

## Budget Development Process 2012/13

### Savings/Income Generation Options

<b>Savings Option</b>	<b>Review of Discretionary Budget (Payments to Other Bodies)</b>
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<b>Directorate</b>	<b>Planning and Environment Services</b>
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<b>Service Area &amp; ABB Link</b>	<b>Economic Development (ABB link to Business and Enterprise and Employability).</b>
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<b>Narrative Description of Savings Option</b>
<p>The Discretionary Budget is the programme of economic development interventions which the Council delivers either in house or by third party contracts. This revenue budget supports the delivery of activities across the four main teams within the Service.</p> <p>For 2011-12 this budget is £1,531,890 and is split across the following:</p> <p><b>Countryside Services (£67,000)</b> To support events and activities undertaken by the Ranger Service and Access Officers, including the development of the Galloway and Southern Ayrshire Biosphere.</p> <p><b>Employability and Skills (£206,870)</b> To deliver training programmes and support for clients to move into employment, training or education. This includes funds for Modern Apprenticeship and the Jobs Fund.</p> <p><b>Business and Enterprise (£1,210,020)</b> To deliver the Business Gateway, major events and support for key sectors such tourism and food and drink.</p> <p><b>Strategic Projects (£48,000)</b> To undertake feasibility and design studies which support the delivery of regeneration programmes (including Stranraer Waterfront, Dumfries Town Centre and CoRES). Note (The Strategic Projects budgets will be augmented by draw down of reserves as required providing circa £300k additional support).</p> <p><b>Savings Option</b> There is an opportunity to reduce the Discretionary Budget (including Payments to Other Bodies) by 3%, This will result in a total reduction of £46,000 funding from the Service budget during 2012/13 for economic partnerships and projects. Specifically the budgets affected will be:</p> <ul style="list-style-type: none"> <li>• Business and Enterprise £33,000</li> <li>• Employability £13,000</li> </ul> <p>It is intended to make the savings by not allocating funds which are available as a result of finite projects coming to an end. That is, the savings being put forward will not result in any project or partnership being specifically affected as the funds are unallocated and can be offered as a saving. Modern Apprenticeship funding will not be affected.</p>

<b>Savings/Income Generation Option Amounts</b>	
<b>2012/13:</b>	£46,000
<b>2013/14:</b>	£90,000
<b>2014/15:</b>	£130,000

<b>Details on the Calculation of Savings Option Amounts</b>	
<p><b>Solway Heritage (£18,000)</b> This is a final one year payment and is not required post 2011-12, as the organisation is in the process of winding down its activities. The main issue for the Council is to ensure that the services provided in relation to Community Benefits from Windfarms are continued and this will be achieved through existing resources within the Economic Development Service. This in effect becomes an unallocated sum in 2012-13 and as such can be offered as a budget saving.</p> <p><b>Moffat Tourism Information Centre (£15,000)</b> This was a single one year contribution to support the relocation of the centre in Moffat. This in effect becomes an unallocated sum in 2012-13 and as such can be offered as a budget saving.</p> <p><b>Employability (£13,000)</b> The budget for 2012-13 was not as yet fully committed and therefore the saving of £13,000 can be made without impact on any specific projects. This in effect is an unallocated sum and as such can be offered as a budget saving.</p> <p><b>Additional Information</b> <b>The savings for 2013/14 and 2014/15 are indicative at this time and will be subject to review but they reflect a saving of 3% year on year on the Discretionary Budget (currently £1,531,890).</b></p>	
<b>Details on Staffing Implications and how this will be managed</b>	
This savings option does not result in any staffing implications.	
<b>Issues/Concerns Regarding Deliverability of Indicated Savings</b>	
There are no concerns over the delivery of the projected savings. In effect £46,000 of the savings offered are 'free' budget to allocate to development activity. This will not happen if the savings are accepted, but will not have a significant detrimental impact on service delivery.	
<b>Risk Effect Assessment</b>	
	<b>Potential Effect</b>
<b>Effect on Service User</b>	<b>Minor 2</b>
This reduction will have a limited impact on Services Users.	
<b>Effect on Staff</b>	<b>Negligible 1</b>
This reduction in funds to third parties is in line with the business direction for the Service, which is to focus on funding strategic projects and activities which have the best economic outcomes for the region.	
<b>Effect on Other Council Services</b>	<b>Negligible 1</b>
No effect on other Council Services.	
<b>Effect on Council's Agreed Priorities</b>	<b>Negligible 1</b>
Limited impact on the delivery of Council priorities as core business activities will not be stopped or significantly affected.	
<b>Effect on ability to attract External Funding</b>	<b>Minor 2</b>
The reduction in discretionary spend will mean that the funds can't be used to lever external grant funding to support new and emerging works areas, but this is considered to be a minor impact.	
<b>Total Potential Effect</b>	<b>7</b>
The Impact Assessment Screening is broadly neutral with two low negative impacts (economic sustainability and social sustainability).	
<b>Measures to Reduce/Address Risks and Minimise Any Negative Impacts</b>	

Early communications with affected third party organisations has been undertaken to ensure full and clear understanding of the budget reductions. We will seek to attract external grant support to provide additional project funds.