

## GENERAL FUND - 2016/17 APPROVED SAVINGS AND GROWTH MONITORING

## Appendix A

Approved Savings	Income Generation					2017/18 Approved Budgeted Savings	Updated 2017/18 Projections		
	Environmental Services	£	£	£		£			
	Charging for Splash Park Admission	0	50,000	50,000	↓	Scheme now delayed until January 2017.Officers are working 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)	(400)	1,600	↓	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	Above inflation increases	(2,700)	(2,500)	200	↓	Current projections anticipate Charter Market income to be down 8% for the year overall, which means around £200 of the above inflation increase will not be achieved. It is anticipated that this will continue for future years. Officers are working on ways to try to rectify this.	(2,800)	(2,600)
	Festival Market		(9,900)	(9,700)	200	↓	Current projections anticipate Festival Market income to be down 2% for the year overall, which means around £200 of the above inflation increase will not be achieved. It is anticipated that this will continue for future years. Officers are working on ways to try to rectify this.	(10,100)	(9,900)
	Bulky Waste		(6,600)	(6,600)	↑	Implemented and on target.	(6,700)	(6,700)	
	Bins and boxes (current policy)	(9,000)	(9,000)	↑	The demand for new/replacement bins has dropped significantly, therefore fully compensating savings in respect of purchasing have been achieved	(9,200)	(9,200)		
	Extending Charging Policy for bins and boxes (all households)	(92,300)	(92,300)	↑	The demand for new/replacement bins has dropped significantly, therefore fully compensating savings in respect of purchasing have been achieved	(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. Officers are working on a 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 and actual take up once the scheme goes live.	(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	
	Sub Total	(638,300)	(138,100)	500,200			(1,135,100)	(1,118,400)	
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 November.	(400,000)	(400,000)			
Resources									
Corporate Property - Energy Efficiency Works	(69,700)	0	69,700	↓	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 no savings will now be made in the current year with implementation slipping to 2017.	(40,100)	(69,700)		
Sub Total	40,300	110,000	69,700			(440,100)	(469,700)		

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		Current Budget	Full Year Projection	Full Year Variance	R A 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. Further report to Cabinet following informal expressions of interest from other parties to keep the CCTV system operational as per option from Council	(177,700)	(177,700)
	Cease Winter Bedding	(45,000)	(45,000)		↑	Implemented - saving already achieved. Scheme in place if community groups/business want to fund bedding as per option from Council.	(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)	0	60,000	↓	In the light of the scheme Morecambe Town Council have in place, officers are exploring whether a similar option might be more appropriate than using a private contractor. A successful outcome is a cleaner District, which will in itself generate some efficiencies, savings and income. Therefore, options that might achieve this which do not conflict with other priorities (eg increasing visitors) are being explored and will be presented to Cabinet in due course. At present though. it is assumed the £60K income will not now be achieved.	(60,000)	0
	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)
	Sub Total	(187,800)	(127,800)	60,000			(750,100)	(690,100)
	Re-Financing Options							
	Capital Programme Financing (MRP)	(375,000)	(375,000)	0	↑	Implemented - saving already achieved.	(343,000)	(343,000)
	TOTAL	(1,160,800)	(530,900)	629,900			(2,668,300)	(2,621,200)
Approved Growth	Environmental Services							
	Cashless Parking	5,000	10,000	5,000	↓	Implemented - contract now in place until September 2019. Volume of users of service has exceeded expectations which has resulted in a doubling of the cost. However, the service is being transferred to the County contract w.e.f. September 2016, which will allow the City Council to benefit from more preferential rates for fees associated with taking electronic payments for the service.	5,100	10,100
	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	179,900	5,000			80,300	82,300
Budgeted Net Savings ⇨		(985,900)	(351,000)	634,900	⇩ Variance to Budget		(2,588,000)	(2,538,900)
Compared to Quarter 1 reported position				534,800			Potential Budget Shortfall for 2017/18	49,100
Increase in Shortfall				100,100			Compared to Quarter 1 reported position	13,600
							Increase in Shortfall	35,500