market values.

- **My recommendation however to close Pallister Park Centre will stand.**

I will also take all possible steps to ensure that the Joe Waltons brand is retained and promoted where possible.

77. Close Clairville Stadium and offer the land for sale

- I now recommend that this should stand.**

78. Close Tennis World and offer the land for sale. All land receipts from the sale of the Clairville Stadium and Tennis World sites, to be used for the development of a Sports Village, which should be located if possible on the Prissick site. This will not form part of any budget proposals during 2012/2013 but will be advanced within 2014

- I now recommend that this should stand.**

As I have previously indicated, the closures of Clairville Stadium and Tennis World will result in the development of a new Sports Village, which will include athletics and tennis facilities. I will speak on this subject later.

POINT OF CLARIFICATION

On a point of clarification and in response to concerns expressed by some residents, I can confirm that Charlbury Road Community Centre will remain in use as a community centre. This never formed part of any of my proposals.

Many of the services provided by the Council will now be delivered from alternative locations and where possible, many different services will be provided

from one location covering one specific locality in the town. In addition, in some service areas the service delivery will be reconfigured and rationalised. In addition where possible, the Council and our partner organisations will supply services from the same location.

The closure of buildings is estimated to save the Council approximately £1.3m of which £300,000 relates to building costs and £1m relates to staffing and other associated costs.

ADDITIONAL BUDGET REDUCTION PROPOSALS

As indicated in my introductory remarks I am also proposing to make the following budget reduction proposals in order to achieve the additional £3.5m of savings. These proposals will also be subject to consultation.

Environment

1. Further rationalise the provision and operation of Depot facilities, which will save £100,000.
2. Reduce the analysis of CCTV footage, which will save £18,000.
3. Reduce the level of response in dealing with environmental enforcement issues, which will save £32,000.
4. Remove lunchtime school crossing patrols and a number of controllers at patrolled crossings, which will save £40,000.

5. **Further reduce the Street Warden Service, which will save £60,000.**

Social Care

6. **Commission the future provision of re-ablement services, which will save £360,000**
7. **Increase contributions to Community Care through increased income, which will save £160,000**

Children Families and Learning

8. **Remove the subsidy to Carlton Outdoor Education Centre, which will save £84,000.**
9. **Remove funding for the Secondary School National Challenge initiative, which will save £81,000.**
10. **Remove Council funding to schools for pupils thought to be at risk of disengagement, which will save £98,000**
11. **Remove Council funding to support schools following Ofsted reviews, which will save £13,000.**
12. **Remove Council funding for dealing with mental health issues in schools, which will save £154,000**
13. **Further reduce residential care costs, which will save £70,000.**

Regeneration

- 14. Reduce the mima building maintenance fund, which will save £33,000.**
- 15. Cease funding or seek sponsorship for the Town Meal, which will save £8,000.**
- 16. Reduce the Economic Development Team that will result in the loss of 2 posts, which will save £45,000.**
- 17. Reduce the Arts Development Team that will result in the loss of 2 posts, which will save £50,000.**
- 18. Introduce an entrance fee for the Captain Cook Museum, which will generate income of £25,000.**

Strategic Resources

- 19. End a joint arrangement with the Government's Department for Work and Pensions, which will save £50,000.**
- 20. Reduce external audit fees, which will save £20,000.**
- 21. Reduce Accountancy Service staffing by a further post, which will save £30,000.**
- 22. Reduce the Repairs and Maintenance budget, which will save £220,000.**
- 23. Reduce administrative support across Strategic Resources, which will save £10,000.**

Chief Executive/Assistant Chief Executive

- 24. End temporary funding to the Middlesbrough Voluntary Development Agency, which will save £50,000.**
- 25. Reduce trade union facility time, which will save £30,000.**

Legal And Democratic Services

- 26. Cease providing the One-Stop Shop service, which will save £20,000.**
- 27. Delete one Scrutiny Officer post, which will save £44,000.**
- 28. Provide a flat rate telephone and broadband allowance for Councillors, which will save £12,000.**

Future Council Tax Levels

I have also looked at next year's level of Council Tax and considered it against my proposed reductions and current levels of inflation. I know these are difficult times, but we must balance the impact of the service reductions against the impact of Council Tax increases. With that in mind I will be proposing a Council Tax increase of 3.5% for next year. This would mean an increase of 57p per week for a Band A property.

Council Borrowing

I have also looked at the level of the Council's borrowing together with our levels of capital expenditure and identified savings of £1.5m.

Further Comment

- i) These latest budget proposals amount to savings of approximately £3.5 m.**
- ii) These proposals will mean the loss of up to 47 posts.**
- iii) Consultation will occur with the staff, public and stakeholders over the following 5 weeks.**
- iv) A further Special Council Meeting will occur at the beginning of February 2012.**