

GENERAL FUND - 2016/17 APPROVED SAVINGS AND GROWTH MONITORING

Approved Savings

	Current Budget	Full Year Projection	Full Year Variance	RA G	Comments on Variances	2017/18 Approved Budgeted Savings	Updated 2017/18 Projections
	£	£	£			£	£
Income Generation							
Environmental Services							
Charging for Splash Park Admission	0	50,000	50,000	↓	Scheme now delayed until January 2017 as officers are working with the Salt Ayre developer partner to procure the most suitable system. Therefore, the £50K budget income will not be achieved in 2016/17, but will be secured in future years.	(56,500)	(56,500)
Charging for Event Applications	(2,000)	(350)	1,650	↓	Implemented on 01 April 2016. Based on current bookings, estimated income for the year will be below target. It is however expected to be achieved in future years.	(2,000)	(2,000)
Charter Market	(2,700)	(2,430)	270	↓	Current projections anticipate Charter Market income to be down 10% for the year overall, which means around £300 of the above inflation increase will not be achieved. It is anticipated that this will continue for future years.	(2,800)	(2,520)
Festival Market	(9,900)	(9,900)		↑	Implemented and on target.	(10,100)	(10,100)
Bulky Waste	(6,600)	(6,600)		↑	Implemented and on target.	(6,700)	(6,700)
Bins and boxes (current policy)	(9,000)	(9,000)		↑	Implemented and on target.	(9,200)	(9,200)
Extending Charging Policy for bins and boxes (all households)	(92,300)	(92,300)		↑	Implemented and on target.	(94,100)	(94,100)
Green Waste - charging for Collection	(505,000)	(46,800)	458,200	↓	Start of scheme now delayed until January 2017 - originally assumed August 2016. Now proposing an interim solution to enable income to be collected from November with the scheme going live in January. Future years income projections are subject to Cabinet approval of pricing structure in October.	(870,000)	(878,700)
Electric Car Charging Points - Introduction	0	0		→	The County Council is intending to provide charging points in off-street car parks in the district as part of a current procurement exercise, however, the exact number is unknown. The City Council will have the option to fund additional charging points, and so it is still assumed that future income targets will be achieved, but this will need to be kept under review in light of the County scheme.	(10,000)	(10,000)
Health & Housing							
Disabled Facilities Grant Admin. Fees - Increase to 18%	(14,400)	(14,400)		↑	Implemented and on target.	(14,700)	(14,700)
Pest Control - Additional Contracts	2,500	2,500		↑	Three year marketing strategy being developed. Future savings still expected to be achieved.	(25,000)	(25,000)
HMO Licence Fees - Cease Refunds	(1,000)	(1,000)		↑	Implemented. No savings made in Qtr1 but expected to achieve target by end of year.	(1,000)	(1,000)
Cemetery Fees - Increase by additional 3%	(6,900)	(6,900)		↑	Implemented and on target.	(7,000)	(7,000)
Statutory Notices (Housing Act 2004) Fee Increase	(1,000)	(1,000)		↑	Implemented and expected to achieve target by end of year - £200 additional income in Qtr1.	(1,000)	(1,000)
Resources							
Charging for Credit Card Payments	10,000	0	(10,000)	↓	Legislative changes are expected to be enacted which will prohibit the charging for credit card payments. As a result the project has been put on hold pending further updates. At present, it is therefore expected the £10K budgeted cost of implementation will now be saved, but future savings of £25K will not be achieved. To help compensate for this however, negotiations are underway regarding the Council bank charges.	(25,000)	0
<i>Sub Total</i>	(638,300)	(138,180)	500,120			(1,135,100)	(1,118,520)
Invest to Save Schemes							
Health & Housing							
Salt Ayre Sports Centre - Developer Partnership	110,000	110,000		↑	The redevelopment is well underway and progressing on time and on budget. It is still anticipated that there will be a £110K cost in this year, and that as a minimum future income targets will be achieved. Discussions are on-going with the developer regarding income gain share options, which will be reported to Members in due course.	(400,000)	(400,000)
Resources							
Corporate Property - Energy Efficiency Works	(69,700)	(35,000)	34,700	↓	The majority of the works relate to Salt Ayre Sports Centre and are being taken forward with the developer partners as part of the overall redevelopment works. This has inevitably delayed the start of the planned works and as a result only half the budgeted savings are now anticipated in 2016/17. Future years income targets are expected to be met, however.	(40,100)	(40,100)
<i>Sub Total</i>	40,300	75,000	34,700			(440,100)	(440,100)

Annex A

		Current Budget	Full Year Projection	Full Year Variance	RA G	Comments on Variances	2017/18 Approved Budgeted Savings / Growth	Updated 2017/18 Projections
Approved Savings	Service Efficiencies and Reductions							
	Environmental Services							
	Management & Administration Restructure	(93,800)	(93,800)		↑	Implemented and on target. Initial restructure is in place with future changes planned.	(100,000)	(100,000)
	Building Cleaning Review	0	0		↑	The review is progressing and future savings are still on target to be achieved.	(10,000)	(10,000)
	CCTV - Termination of Contracts	0	0		↑	Implemented. All contractors associated with providing and maintaining the public space CCTV system have been notified of the Council's decision to cease operating the system from March 2017.	(177,700)	(177,700)
	Cease Winter Bedding	(45,000)	(45,000)		↑	Implemented - saving already achieved.	(45,900)	(45,900)
	Parish Toilets - 50% Reduction in Contributions	(14,600)	(14,600)		↑	Implemented - saving already achieved.	(14,900)	(14,900)
	Litter Enforcement Services - 12 Month Pilot	(60,000)	(60,000)??		→	Report due to go to Cabinet in October on options. The savings to be achieved will depend on the outcome of the report and Members approval.	(60,000)	(60,000)??
	Governance							
	Grants to VCFS - LESS Grant Funding Withdrawal	(4,300)	(4,300)		↑	Implemented - saving already achieved. Funding withdrawn.	(4,300)	(4,300)
	Health & Housing							
	Community Pools - Termination of Management Responsibility	157,800	157,800		→	Underway - notice periods being discussed with County Council. Also, discussions have been taking place between officers, the schools, Sport England, Amateur Swimming Association and Lancashire Sport. Further updates will be provided to Members in due course.	(176,700)	(176,700)
	Sports Development - Reduction in Service	(9,300)	(9,300)		↑	Restructure undertaken and team reduced to 3 with effect from 03 June 2016. Full saving achieved.	(50,500)	(50,500)
	International Youth Games - Withdrawal	(59,900)	(59,900)		↑	Implemented - saving already achieved. The position has been confirmed with partner countries that the Council has withdrawn from current and future years games.	(27,200)	(27,200)
	Marsh Community Centre - Funded from HRA	(13,700)	(13,700)		↑	Implemented - saving already achieved. Funding now provided from within the HRA.	(14,000)	(14,000)
	Regeneration and Planning							
	Events - Funding Reductions	0	0		↑	Implemented - savings will take effect from April 2017.	(22,700)	(22,700)
	Resources							
Finance Section - Restructuring	(23,300)	(23,300)		↑	Restructure in place by 01 April 2016 with the full saving being achieved. Delays in recruitment have generated further savings which have been incorporated into the overall council wide salary savings total (although with knock on service impact).	(24,300)	(24,300)	
Internal Audit - Restructuring	(21,700)	(21,700)		↑	Restructure in place by 01 April 2016 with the full saving being achieved. Again, delays in recruitment have generated further savings which have been incorporated into the overall council wide salary savings total (again with knock on service impact).	(21,900)	(21,900)	
	<i>Sub Total</i>	(187,800)	(187,800)	0			(750,100)	(750,100)
Re-Financing Options								
Capital Programme Financing (MRP)	(375,000)	(375,000)	0	↑	Implemented - saving already achieved.	(343,000)	(343,000)	
	TOTAL	(1,160,800)	(625,980)	534,820			(2,668,300)	(2,651,720)
Approved Growth	Environmental Services							
	Cashless Parking	5,000	5,000		↑	Implemented - contract now in place until September 2019. However, the service is being transferred to the County contract w.e.f. August 2017, which will allow the City Council to benefit from more preferential rates for fees associated with taking electronic payments for the service.	5,100	5,100
	Regeneration & Planning							
	Development Management Capacity	69,900	69,900		↑	Implemented - additional funding for permanent posts added to 2016/17 and future years budgets.	72,200	72,200
	MAAP - Euston Rd, Marine Rd Central, Queens St, Victoria St.	0	0		↑	Schemes are progressing, however certain elements will now be delivered by the County Council and some have slipped into 2017/18. As a result the cost of financing will reduce in future years, but the exact amount is still to be determined.	3,000	?
Resources								
Digital Workplace	100,000	100,000		↑	Adapt2Digital have been engaged to assist with the strategic approach being taken to develop the digital workplace and transformation generally. Two workshops have already taken place and two more are taking place in August.	?	?	
	TOTAL	174,900	174,900	0			80,300	77,300
Budgeted Net Savings ⇒		(985,900)	(451,080)	534,820	⇐ Variance to Budget		(2,588,000)	(2,574,420)
							Potential Budget Shortfall for 2017/18	13,580