

GENERAL FUND REVENUE BUDGET - 2016/17 TO 2019/20

BASE BUDGET CHANGES

	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
BASE BUDGET CHANGES				
Environmental Services				
Reduce seasonal gardeners' weeks by 5	(24,500)	(25,000)	(25,500)	(26,000)
<i>The number of contracted weeks will reduce to 21. Mowing schedules will not be met for the last 5 weeks of the season, but this will be at a time when typically, grass is growing slowly.</i>				
Convert permanent post to seasonal at Williamson Park	(8,100)	(8,300)	(8,500)	(8,700)
<i>Recruitment on a part-time basis (22 hours per week) to a currently vacant full time grounds maintenance operative. This will result in a minor reduction in the level of horticultural maintenance.</i>				
Creation of a Meerkat enclosure at Williamson Park	(25,500)	(26,000)	(26,500)	(27,000)
<i>Development of a meerkat enclosure within the zoo area to continue the growth in visitor numbers and generate additional income for the park.</i>				
Use of Vehicles	(10,000)	(15,300)	(15,600)	(15,900)
<i>Use of the fleet tracking system to improve the management of the Council's fleet. Savings relate to a reduction in fuel usage levels and car allowances paid.</i>				
Deliver HGV driver training in-house	0	(1,000)	(1,000)	(1,000)
<i>The training is currently delivered by an external company but can be delivered by the Safety Manager in future, following some initial training (£1K cost netted off in 2016/17).</i>				
Resources				
Printing Review	(2,500)	(12,000)	(14,000)	(16,000)
<i>A review of printing needs and habits (and distribution) with education for users on how to reduce printing and when to outsource to secure VFM. (Initial consultancy support of £7.5K netted off in 2016/17).</i>				
Mobile Phone Review	(10,000)	(10,200)	(10,400)	(10,600)
<i>Review of the use of mobile phones and consolidation of mobile phone contracts.</i>				
Multi Functional Devices (MFD) Renewals	(11,500)	(11,700)	(11,900)	(12,100)
<i>MFDs are large printing/photocopying/scanning machines located in offices. Replacement & renewal of MFD fleet using a procurement framework.</i>				
Reduction in Network Contract	(6,500)	(8,000)	(8,200)	(8,400)
<i>Renewing contracts for the ICT connections between buildings, at the same time as increasing the ability for "multi-pathing" to improve resilience / disaster recovery. (Initial £1.5K for consultancy netted off in 2016/17).</i>				
Corporate	0	63,300	64,200	64,800
<i>Estimated Impact of Apprenticeship Levy, from 2017/18 onwards.</i>				
TOTAL	(98,600)	(54,200)	(57,400)	(60,900)

GENERAL FUND BUDGET - 2016/17 TO 2019/20
CABINET'S PROPOSED SAVINGS & GROWTH

Up Front
Investment
/ Cost

		2016/17	2017/18	2018/19	2019/20	Capital
		£	£	£	£	£
SAVINGS PROPOSALS (Allowing for estimated inflation)						
Income Generation	No.					
Environmental Services						
Charging for Splash Park Admission	1	0	(56,500)	(57,900)	(59,400)	
Charging for Event Applications	2	(2,000)	(2,000)	(2,000)	(2,000)	
Charter Market	3	(2,700)	(2,800)	(2,900)	(3,000)	
Festival Market	3	(10,000)	(10,200)	(10,400)	(10,600)	
Bulky Waste	3	(10,000)	(10,200)	(10,400)	(10,600)	
Bins and boxes (current policy)	3	(9,000)	(9,200)	(9,400)	(9,600)	
Extending Charging Policy for bins and boxes (all households)	4	(92,300)	(94,100)	(96,000)	(97,900)	
Green Waste - charging for Collection	5	(505,000)	(870,000)	(887,400)	(905,100)	
Electric Car Charging Points - Introduction	6	0	(10,000)	(10,200)	(10,400)	
Governance						
Local Elections - Charging Cost to Parish Councils	7	0	0	0	(14,100)	
Health & Housing						
Disabled Facilities Grant Admin. Fees - Increase to 18%	8	(14,400)	(14,700)	(15,000)	(15,300)	
Pest Control - Additional Contracts	9	2,500	(25,000)	(50,000)	(51,000)	
HMO Licence Fees - Cease Refunds	10	(1,000)	(1,000)	(1,000)	(1,000)	
Cemetery Fees - Increase by additional 3%	11	(6,900)	(7,000)	(7,100)	(7,200)	
Statutory Notices (Housing Act 2004) Fee Increase	12	(1,000)	(1,000)	(1,000)	(1,000)	
Resources						
Charging for Credit Card Payments	13	10,000	(25,000)	(25,000)	(25,000)	
<i>Sub Total</i>		(641,800)	(1,138,700)	(1,185,700)	(1,223,200)	
Invest to Save Schemes						
Health & Housing						
Salt Ayre Sports Centre - Developer Partnership	14	110,000	(400,000)	(450,000)	(500,000)	5,000,000
Resources						
Corporate Property - Energy Efficiency Works	15	(69,700)	(40,100)	(45,400)	(53,000)	1,376,000
<i>Sub Total</i>		40,300	(440,100)	(495,400)	(553,000)	
Service Efficiencies and Reductions						
Environmental Services						
Management & Administration Restructure	16	(40,000)	(100,000)	(210,000)	(210,000)	
Building Cleaning Review	17	0	(10,000)	(10,100)	(10,200)	
CCTV - Termination of Contracts	18	0	(167,000)	(170,300)	(173,700)	
Cease Winter Bedding	19	(45,000)	(45,900)	(46,800)	(47,700)	
Parish Toilets - 50% Reduction in Contributions	20	(14,300)	(14,650)	(14,900)	(15,200)	
Litter Enforcement Services - 12 Month Pilot	21	(60,000)	(60,000)	?	?	
Governance						
Grants to VCFS - LESS Grant Funding Withdrawal	22	(4,300)	(4,300)	(4,400)	(4,500)	
Health & Housing						
Community Pools - Termination of Management Responsibility	23	157,800	(175,500)	(179,000)	(182,600)	
Sports Development - Reduction in Service	24	(9,300)	(50,500)	(51,500)	(52,500)	
International Youth Games - Withdrawal	25	(59,700)	(26,800)	(27,300)	(27,800)	
Marsh Community Centre - Grant Funding Cessation	26	(13,700)	(14,000)	(14,300)	(14,600)	
Regeneration & Planning						
Events - Funding Reductions	27	0	(22,700)	(23,200)	(23,700)	
Resources						
Finance Section - Restructuring	28	(23,300)	(24,300)	(25,400)	(27,100)	
Internal Audit - Restructuring	29	(21,700)	(21,900)	(22,100)	(22,300)	
<i>Sub Total</i>		(133,500)	(737,550)	(799,300)	(811,900)	
Re-Financing Options						
Capital Programme Financing (MRP) - Policy Update required	30	(375,000)	(343,000)	(314,000)	(284,000)	
<i>Sub Total</i>		(375,000)	(343,000)	(314,000)	(284,000)	
TOTAL		(1,110,000)	(2,659,350)	(2,794,400)	(2,872,100)	6,376,000
GROWTH PROPOSALS						
Environmental Services						
Cashless Parking	31	5,000	5,000	5,000	5,000	
Regeneration & Planning						
Development Management Capacity	32	69,900	72,200	74,500	76,600	
Capital Growth - Capital Financing Costs						
MAAP - Euston Rd, Marine Rd Central, Queen St, Victoria St.	33	0	3,000	6,000	6,000	511,000
Resources						
Digital Workplace	34	100,000	?	?	?	
TOTAL		174,900	80,200	85,500	87,600	511,000
NET TOTAL		(935,100)	(2,579,150)	(2,708,900)	(2,784,500)	

GENERAL FUND BUDGET - 2016/17 TO 2019/20
SAVINGS OPTIONS TO BE CONSIDERED DURING 2016/17

	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
Income Generation				
Resources				
Room Hire Policy	?	?	?	?
<i>Development of a comprehensive Council wide room hire policy, to provide a more consistent and transparent approach whilst seeking to maximise income generation.</i>				
<i>Sub Total</i>	0	0	0	0
Service Efficiencies and Reductions				
Environmental Services				
Refuse Collection	0	0	0	?
<i>Consideration of moving from fortnightly collections to three weekly across all streams. Also, to consider replacing existing recycling boxes with bins.</i>				
Governance				
Grants to Voluntary, Community and Faith Sectors (VCFS)	0	(257,500)	(262,700)	(267,900)
<i>Review of all grants given to the VCFS.</i>				
Civic Regalia - Rationalisation	?	?	?	?
<i>Review all Civic Regalia currently held by the Council to identify potential surplus items.</i>				
Regeneration & Planning				
The Platform - Improve Net Operating Position	?	(85,300)	(87,000)	(88,700)
<i>Review options to improve the current net operating position.</i>				
Review of Grants to the Arts	0	(217,000)	(221,300)	(225,700)
<i>Review of Arts investment currently provided through Service Level Agreements (SLAs).</i>				
Maritime / Cottage Museums	0	0	?	?
<i>Future of these museums to be reviewed, alongside encouraging the County Council to explore community running of its local museums. Mothballing of Maritime/Cottage Museums also to be considered.</i>				
Visitor Information Centres (VIC) Review	?	?	?	?
<i>Review of VIC operations to include consideration of having one centre instead of two or another organisation providing the service.</i>				
Resources				
Local Council Tax Support Scheme	0	(110,000)	(112,000)	(114,000)
<i>Consider options to reduce the level of LCTS provided through the Council's scheme for working age claimants, from 2017/18 onwards.</i>				
Corporate Property - Disposal Programme (Revenue Impac	?	?	?	?
<i>Review of property portfolio, including identification of disposal opportunities and overall policy .</i>				
Corporate Property - Office Rationalisation	?	?	?	?
<i>Review of office accommodation (two Town Hall, and Palatine Hall) with the intention of rationalising property usage to generate savings, through operating more efficiently.</i>				
<i>Sub Total</i>	0	(669,800)	(683,000)	(696,300)
Re-Financing Options				
Pension Contributions	0	(350,000)	(350,000)	(350,000)
<i>Investigation of options to reduce pensions deficit funding contributions and standard contribution rate for 2017/18 to 2019/20, following 2016 Pension Fund Triennial Review. Involves seeking Pension Fund / Actuary agreement to reduce or remove 'prudence margin' from contribution rates, to bring them down to 'best estimate'.</i>				
<i>Sub Total</i>	0	(350,000)	(350,000)	(350,000)
MAXIMUM VALUE OF QUANTIFIED OPTIONS	0	(1,019,800)	(1,033,000)	(1,046,300)

GENERAL FUND REVENUE BUDGET 2015/16 TO 2019/20

As Proposed by Cabinet 19 January 2016

	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000
Original Revenue Budget & Projections	17,052	18,218	18,590	0	0
<i>Allowing for budgeted use of Balances</i>	<i>(1,000)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Changes to Budget Projections - <i>Cabinet 01 December</i>	(608)	(1,183)	(1,381)	18,659	18,790
Base Budget Changes after Cabinet 01 December					
Emergency Flood Recovery (unfunded costs)	35	0	0	0	0
HB Admin Grant reduction	0	125	162	198	231
VAT on Search Fees	5	31	32	32	33
Employees / Consultancy / Living Wage Increase	67	107	43	25	26
Income Projections Updated	8	(24)	(32)	(39)	(46)
Other Minor Net Changes	(10)	3	(4)	(4)	(14)
Additional Base Budget Changes (see Appendix A)	0	(99)	(54)	(57)	(61)
Provisional New Homes Bonus changes	0	(20)	243	1,122	1,291
Cabinet's Savings Proposals (see Appendix B)	0	(1,110)	(2,659)	(2,794)	(2,872)
Cabinet's Growth Proposals (see Appendix B)	0	175	80	86	88
Reduced Contribution from Balances	503	0	0	0	0
Assumed Contributions to Balances	0	0	88	0	0
Latest Net Revenue Budget Forecast	17,052	16,223	15,108	17,227	17,466
Provisional Finance Settlement:					
Revenue Support Grant	(3,861)	(2,652)	(1,605)	(941)	(200)
Retained Business Rates	(5,207)	(5,250)	(5,353)	(5,511)	(5,688)
Business Rates - Safety Net Adjustment			401	413	427
Estimated Collection Fund Surplus	(131)	(60)	0	0	0
Current Council Tax Funding Requirement	7,853	8,261	8,551	11,188	12,005
Target Council Tax Requirement <i>(To fit with a council tax increase of 1.99% per year)</i>	7,853	8,259	8,551	8,851	9,159
Estimated Budget Deficit / Savings Requirement	0	2	0	2,337	2,846

	2015/16	2016/17	2017/18	2018/19	2019/20
	Impact on Council Tax				
<i>Tax Base Projections</i>	38,500	39,700	40,300	40,900	41,500
Band D City Council Tax Rate - MTFS Targets	£203.97	£208.03	£212.17	£216.39	£220.70
<i>Percentage Increase Year on Year</i>	1.99%	1.99%	1.99%	1.99%	1.99%
Current Council Tax Projections	£203.97	£208.09	£212.17	£273.52	£289.29
<i>Percentage Increase Year on Year</i>	1.99%	2%	2%	22%	5%

General Fund Unallocated Balances	
	£M
Original Projected Balance as at 31 March 2015	4.071
Add: 2014/15 Underspend	0.554
Less: Budgeted Contribution for 2015/16	(1.000)
Add: Current Projected Underspend for 2015/16	0.503
Latest Projected Balance as at 31 March 2016	4.128
Add: Additional Contribution 2016/17	0.000
Add: Additional Contribution 2017/18	0.088
Latest Projected Balance as at 31 March 2018	4.719
Less: Current Minimum Level	(1.000)
Amount Available to Support Budgets 2018/19 onwards	3.719

GENERAL FUND CAPITAL PROGRAMME

As Proposed by Cabinet 19 January 2016

Service / Scheme	2015/16			2016/17			2017/18			2018/19			2019/20			5 YEAR PROGRAMME		
	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Gross Budget	External Funding	Net Programme	Total Gross Programme	Total External Funding	Total Net Programme
Environmental Services	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Allotments	5,000		5,000			0			0			0			0	5,000	0	5,000
Vehicle Renewals	697,000		697,000	1,160,000		1,160,000	1,584,000		1,584,000	994,000		994,000	926,000		926,000	5,361,000	0	5,361,000
Vehicle Tracking System	24,000		24,000			0			0			0			0	24,000	0	24,000
Bins & Boxes Scheduled Buy-Outs	21,000		21,000	74,000		74,000	50,000		50,000			0			0	145,000	0	145,000
Car Parks Improvement Programme	92,000		92,000	72,000		72,000			0			0			0	164,000	0	164,000
Middleton Solar Farm Feasibility Study			0	30,000		30,000			0			0			0	30,000	0	30,000
Happy Mount Park - Pathway Replacements			0	43,000		43,000	23,000		23,000	23,000		23,000	23,000		23,000	112,000	0	112,000
Williamson Park Improvements & Enhancements	107,000	30,000	77,000			0			0			0			0	107,000	30,000	77,000
Health and Housing																		
Disabled Facilities Grants	600,000	600,000	0	1,168,000	1,168,000	0	783,000	783,000	0	783,000	783,000	0	783,000	783,000	0	4,117,000	4,117,000	0
Warmer Homes Scheme	6,000		6,000			0			0			0			0	6,000	0	6,000
Salt Ayre Sports Centre - Replacements & Refurbishments			0	30,000		30,000			0			0			0	30,000	0	30,000
Salt Ayre Sports Centre - Redevelopment (indicative phasing)			0	3,000,000		3,000,000	2,000,000		2,000,000			0			0	5,000,000	0	5,000,000
Regeneration and Planning																		
Toucan Crossing - King Street	3,000		3,000			0			0			0			0	3,000	0	3,000
Dalton Square Christmas Lights (Renewal)	29,000		29,000			0			0			0			0	29,000	0	29,000
Sea & River Defence Works & Studies	1,396,000	1,393,000	3,000	3,255,000	3,255,000	0	2,125,000	2,125,000	0	2,125,000	2,125,000	0	1,082,000	1,082,000	0	9,983,000	9,980,000	3,000
Amenity Improvements (Morecambe Promenade)	22,000	3,000	19,000	9,000		9,000			0			0			0	31,000	3,000	28,000
Luneside East	50,000		50,000			0			0			0			0	50,000	0	50,000
Lancaster Square Routes	106,000	106,000	0	19,000		19,000			0			0			0	125,000	106,000	19,000
Morecambe TH12: A View for Eric	429,000	324,000	105,000	647,000	489,000	158,000			0			0			0	1,076,000	813,000	263,000
MAAP Improving Morecambe's Main Streets	132,000	5,000	127,000	263,000		263,000	1,000		1,000			0			0	396,000	5,000	391,000
MAAP Improving Morecambe's Main Streets	0		0	529,000	320,000	209,000	202,000		202,000	150,000	75,000	75,000	150,000	75,000	75,000	1,031,000	470,000	561,000
MAAP Connecting Eric	158,000		158,000			0			0			0			0	158,000	0	158,000
Albion Mills Affordable Housing s106 scheme	40,000		40,000			0			0			0			0	40,000	0	40,000
King St/Wellington Terrace Affordable Housing s106 Scheme	90,000		90,000			0			0			0			0	90,000	0	90,000
Middleton Nature Reserve s106 Scheme	17,000		17,000	4,000		4,000			0			0			0	21,000	0	21,000
Pedestrian/cycle links Sainsbury's Morecambe s106 scheme	59,000		59,000			0			0			0			0	59,000	0	59,000
Bold Street Housing Regeneration Site Works	24,000		24,000			0			0			0			0	24,000	0	24,000
Chatsworth Gardens	1,878,000		1,878,000			0			0			0			0	1,878,000	0	1,878,000
Lancaster District Empty Homes Partnership	100,000		100,000	100,000		100,000			0			0			0	200,000	0	200,000
AONB Vehicle Replacement	25,000		25,000			0			0			0			0	25,000	0	25,000
Resources																		
ICT Systems, Infrastructure & Equipment	376,000		376,000	352,000		352,000	510,000		510,000	310,000		310,000	100,000		100,000	1,648,000	0	1,648,000
Corporate Property Works	2,057,000	10,000	2,047,000	2,564,000		2,564,000	1,905,000		1,905,000	1,482,000		1,482,000			0	8,008,000	10,000	7,998,000
Energy Efficiency Works	0		0	1,376,000		1,376,000			0			0			0	1,376,000	0	1,376,000
GENERAL FUND CAPITAL PROGRAMME	8,543,000	2,471,000	6,072,000	14,695,000	5,232,000	9,463,000	9,183,000	2,908,000	6,275,000	5,867,000	2,983,000	2,884,000	3,064,000	1,940,000	1,124,000	41,352,000	15,534,000	25,818,000
Financing :																		
Specific Grants and Contributions	2,471,000			5,232,000			2,908,000			2,908,000			1,865,000			15,384,000		
General Capital Grants	6,000			0			0		0	0			0			6,000		
Capital Receipts	641,000			370,000			370,000			0			0			1,381,000		
Direct Revenue Financing	234,000			204,000			50,000			0			0			488,000		
Earmarked Reserves	681,000			600,000			280,000			355,000			195,000			2,111,000		
	4,033,000			6,406,000			3,608,000			3,263,000			2,060,000			19,370,000		
Increase / Reduction (-) in Capital Financing Requirement (CFR) (Underlying Change in Borrowing Need)	4,510,000			8,289,000			5,575,000			2,604,000			1,004,000			21,982,000		
TOTAL FINANCING	8,543,000			14,695,000			9,183,000			5,867,000			3,064,000			41,352,000		
SHORTFALL / SURPLUS (-)	0			0			0			0			0			0		

DETAIL IN SUPPORT OF APPENDIX B

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

Service: Environmental Services

Service / Policy Area

Environmental Services - Public Realm/Happy Mount Park

Brief Description of Budget Option

To levy a £1 charge for admission for all entrants of the splash park area at Happy Mount Park.

Proposed Implementation Date July 2016 Estimated Lead-In 4 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Customer dissatisfaction by introducing a charge for an attraction that is currently free.

Other Impact (Internal / Other Services etc.)

The admission system to be implemented is intended to be cashless and therefore there should be no need to increase staffing. Implementation will require liaison with ICT and Financial Services to ensure the new system is compliant with all network and income management security requirements.

Upfront Investment Needed

£50,000 (est.) Turnstiles, admission terminals, software etc. Renewals of £17,500 would be required every 4 years thereafter.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Income Projections (net of other costs)	50,000	55,000	55,000	55,000
Upfront Investment (see above)	-50,000			
Total	0	55,000	55,000	55,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

2

Service: Environmental Services

Service / Policy Area

Environmental Services - Public Realm Events

Brief Description of Budget Option

To levy a charge to contribute to the officer cost of dealing with event applications. The level of charge would need some consideration but could be done on a sliding scale relating to type/size of event.

Proposed Implementation Date

April 2016

Estimated Lead-In

nil

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Could be met with resistance by some event organisers possibly leading to the event not taking place. There needs to be a clear communication plan in place.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Income	2,000	2,000	2,000	2,000
Total	2,000	2,000	2,000	2,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

3

Service: Environmental Services

Service / Policy Area

Environmental Services - Fees & Charges

Brief Description of Budget Option

To apply a further 3.5% inflationary increase in 2016/17 to charges in the following areas :-

- Charter Market pitch fees
- Festival market rents
- Bulky waste collection
- Delivery of replacement bins and boxes

Proposed Implementation Date

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Will be met by resistance from service users/market traders. With regard to bulky waste this could potentially lead to increased levels of fly-tipping in the district.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Charter market pitch fees	2,700	2,700	2,700	2,700
Festival market rents	10,000	10,000	10,000	10,000
Bulky waste collection	10,000	10,000	10,000	10,000
Delivery of bins and boxes	9,000	9,000	9,000	9,000
Total	31,700	31,700	31,700	31,700

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

4

Service: Environmental Services

Service / Policy Area

Environmental Services - Waste & Recycling

Brief Description of Budget Option

Introduce a delivery charge for replacement and new containers. Currently a subsidised delivery charge is applied only for new dwellings and dwelling with new occupants. The proposal is to apply a subsidised delivery/administration charge for all containers, including replacements (with the exception of damaged containers). The figures below are based on 2014/15 where 3,829 bins (£15 per bin) and 6,773 boxes (£4 per box) were delivered - less an assumed 31% reduction in requests.

Proposed Implementation Date

April 2016

Estimated Lead-In

3 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Dissatisfaction amongst residents.

Other Impact (Internal / Other Services etc.)

Initial administration and Customer Services burden.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Income Generation	58,300	58,300	58,300	58,300
Reduction in replacement costs	34,000	34,000	34,000	34,000
Total	92,300	92,300	92,300	92,300

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

5

Service: Environmental Services

Service / Policy Area

Environmental Services - Waste & Recycling

Brief Description of Budget Option

Charge for collection of Green Garden Waste Containers. The Controlled Waste Regulations 1992 allows a Collection Authority to make a charge to collect garden waste from domestic properties. However, no disposal charge can be applied. The charge is suggested to be in the region of £30 per container per year.

Proposed Implementation Date

August 2016

Estimated Lead-In

5 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

May impact on tonnage of both green and dry materials and our ability to reach 50% recycling rate by 2020.

Other Impact (Internal / Other Services etc.)

Initial administration and Customer Services burden, setting up payment system and dealing with customer complaints. Further savings would be expected from rescheduling existing rounds from second year of scheme. Potential impact on street cleaning, fly tipping.

Upfront Investment Needed

£75,000

Implementation costs and additional marketing of scheme

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional income (based on 50% take-up of 58,000 properties)	580,000	870,000	870,000	870,000
Upfront Investment (see above)	-75,000			
Total	505,000	870,000	870,000	870,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

6

Service: Environmental Services

Service / Policy Area

Environmental Services - Electric Car Charging Points

Brief Description of Budget Option

To install electric car charging points in specific car parks within the district and levy a charge for their use by external users. The basis of charging has yet to be considered but it is estimated that the income figures below could be achieved after maintenance and electricity costs are taken into account; conditions of any grant funding would also be addressed, if that route is taken. Should the Council choose to purchase any electric vehicles in future then the points could also be utilised for our own purposes.

Proposed Implementation Date

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Helps promote the use of electric cars which contributes to a cleaner, greener, safe environment.

Other Impact (Internal / Other Services etc.)

Administration of scheme would be met from existing resources.

Upfront Investment Needed

There are currently grants available etc. to cover the installation costs so this may be nil.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Income	0	10,000	10,000	10,000
Total	0	10,000	10,000	10,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

7

Service: Governance

Service / Policy Area

Governance - Democratic Services (Elections)

Brief Description of Budget Option

To charge Parish Councils for the costs of the ordinary 4 yearly elections.

Proposed Implementation Date

May 2019

Estimated Lead-In

2 years

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Resistance from parishes. May have to raise their precept to cover costs, but long lead in time to allow them to consider this and prepare. Rise in precept may cause discontent from residents in parished areas.

Other Impact (Internal / Other Services etc.)

Recharging/calculating split of costs would take up Elections Manager's time. Chasing payment may take up staff time in finance and elections. These implications are considered manageable, operationally.

Upfront Investment Needed

£0

Explain:

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Nomination stage				6,100
Elections (estimate is a minimum)				8,000
Total				14,100

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

8

Service: Health & Housing

Service / Policy Area

Health & Housing - Disabled Facilities Grants

Brief Description of Budget Option

Increase the admin fee charged against Disabled Facilities Grants (DFG). Since 2012 this fee has been set at 15%, at that time the highest amongst all districts in Lancashire. It is proposed to increase the fee charged to 18% in future.

Proposed Implementation Date

April 2016

Estimated Lead-In

n/a

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

The works required for eligible service users on their homes is a statutory duty for the Council and any increase in administration charges would reduce the grant available for service users.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Admin fee raised to 18%	14,400	14,400	14,400	14,400
Total	14,400	14,400	14,400	14,400

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

9

Service: Health & Housing

Service / Policy Area

Health & Housing - Pest Control service (Environmental Health)

Brief Description of Budget Option

Looking back over the last 5 years the average net cost to the council has been £68k excluding central recharges. The pest control service has three income streams: (1) individual on-demand pest treatments for residents/businesses, (2) annual pest contracts for businesses, farms, etc., and (3) ad-hoc jobs such as filthy property hygiene works and sewer rat baiting under contract to United Utilities. Contract services alone are now bringing in £54k p.a. We propose to double this contract service income by working more commercially and substantively operating in South Lakeland area.

Proposed Implementation Date April 2016

Estimated Lead-In 3 months Jan-Mar'16

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Pest infestations carry a range of social and economic impacts to our residents, businesses and visitor economy. Maintaining an effective pest control service whilst increasing income will ensure continued control of pest populations that otherwise would grow largely uncontrollably. It will also prevent the need for increases in costly enforcement action.

Other Impact (Internal / Other Services etc.)

The council's Pest Control service has exceptional (99.7%) customer satisfaction ratings and is very popular. Maintaining this service at a much reduced cost through greater income generation will be publicly well received. Obtaining legal advice on extent of permissible trading and developing the service more commercially will strongly benefit other services.

Upfront Investment Needed

£2,500

This is for professional standard contract materials. Commercial trading legal advice funded from elsewhere.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Indicative increase pest control contract income reflecting legal advice on the extent of permissible trading	0	25,000	50,000	50,000
Upfront Investment (see above)	-2,500			
Total	-2,500	25,000	50,000	50,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

10

Service: Health & Housing

Service / Policy Area

Health & Housing - Private Sector Housing

Brief Description of Budget Option

Stop refunding HMO licence fees.
When a licensed HMO changes ownership or ceases to be licensed the fee paid is refunded on a pro-rata basis (a licence runs for 5 years). Many other authorities already adopt a policy of not paying refunds and this is justified by the fact that the fee paid is to cover all the administration costs to prepare and approve the licence in the first instance. Although this situation is not a common event, this small change in policy will, never the less, produce a small amount of savings each year.

Proposed Implementation Date

April 2016

Estimated Lead-In

n/a

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0.00

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Non refund of HMO licence fees	1,000	1,000	1,000	1,000
Total	1,000	1,000	1,000	1,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

11

Service: Health & Housing

Service / Policy Area

Health & Housing - Cemeteries

Brief Description of Budget Option

This proposal is to increase all cemetery fees in 2016/17 at a higher rate than the estimated inflationary increase. The estimated additional income is based upon the average income received over the last six years (using the 3 main income headings of sale of graves, interment fees, and sale of memorial plaques).

Proposed Implementation Date

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Whilst this proposal will increase costs to the bereaved, cemetery fees are a comparatively small element of overall funeral costs.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual increase plus 3% (rounded)	6,900	6,900	6,900	6,900
Total	6,900	6,900	6,900	6,900

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

12

Service: Health & Housing

Service / Policy Area

Health & Housing - Private Sector Housing

Brief Description of Budget Option

Increase charges for the service of statutory notices under the Housing Act 2004. For some time now this charge has been capped at £300 per notice. It is proposed to increase this to £400 which will bring us into line with most of our neighbouring LA's. Although the savings will be minimal, recent changes in legislation means that it is likely that more notices will be issued in the future. It is estimated that 10 notices per year will be issued from 2016/17 onwards. In future, any options for maximising such income will be explored, subject to any legal charging constraints.

Proposed Implementation Date

April 2016

Estimated Lead-In

n/a

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0.00

Explain:

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Service of 10 notices / yr @ £400 each (additional income)	1,000	1,000	1,000	1,000
Total	1,000	1,000	1,000	1,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

13

Service: Resources

Service / Policy Area

Resources - Financial Services

Brief Description of Budget Option

To implement charging for customers who pay for services via credit cards. At present, the Council is charged 1.75% by Visa and MasterCard for every payment made by credit card. On average 16,000 payments are made by credit card at a cost to the Council of £29,000. It has been assumed that the introduction of a charge would result in a switch from credit to debit card payments, therefore, the potential income has been estimated at £25,000.

Proposed Implementation Date

2017/18

Estimated Lead-In

12 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Customer dissatisfaction. Payment methods may change.

Other Impact (Internal / Other Services etc.)

Changes will be required to income receipting systems and automated payment processes. Services taking payments from customers either face to face or over the telephone will need to notify customers of the charges.

Upfront Investment Needed

£10,000

Costs will be incurred for consultancy time to amend systems and subsequent testing and training.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual Income Generated		25,000	25,000	25,000
Upfront Investment (see above)	-10,000			
Net Income	-10,000	25,000	25,000	25,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

14

Service: Health & Housing

Service / Policy Area

Health & Housing - Sport & Leisure (Salt Ayre Sports Centre)

Brief Description of Budget Option

A phased programme of developments at Salt Ayre Sports Centre aimed at improving the facilities and offering to the public. This is to be delivered in conjunction with the newly appointed Sport and Leisure Development Partner. The proposals aim to increase the number of customers and therefore income being generated, and will be phased in over the next 2 years.

Proposed Implementation Date

From 2016/17

Estimated Lead-In

6 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Links to the Health & Wellbeing corporate priority by increasing the number of people participating in sports and leisure activities.

Other Impact (Internal / Other Services etc.)

Increased revenue as a result of new developments.

Upfront Investment Needed

£110,000

Total cost of capital works £5M. In addition, there will be an estimated cost of £110K in year 1 as a result of lost income, promotions and marketing and back-filling key posts involved in the development.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Investment (Indicative Profiling)	3,000,000	2,000,000		
Revenue Implications				
Additional net income		643,000	792,000	842,000
Cost of financing capital spend		-243,000	-342,000	342,000
Initial cost (see above)	-110,000			
Net Income	-110,000	400,000	450,000	500,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

15

Service: Resources

Service / Policy Area

Resources - Property Group

Brief Description of Budget Option

A programme of energy efficiency works at a number of corporate properties. The initial investment of £1.4M would have a payback of just over 9 years. Works range from boiler replacements, insulation and lighting improvements.

Proposed Implementation Date

From 2016/17

Estimated Lead-In

6 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None.

Other Impact (Internal / Other Services etc.)

Reduced corporate property operating costs; works will be scheduled to minimise operational disruption as far as possible (or to fit with other developments). Over half the savings (£100K) will be achieved at Salt Ayre Sports Centre, £23K at Williamson Park and the remaining £27K at other properties such as Lancaster Town Hall, City Lab, Old Fire Station and Ryelands House.

Upfront Investment Needed

£1,376,000

Total estimated capital cost of programme.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Investment	1,376,000			
Revenue Implications				
Net annual energy saving	74,600	153,200	153,200	153,200
Annual maintenance cost	-4,900	10,000	10,000	10,000
Annual financing cost	0	-103,100	-103,100	-103,100
Total	69,700	40,100	40,100	40,100

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

16

Service: Environmental Services

Service / Policy Area

Environmental Services - Succession Planning

Brief Description of Budget Option

This is provided to give the estimated financial implications of a number of structural changes in line management/admin that are anticipated over the next 4 years. It is expected that some will be as a consequence of retirements etc and some as a consequence of positive managerial action. It is proposed to manage workloads within existing resources albeit with marginal replacement costs where required. In some cases there may also be one-off employment costs.

Proposed Implementation Date

Ongoing

Estimated Lead-In

Nil.

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None.

Other Impact (Internal / Other Services etc.)

In short terms there will be a loss of experience, knowledge.

Upfront Investment Needed

£0

Some employment costs (ER/VR) unknown yet.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue Savings	40,000	100,000	210,000	210,000
Total	40,000	100,000	210,000	210,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

17

Service: Environmental Services

Service / Policy Area

Environmental Services - Building Cleaning

Brief Description of Budget Option

To review how building cleaning is delivered to municipal buildings. A full review of cleaning schedules and standards is expected to result in efficiency savings.

Proposed Implementation Date

April 2017

Estimated Lead-In

12 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None.

Other Impact (Internal / Other Services etc.)

None.

Upfront Investment Needed

£0

None.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue savings	0	10,000	10,000	10,000
Total	0	10,000	10,000	10,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

18

Service: Environmental Services

Service / Policy Area

Environmental Services - Public Realm/CCTV

Brief Description of Budget Option

Cease to provide CCTV. Technologically the current system is reaching the point of becoming obsolete and we are faced with several options :-
 - no longer provide a public CCTV system
 - look at sharing with someone else. There is lots of talk about this but currently no tangible options.
 - Invest in the existing system. This will require a one off investment of £150-200K and then the ongoing revenue amount already allocated.

Proposed Implementation Date

April 2017

Estimated Lead-In

12 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Police are the main recipients of the service. The direct impact of public CCTV is very difficult to actually quantify. Many locations are covered by in-house systems. Many events of note end up on Facebook / YouTube etc as nearly everybody has their device (phone etc) with them, with video recording capabilities.

Other Impact (Internal / Other Services etc.)

None.

Upfront Investment Needed

£0

None.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue savings		167,600	167,600	167,600
Total		167,600	167,600	167,600

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

19

Service: Environmental Services

Service / Policy Area

Environmental Services - Public Realm/Grounds Maintenance

Brief Description of Budget Option

To cease providing winter bedding within the urban core and at Happy Mount Park.

Proposed Implementation Date

April 2016

Estimated Lead-In

4 weeks

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Fallow beds during winter likely to lead to some complaints. Negative impact on Britain-in-Bloom plus unsightly weeds in the winter and spring seasons.

Other Impact (Internal / Other Services etc.)

Impact on plant/training centre which can be managed.

Upfront Investment Needed

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Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Savings on materials	35,000	35,000	35,000	35,000
Savings on utilities	5,000	5,000	5,000	5,000
Savings on staffing/agency working	5,000	5,000	5,000	5,000
Total	45,000	45,000	45,000	45,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

20

Service: Environmental Services

Service / Policy Area

Environmental Services - Public Realm/Public Conveniences

Brief Description of Budget Option

To reduce the amount that the council currently contributes to 6 Parish Councils and a village hall towards the maintenance and running costs of public toilets within their parish. The current contribution is £28,700 per annum. The proposal is to reduce the funding by 50%.

Proposed Implementation Date

April 2016

Estimated Lead-In

3 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

This would have an adverse impact on Parish Councils and potentially lead to the closure of public toilet blocks in rural areas.

Other Impact (Internal / Other Services etc.)

None.

Upfront Investment Needed

£0

None.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue Savings	14,300	14,300	14,300	14,300
Total	14,300	14,300	14,300	14,300

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

21

Service: Environmental Services

Service / Policy Area

Environmental Services - Waste & Recycling

Brief Description of Budget Option

Litter Enforcement Services. Employ an organisation to recruit and manage litter patrol officers (similar to Parking Wardens) to issue on the spot fixed penalty notices for litter and dog fouling offences (EPA 1990) across the district, in streets, parks and open spaces. The FPN's are issued at £80 of which the Council would receive £35 so based on 4 officers issuing 4 FPN's per day (based on 215 working days per year) the additional income below could be achieved. An initial 12 month trial period would be introduced, spread over two years.

Proposed Implementation Date

October 2016

Estimated Lead-In

6 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Promotes cleaner, greener, safe environment. Supports Street Cleaning, but maybe interpreted as oppressive by the public and impact on the council's reputation so would have to be managed sensitively.

Other Impact (Internal / Other Services etc.)

Increase in administration and legal services (chasing up payments) however this is expected to be managed within existing workloads.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Income	60,000	60,000	?	?
Total	60,000	60,000	?	?

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

22

Service: Governance

Service / Policy Area

Governance/HR&OD/Partnerships

Brief Description of Budget Option

VCFS (Voluntary, Community and Faith Sector) funding - to withdraw the grant to LESS following their decision to wind up provision of Energy Services from 31 March 2016. This included the Home Energy Advice Services, the outcomes and success measures of which form a significant part of the current contract.

Proposed Implementation Date

April 2016

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other Specify above

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

It is not considered that the community impact will be significant. The funding was a relatively small part of the overall VCFS funding, and as LESS has indicated that it will no longer provide Energy Services, it would not be appropriate to continue the funding. It is anticipated that advice on the availability of grants and managing fuel bills can be provided by the CAB, who already receive a significant amount of VCFS funding.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0

Explain:

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Withdrawal of Funding	4,300	4,300	4,300	4,300
Total	4,300	4,300	4,300	4,300

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

23

Service: Health & Housing

Service / Policy Area

Health & Housing - Sports and Leisure

Brief Description of Budget Option

To hand back the operational responsibilities of the three community pools to Lancashire County Council.

Proposed Implementation Date

April 2017

Estimated Lead-In

12 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Reduction of swimming provision to general public if the County Council does not continue to operate the pools. Reduced opportunities to learn to swim. Reduced opportunities for people to undertake physical activity.

Other Impact (Internal / Other Services etc.)

Staff - possible transfer to County should they wish to operate the pools, or redundancy costs may apply.

Upfront Investment Needed

£157,800+

Redundancy may be applicable. Figures shown do not include possible pension strain for 3 staff members.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Closure/handing back of Comm Pools	0	175,500	175,500	175,500
Upfront Investment (see above)	-157,800			
Total	-157,800	175,500	175,500	175,500

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

24

Service: Health & Housing

Service / Policy Area

Health and Housing - Sports Development

Brief Description of Budget Option

To reduce the sports development team from 5.5 to 3 full time equivalents, taking into account salary and running cost savings and loss of income from the reduction.

Proposed Implementation Date

April 2016

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Reduction in community outreach work to nil, losing all contact with community groups, clubs, volunteers and education sector. Reduction in 10,000 annual contacts with people of varying ages and abilities across the district.

Other Impact (Internal / Other Services etc.)

Focus on delivering core programme and holiday activity offer at SASC. VR costs have been calculated and are included below showing the worst case scenario.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Savings	38,000	50,500	50,500	50,500
Indicative Voluntary Redundancy Cost	-28,700			
Total	9,300	50,500	50,500	50,500

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

25

Service: Health & Housing

Service / Policy Area

Health & Housing - Sports and Leisure

Brief Description of Budget Option

To withdraw from involvement in the International Youth Games (IYG) held at three of our twin cities and hosted every four years by Lancaster City Council.

Proposed Implementation Date

April 2016

Estimated Lead-In

None

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Withdrawal of opportunities for young people aged from 14 to 16 to take part in sporting and cultural (dance / music) activities with council twin cities - Almere, Rendsburg and Aalborg. Similarly for Lancaster to no longer host the IYG.

Other Impact (Internal / Other Services etc.)

Reduction in officer time primarily from Sport and Leisure but also Property, ICT and Democratic Services when hosting the IYG.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual Budget	11,800	11,800	11,800	11,800
Reserve contribution	15,000	15,000	15,000	15,000
Reserve balance	32,900			
Total	59,700	26,800	26,800	26,800

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

26

Service: Health & Housing

Service / Policy Area

Health & Housing - Sports and Leisure

Brief Description of Budget Option

Do not renew the Service level agreement (SLA) to the Marsh Community Centre on termination of the current SLA on 31st March 2016.

Proposed Implementation Date

April 2016

Estimated Lead-In

None

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

The SLA funds project workers to deliver sessions for young people at the community centre several evenings per week. The sessions are not specifically related to sport or physical activity but are around engagement of young people in the community, volunteering, facilitating access training or employment etc. Without the funding these sessions may have to cease. The reduction in this type of outreach is consistent with the proposed reduction in the sports development service whereby outreach type work will cease in favour of focussing on the core offer for young people at SASC.

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Grant	13,700	13,700	13,700	13,700
Total	13,700	13,700	13,700	13,700

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

27

Service: Regeneration & Planning

Service / Policy Area

Regeneration and Planning, Economic Development - Organised Events

Brief Description of Budget Option

Reduce funding for events to which the Council still makes a financial contribution. These include brass bands in Happy Mount Park, plus reduction in funding for 2 major festivals per annum, namely Vintage by the Sea (Morecambe) and Light Up/Fireworks (Lancaster). Review of festivals and events currently underway.

Proposed Implementation Date

April 2017

Estimated Lead-In

12 months

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Expectation that events will continue to run in future, with sponsorship and other support etc, but potentially affects scale of events, visitor numbers, economic impact etc. After the reductions, the Council will continue to provide specific funding of £2K for Catch the Wind Festival, £3K for Brass Bands, £10K for Vintage by the Sea and £12K for Lancaster Fireworks (as may be added to from other marketing/ arts budgets, for the wider Light Up Lancaster event).

Other Impact (Internal / Other Services etc.)

None.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Brass Bands	0	700	700	700
Vintage By the Sea	0	10,000	10,000	10,000
Fireworks/LUL	0	12,000	12,000	12,000
Total	0	22,700	22,700	22,700

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

28

Service: Resources

Service / Policy Area

Resources - Financial Services

Brief Description of Budget Option

Review the staffing requirements within accountancy, procurement, risk management and insurance, and exchequer. Staff resources within accountancy and procurement need to be increased to meet the demands of services and also meeting the shorter statutory deadline for closure of accounts for 2017/18. This is offset by a reduction in the number of posts within exchequer which have become vacant through natural wastage. Overall there is a net saving.

Proposed Implementation Date

April 2016

Estimated Lead-In

3 months (from Jan)

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None.

Other Impact (Internal / Other Services etc.)

Improved provisional of support, advice and financial management training to all services. The increase in resources in accountancy specifically will ensure we meet statutory deadlines.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Net reduction in posts	23,300	23,300	23,300	23,300
Total	23,300	23,300	23,300	23,300

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

29

Service: Resources

Service / Policy Area

Internal Audit and Assurance

Brief Description of Budget Option

Restructuring of the Internal Audit section from current 3.81 FTE posts to 3.0 FTE posts. Includes a reappraisal and realignment of the services and activities provided by Internal Audit staff and recognises additional workload and resource pressures generated by the introduction of the shared Corporate Fraud Team, the establishment an Information Governance function and adoption of a corporate role in Risk Management. This is essentially a service reduction, but proposes some elements of efficiency in the future in relation to the development of a corporate assurance framework and more targeted IA and assurance work.

Proposed Implementation Date

April 2016

Estimated Lead-In

1 Month

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

No direct community impact. Potential for an impact on the expectations and workload of other external assurance providers, e.g. the External Auditor.

Other Impact (Internal / Other Services etc.)

The impact on levels of assurance will be a matter for the Audit Committee to consider on behalf of full Council. Additional pressure on IA officers to adopt new approaches to their work, develop new skills and work more efficiently. The option may require whole or partial transfer of some current activities to elsewhere in the organisation.

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Staffing (incl Oncosts)	21,700	21,700	21,700	21,700
Total	21,700	21,700	21,700	21,700

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

30

Service: Resources

Service / Policy Area

Resources - Corporate (Minimum Revenue Provision)

Brief Description of Budget Option

The charge to revenue (Minimum Revenue Provision) in respect of capital expenditure incurred prior to 2008 is currently based on a 4% annual charge. However, latest guidance does allow for the charge to be matched to the life of the asset, up to a maximum of 60 years. A review of all relevant expenditure and asset lives has been undertaken resulting in the savings shown below. This proposal is in accordance with Government guidance, however, regulations require an amendment to the Council's Treasury Management Strategy to reflect the change. This will be reported to Budget Council for approval in March.

Proposed Implementation Date

April 2016

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

None

Other Impact (Internal / Other Services etc.)

None

Upfront Investment Needed

£0

None

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual saving	375,000	343,000	314,000	284,000
Total	375,000	343,000	314,000	284,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (REDIRECTION/GROWTH)

31

Service: Environmental Services

Service / Policy Area

Environmental Services/Public Realm - Off Street Car Parking

Brief Description of Budget Option

To continue offering a cashless parking service to customers following the current 12 month trial.

Proposed Implementation Date

Estimated Lead-In

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Supports developments in cashless parking allowing more user friendly and market driven payment options.

Other Impact (Internal / Other Services etc.)

Minimal. The supplier provides a fully hosted web based system which meets industry standard security requirements and includes full management and operational information.

Estimated Costs (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Expenditure (Hosting Fee)	5,000	5,000	5,000	5,000
Total	5,000	5,000	5,000	5,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (REDIRECTION/GROWTH)

32

Service: Regeneration & Planning

Service / Policy Area

Development Management

Brief Description of Budget Option

Increasing workload in business area associated with economic recovery. Steady increase in fee income from planning fees and major planning applications. Additional income from charging for pre application advice. Proposal is to make two temporary posts permanent to address workload issues and ensure additional income levels are maintained.

Proposed Implementation Date

Estimated Lead-In

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Ability to reinvest in service delivery to maintain performance in making of planning decisions and restore a realistic caseworker/casework ratio. Improvement in customer service expectations and reputation for inward investment. The council is now subject to national performance measurement targets with potential sanctions. Improved housing delivery will also benefit the council through New Homes Bonus.

Other Impact (Internal / Other Services etc.)

Currently budgeting for increased fee income of £200K per annum, however if the posts are not made permanent there is a significant risk that this could reduce by £100K.

Estimated Costs (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Permanent establishment of 2 posts	69,900	69,900	69,900	69,900
Total	69,900	69,900	69,900	69,900

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (REDIRECTION/GROWTH)

33

Service / Policy Area

Regeneration and Planning

Brief Description of Budget Option

Morecambe Area Action Plan (Capital project) - Euston Road & New Town Square / Marine Road Central / Queen Street & Pedder Street / Victoria Street.
Benefits include - pavement renewal, wayfinding, new LED lighting, new street furniture, higher specification materials and improved parking.
All MAAP proposals to be treated as one programme to enable delivery flexibility in working with the County Council. It should be noted that this growth proposal is dependent upon the County Council approving their highways budget allocations for these schemes, and for section 106 agreements being agreed in relation to Marine Road Central and Town Centre wayfinding elements.

Proposed Implementation Date

October 2016

Estimated Lead-In

6 months

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

Improving key pedestrian area and creating key public space as set out in the Morecambe Area Action Plan. Will support private investment by owners of Arndale Centre and English Lakes, and improve the setting for further investment and trading at the heart of the town centre.

Other Impact (Internal / Other Services etc.)

No additional impact for existing maintenance budgets as will be easier to clean environment, easier maintenance, de-cluttered environment, less scope for anti-social activities. Would support plans to better manage on-street parking and better integrate the seafront with the town centre. Improve setting for trading to assist business and job growth.

Estimated Costs (excluding inflation)

Capital costs	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Total Expenditure (including Engineers Fees)	529,000	202,000	150,000	150,000
County Council funding	-320,000	0	0	0
S106 Public Realm Funding	0	-50,000	-75,000	-75,000
Net Total (City Council Growth)	209,000	152,000	75,000	75,000
Note: Associated MRP Implications on GF Revenue Budget	0	3,000	6,000	6,000

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (REDIRECTION/GROWTH)

34

Service: Resources

Service / Policy Area

ICT (Information and Communications Technology)

Brief Description of Budget Option

Research into improvements and efficiencies that can be made through exploiting the digital workplace. Review all Services' needs and what they are trying to achieve and fit the use of digital to these. This makes use of business processing re-engineering and systems analysis skills available within the current ICT team.

Proposed Implementation Date

2016/17

Estimated Lead-In

Nature of Option

Efficiency Saving Service Reduction Income Generation Other *Specify above*

Service Impact, internally and externally (including impact on draft Corporate Priority list)

External / Community Impact

More modern services

Other Impact (Internal / Other Services etc.)

Reductions in time wasted on non-value adding processes

Upfront Investment Needed

£100,000

Explain: Back-fill for ICT resources. Software tools.

Estimated Savings (excluding inflation)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Upfront Investment (see above)	100,000	?	?	?
Total	100,000	?	?	?