

2012/13 REVENUE BUDGET UPDATE: INCLUDING SAVINGS AND GROWTH PROPOSALS

APPENDIX B

Supplementary Report for Consideration by Cabinet 17 January 2012

	2011/12 Budget £000	2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
Original Revenue Budget (Per Budget Council 02 March 2011)	21,481.0	21,131.0	21,726.0	-
UPDATED BUDGET PROJECTIONS (Main Cabinet Report 17 January 2012)	20,168.0	21,035.0	21,315.0	21,617.0
Outstanding Budget Approvals :				
Homelessness Prevention Contract (Cabinet 14 December) Sub-Total		-38.0	-36.7	-34.8
Base Budget Adjustments following Budget Review Meetings :				
Performance Certificates Property Services		-10.0	-10.2	-10.4
Energy Savings - Corporate Property Services	-92.6	-98.6	-90.4	-56.2
Energy Conservation Property Services	-9.1	-9.3	-9.5	-9.7
Lancaster Market : Overtime & Energy Costs Property Services		-6.0	-6.1	-6.2
Sustainable Initiatives Community Engagement		-3.2	-3.3	-3.4
Climate Change Implementation Community Engagement	-37.1	-21.3	-0.5	-0.5
Communications - Consultation Community Engagement		-10.0	-10.2	-10.4
Performance Reward Grant (correction of allocation) Community Engagement			-25.0	
Happy Mount Park - Rental Income Community Engagement		-4.0	-4.0	-4.0
Printing & Stationery (council tax billing) Financial Services	-25.4	-28.1	-28.3	-28.9
Contaminated Land Health & Housing		-5.0	-5.1	-5.2
Planning Advice - Car Allowances Regeneration & Policy	-5.0	-5.0	-5.0	-5.0
Planning Advice - Advertising Regeneration & Policy	-5.6	-8.1	-8.4	-8.7
Bridge Maintenance Regeneration & Policy		-9.0	-9.2	-9.4
Land Drainage - Repair & M'tce Regeneration & Policy	-19.4	-20.0	-20.4	-20.8
Public Realm - Repair & M'tce Regeneration & Policy	-45.9	-54.7	-38.3	-39.0
Sea Defence Works - Repair & M'tce Regeneration & Policy	-37.5			
Winning Back West End - Recovery of Costs Regeneration & Policy		-2.8	-6.6	-10.3
Management & Admin - Hospitality Regeneration & Policy			-0.7	-0.7
Management & Admin - Subscriptions Regeneration & Policy	-7.0	-7.2	-7.4	-7.6
Planning Delivery Grant - Usage Regeneration & Policy	-5.3			
Legal Services - Books & Periodicals Governance	-5.0	-5.1	-5.2	-5.3
Sub-Total	-294.9	-307.4	-293.8	-241.7
Reductions in Provisions & Reserves :				
Connecting Communities Reserve closed Community Engagement	-26.8			
Every Child Matters Reserve closed Community Engagement	-11.3			
Civil Contingencies Reserve closed Health & Housing	-17.2			
Stock Write-Off Provision no longer required Environmental Services	-28.9			
Sub-Total	-84.2	+0.0	+0.0	+0.0
Increases in Reserves:				
Lancaster Market	+530.0			
Welfare Reforms	+200.0			
Restructuring	+425.0			
Capital Support (financing and legal costs)	+400.0			
Renewals	+100.0			
Sub-Total	+1,655.0	+0.0	+0.0	+0.0
Additional Contribution to Balances Sub-Total	+37.1			
LATEST BUDGET PROJECTIONS	21,481.0	20,689.6	20,984.5	21,340.5
TARGET REVENUE BUDGET still assuming existing 2% target increase in council tax)		20,357.6	20,296.9	20,481.3

BUDGET PROPOSALS FOR CONSIDERATION (See following page for details) :				
TOTAL SAVINGS		-369.6	-368.2	-373.9
TOTAL GROWTH		+460.0	+0.0	+0.0
		+90.4	-368.2	-373.9

REMAINING SAVINGS REQUIREMENTS (based on existing council tax targets)		422.4	319.4	485.3
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SAVINGS PROPOSALS TO BE CONSIDERED

			2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
INCOME GENERATION	SERVICE	NOTES			
Fees & Charges Review	Health & Housing	Cabinet 17 Jan	-8.7	-8.9	-9.1
Increase DFG Admin. Fees from 10% to 15%	Health & Housing		-10.0	-15.0	-15.0
Car Parking Charges Review	Property Services	Cabinet 17 Jan	-6.6	-6.7	-6.8
Wellbeing Fees and Charges Review	Community Engagement	Cabinet 14 Feb	?	?	?
Refuse Bins & Boxes - Charging	Environmental Services		?	?	?
Sub-Total			-25.3	-30.6	-30.9

BUDGET REDUCTIONS	SERVICE	NOTES			
SLA's - Inflationary Freeze	Community Engagement	Cabinet 17 Jan	-11.0	-11.2	-11.4
Morecambe BID Feasibility Study	Regeneration & Policy	Budget Removal	-40.0		
Historic Towns Forum	Regeneration & Policy	Budget Removal	-0.4	-0.4	-0.4
Morecambe Bay Strategy Partnership	Regeneration & Policy	Budget Removal	?	?	?
Overview & Scrutiny Expenses	Governance	Budget Removal	-2.4	-2.4	-2.5
Sub-Total			-53.8	-14.0	-14.3

EFFICIENCY PROPOSALS	SERVICE	NOTES			
Grounds Maintenance	Environmental Services		-38.4	-38.8	-39.2
Refuse Collection	Environmental Services		-21.7	-21.9	-22.1
Property Management Shared Service	Property Services	Cabinet 17 Jan	-76.5	-77.8	-78.9
Accountancy Services	Financial Services		-25.0	-50.0	-51.0
Revenues and Benefits (Shared Service)	Financial Services		-33.0	-33.7	-34.4
HR/Payroll Software Replacement	Financial Services		-20.0	-20.4	-20.6
Licensing	Governance	Personnel Cttee 31 Jan	-75.9	-81.0	-82.5
Sub-Total			-290.5	-323.6	-328.7

Total Savings for Consideration **-369.6** **-368.2** **-373.9**

GROWTH PROPOSALS TO BE CONSIDERED

			2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
DETAILS	SERVICE	NOTES			
One-Off Revenue Growth:					
Apprenticeship Scheme	Governance	See Report (links with Events item)	+45.0		
Exceptional Events - Celebrating the Olympics	Community Engagement	Cabinet 17 Jan (may be £50K)	+40.0		
Feasibility Bid - Science Park	Regeneration & Policy	Cabinet 17 Jan	+20.0		
Feasibility Bid - Heysham Gateway	Regeneration & Policy	Cabinet 17 Jan	+20.0		
Sub-Total			+125.0	+0.0	+0.0
One-Off Capital Growth:					
Allotments	Community Engagement	Cabinet 08 Nov	+60.0		
Morecambe Area Action Plan - Capital Financing	Regeneration & Policy	Cabinet 14 Dec	+200.0		
Lancaster Square Routes - Capital Financing	Regeneration & Policy	Cabinet 14 Dec	+300.0		
Adjustment for capital savings already made		Adjustment may increase by £100K subject to PRG decision	-225.0		
Sub-Total (to agree with current Capital Programme Shortfall)			+335.0	+0.0	+0.0
Total Growth for Consideration			+460.0	+0.0	+0.0

FUTURE YEARS' OUTLINE PROPOSALS

			2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
AREA	SERVICE	NOTES			
Closure of Lancaster Indoor Market	Property Services	Council 16 Nov		?	?
HR/Payroll, 'Procure to Pay' and other financial management arrangements	ALL	Indicative Savings Target		-150.0	-150.0
Grey Fleet Review - Business Travel	ALL	JCC 05 Dec 11		-100.0	-100.0
Total Outline Proposals			+0.0	-250.0	-250.0

Note that whilst indicative values are shown above, these will be developed over the course of the next year. They are not yet built into the formal budget projections.

OTHER ACTIONS TO BE TAKEN FORWARD

DETAILS	SERVICE
Community Safety proposals (CCTV / PCSOs etc) dependent on outcome of January Cabinet	Various
Review of Car Parking Lighting	Property Services
Review of Charter Market - opportunities to extend trading days	Property Services
Review of Building Control Operation	Regeneration & Policy
Review of Christmas Decorations	Regeneration & Policy
Review of future Coast Protection arrangements	Regeneration & Policy
Any future Morecambe BID proposals and budgetary needs to be considered for 2013/14 budget onwards	Regeneration & Policy
Morecambe Bay Strategy Partnership - withdrawal to be discussed with neighbouring authorities	Regeneration & Policy
Review of Stock Management	Environmental Services
Review of Williamson Park	Env. Serv. / Comm.Engagmt.
Review future requirements in light of Local Strategic Partnership changes (Cabinet Dec 11)	Community Engagement
Review of Salt Ayre Sports Centre	Community Engagement
Review of Museums Partnership	Community Engagement
Review any charging / sponsorship opportunities for Lancaster Fireworks Event	Community Engagement
Respond to Welfare Reforms (localisation of council tax benefit - expected 10% or £1M reduction in awards)	Financial Services