



**SUPPLEMENTARY INFORMATION**

Cabinet

Tuesday, 17 January 2012

The following reports contain information which has been updated following publication of the main agenda.

Agenda Item Number	Page	Title	Officer Responsible For Late Report
10	1 - 15	BUDGET AND POLICY FRAMEWORK UPDATE - GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME	Head of Financial Services

**CABINET**

**Budget and Policy Framework Update –  
Supplementary Report  
17 January 2012**

**Report of the Head of Financial Services**

<b>PURPOSE OF REPORT</b>					
To provide further information to inform Cabinet’s budget and policy framework proposals and to allow it to make final recommendations to Council regarding council tax levels for 2012/13.					
Key Decision	<b>X</b>	Non-Key Decision		Referral	<b>X</b>
This report is public.					

**RECOMMENDATIONS OF COUNCILLORS BLAMIRE AND BRYNING:  
(Replacing those on original report)**

1. That Cabinet notes the current budgetary position and prospects for future years and in particular, the progress made in identifying savings.
2. That Cabinet approves the reassessment of reserves and provisions as set out in section 3 of this report.
3. That subject to (2) above, Cabinet approves the 2011/12 Revised Budget of £21.444M for referral on to Council, with the net underspending of £37K being transferred into Balances.
4. That Cabinet approves not to allocate the £100K of remaining capital related Performance Reward Grant for the Community Capital Fund, and approves instead that it be used to help support capital growth proposals for next year onwards, reflecting higher priority investment needs.
5. That taking account of the proposals above, Cabinet:
  - makes recommendations to Council regarding the council tax increase for 2012/13, together with targets for subsequent years;

- reviews the existing Corporate Plan priorities and its more recently identified fourteen priority areas to fit with the above targets;
- considers the savings and growth proposals set out at Appendix B and makes initial recommendations regarding its budget proposals for 2012/13 onwards, together with proposals for balancing the 5-year capital programme;

and that all the above be referred on to Council for its initial consideration in early February, as well as being presented for scrutiny by Budget and Performance Panel.

## 1 INTRODUCTION

- 1.1 This report sets out various budget amendments and proposals identified through the budget review meetings. For General Fund a full set of new recommendations are included, to replace those on the original agenda item. For the Housing Revenue Account, this report provides only some additional background information but there are no changes to any of the original recommendations.

## 2 GENERAL FUND BUDGET: CURRENT YEAR UPDATE

- 2.1 In the original report the draft revised budget for 2011/12 stood at £20.168M. It now stands at £21.444M as shown below and more details are included at **Appendices A and B**. The position allows for some substantial transfers to earmarked reserves.

2011/12	£'000
<b>Revised Budget Position (as reported on main agenda)</b>	<b>20,168</b>
Base Budget Savings from Budget Review Meetings	(295)
Further Reassessment of Provisions and Reserves (see below)	(84)
Recommended transfers to Reserves (see below)	+1,655
<b>Resulting Revised Budget</b>	<b>21,444</b>
<b>Net Underspending transferred to Revenue Balances</b>	<b>37</b>

## 3 PROVISIONS AND RESERVES

- 3.1 Through the review meetings, it has been determined that some minor reserves are no longer needed. As recommended in the main agenda item though, it is clear that further monies need to be set aside for various initiatives. Also, a much tighter approach to budgeting has been adopted (as can be seen later in this report) and to give some leeway in managing this, an extra £100K one-off contribution has been assumed in the Renewals reserve. Furthermore, for aspects such as Highways, if any surpluses arise on operations in the current year, then these may be put aside to help manage future years' uncertainties. The following changes to provisions and reserves are now formally recommended and these have been allowed for in the current year's revised budget position shown above:

<b>Reserve / Provision</b>	<b>Contribution to / (from) Reserve £'000</b>
<b>No longer needed:</b>	
Business Continuity	(17)
Community Cohesion	(27)
Every Child Matters	(11)
Provision for Stock Write-off	(29)
<b>Sub-total</b>	(84)
<b>Top ups for Initiatives:</b>	
Lancaster Market	530
Welfare Reforms	200
Restructuring	425
Capital Support	400
Renewals	100
<b>Sub-total</b>	1,655
<b>NET TOTAL</b>	<b>1,571</b>

3.2 The recommendations would mean that at the end of this year, Balances are projected to be £2.021M, as set out in **Appendix C**. After allowing for next year's budgeted use of £326K and assuming that the minimum level is maintained at £1M, this would still leave £695K surplus Balances available for allocation.

#### 4 2012/13 DRAFT REVENUE BUDGET

4.1 In the original report the draft budget for next year stood at £21.035M. Since then:

- base budget savings of around £300K per year have been identified.

Most of the base budget savings are as a result of adjustments to reflect previous years' spending patterns; some under Regeneration and Policy require further work to ensure they are achievable and therefore there could be some adjustments to add back in at February Cabinet. Overall though, unless unexpected windfalls arise, in future the Council should not expect to see the levels of net underspendings at year-end that it has seen in recent years. There is inevitably more risk of net overspendings occurring, as there will not be the same level of 'contingency' included in many budget headings. It could mean therefore that budget increases are needed in some areas in future years, despite the extra amounts added into the Renewals reserve, as an example.

Nonetheless, this move is considered better practice and is something that the Council has been working towards for some years.

- further savings proposals approaching £300K per year have been identified, over and above the £100K or so covered by items elsewhere on the agenda.

These include various income generation, efficiency savings and other budget reduction proposals. In particular, budget reductions for Morecambe Business Improvement Development (BID) Feasibility and Overview and Scrutiny Expenses are put forward but these would be reassessed if any future spending needs materialised.

4.2 More details are included at **Appendix B**. The Appendix also lists other potential savings options that have not yet been quantified, as well as other actions to help balance budgets for subsequent years. It also set out all growth proposals.

**5 DRAFT CAPITAL PROGRAMME**

5.1 As highlighted in the main agenda item, there is currently a shortfall of £335K in the capital programme. This is mainly as a result of growth proposals being included for Allotments (£60K), Square Routes (£300K) and Morecambe Area Action (£200K), after allowing for capital savings in other areas.

5.2 Given the pressures on the capital financing position, the only ways in which resources could be allocated to help fund such growth proposals are by:

- i. using the £100K of PRG, rather than allocating it to Community Capital Fund; and
- ii. removing other non-essential schemes from the existing programme; and/or
- iii. Allocating sufficient revenue resources to balance the programme. As such, capital growth is also included on **Appendix B**. This allows revenue and capital growth to be considered alongside each other, in context of priorities and what is affordable.

5.3 Alternatively, some or all of the capital growth could be reduced or rejected.

5.4 In relation to ii) above, much of the existing programme is tied to essential refurbishment of municipal buildings and facilities generally. Outline information on specific schemes is included below.

<b>Scheme</b>	<b>City Council Contribution</b> <b>£'000</b>	<b>Comment</b>
Toilet Works	240	For Bull Beck, West End, Glasson Dock and "Dome" site - fits with district-wide Strategy. Reductions in programme would have revenue budget implications.
Allotment Improvements (existing scheme)	47	Subject to expenditure plan. Fits with Strategy and takes account of Allotment Association expectations.
The Platform Improvements (sound & lighting)	110	Subject to business case, which is being worked on. Plans have been deferred for several years. May improve offering and capacity at venue.
Morecambe TH12: a view for Eric	275	Fits with HLF funding agreement (not yet contractual, but would require renegotiation and could involve loss of external funding). Removal of this scheme would require change to existing Corporate Plan.
Poulton Pedestrian Route	33	Enhancement to s106 funded scheme, timed to coincide with other County Council funded works.
Car Park Improvements	80	For re-surfacing car park at back of Morecambe Town Hall.
<b>NET TOTAL</b>	<b>785</b>	

## 6 COUNCIL TAX TARGETS AND REMAINING SAVINGS REQUIREMENTS

- 6.1 Assuming that all the base budget changes and savings proposals referred to section 4.1 are accepted, the main options for council tax and the associated remaining savings requirements are now as follows. These are shown both excluding and allowing for total growth proposals identified so far.

Council Tax Scenarios	Indicative Net Savings Requirements / (Scope for one-off Growth)		
	2012/13 £000	2013/14 £000	2014/15 £000
<p><b>a. Objective:</b> Maintain mid-range steady year on year increase, in line with existing targets (and potentially in line with general inflation expectations):</p> <p><b>2% in all years:</b></p> <p style="padding-left: 40px;">Excluding Growth                      (38)</p> <p style="padding-left: 40px;">Allowing for Growth                      422</p>	319	319	485
<p><b>b. Objective:</b> Take account of tax freeze compensation but then revert to mid range steady increases (potentially in line with general inflation expectations):</p> <p><b>0% then 2% each year:</b></p> <p style="padding-left: 40px;">Excluding Growth                      (79)</p> <p style="padding-left: 40px;">Allowing for Growth                      381</p>	490	490	660
<p><b>c. Objective:</b> Take account of tax freeze compensation but then seek to maximise future year increases to help protect service delivery (subject to referendum thresholds)</p> <p><b>0% then 3.5% each year:</b></p> <p style="padding-left: 40px;">Excluding Growth                      (79)</p> <p style="padding-left: 40px;">Allowing for Growth                      381</p>	365	365	402
<p><b>d. Objective:</b> Maximise all future year increases to maximise protection of service delivery (subject to local referendum thresholds)</p> <p><b>3.5% in all years:</b></p> <p style="padding-left: 40px;">Excluding Growth                      (163)</p> <p style="padding-left: 40px;">Allowing for Growth                      297</p>	62	62	87

- 6.2 In reality there are numerous other combinations of targets that could be applied across the years (ranging from 0% to 3.5%). A 1% change in council tax translates into around an £84K change in savings targets.
- 6.3 It is clear that through the budget review meetings and consideration of savings proposals elsewhere on this agenda, Cabinet has made major progress. Typically, total savings of over £700K have been identified since December.
- 6.4 Cabinet is reminded that its council tax recommendation for 2012/13 will be final, for subsequent consideration by Council. Targets for 2013/14 and beyond will be reviewed in future years, in accordance with the Medium Term Financial Strategy (MTFS).

**7 OPTIONS FOR BALANCING THE REVENUE BUDGET AND CAPITAL PROGRAMME (RE-DIRECTION OF RESOURCES)**

7.1 Cabinet is now requested to identify a balanced set of revenue and capital budget proposals for initial consideration by Council, to fit with its council tax recommendations. These budget proposals should be informed by and support Cabinet's review of the Corporate Plan and the fourteen activity areas. Budget assumptions regarding the latter are set out at **Appendix D**.

7.2 To balance its budget proposals, Cabinet may consider options around the following:

- i. Identify more revenue savings.
- ii. Reduce or remove growth.
- iii. Apply some or all of the estimated surplus Balances of £695K.
- iv. Redirect other uncommitted reserves. In reality, it is considered that only the Invest to Save reserve could potentially be redirected. Its uncommitted balance is projected to be £1.012M in next year.

7.3 In formulating its recommendations, Cabinet is advised to note the following points:

- Given the tighter budgeting adopted it may be prudent for Cabinet to leave room for any new demands, by leaving some Balances unallocated as an example. As can be seen from Appendix D, it has not been possible to develop full budget proposals for all areas and therefore scope may be needed for these in future.
- Retaining Invest to Save monies would also be prudent.

**8 HOUSING REVENUE ACCOUNT**

8.1 To help inform Cabinet's decision regarding rent increases for next year, information on typical rents for various property types, together with summary information on the proportions of households receiving housing benefit to help with their council housing rent, is now provided at **Appendix E**.

**9 DETAILS OF CONSULTATION**

As referred to in main agenda item.

**10 OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)**

Options are as set out in the main agenda item.

**11 OFFICER PREFERRED OPTION AND COMMENTS**

Where appropriate, Officer preferred options are reflected in the recommendations.

**12 CONCLUSION**

This supplementary report represents good progress in developing Cabinet's budget proposals.

<b>RELATIONSHIP TO POLICY FRAMEWORK</b> The budget should represent, in financial terms, what the Council is seeking to achieve through its Policy Framework.	
<b>CONCLUSION OF IMPACT ASSESSMENT</b> (including Diversity, Human Rights, Community Safety, Sustainability etc) None directly arising in terms of the corporate nature of this report – any implications would be as a result of specific decisions on budget proposals affecting service delivery, etc.	
<b>FINANCIAL IMPLICATIONS</b> As set out in the report.	
<b>SECTION 151 OFFICER'S COMMENTS</b> The section 151 Officer has prepared this report, and her comments and advice are reflected accordingly.	
<b>LEGAL IMPLICATIONS</b> Legal Services have been consulted and have no further comments.	
<b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no further comments.	
<b>BACKGROUND PAPERS</b> Provisional Finance Settlement 2012/13	<b>Contact Officer: Nadine Muschamp</b> Telephone: 01524 582117 E-mail: <a href="mailto:nmuschamp@lancaster.gov.uk">nmuschamp@lancaster.gov.uk</a>



## Future Years' Budget Summary, including Provisional Settlements and associated Council Tax Rates

**Supplementary for consideration by Cabinet 17 January 2012**

	2011/12 Budget £000	2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
<b>Original Revenue Budget Projection (Per Budget Council 02 March 2011)</b>	<b>21,481</b>	<b>21,131</b>	<b>21,726</b>	<b>-</b>
<b>Previous Budget Projection</b>	20,168	21,035	21,315	21,617
Outstanding Budget Approvals		-38	-37	-35
Base Budget Adjustments	-295	-307	-294	-242
Reductions in Provisions and Reserves	-84			
Increases in other Reserves	+1,655			
Savings Proposals	+0	-370	-368	-374
<b>Additional Contribution to Balances</b>	+37			
<b>Resulting Net Revenue Budget</b>	<b>21,481</b>	<b>20,320</b>	<b>20,616</b>	<b>20,967</b>
<b>Government Support</b>	13,128	11,818	11,586	11,586
Estimated Collection Fund Deficit / (-) Surplus	0	-9	0	0
<b>Amount met by Council Tax</b>	<b>8,353</b>	<b>8,493</b>	<b>9,030</b>	<b>9,381</b>
<b>Latest Tax Base Estimates</b>	<b>43,450</b>	<b>43,500</b>	<b>43,550</b>	<b>43,600</b>

### COUNCIL TAX IMPLICATIONS :

Band D Basic Council Tax (across district)	£192.25	£195.24	£207.35	£215.15
Percentage Increase Year on Year	0.00%	1.55%	6.2%	3.8%

### COUNCIL TAX IMPLICATIONS : INCLUDING GROWTH PROPOSALS

Band D Basic Council Tax (across district)	£192.25	£205.81	£207.35	£215.15
Percentage Increase Year on Year	0.00%	7.05%	0.8%	3.8%

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

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

<b>REMAINING SAVINGS REQUIREMENTS (based on existing council tax targets)</b>		<b>422.4</b>	<b>319.4</b>	<b>485.3</b>
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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		?	?	?
<b>Sub-Total</b>			<b>-25.3</b>	<b>-30.6</b>	<b>-30.9</b>

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
<b>Sub-Total</b>			<b>-53.8</b>	<b>-14.0</b>	<b>-14.3</b>

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
<b>Sub-Total</b>			<b>-290.5</b>	<b>-323.6</b>	<b>-328.7</b>

<b>Total Savings for Consideration</b>	<b>-369.6</b>	<b>-368.2</b>	<b>-373.9</b>
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## GROWTH PROPOSALS TO BE CONSIDERED

			2012/13 Estimate £000	2013/14 Projection £000	2014/15 Projection £000
DETAILS	SERVICE	NOTES			
<b>One-Off Revenue Growth:</b>					
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		
<b>Sub-Total</b>			<b>+125.0</b>	<b>+0.0</b>	<b>+0.0</b>
<b>One-Off Capital Growth:</b>					
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		
<b>Sub-Total (to agree with current Capital Programme Shortfall)</b>			<b>+335.0</b>	<b>+0.0</b>	<b>+0.0</b>
<b>Total Growth for Consideration</b>			<b>+460.0</b>	<b>+0.0</b>	<b>+0.0</b>

<b>FUTURE YEARS' OUTLINE PROPOSALS</b>			<b>2012/13 Estimate £000</b>	<b>2013/14 Projection £000</b>	<b>2014/15 Projection £000</b>
<b>AREA</b>	<b>SERVICE</b>	<b>NOTES</b>			
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
<b>Total Outline Proposals</b>			<b>+0.0</b>	<b>-250.0</b>	<b>-250.0</b>

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**

<b>DETAILS</b>	<b>SERVICE</b>
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

## GENERAL FUND BALANCES SUMMARY

Supplementary Update for Consideration by Cabinet 17 January 2012

	Per Council Report 02 March 2011	Per January Cabinet (Supplementary)	Net Reduction in Year
	£	£	£
<b>Balance as at 31st March 2011</b>	<b>2,586,513</b>	<b>3,674,039</b>	
Budgeted Contribution to Revenue Budget	(1,261,000)	(1,261,000)	} (1,652,900)
Funding of approved Carry Forward Requests	0	(429,000)	
2011/12 Projected Net Underspending	0	37,100	
<b>Balance as at 31st March 2012</b>	<b>1,325,513</b>	<b>2,021,139</b>	
Budgeted Contribution to Revenue Budget	(325,500)	(325,500)	(325,500)
<b>Balance as at 31st March 2013</b>	<b>1,000,013</b>	<b>1,695,639</b>	
Budgeted Contribution to Revenue Budget	0	0	0
<b>Balance as at 31st March 2014</b>	<b>1,000,013</b>	<b>1,695,639</b>	

## APPENDIX D

## DRAFT PRIORITY AREAS 2012-15: BUDGET PROPOSALS

AREA OF ACTIVITY	LATEST POSITION
<b>Increased provision for social housing</b>	To be assessed during next year for 2013/14 budget – no specific budgetary provision at present. To achieve this in future, it would require additional investment.
<b>More allotments</b>	Cabinet report considered in November. Up to £60K growth being considered for extending Scotforth site.
<b>Renewable energy on council houses</b>	£1M included in Council Housing capital programme, following initial Cabinet report in October.
<b>Protection of heritage on the Canal Corridor site</b>	No specific budget proposals needed – influenced through Council's (separate) roles as Planning Authority and as a landowner.
<b>Support for the arts in the district</b>	No specific budget proposals put forward and no growth provided. Any proposals would therefore need to be managed within existing budgets (or savings taken), or considered as part of 2013/14 budget.
<b>Continued funding for PCSOs</b>	To be considered further at January Cabinet.
<b>Look at levels of street cleansing and improvement of open spaces</b>	Addressed by Cabinet report (Public Realm) in October. Various measures approved, within existing budgets. Further report to be brought back to Cabinet on Williamson Park.  Also, Square Routes and Morecambe Area Action Plan (improving main streets) growth bids link to improvement of open spaces.
<b>Diversions activities for young people</b>	Also covered in Public Realm report – no specific budget proposals for next year. Report to be brought back to Cabinet for consideration in 2013/14 budget.
<b>Housing regeneration</b>	To be assessed during next year for 2013/14 budget – no specific budgetary provision at present.
<b>Council housing opportunities – new regulations</b>	To be assessed further during next year for 2013/14 budget.
<b>Council Tax Benefits localisation and grant reduction</b>	Reserve of £200K to be established. Other than this, future years' budgets assume that any changes will be cost-neutral on the budget. Detailed proposals still awaited – issue for 2013/14 budget.
<b>Implications of business rates changes</b>	No specific budget adjustments made. Detailed proposals of Resource Review awaited – issue for 2013/14 budget.

<p><b>Apprenticeships</b></p>	<p>Proposed scheme arrangements: As part of the development of apprenticeship opportunities across the Council, vacant established posts would be evaluated to determine suitability as an apprenticeship opportunity. This would mean that a number of apprenticeships could be funded through existing budgets (with savings being generated as a result of the changes in posts).</p> <p>In some service areas though there is a need to address clear succession planning issues, and it is considered that this could be addressed by the recruitment of apprentices, to provide development (and future permanent employment) opportunities. To support this, growth for establishing an Apprenticeship Reserve of £45,000 is requested. Over time, this could be topped up from any savings arising, as mentioned above.</p>
<p><b>Working with the voluntary sector to reduce the amount of rough sleeping in the district</b></p>	<p>Budget reflects future delivery of homelessness prevention work, approved by Cabinet in December.</p>

**RENT INCREASE OPTIONS BY PROPERTY TYPE AND ANALYSIS OF  
TENANTS IN RECEIPT OF HOUSING BENEFITS FOR CONSIDERATION BY  
CABINET 17 JANUARY 2012**

Rent increase options by property type				
		2011/12	2012/13	2012/13
Property Type	No of Bedrooms	6.90%	Government Proposed Rent Increase	Proposed Rent Increase in Yr 1, re-align with convergence thereafter
		£	Option 1 - 7.82% £	Option 2 - 4.75% £
Bedsit	1	51.22	55.23	53.65
Bungalow	1	58.26	62.82	61.03
Flat	1	56.83	61.28	59.53
House	1	57.21	61.69	59.93
Bungalow	2	65.76	70.90	68.88
Flat	2	61.77	66.60	64.71
House	2	65.40	70.51	68.51
Maisonette	2	62.52	67.41	65.49
Bungalow	3	72.06	77.70	75.49
Flat	3	70.26	75.76	73.60
House	3	71.45	77.03	74.84
Maisonette	3	68.92	74.31	72.19
House	4	75.14	81.01	78.71
House	5	73.72	79.48	77.22

All figures are based on a 52 week rent collection

**Analysis of tenants receiving Housing Benefits as at 5th January 2012**

Band	Number	Percentage
100% HB	1526	41%
>75% to 99.9% HB	923	24%
>50% to 75% HB	170	4%
>25% to 50% HB	98	3%
>0% to 25% HB	67	2%
Full rent paid	971	26%
Total number of tenants	3755	100%