

Notes and Conditions to the Savings and Growth Proposals at Appendix B (i)

a. The new charging policies for:

- Splash Park admission
- Event applications
- Green Waste collection
- Electric Car charging points
- Local Elections (Parish and Town Councils)
- Credit Card payments

would be incorporated into the Council's Fees and Charges Policy, with the detailed arrangements for implementation being delegated to the relevant Chief Officer in consultation with the relevant Portfolio Holder/s, and with the agreement of the Chief Officer (Resources).

b. Other changes to existing fees and charges would also be implemented by Chief Officers under existing delegated powers.

c. In implementing (a) and (b) above, Officers would consider the exercising of appropriate discretions and concessions in charging, to help ensure fairness and accessibility of services to all.

d. With regard to CCTV, notice would be given as soon as possible to terminate the relevant services contracts, but within the notice period and prior to actual decommissioning of the equipment any approaches made by organisations interested in taking on the operation (at no cost to the Council) would be appraised and considered.

Cabinet recognises that at a time of Government cuts, this Council cannot continue to provide the existing funding required to maintain and/or renew the existing CCTV system in the Lancaster district from April 2017, but asks Officers to make enquiries with other organisations to see if they may be in a position to get involved in maintaining either an externally staffed or volunteer-led CCTV system.

e. Alongside ceasing winter bedding, the Council would provide an opportunity for others to become involved in the maintenance of flower beds, where operationally practical and appropriate, and would consider providing winter bedding plants to such organisations where reasonable and practical to do so.

f. In reducing (by 50%) the contributions made to parishes in respect of public toilet provision, a review would be undertaken after the first year, to help inform whether any further policy changes should be made from 2017/18 onwards.

g. An evaluation would be required of the pilot for Litter Enforcement Services, ahead of any decision regarding its future beyond 2017/18.

h. With regard to Community Pools, notice would be given as soon as possible that the City Council is to hand back management responsibility to the County Council, acknowledging that there would be a notice period of up to 12 months. On giving notice, the County Council be encouraged to work with community

groups and organisations to help secure the pools' future (at no cost to the City Council).

- i. The Council would withdraw its involvement from the Youth Games from next year. In doing so, it would again invite organisations to take on the role/provide sponsorship (at no cost to the Council).
- j. A review of the staffing needs of the Development Management service is currently being finalised, to determine to what extent a permanent increase in staffing is needed to maintain service and income levels (and so whether the proposal constitutes Investing to Save). Ahead of that review report being issued, the budget proposal is shown simply as growth.
- k. In time the Digital Workplace initiative should represent an Invest to Save initiative, but before any savings can be identified, extra capacity and resources are required to develop future plans and proposals. Therefore, at this stage only the initial up-front up investment is provided for, under growth.

Detail in Support of Appendix B (i)

2016 to 2020 BUDGET PROCESS – BUDGET OPTIONS (SAVINGS)

1

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Income Projections (net of other costs)	(50,000)	(56,500)	(57,900)	(59,400)
Upfront Investment (see above)	+50,000			
Total	0	(56,500)	(57,900)	(59,400)

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

	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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Charter market pitch fees	(2,700)	(2,800)	(2,900)	(3,000)
Festival market rents	(9,900)	(10,100)	(10,300)	(10,500)
Bulky waste collection	(6,600)	(6,700)	(6,800)	(6,900)
Delivery of bins and boxes	(9,000)	(9,200)	(9,400)	(9,600)
Total	(28,200)	(28,800)	(29,400)	(30,000)

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

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

Dissatisfaction amongst residents.

Other Impact (Internal / Other Services etc.)

Initial administration and Customer Services burden.

Upfront Investment Needed

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Income Generation	(58,300)	(59,500)	(60,700)	(61,900)
Reduction in replacement costs	(34,000)	(34,600)	(35,300)	(36,000)
Total	(92,300)	(94,100)	(96,000)	(97,900)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional income (based on 50% take-up of 58,000 properties)	(580,000)	(870,000)	(887,400)	(905,100)
Upfront Investment (see above)	+75,000			
Total	(505,000)	(870,000)	(887,400)	(905,100)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Income	0	(10,000)	(10,200)	(10,400)
Total	0	(10,000)	(10,200)	(10,400)

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 (including Town Councils) for the costs of the ordinary 4 yearly elections.

Proposed Implementation Date

May 2019

Estimated Lead-In

Over 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

	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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Admin fee raised to 18%	(14,400)	(14,700)	(15,000)	(15,300)
Total	(14,400)	(14,700)	(15,000)	(15,300)

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

	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)	(51,000)
Upfront Investment (see above)	+2,500			
Total	+2,500	(25,000)	(50,000)	(51,000)

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

	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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual increase plus 3% (rounded)	(6,900)	(7,000)	(7,100)	(7,200)
Total	(6,900)	(7,000)	(7,100)	(7,200)

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

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

Explain:

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Service of 10 notices / yr @ £400 each	(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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual Income Generated		(25,000)	(25,500)	(26,000)
Upfront Investment (see above)	+10,000			
Net Income	+10,000	(25,000)	(25,500)	(26,000)

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 (see Cabinet report 19 January 2016).

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 estimated 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

	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 12 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 Rvelands House.

Upfront Investment Needed

£1,376,000

Total estimated capital cost of programme.

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Investment	1,376,000			
Revenue Implications				
Net annual energy saving	(74,600)	(153,200)	(158,700)	(166,700)
Annual maintenance cost	+4,900	+10,000	+10,200	+10,400
Annual financing cost	0	+103,100	+103,100	+103,100
Total	(69,700)	(40,100)	(45,400)	(53,200)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue Savings	(93,800)	(100,000)	(210,000)	(210,000)
Total	(93,800)	(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

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

None.

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue savings	0	(10,000)	(10,100)	(10,200)
Total	0	(10,000)	(10,100)	(10,200)

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. Cabinet recognises that at a time of Govt cuts, this Council cannot continue to provide the existing funding required to maintain and/or renew the existing CCTV system in the district from April 2017, but asks officers to make enquiries with other organisations to see if they may be in a position to get involved in mainting either a staff or volunteer led CCTV system.

Upfront Investment Needed

£0

None.

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue savings		(177,700)	(181,400)	(184,900)
Total		(177,700)	(181,400)	(184,900)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Savings on materials	(35,000)	(35,700)	(36,400)	(37,100)
Savings on utilities	(5,000)	(5,100)	(5,200)	(5,300)
Savings on staffing/agency working	(5,000)	(5,100)	(5,200)	(5,300)
Total	(45,000)	(45,900)	(46,800)	(47,700)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Revenue Savings	(14,600)	(14,900)	(15,200)	(15,500)
Total	(14,600)	(14,900)	(15,200)	(15,500)

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

	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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Withdrawal of Funding	(4,300)	(4,300)	(4,400)	(4,500)
Total	(4,300)	(4,300)	(4,400)	(4,500)

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

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 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

Contribution to Restructuring Reserve to cover potential staff termination costs.

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Handing back of Community Pools	0	(176,700)	(180,900)	(185,000)
Contribution to Restructuring Reserve	+157,800			
Total	+157,800	(176,700)	(180,900)	(185,000)

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. Voluntary redundancy costs have been calculated and are included below showing the worst case scenario.

Upfront Investment Needed

£28,700

Contribution to Restructuring Reserve to cover potential staff termination costs.

Estimated Savings

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Savings	(38,000)	(50,500)	(51,500)	(52,500)
Contribution to Restructuring Reserve	+28,700			
Total	(9,300)	(50,500)	(51,500)	(52,500)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Annual Budget	(12,000)	(54,000)	(12,400)	(12,700)
Reserve contribution	(15,000)	+26,800	(15,000)	(15,000)
Reserve balance	(32,900)			
Total	(59,900)	(27,200)	(27,400)	(27,700)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Grant	(13,700)	(14,000)	(14,300)	(14,600)
Total	(13,700)	(14,000)	(14,300)	(14,600)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Brass Bands	0	(700)	(700)	(700)
Vintage By the Sea	0	(10,000)	(10,200)	(10,400)
Fireworks/LUL	0	(12,000)	(12,200)	(12,400)
Total	0	(22,700)	(23,100)	(23,500)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Net reduction in posts	(23,300)	(24,300)	(25,400)	(27,100)
Total	(23,300)	(24,300)	(25,400)	(27,100)

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Staffing (incl Oncosts)	(21,700)	(21,900)	(22,100)	(22,300)
Total	(21,700)	(21,900)	(22,100)	(22,300)

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

	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

June 2015

Estimated Lead-In

None

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Additional Expenditure (Hosting Fee)	+5,000	+5,100	+5,200	+5,300
Total	+5,000	+5,100	+5,200	+5,300

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

April 2016

Estimated Lead-In

None

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

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Permanent establishment of 2 posts	+69,900	+72,200	+74,500	+76,600
Total	+69,900	+72,200	+74,500	+76,600

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 / Victora 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

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, efficient and cost effective services. Stronger customer focus.

Other Impact (Internal / Other Services etc.)

Input will be required from various services to develop digital plans. Ultimately though, the aim is to reduce the time spent on non-value adding processes.

Upfront Investment Needed

£100,000

External consultancy support, back-filling for any ICT resources, software tools.

Estimated Costs

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