

Report of	Meeting	Date
Director of Finance	Overview and Scrutiny Committee	20 January 2007

BUDGET SCRUTINY 2007/2008

PURPOSE OF REPORT`

- At the meeting of the Overview and Scrutiny committee on the 4 December 2006, it resolved to look at the following areas in relation to 2007/08 budget scrutiny:
 - An update of the high cost areas identified in the 2006/07 scrutiny.
 - A review of the 2006 cost profiles prepared by the Audit Commission as compared to those in 2005.
 - A review of the likely impact of the efficiencies and savings on the Council's ability to deliver the Corporate Plan.
 - A review of low cost areas where a small increase in cost may bring a relatively bigger improvement.

CORPORATE PRIORITIES

- The spend versus performance relationship is fundamental to the Council delivering its corporate aims. Additionally the Council has aspirations to become an excellent Authority. Achieving a score of 3 in the Audit Commission's Use of Resources analysis is a prerequisite to the achievement of excellent status.

RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	√	Information	
Reputation	√	Regulatory/Legal	
Financial	√	Operational	
People		Other	

- The strategic risk is failure to achieve excellent CPA status, reputational risk is manifested if the council taxpayer is dissatisfied with the level and quality of service provided. The financial risk is one of the inappropriate allocations of resources to key priorities resulting in failure to achieve corporate aims.



BACKGROUND

5. The Council has recently been subject to its annual Value for Money assessment undertaken by the Audit Commission as part of its Use of Resources review.
6. As part of their assessment the Audit Commission have undertaken some benchmarking of costs compared with the Council's family group that represent other Council's that exhibits the same attributes as ourselves in terms of demograph, population etc., namely:

<ul style="list-style-type: none"> • Broxtowe • Crewe • Erewash • Gedling • High Peak • Hinckley 	<ul style="list-style-type: none"> • Kettering • Newark • Newcastle • North East • South Derbyshire • South Ribble 	<ul style="list-style-type: none"> • Vale Royal • West Lancashire • Wyre Forest
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7. This information has been compared with the previous years data to provide analysis for the scrutiny review. The report is split into two parts to allow the panels to focus on their particular services, but also allows Members to gain an overview of the overall position of the Council.

ENVIRONMENT AND COMMUNITY

8. Chorley's higher than average population increase continue to disadvantage the Borough, compared to the majority of its recent neighbours, in terms of the delay within the Local Government finance system in providing resources. The increasing population also increases the demand for services. Chorley therefore, is required to achieve greater value for money from its resources just to maintain existing service levels, both in terms of quantity and quality.
9. Table 1 below provides an overview of the movement in Chorley's expenditure per head figures for the more material areas of the budget. The table shows the profile year 2004/05, the movement figure for 2005/06, Chorley's ranking for each of the years and a comparative spend figure compared to the relevant neighbour group.

Table 1 – Updated Cost Analysis

Average Expenditure	Chorley Borough Council				Nearest Neighbour Average		Cost of difference 2005/06 £'000
	Expenditure per head (£) and Ranking ⁽¹⁾				Expenditure per head (£)		
	2004/05		2005/06		2004/05	2005/06	
Street cleaning and litter responsibilities	4.92	12 th	+0.85	13 th	6.19	+0.82	(127)
Waste collection	18.09	3 rd	+0.98	7 th	16.71	+2.06	(31)
Economic and Community Development	8.60	2 nd	(6.77)	11 th	4.19	(0.61)	(180)
Environment and Public Health Services	11.95	2 nd	(0.19)	3 rd	9.17	+0.31	235
Community Safety	4.96	2 nd	+2.83	1 st	2.83	+0.66	443
Planning	10.30	5 th	+8.16	1 st	8.26	+1.55	891

Average Expenditure	Chorley Borough Council				Nearest Neighbour Average		Cost of difference
	Expenditure per head (£) and Ranking ⁽¹⁾				Expenditure per head (£)		
	2004/05		2005/06		2004/05	2005/06	2005/06 £'000
Community Housing Services	4.11	11 th	(1.38)	15 th	4.16	+0.67	218
Culture & Heritage	4.30	8 th	(0.08)	6 th	3.51	+0.19	54
Sports & Recreation	1.78	16 th	+5.70	14 th	10.50	+0.79	(392)
Parks & Open Spaces	16.21	1 st	+0.12	2 nd	9.62	+0.19	671

Population Total 103,000

⁽¹⁾ A positive change in ranking shown in green and an adverse one in red

10. The table shows that in the majority of cases Chorley expenditure ranking has improved (with a lower ranking representing least spend). In comparative terms the Council spends significantly more on average in the following areas:

- Community Safety
- Planning
- Parks and Open Spaces

11. In the case of Community Safety this is as a result of previous policy decisions to invest in particular services. For Planning the increase in expenditure is a result of the increase in planning delivery grant during 2005/06. Whilst the Council spends more per head on both these activities, part of the budget strategy for 2007/08 was to look at high spending, high performing areas to look to redistribute the costs, consequently:

- The 2007/08 budget proposal to reduce the cost of Neighbourhood Wardens by £228k will bring the Council back into line with spending by our nearest neighbours.
- £108k will be taken out of the Planning Service cost base in 2007/08

12. However, in the case of Planning Services, on the face of it, even after allowing for the budget reductions, costs appear high, although it is anticipated that this is a result, in part, due to recharges from other services. Further work is planned in 2007/08 to look in more detail at this once the stock transfer is complete and recharges have been recalculated.

- For Parks and Open Spaces, the spread of costs is significant, with the lowest spend being £3.28 per head and the highest being Chorley at £16.21 per head. Clearly Parks and Open Spaces expenditure is not a function of cost per head to this extent the cost analysis is meaningless.

UPDATE ON 2005/06 COST ANALYSIS

13. The 2004/05 VFM cost data analysis for the Environment and Community Panel showed that in all but the Street Cleansing absolute costs were greater than the nearest neighbour average. Set out in the table below is a summary of the 2004/05 data updated and compared with the 2005/06 information.

Table 2 – Comparison Nearest Neighbour Costs

Service	Cost of difference 2004/05 £'000	Cost of difference 2005/06 £'000	Variation £'000
	Street Cleansing	(171)	(127)
Waste Collection	142	(31)	(173)
Public Health	284	235	(43)
Economic and Community Development	450	(180)	(630)
Community Safety	217	443	226
Total	922	340	582

14. The table shows that as anticipated in last years analysis the gap in terms of expenditure has reduced significantly. In the main this is a result of the Council's decision to disinvest in economic development as a then, non priority area. In addition it is likely that the change in waste collection costs is a result of other Councils playing catch up in terms of the costs of recycling
15. Street Cleansing remains an area where typically the Council spends less than others, the converse is therefore true for Community Safety.

RELATIVE PERFORMANCE

16. In the majority of cases Chorley's expenditure is moving towards a lower quartile in terms of expenditure per head. The key changes in expenditure per head are a result of decisions to either invest/divest, or maintain the status quo in terms of investment decisions.
17. Table 3 below provides a summary of movements in Chorley's performance indicators between data within the value for money profile and in relation to our nearest neighbours.

Table 3 – Summary of movements in Environmental Services

Performance Indicator ⁽¹⁾	Performance		Change ⁽²⁾	Ranking	
	2004	2005		2004	2005
Street and Environment cleanliness	14.0%	14.0%	-	5 th	7 th
% of people satisfied with cleanliness	-	62.0%	-	-	7 th
% of people satisfied with household waste collection	-	86.5%	-	-	3 rd
% of people satisfied with waste recycling	-	79.0	-	-	1 st
Total % recycled	16.2%	23.7%	+7.5%	2 nd	1 st

⁽¹⁾ Indicator in Upper quartile shown in green and bottom quartile in red, green in the family group

⁽²⁾ A favourable change in green, an adverse change in red

18. For Environmental Services, the trend in terms of performance is generally positive, in particular satisfaction with waste collection and recycling. However satisfaction with Street and Environmental cleanliness is relatively low. However the Street Cleanliness measure has improved to 5% in this year and we await the outcome of the latest Best Value Satisfaction Survey to see if performance has improved, this will only be known towards the end of this financial year.

Table 4 – Summary of movements in Planning Services

Performance Indicator ⁽¹⁾	Performance		Change ⁽²⁾	Ranking	
	2004	2005		2004	2005
Planning applications decided in target time	73%	88%	+12%	10 th	4 th
Agreed decisions in year - % allowed	60%	30%	-30%	16 th	7 th
% of major planning applications within 13 weeks	48%	74%	+26%	9 th	6 th
% of minor planning applications within 8 weeks	51%	71%	+20%	13 th	10 th
% of other planning applications within 8 weeks	80%	88%	+8%	10 th	5 th

⁽¹⁾ Indicator in Upper quartile shown in green and bottom quartile in red, green in the family group

⁽²⁾ A favourable change in green, an adverse change in red

19. The message on Planning Services is again very positive with performance in all areas improving significantly. Consequently comparative performance also improved with a positive improvement in the ranking of the Council compared to our nearest neighbours. However it should be noted that the performance of the nearest neighbour group is high. If we compare Chorley with either the District or all England performance the Council is upper quartile for major and other applications and medium quartile for minor applications.

Table 5 – Summary of movements in Leisure and Cultural Services

Performance Indicator ⁽¹⁾	Performance		Change ⁽²⁾	Ranking	
	2004	2005		2004	2005
% satisfaction with Sports and Leisure facilities	52.5%	65%	+12.5%	9 th	1 st
% satisfaction with Museum and Galleries	52.5%	63%	+10.5%	15 th	1 st
Satisfaction with Theatre and Concert Halls	52.5%	58%	+5.5%	4 th	2 nd
Satisfaction with Parks and Open Spaces	63.1%	76%	+12.9%	9 th	4 th

⁽¹⁾ Indicator in Upper quartile shown in green and bottom quartile in red, green in the family group

⁽²⁾ A favourable change in green, an adverse change in red

20. Satisfaction with Leisure and Cultural Services continues to be very positive with an improvement between years and the Council being amongst the highest ranked of all the nearest neighbours.
21. Therefore in overall terms the conclusion can be drawn that the increase in expenditure whether that be in terms of a policy decision to invest or purely as a consequence of continuing to deliver similar services has a positive correlation with performance.

IMPACT OF BUDGET SAVING/EFFICIENCY PROPOSALS

22. A summary of the material or key budget savings/efficiency proposals affecting this Panel are shown in the table below. Full details of all the budget savings proposals are available in Appendix 1.

Table 6 – Budget Savings/Efficiency Proposals

	£'000
Restructuring of Development and Regeneration	(108)
Withdraw funding for Welfare Rights post	(5)
Negotiate reduction in Leisure Management Contract	(25)
PCSO's and Neighbourhood Warden Services	(228)
Reduce Pest Control Establishment and implement charge for services	(30)

23. A summary analysis of the anticipated impact and issues regarding the savings is shown in Appendix 2.
24. In terms of the Council's Corporate Plan the key targets potentially affected by the budget reduction are as follows:

Long Term Outcome	
5.1	More people satisfied with Chorley as a place to live
5.3	An improved local environment
5.4	Safer communities
6.4	An excellent Council

25. Based upon the information provided, see Appendix 2, Officers are expecting that through a combination of re-engineering the way services are delivered and backfilling in areas where any change may impact on performance, service levels will at least be maintained.
26. Clearly there are some risks associated with the proposals in terms of maintaining continuous improvements.

CORPORATE AND CUSTOMER

27. Table 7 below provides an overview of the movement in Chorley's expenditure per head figures for the more material areas of the budget. The table shows the profile year 2004/05, the movement figure for 2005/06 and Chorley's ranking for each of the year and a comparative spend figure compared to the relevant neighbour group.

Table 7 – Updated Cost Analysis

Average Expenditure	Chorley Borough Council				Nearest Neighbour Average		Cost of difference 2005/06
	Expenditure per head (£) and Ranking ⁽¹⁾				Expenditure per head (£)		
	2004/05		2005/06		2004/05	2005/06	
Central Services and Democratic core	22.43	6 th	+1.89	4 th	18.53	+1.71	+420
Housing Benefit Admin costs	6.26	8 th	(0.09)	8 th	6.24	+0.43	(51)
Local Tax Collection	14.57	1 st	(0.09)	1 st	9.57	+0.79	424

⁽¹⁾ A positive change in ranking shown in green and an adverse one in red

28. The table shows that the Council's cost base relative to services that can be compared has not altered significantly between the two years and that costs relatively speaking are high compared to our nearest neighbour average.
29. In respect of Central and Democratic Services, these represent the costs of running the Council. The budget for 2007/08 includes a number of measures to address this particular issue, namely:
- The disestablishment of one of the Executive Director posts and the resultant saving from the Office Support restructure, £132k.
 - The rationalisation of Administrative building with the closure of Gillibrand Street offices, £92k.
 - For local tax and benefit costs, the restructure will reduce the cost base by £77k.

RELATIVE PERFORMANCE

30. Table 8 below provides a summary of movements in Chorley's performance indicators between dates within the 2004 and 2005 Value for Money profiles, relative to our nearest neighbours.

Table 8 – Summary of movements

Performance Indicator	Performance		Change	Ranking ⁽¹⁾	
	2004	2005		2004	2005
% of Non Domestic Rates collected	98.4%	98.4%	-	11 th	9 th
Speed of processing new claims (days)	35	25	(10)	5 th	4 th fastest
Speed of processing change of circumstances	9	6.5	2.5	6 th	3 rd fastest
% Accuracy of Claims processed	98.8%	98.4%	(0.4)	8 th	6 th
% of Claimants satisfied with service	-	82.0	-	-	6 th
% of Council Tax collected	97.9	98.4	+0.5	9 th	2 nd

⁽¹⁾ A positive change in ranking shown in green and an adverse one in red

31. The table shows that performance has in the main continued to improve when compared to the Council's nearest neighbours, with the Council's ranking position changing positively. Again the conclusion could be drawn that the level of investment is proportional to the relative performance. The area of most concern would be the performance on Non Domestic Rates collection.

IMPACT OF BUDGET SAVINGS/EFFICIENCY PROPOSALS

32. A summary of the material or key budget savings/efficiency proposals are shown in the table below.

Table 9 – Budget Savings/Efficiency Proposals

	£'000
Deletion of Executive Directors Post and restructuring of Office Support	(132)
Closure of Gillibrand Street and renting of space	(192)
Restructuring of Finance Unit	(116)
Externalising of Health and Safety function	(45)
Reduction in Helpdesk Support within ICT	(31)
Policy and Performance restructure	(52)
Outsourcing of Property Services function	(66)

33. The table above shows that a significant saving is being generated by either a reduction in the workforce or by providing the service through an alternative delivery mechanism. To a great extent the changes reflect the administrations desire to reduce back office costs and invest in front line services. All the proposals as previously stated will to some extent mitigate the current difference in the Councils Corporate and Customer cost base as compared to our nearest neighbour which in Table 7 is shown to be greater than the average.
34. In terms of the Council's Corporate Plans, the key targets potentially affected by the budget reduction are as follows:

Long Term Outcome	
6.1	Community aspirations are delivered through efficient use of resources and effective performance management.
6.3	A Provider and producer of high quality priority services
6.4	An excellent Council that is continually striving to improve

35. Based upon the information provided in Appendix 2, Officers have judged that overall it is anticipated that performance should not decline based upon the proposals, although clearly there are risks attached to the proposals in terms of maintaining continuous improvement. Mitigation is proposed to ensure where possible performance is maintained and targets in the Corporate Plan are achieved.

SUMMARY AND CONCLUSIONS

36. The Overview and Scrutiny Committee have requested information on the following in order to undertake budget scrutiny for 2007/08.
- An update of the high cost areas identified in the 2006/07 scrutiny
 - A review of the cost profiles for 2006
 - A review of the impact of efficiencies and savings in the Council delivering its Corporate Plan
 - A review of lower cost areas where small investment in costs may result in a relatively bigger improvement in service provision

37. In relation to the above and based upon the information available, the following conclusions can be drawn.
- In relation to the high cost areas identified in 2006/07:
 - (a) There has been a positive movement in relation to Environmental and Community Services, mainly as a result of the Council disinvesting in economic development, as a then non-priority area. Also other costs have become more comparable as other Councils cost bases have increased.
 - (b) For Planning Services, the raw figures continue to show costs as higher than others. However the 2007/08 budget proposals seek to reduce that cost base and a further review of recharge costs will take place in 2007/08 following the stock transfer which I anticipate will narrow the cost difference further.
 - (c) For Revenues Services the cost base compared with others continues to appear high. The budget proposals for 2007/08 look to reduce this differential by taking savings from both the Council Tax and Benefits section.
38. The cost profiles for 2006 show a very positive picture when compared against the 2005 figures with the Council's relative cost ranking improving in almost all areas. For those areas not showing an improvement the budget proposals include action to reduce costs in these areas.
39. Balanced against the efficiencies and budget savings is the need to deliver the Council's Corporate Plan. The report sets out Officers views and some of the mitigation planned to reduce the risk of failure in this area.
40. The VFM profiles show that there are only two particular areas where, compared with the Council's nearest neighbours we spend significantly less, and it is not a result of a policy decision, namely:
- Street Cleansing
 - Sports and Recreation
41. Whilst performance in both areas is good and satisfaction is also positive, Members may wish to consider whether these are areas where an increase in costs would expeditiously increase either performance or satisfaction.

COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES

42. There are no Human Resource issues associated with this report, these are dealt with in the individual Directorate restructuring reports.

RECOMMENDATION(S)

43. Members of the Committee and Panels are asked to consider the content of the report and make appropriate observations and recommendations to the Executive Cabinet for consideration.

REASONS FOR RECOMMENDATION(S)
(If the recommendations are accepted)

44. To assist the Executive Cabinet in their budget deliberations.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

45. None.

GARY HALL
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	22 January 2007	ADMINREP/REPORT

SAVINGS PROPOSALS

	£	£
CHIEF EXECUTIVE'S OFFICE		
- Proposed re-structure of Office Support	(25,530)	
- Practising Certificates	(910)	
- International Links	(4,000)	
- Office Support overtime	(4,000)	
- Deletion of Executive Director post	<u>(106,210)</u>	
		(140,650)
CUSTOMER, DEMOCRATIC & LEGAL		
- Contact centre SLA for CCH	(20,000)	
- Remove yearbook	(4,170)	
- Reduction in civic vehicles	(5,010)	
- Savings from closure of Gillibrand Street	(92,440)	
- Rental Income from Gillibrand Street	(90,000)	
- Rental Income from Gillibrand Street Annexe	<u>(10,000)</u>	
		(221,620)
DEVELOPMENT & REGENERATION		
- Restructure of Development & Regeneration	(108,540)	
- Agency Staff	(4,100)	
- Contribution to HIA	(20,000)	
- E-Planning software	13,000	
- Contribution to Contact Centre	<u>20,000</u>	
		(99,640)
FINANCE		
- Finance Directorate Restructuring	(116,000)	
- Base Budget review	<u>(22,000)</u>	
		(138,000)
HUMAN RESOURCES		
- Externalising of Health and Safety function	<u>(45,200)</u>	
		(45,200)
ICT SERVICES		
- Reduction in maintenance budget	(15,000)	
- TUPE transfer of designated post	(31,360)	
- Removal of 0.5 FTE Customer Services Asst. Post	(8,580)	
- Thin client implementation	(3,560)	
- Telephony	(24,710)	
- Income from Chorley Community Housing (SLA's)	<u>(29,520)</u>	
		(112,730)

LEISURE & CULTURAL SERVICES

- Withdraw funding for LCC Welfare Rights post.	(5,000)	
- Attract external funding for the 'Get Up and Go' programme.	(5,000)	
- Negotiate reduction in Indoor Leisure Contract management fee	<u>(25,000)</u>	(35,000)

POLICY & PERFORMANCE

- Policy & Performance Restructure	(52,240)	
- Consultation for LSP & CPA work	<u>19,750</u>	(32,490)

PROPERTY SERVICES

- Outsourcing of Property Services function	<u>(65,570)</u>	(65,570)
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STREETSCENE

- PCSO and Neighbourhood warden Team disestablishment	(228,590)	
- Other staffing costs	71,170	
- Reduction of one Pest Control Officer and implementing charging for Pest Control Services	(30,630)	
- Line by Line budget review		
- Research	(30,000)	
- Materials	(30,000)	
- Textile Recycling	(28,000)	
- Other Items	(63,060)	
- Rental Income from Bengal Street	(35,000)	
		(374,110)

TOTAL SAVINGS PROPOSALS**(1,265,010)**

DELETION OF URBAN DESIGNER'S POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Urban Designer – The post holder provides advice to applicants regarding urban design matters in particular pre-application advice on major applications and if removed planning it could potentially cause delays in dealing with major applications and/or design quality will decrease leading to a reduction in customer satisfaction
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Thriving Chorley Town Centre – a key element of this post is advising on proposals to enhance the amenity of the town centre an essential element of the Town Centre Strategy in relation to gateways and Market Street. The previous post holder had carried out a lot of work with CABE on Market St.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Capacity – Removal of this post will reduce skills and capacity.
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – due to corporate, financial and operational risks – see below.
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Financial – Loss of PDG due to not being able to prove that the quality of design has improved. Increased costs due to the need to employ consultants for specific projects. Reputation – Quality of new development declines. Operational – Service by Economic Regeneration is reduced.
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	None
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

DELETION OF BUILDING CONTROL MANAGER'S POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Building Control Manager – the deletion of this post will put added pressure on the Development Control Manager and the Principals in DC and BC and could result in a loss of service and a detrimental effect on customer satisfaction
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	None
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Capacity – Removal of this post will reduce capacity.
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – due to financial and operational risks – see below
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Financial – PDG targets not met due to pressure on officers, (minimal). Operational – effect on service due to reduction in numbers.
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Redundancy *
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

DELETION OF PLANNING TECHNICIAN'S POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Planning Technician – the effect on the public and customer satisfaction is minimal.
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	None
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	None
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Operational – quality of service may be affected due to outsourcing.
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Redundancy *
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

* Both these post holders are nearing retirement in one instance 6 months.

DELETION OF HOUSING NEEDS AND INVESTMENT OFFICER	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Housing Needs and Investment officer – the deletion of this post could have more long term effects on the provision of affordable housing and consequently wider effects on customer satisfaction in the community.
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Balanced Housing Market – A number of key projects could potentially slip including the completion of a revised Housing Strategy and Prevention of Homelessness Strategy and securing funding for affordable housing.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	1.3.8 The Strategic Housing function is still being developed and consequently we may not have the capacity to deliver.
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – due to corporate, financial and operational risks – see below
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Financial – Affordable Housing funding not secured. Regulatory – Strategies not produced on time. CCH not monitored adequately to ensure that they comply with the contract. Operational - Revised Housing Strategy and Prevention of Homelessness Strategy not produced on time.
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	None
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	Affect on Housing / CCH

WITHDRAW FUNDING FOR LCC WELFARE RIGHTS POST

1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)

Could have a negative impact on Welfare Rights provision in the borough if the post is lost.

2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)

Welfare Rights Provision contributes towards 'reducing pockets of inequality'.

3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)

Yes, could impact on 'capacity'.

4. Are there political sensitivities/risks around the proposal? (if yes, please specify)

Yes

5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)

No

6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)

No

7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)

No

NEGOTIATE REDUCTION IN INDOOR LEISURE CONTRACT MANAGEMENT FEE	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Increased changes could impact on customer expectations/satisfaction. Any increases above inflation would be after capital works so the changes to satisfaction should be positive.
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Minimal – would not impact on the Passport to Leisure scheme
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Minimal
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Yes, this does require CLS's co-operation and for a satisfactory financial outcome
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	No
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

PCSO AND NEIGHBOURHOOD WARDEN TEAM DISESTABLISHMENT	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Aim to increase customer satisfaction through better strategic deployment of resources, based upon MAPS team analysis. Backfilling on environmental work is part of the proposal
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Neighbourhood working objectives and delivery of the Community Safety Strategy/PSA1/LAA targets
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Yes, delivering Corporate Plan objective relating to crime and safety and reinforcing the impact of LSP
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – could possibly be seen as service reduction but mitigations included in proposal
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	The Constabulary/CBC deployment agreement is not yet in place. However mitigations have been put in place by increasing resources in the environmental areas. The savings assume that the proposals and recruitment are all in place by April 2007, but this is unlikely due to training availability and phasing.
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Redundancy costs
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

LEVY MARKET RATE CHARGE FOR ALL PEST CONTROL-COMBINED WITH OUTSOURCE OF PEST CONTROL SERVICE
<p>1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)</p> <p>Greatest risk is an increase in poorly controlled rodent outbreaks with attendant risk of selective production of rodenticidal resistant species. This in itself has the potential to increase infestations in number and size and consequent greater risks to health from alternative use of more expensive chronic poisons or more hazardous acute poisons. The risk of this occurring is low in the short term but the consequences would be difficult and costly if large-scale statutory interventions were later required to resolve the problem.</p>
<p>2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)</p> <p>Unlikely unless results in attributable outbreaks of enteric or rodent borne disease</p>
<p>3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)</p> <p>Not known</p>
<p>4. Are there political sensitivities/risks around the proposal? (if yes, please specify)</p> <p>Rodent control only likely to be sensitive political issue in the event of significant uncontrolled outbreaks, which do occur now and are therefore likely to occur in the future-or during major emergencies such as F&M outbreak or enteric disease outbreak in vulnerable community.</p>
<p>5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)</p> <p>Main risk is that what are referred to us now as a request for service may instead come in as a Public Health complaint requiring investigation by higher qualified and costlier staffing resource. Input to this will have to be rationed to deliver anticipated savings.</p>
<p>6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)</p> <p>Procurement resources will need allocating in year</p>
<p>7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)</p> <p>No</p>

DELETION OF EXECUTIVE DIRECTOR POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Potentially due to reduction in corporate capacity
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Potentially due to reduction in corporate capacity
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	No
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Yes – redundancy costs and pension strain costs
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

PROPOSED RESTRUCTURE OF OFFICE SUPPORT	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	No
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	No
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Yes, redundancy
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	Potentially o.k. to loss of capacity

SAVINGS FROM CLOSURE OF GILLIBRAND STREET	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	
No	
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	
Positive use of resources	
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	
No	
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	
The proposal requires the building to be emptied	
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	
May be some investment to facilitate reletting. If not let may be redundancy costs	
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	
No	

DISESTABLISH E-GOVERNMENT MANAGER POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	May affect our ability to deliver Efficiency Agenda.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	The reduction in capacity particularly around the efficiencies may limit the impact the unit can have on efficiencies?
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Limited regulatory risk regarding the production of Annual Efficiency statements
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	Redundancy and pensions strain costs. Possible regrading costs for remaining staff.
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	Possibly as there will be limited resources to support the efficiencies agenda

TUPE TRANSFER EXCHEQUER OFFICER POST TO CCH	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	Potentially if payments are not made quickly enough
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	May affect our ability to deliver key credit payments BVPI but only a small risk.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	None
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	None
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

RESTRUCTURE CTAX UNIT AND TRANSFER POST TO CONTACT CENTRE	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	
	Yes. Reduction in billing staff means extra pressure on remaining staff in a section with high volumes of throughput from the public correspondence
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	
	May affect BVPI Performance on Ctax recovery but only a small risk.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	
	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	
	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	
	Limited risk regarding compliance with statutory timetables as the level of resource input is reduced
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	
	Redundancy and pensions strain costs, Possible regrading costs?
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	
	Whilst the proposal transfers a resource to the Contact Centre, the units ability to keep on top of correspondence directly impacts on the volume of calls in the Contact Centre

REDUCE STAFFING IN BENEFITS SECTION, DISESTABLISH ONE POST
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)
Yes. May affect ability to sustain current performance
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)
May affect our ability to continue to deliver top quartile BVPI's but low risk.
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)
May impact on our ability to be proactive in terms of targeting benefit take-up.
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)
Benefits staff support the most vulnerable in society. Reducing resources in this area may be perceived as a negative step?
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)
Some financial and regulatory risk as the proposal weakens the Quality Assurance process
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)
Redundancy costs only
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)
No

EXTERNALISING OF HEALTH & SAFETY FUNCTION	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	No
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – outsourcing services sometimes seen as negative
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Yes – compliance with Health & Safety legislation may be compromised if service not delivered effectively
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	No
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	Yes – but less so once stock transfer is completed as significant Health & Safety risk for current manual workforce.

ICT – TUPE TRANSFER OF DESIGNATED POST	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	No
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	No
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Yes – possible issues as Help Desk would operate using e-mail messaging.
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	No
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	No
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	May impact on other services who perceive the change as a reduction in service.

THE RE-STRUCTURE OF THE POLICY & PERFORMANCE DIRECTORATE WILL GENERATE SAVINGS	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Yes, The make-up of the restructure has been designed to maximise the effectiveness of very limited resources given the key role this Directorate plays in supporting the development, delivery and monitoring of the objectives and key actions within the Corporate Strategy Any further reduction in resources is likely to have implications for delivery, particularly regarding the delivery of some key projects and driving/monitoring progress
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Please see comments in proposals and political risks
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	Not with regards to the re-structure. However, support may be required in terms of preparation for CPA.
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Not re the re-structure
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	No
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	No

OUTSOURCE PROPERTY SERVICES FUNCTION	
1. Will the proposal affect direct services to the public and customer satisfaction? (if yes, please specify)	No – an internal service to client directorates
2. Does the proposal affect objectives in the corporate plan? (if yes, please specify)	Yes – outsourcing aspirations of the Council
3. Will the proposal have an impact on a CPA KLOE? (if yes, please specify)	Yes – improvements to the balanced scorecard, more efficient service, wider access to services
4. Are there political sensitivities/risks around the proposal? (if yes, please specify)	No
5. Are there any significant business risks, i.e. financial, regulatory, operational, information etc associated with the change? (if yes, please specify)	Yes – failure of the partnership creating operational problems
6. Is there any investment required to facilitate the proposal i.e. capital or pump priming revenue money, capitalisation of redundancy costs? (if yes, please specify)	No
7. Will the proposal impact significantly on any other service of the Council? (if yes, please specify)	Yes – client services to CDLS, SNED, D & R, L & C – all expected to improve