

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation) Statutory S151 Officer	Executive Cabinet	6 December 2007

## DRAFT GENERAL FUND BUDGET FOR 2008/09

### PURPOSE OF REPORT

1. To secure the Executive's agreement of the content of the draft revenue budget that will form the basis of further work in terms of delivering a balanced budget for 2008/09.

### RECOMMENDATION(S)

2. The Executive Cabinet are recommended to:
  - Note my advice under S25 of the Local Government Act 2003 on the draft budget, particularly in relation to monitoring working balances within the range set out in the Medium Term Financial Strategy.
  - Agree to the consultation process outlined in the report.
  - Agree to consult on the savings proposals and the shape of the budget as outlined in the report.

### EXECUTIVE SUMMARY OF REPORT

3. This report outlines the executives budget proposals for 2008/09. The report sets out how the Executive propose to:
  - Balance the Council's Budget
  - Continue to invest in priorities
  - Protect front line services
4. That said the financial position is such that significant savings have to be achieved, this is a result of the fact that firstly, the levels of additional government grant are likely to be contained and secondly, the current costs of the continuation of our services needs to be realigned.
5. The strategy for achieving a balanced budget has been to:
  - Focus on a line by line review of current spending
  - Identify where possible savings that are administrative in nature and do not affect front line services
  - Look for opportunities to generate additional income
6. The details of the strategy and proposal are set out in detail in the paper. Also included is a review of the level of the Council's working balances. The financial risk profile has changed due to a number of factor and as such working balance need to be maintained at a higher level that has been the case previously.

7. I am required as part of the budget process to review the assumptions and budget proposals in terms of their deliverability and my thoughts are set out in the paper, but essentially confirm that the basis of the budget is robust and that together with the changes proposed in the level of working balances, protects against the financial risks the Council face. The current forecasts and budget proposals show the following:

Table 1: Budget Position

	£'000	£'000
Budget gap based upon service continuation		640
Less proposals to balance and rebasing		- 315
		<u>325</u>
Savings proposals	-187	
Income generated	-223	
3% Council Tax Increase	-180	- 590
Headroom for Growth		<u>- 265</u>

8. The analysis shows that under the current proposals a sum of £265k would be available to enhance the services the Council delivers. The Executive propose that this sum is used in the following way:

Table 2: Investment Proposals

	£'000
Cash spent in neighbourhoods	100
Projects delivered by the Council and 15 parties	90
Extending opening hours at Astley Hall	40
Events and Tourism Officer	25
Extend Get Up and Go Scheme	10
Total	265

9. More details of the investment plans are shown in the budget consultation document which will be tabled at the meeting.
10. This report should be read in conjunction with the report included elsewhere on his agenda, containing the Executive proposal for Capital Investment contained in the Capital Investment Programme.

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

11. To begin the budget consultation process for 2008/09.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

12. None.

## CORPORATE PRIORITIES

13. The budget is the ultimate expression of corporate priorities and it is the essential that the link between priorities and resources used is explicit in any budget proposal.

Put Chorley at the heart of regional economic development in the central Lancashire sub region	✓	Improved access to public services	✓
Improving equality of opportunity and life chance	✓	Develop the character and feel of Chorley as a good place to live	✓
Involving People in their Communities	✓	Ensure Chorley is a performing Organisation	✓

## BACKGROUND

14. The policy context for this budget whilst driven to some extent by National, Regional and Sub-Regional issues is influenced most by the local issues highlighted in the Corporate Strategy.
15. The development of the refreshed Community Strategy and the objectives therein form the basis of the Council's own Corporate Strategy. Contained in that document are the key objectives, outcomes and targets the Council works to deliver as part of its contribution to the overall well-being of the area.
16. Some of the main local issues are:
- Access to affordable housing.
  - The development of the local economy.
  - Continuing to develop the effectiveness of the Local Strategy Partnership.
  - Engagement, participation and satisfaction with local service delivery.
  - For the first time looking to improve the environment through developing measures to combat climate change.
17. The context is also in part, set by the proposed Medium Term Financial Strategy which forms the framework on which the budget is built, particular key targets of note include:

Working balances will not be used to finance recurrent expenditure.

Working balances will be maintained at a level between £1.25m - £1.50m with a review in light of the Council's financial risk profile after 18 months.

18. The risk profile has change significantly since the last Medium Term Financial Strategy was set and this is discussed later in this document.
19. The key debate in terms of the budget involves the means of resolving the conflict between various policy implications and the availability of resources including the level of Council Tax to be set.

## RESOURCE CONTEXT

20. The government recently announced its spending plan for 2008/09 to 2010/11, the key messages from that Comprehensive Spending Review 2007 are:
- An increase in the funds/grants available to local government of 4.2% in 2008/09; 3.5% in 2009/10 and 3.4% in 2010/11. After accounting for inflation this amounts in real terms increases of 1.5%, 0.80% and 0.7% over the CSR period.
  - This is significantly less than the previous period and the important issue for this Council will be the level of additional grant it receives. Within that lessened resources figure the government's priorities will continue to be the services delivered by other public sector bodies and not those by district councils.
  - Additional grant has been allocated for the cost of implementing the new free concessionary travel scheme from April 2008. This will initially be paid direct to councils rather than through the rate support grant mechanism. Although this may change in later years with it being consumed into the grant settlement.
  - A 3% CASHABLE efficiency target for Local Councils over the CSR period.
21. There were a series of other announcements made, which could affect the Council in relation to the financing of Local Area Agreements. A change of specific grants to general grants which are NOT RING-FENCED will mean local priority will determine funding allocations. This may have significant implications if for instance community safety became less of a priority, the Council may lose a significant funding stream that has helped it to deliver on its Crime and Disorder Agenda?
22. The Government also expects that Local Authorities will keep Council Tax increase WELL BELOW 5% in each of the next three years.
23. At present no indicative figures are available in relation to any of the funding streams. This information will only become available in mid December. As such assumptions have been made which may or may not be accurate. I will report to members the impact of the settlements once more details become available as part of the final budget setting process.

## CONSULTATION

24. For 2008/09, the process will consist of:
- Circulation of the draft budget papers to partners and stakeholders.
  - Publication of the detailed information on the Internet and Intranet, supplemented by a press release.
  - Specific meetings with Parish Councils and trade unions.
  - Review by the Overview and Scrutiny Committee and Panels of the draft budget.
  - Engagement with the refreshed Citizens Panel.
25. In previous years the feedback from the general public has been limited. The hope is that by engaging the Citizens Panel. In particular, the feedback may be more useful?

## THE COST OF MAINTAINING CURRENT SERVICE LEVELS

26. Appendix 1 sets out the cost of maintenance of current service levels and any additional statutory requirements, adjusted for known changes that should have no impact on the level of service provided. This is summarised in the table below:

**Table 3 – The Cost of maintaining current service levels and meeting statutory requirement**

	£'000
2007/08 Budget requirement	14,088
Pay Inflation	458
Increments	107
Job Evaluation	(170)
Other Changes	381
<b>Total</b>	<b>14,864</b>

27. The figures represent a cost increase of 5.6% compared with the 2007/08 figures. However it should be borne in mind that much of the increase is beyond the Council's control.
- Pay awards are settled nationally and pension costs are at the mercy of the performance of the financial markets.
  - Contractual commitments.

## CAPITAL FINANCING COSTS

28. Also included on this agenda is a draft Capital Programme for 2008/09 to 2010/11. Again this is predicated upon a number of key assumptions, particularly in relation to the levels of specific capital grant that the Council may receive. Once again the details of these sums will only become available later in the planning cycle.
29. The key issue as always for Members is how affordable are the Plans. As in previous years the Council's ability to deliver investment is dependent upon its ability to generate planning gain receipts and other capital receipts. The levels of borrowing are increasingly kept to a minimum as the pressure on the Council's revenue budget is sufficient to mean little headroom for investment is available. That said the Council has been particularly successful at attracting S106 funds but going forward these are likely to decrease over the medium term as the opportunities for attracting such funding decrease.
30. The expected levels of borrowing whilst still low in relation to the totality of the programme do have revenue consequences and these has been factored into future revenue budget forecasts.

## BALANCING THE BUDGET

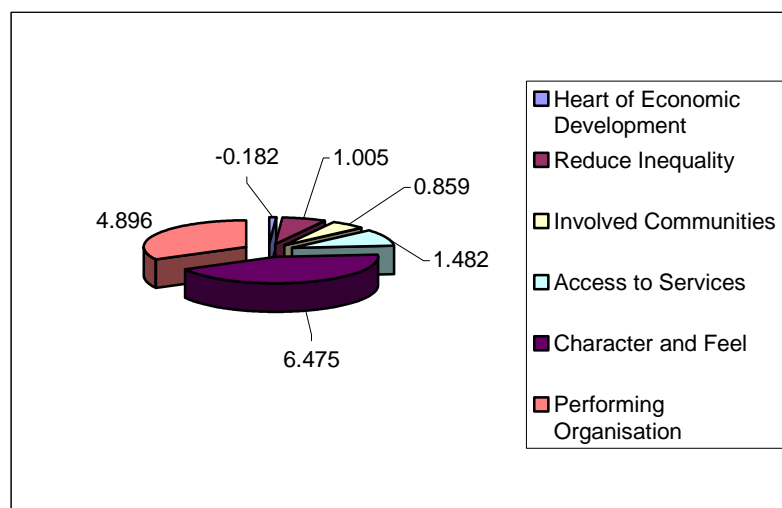
31. All the figures that follow reflect a tax base of 35,296.10. The figure has been set under the powers delegated to the Director of Finance by the Council This is an increase of 331.10 (0.94%) on the last financial year and is in line with expectations.
32. The Strategy for bridging the budget gap is built on the following principles:
- Minimising the level of Council Tax increase.

- Creating headroom in the budget to continue investing in priorities.
  - Rebasing the Council's budget based upon historic performance and future expectations.
  - Maximising the Council's revenue earning opportunities.
  - Minimising the impact on service delivery.
33. A summary of the effect on the rebasing exercise and an analysis of the significant movements in budget year on year is shown in Appendices 2 and 3.
34. A summary of the proposals to make efficiencies and to maximise income opportunities are shown in Appendices 4 and 5 respectively.
35. In terms of the overall message from the proposals it is clear that all the above principles have been utilised in that:
- The proposed level of Council Tax is well below the 5% expected by the Government at 3%, currently the retail price index is at just over 4%.
  - Further investment in the Council's Corporate Priorities is proposed.
  - The line by line review of the base budget has elicited significant savings.
  - The review of revenue generating activities has identified some opportunities.
  - The number of changes in both the level and nature of the Councils staffing establishment is minimal.

## **POLICY CHOICES**

36. The Administration in policy terms have determined that they wish to continue to have low Council Tax rises. In terms of its impact on services the overwhelming objective is to at least maintain service delivery at its current level given that in most cases the Council is performing well.
37. However within that context and within the Council's resources constraints some resources have been identified to be put into priority areas of the Corporate Strategy. A summary of the current 2007/08 budget resources mapped against the Council's priorities shows the following:

Diagram 4: Current Resource Allocation



38. The table shows that the bulk of the Council's resources are spent in developing the look and feel of Chorley and ensuring Chorley is a performing organisation. The draft budget for 2008/09 includes:

- Additional resources to develop the effectiveness of the LSP.
- More money to develop the Council's emerging neighbourhood agenda.
- Complimentary funds to ensure that the refurbishment of Astley Park is supplemented by additional opening hours.
- More financing to develop the opportunity for events development and the borough's tourism officer and the Get Up and Go Programme.

39. However as investment is being made in some priority areas this ultimately means that in order to deliver a balanced budget savings from other areas have to be made, set out below is my assessment of the impact the proposals may have.

40. The bulk of the savings are being made from the two priorities of developing the character and feel of Chorley and ensuring Chorley is a performing organisation.

## **RISK ISSUES**

41. In terms of the budget proposal there still remains a number of risk areas where actual performance may not match the assumptions made. In such an event this may impact on the Council's ability to deliver a balanced budget. The majority of these areas are not unique to Chorley and are recurrent issues in many cases, given the nature of local authority business.

42. The risk in almost all cases is a result of not having information on which to base future forecasts. This position is a result of either a budget being demand led, as is the case with Concessionary Travel or information on particular funding streams not being available until later in the year.

43. In respect of the key assumptions in the budget, these are as follows:

Table 5. Budget Assumptions

<b>Assumption</b>	<b>%/£</b>
Pay Award	+2.5%
Grant Settlement	+3.0%
Pension Contribution	+1.0%
Housing Planning Grant	+£75k
Concessionary Travel	+50%

44. In relation to each individual item I would make the following comments:

#### **PAY AWARD**

45. The assumption is based upon the 2007 settlement and the stated intention of the Government to restrain Public Sector Pay Awards.

#### **GRANT SETTLEMENT**

46. The Comprehensive Spending Review 2007 (CSR07) in terms of headlines indicates that for Local Government as a whole grant increases will be 1% in real terms (above inflation). However, it is not possible to identify the level of grant that will flow through in terms of settlement. However, every 0.5% difference will account for £40k.

#### **PENSIONS CONTRIBUTION**

47. A current revaluation is underway in relation to the Pension Scheme and this will set the employers contribution. Over the last 12 months there has been a general improvement in the pension deficit, due in the main to better investment performance. I have therefore assumed the following:

2008/09	+1%
2009/10	+0.5%
2010/11	+0.5%

48. Again the actual results will only be known later in the financial year, but before the budget setting meeting.

#### **HOUSING AND PLANNING GRANT**

49. This year 2007/08 is the last year of receipt for planning delivery grant. This specific grant has been paid to the Council and other Council's to invest in improving planning service. The successor of this grant is the Housing and Planning Delivery Grant. There is a paper elsewhere on this agenda that sets out the details of the new grant. I have assumed for budget planning purposes that the Council will receive some grant and this is based upon my assessment of current performance against the allocations criteria, which may change.

#### **CONCESSIONARY TRAVEL**

50. This particular element of the budget represents the greatest risk in terms of identifying accurately the likely cost of the new concessionary travel scheme which is to be implemented from April 2008. There are two key risk issues namely:



- we cannot estimate the potential take up in terms of additional concessionaries or the impact having a free service will have on travel patterns.
- At present Councils are charged based upon estimated rather than actual usages. With the introduction of the free scheme new smart Council technology will be introduced so that individual authorities can be charged on an actual basis. This means historic cost will not be an indication of future costs.

51. Whilst the gross extra cost of the new concession is estimated to be in the region of £320k, the Government has announced extra specific grant for Councils and I have assured the worst case scenario in terms of the level of grant we may receive at £207k.
52. The Government are currently consulting on the method of grant allocation, but nothing is yet finalised. In addition it is proposed that the current discretions granted by the Council in relation to both community transport and subsidised bus rates are maintained for 2008/09, with a review taking place in a year of the success or otherwise of maintaining those discretions.

### **EXPENDITURE SAVINGS**

53. Turning to the savings and additional fees and charges Income proposed in the draft budget, I made the following comments, which is strategic in nature and also does not focus on the minute of individual proposals.
54. The budget proposals as they currently stand includes expected expenditure savings of £187k. The bulk of the savings £117k are non staffing related and focus on areas where the impact on the delivery on front line services is minimised. As such and given the scale of the individual savings proposals, it is unlikely that they will impact at all on the Council's ability to deliver its corporate priorities.
55. In relation to the savings from staffing costs in the context of the balancing of the Council's budget these are less severe than in previous years and focus on streamlining middle management costs and some minor reductions in benefit staffing. Again I anticipate that this will not significantly affect our overall ability to deliver the corporate plan targets and objectives but may impact on the levels of services being provided, but only at the margins. In relation to the rebasing exercise some of the more significant adjustments have been as a consequence of the transfer of the Council's housing stock to CCH. The impact of this was not fully realised in the 2007/08 budget.

### **INCOME PROGRAMME - FEES AND CHARGES INCOME**

56. This year the Council has undertaken a strategic review of fees and charges with the objective of ensuring that the fees and charges were correct, covering costs and at a market rate. In many instances the Council has not raised charges for over 5 years.
57. The budget contains a number of proposals in relation to increasing those fees and charges that in some cases, for a number of years where they have been frozen. This applies particularly to car parking income.
58. In pure finance terms the restructuring of the fees and charges for car parking and the changing of market tolls is wholly appropriate.
59. The financial risk to the Council is that there is a degree of consumer resistance to the proposed charges. For this reason, I have adjusted a number of the fees and charges budgets that are subject to consumer choice and not taken the totality of the additional income that could be generated.

60. I believe that in this way a prudent approach has been adopted. A summary of the levels of income currently anticipated for the major income streams and those subject to some amendments to the fees and charges is shown in the table below:

### Major Income Streams

Table 6 - Total Fees and Charge Income

	<b>£'000</b>
Licensing Fees	(161)
Local Land Searches	(189)
Parking Fees	(556)
Market Toll	(300)
Planning and Building Control Fees	(664)
Investment Portfolio	(414)
	<b>(2,284)</b>

61. The table shows the importance of fees and charges income to the Council. Its historic approach of containing the levels of fees and charges is not sustainable unless used for the delivery of strategic objectives.

### **CONCLUSION OF THE ADEQUACY OF WORKING BALANCES AND THE ROBUSTNESS OF THE BUDGETED WORKING BALANCES**

62. The current financial strategy that takes us up until the end of 2007/08 allocated for working balances to be in a range £780k-£1.25m. This was based upon the financial risk profile which to a great extent has remained unchanged over that financial planning period.
63. However, from 2008/09 a number of the external factors influencing the Council's ability to either attract funding or to influence expenditure has changed. This is the main due to the following reasons:
- The CSR07 means that there is a risk of less rate support grant over the planning period 2008/09-2010/11.
  - The full impact of the changes to the concessionary travel budget will not be known for at least 15 months in the new scheme.
  - The impact of the development of Market Walk on car parking fees and charges will be unknown.
  - The Government is capping capitalisation applications and as such the cost of change may need to be resourced from revenue.
64. The greatest potential impact is likely to come from the concessionary travel issue, but all of the issues have the propensity to affect the Council's ability to both balance its budget and continue to deliver effective services.
65. In this respect, I am minded to propose that working balances are kept at a higher level in the next 12-18 months in recognition of the risks. I therefore propose that working balances are kept in the range £1.25m-£1.50m for this period after which a further review needs to take place based upon the latest evidence.

66. As members will be aware, working balances are there to protect the Council's against the 'peaks and troughs' in expenditure and allows them to be able to manage any changes to be base level of expenditure that is required to bring the budget back into balance.
67. Sometimes this can take time so maintaining working balances means the Council does not have to make reactive changes that can significantly impact on service performance.
68. In terms of resource availability, members will be aware that the Council's overall working balances position is made up of balances in hand and those to be transferred from the Housing Revenue Account, following stock transfer. Whilst the exact date of the availability of these results is still subject to discussion with the CLG, they will become available over the planning period and as such will be available and this will mean that the working balances position is as follows:

Source	£'000
Estimated working balances based upon latest Revenue Monitoring Position 2007/08	637
Estimated transfer of working balance	879
Total	1,516

69. With regard to the robustness of the budget assumption for 2008/09 once again each Directorate has had a line by line review completed on their budget and whilst there are still some issues to resolve they represent adjustments that are reasonable and deliverable.
70. In previous years the Council has been faced with the prospects of making savings and 2008/09 will be exactly the same. The savings are necessary firstly to contain of Council Tax and secondly, to redirect resources into corporate priorities. This report has identified that more savings and investment plans are well developed but further work will be necessary as we work through the budget cycle and better and more up to date information becomes available.
71. Some inherent risks remain in the budget but the underlying assumptions I have made have been agreed by the executive and I believe they are reasonable. I have outlined my views and advice in relation to the level and adequacy of working balances and summarise the key risks and mitigation that are and should be put in place.

## IMPLICATIONS OF REPORT

72. As this budget is for consultation only at this stage this has no impact on directorates.

GARY HALL  
ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	20 November 2007	FINREP/2011LM1

## Analysis of Budget Variations 2007/08 - 2010/11

	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000
Base Budget Requirement	16,231	16,545	17,272	17,807
Less				
Recharges	3	-	-	-
Capital Charges	(2,581)	(1,998)	(1,984)	(1,984)
<b>Cash Base Budget Requirement</b>	<b>13,654</b>	<b>14,547</b>	<b>15,288</b>	<b>15,823</b>
<b>Movements:</b>				
Inflation				
Pay	325	371	361	357
Pensions	112	87	46	48
Non-Pay	62	37	43	27
Contractual	126	41	15	16
Income	13	(32)	(28)	(34)
Increments	96	107	65	38
Revenue Effects of the Capital Programme	10	120	-	-
Volume - Income	407	45	-	-
Volume - Expenditure	434	495	53	33
Investment	321	74	(20)	-
Savings - Star Chamber	(1,265)	(7)	-	-
Savings - Other	(416)	(10)	-	-
Senior Management Review	(114)	(174)	-	-
Base Budget Review	-	(315)	-	-
Effects of stock transfer - Reduction in cost - Other	55	41	-	-
Effects of stock transfer - Service Level Agreements	(76)	22	-	-
<b>Contingency:</b>				
- Genuine	(50)	(10)	-	-
- Management of the Establishment	10	18	-	-
- Salary Related Savings	(60)	-	-	-
- Procurement Savings	(35)	-	-	-
- Gershon Savings	(25)	-	-	-
- Job Evaluation	256	(170)	-	-
<b>Directorate &amp; Corporate Cash Budgets</b>	<b>14,567</b>	<b>15,288</b>	<b>15,823</b>	<b>16,307</b>
Base Recharges	(3)	-	-	-
In year transfer of recharges to cash budgets	(17)	-	-	-
Capital:	1,684	1,998	1,984	1,984
Base Capital Charges				
In year transfer of capital	314	(14)	-	-
<b>Total Recharges</b>	<b>1,978</b>	<b>1,984</b>	<b>1,984</b>	<b>1,984</b>
<b>Total Directorate &amp; Corporate Budgets</b>	<b>16,545</b>	<b>17,272</b>	<b>17,807</b>	<b>18,291</b>
Reversal of Capital Charges	(1,678)	(1,664)	(1,664)	(1,664)
Net Financing Transactions:				
- Net Interest/Premiums/Discounts	(314)	(440)	(440)	(440)
- MRP less Commutation Adjustment	6	16	172	222
<b>Net Operating Expenditure</b>	<b>14,559</b>	<b>15,184</b>	<b>15,875</b>	<b>16,409</b>
Use of Earmarked Reserves				
- Capital Financing Reserve re: Def Chge w/os	(320)	(320)	(320)	(320)
- Units Earmarked Reserves	(151)	-	-	-
<b>Total Expenditure</b>	<b>14,088</b>	<b>14,864</b>	<b>15,555</b>	<b>16,089</b>
Financed By				
Council Tax - Borough	(6,019)	(6,080)	(6,140)	(6,202)
Parish Precepts	535	535	535	535
Council Tax Parishes	(535)	(535)	(535)	(535)
Aggregate External Finance	(8,008)	(8,457)	(8,657)	(8,857)
Collection Fund Surplus	(60)	-	-	-
<b>Total Financing</b>	<b>(14,088)</b>	<b>(14,536)</b>	<b>(14,797)</b>	<b>(15,058)</b>
<b>Net Expenditure</b>	<b>0</b>	<b>327</b>	<b>758</b>	<b>1,030</b>
Analysis of Net Expenditure (Budget Gap)				
Net Expenditure Brought Forward	-	-	327	758
Net Expenditure in Year	-	327	430	273
<b>Net Expenditure Carried Forward</b>	<b>-</b>	<b>327</b>	<b>758</b>	<b>1,030</b>

**Analysis of Significant Movements in Budget between 2007/08 & 2008/09**

	<b>£'000</b>
Pay	371
Pensions	87
Increments	107
Concessionary Travel	200
Concessionary Travel - impact of scheme changes	207
Housing Benefits - reduction in subsidy	141
Refuse Collection	97
Astley Park scheme - Grounds maintenance	70
Housing & Delivery Grant - new grant to replace PDG	70
Garage Rents	(48)
Revenue salaries charged to capital schemes	28
Local Development Framework - use of earmarked reserve	(52)
Bed & Breakfast costs	50
Non-Pay (Utilities/Leases/Insurances)	37
Telephony Review	(30)
Management/maintenance of Garages	20
Liberata Contract - revised charges	(36)
DPE Cash collection costs	35
Private Lifeline Alarms - function transferred to CCH	41
Senior Management Review	(174)
Base Budget Review	(315)
Job Evaluation	(170)
Other changes	5
	<b><u>741</u></b>

**Base Budget Review Savings 2008/09****Savings  
£****Chief Executive's Office**

Conferences	(1,000)
Car Leases	(3,520)
Refreshments	(2,500)
Stationery/Computer Consumables	(6,000)
Photocopier Leases/Charges	(19,500)
Other Minor Budgets	(5,860)

**(38,380)****Customer, Democratic & Legal Services**

Central Emergency Service	(9,940)
Photocopier Leases	(2,700)
Members Subsistence/Hospitality	(5,000)
Legal Publications	(5,000)
Legal Fees	(4,000)
Utilities - various	16,640
Gambling Premises income	(7,200)
Internet charges	(3,000)
Return of approx £3k lodged with court re CPO	(3,000)
Hire of Lancastrian	(22,850)
Other Minor Budgets	(570)

**(46,620)****Development & Regeneration**

Stationery, directorate wide.	(2,000)
Development Control/Other Fees	(13,000)
Projects & Regen/Misc Expenses	(15,150)
Misc expenses (Projects & Regen.)	(5,150)
Stationery fees	(2,000)
Postages	(2,000)
Legal Fees (Development Control)	(3,000)
Other Fees (Development Control)	(5,150)
Urban Tree Scheme	(500)
Fences	(450)
Purchase/Maintenance of Furniture	(2,370)
Microfiche/Microfilming	(4,000)
Car Allowances	(4,000)

**(58,770)****Finance**

Conferences	(900)
Saving on Financial Accountant post	(6,900)
Saving on Corporate Procurement Officer post	(8,990)
Overtime	(3,000)
Agency Staff	(2,000)
Lone Working System	(3,000)
Health & Safety contract with Bolton Council	(5,000)
Allpay cards	(6,500)
Anite contract	(10,000)

## Base Budget Review Savings 2008/09

### Savings

£

Other Minor Budgets

(2,390)

**(48,680)**

### Human Resources

Corporate Training

**(17,000)**

### ICT Services

Stationery

(2,000)

Computer Equipment - Purchase

(16,000)

Computer Consumables

(2,600)

Computer Equipment/Software - Maintenance

5,700

Internet Charges

(5,760)

**(20,660)**

### Policy & Performance

Minor Budgets

**(490)**

### Streetscene, Neighbourhoods & Environment

Refuse Collection: Target Bonus

20,000

Refuse Collection: External Contractors

(5,390)

Grounds Maintenance

(6,000)

Special Projects

(25,000)

Recycling income

(15,000)

Refuse Collection income from SRBC

(24,000)

Pest Control contracts

5,000

Maintenance of Street Furniture

(6,150)

Maintenance of Bus Shelters

(6,000)

Vehicle disposals -1 Tractor

(4,000)

Reductions in working hours to 29 hours

(8,220)

Reductions in working hours to 29 hours

(9,090)

**(83,850)**

**TOTAL SAVINGS**

**(314,450)**

**SCHEDULE OF POTENTIAL SAVINGS FOR DIRECTORATE SAVINGS TARGETS 2008/09**

	<b>2008/09</b>	<b><u>Comments</u></b>
	<b>£</b>	
<b><u>CHIEF EXECUTIVES OFFICE</u></b>		
Corporate Services	(5,000)	Income from speaker's fees and events. Risk with level of income achievable.
<b><u>CORPORATE GOVERNANCE</u></b>		
Replace current Civic car with "Green" car	(3,000)	Civic car would possibly not be as grand as previously but greener
Stop Town Twinning	(4,000)	No town twinning expenditure in 07/08. Nothing planned for 08/09.
Not using agency staff at elections	(4,000)	Would mean using approx 12 council staff for upto 2 weeks. Direct impact on other services.
<b><u>BUSINESS</u></b>		
Heritage Conservation Grants	(8,000)	Dissatisfaction from listed property owners.
<b><u>BUSINESS IMPROVEMENT</u></b>		
Delete vacant part-time Benefits Officer post.	(13,310)	Current vacant post to be deleted from establishment. Additional pressures on existing staff.
Documents on Line	(8,000)	Stop accepting payments by cheque via Anite. Will impact on staffing resources.
<b><u>ICT SERVICES</u></b>		
Provision for adhoc purchases in year	(6,000)	Remaining budget to be used for printers only. Reinforce the need for staff to adopt the less expensive thin client units in place of more expensive equipment such as laptops.
Provision for misc support in year	(10,000)	Reduction will result in additional skills/resources being identified on a project by project basis and funded as part of project costs.
Provision computer support services in GIS/LLPG	(13,600)	Directorate will no longer be able to fund an apprentice. Remainder of this saving was to be used to 'pump-prime' the use of GIS within the Council by funding the purchase of useful datasets. These will now have to be funded through some other mechanism.
<b><u>PEOPLE</u></b>		
Reduce funding for Advice Centre project, Market Street	(10,000)	Our contribution will fall from £33k to £8K for LCC Welfare Rights advice centre.
Reduce size of BT listing	(1,000)	In line with a rationalisation of service DDI numbers. Smaller sized advert in BT listing.
Stop cash collection - reduce Securicor costs	(4,000)	Currently cash is collected daily from Union Street & weekly from Astley Hall. This would be reduced to weekly for Union Street & cease for Astley Hall.
Flare Licences	(5,000)	Subject to use of CRM and effective integration via ND.L.



## SCHEDULE OF POTENTIAL SAVINGS FOR DIRECTORATE SAVINGS TARGETS 2008/09

	2008/09 £	<u>Comments</u>
<b><u>POLICY &amp; PERFORMANCE</u></b>		
Communications	(10,000)	Efficiency savings in provision for publicity.
APSE subscription	(5,000)	Cancel annual subscription.
Consultants Fees	(2,000)	Reduce provision for Best Value reviews/Performance Management, etc.
Website Development	(5,000)	Remove provision for one year only for 2008/09.
<b><u>NON STAFFING OPTIONS</u></b>	<b><u>(116,910)</u></b>	
<b><u>STAFF RELATED OPTIONS</u></b>		
<b><u>CORPORATE GOVERNANCE</u></b>		
Merge Enforcement functions in Corporate Governance & Neighbourhoods.	(21,210)	Detailed work to be completed as part of the current value for money review to be completed in Feb 08
<b><u>NEIGHBOURHOODS</u></b>		
Restructure of Neighbourhoods middle management	(48,470)	
<b><u>TOTAL HIGH RISK OPTIONS</u></b>	<b><u>(69,680)</u></b>	
<b>TOTAL SAVINGS OPTIONS</b>	<b><u>(186,590)</u></b>	
<b>FEES &amp; CHARGES REVIEW OPTIONS</b>	<b>(223,301)</b>	
<b>TOTAL POTENTIAL SAVINGS</b>	<b><u>(409,891)</u></b>	

**PROPOSALS FOR INCREASING FEES & CHARGES IN 2008/09**

DIRECTORATE	INCOME AREA	BUDGET 2007/08 £	PROPOSAL	ESTIMATED INCREASE £
<b>Corp. Governance</b>	Hackney/Prvt Carriage Licences	(63,410)	Increase charges to coincide with comparable local council charges	(2,246)
<b>Corp. Governance</b>	Other Licences	(1,800)	Increase charges to coincide with comparable local council charges	(1,937)
<b>Business</b>	Local Land Charge Searches	(188,950)	No proposed increase at this stage. Review to be carried out. CBC are in competition with other local authorities and private business. An increase in fees could risk customers going elsewhere.	0
<b>Business</b>	Tolls - General Market	(225,000)	3% inflationary increase on cabins Conversion of 10 unoccupied stalls into 7 cabins at higher rents Creation of café unit from 5 unoccupied stalls Letting 5 of 9 remaining unoccupied stalls following refurb All these options are feasible, there is high demand for cabins and expressions of interest in the café.	(6,750) (5,687) (2,708) (5,200)
<b>Business</b>	BCC'S Plans Fees	(137,040)	3% inflationary increase	(4,111)
	Inspection Fees Buildg Control	(176,130)	3% inflationary increase Comfortable to increase fees by 3%.	(5,284)
<b>Business Improvement</b>	Rail Pass Charge	(19,390)	Adding £1.00 to current overhead levied (currently 50p)	(1,175)
<b>People</b>	Casual Hire:Offices And Rooms	(30,430)	3% inflationary increase	(913)
<b>People</b>	Grant Of Right Of Burial Fees	(20,220)	Increase charges from £495 to £800. Which is market rate.	(12,200)
<b>People</b>	Interment Fees	(52,000)	Increase charges to £400 from current charge of £360. Introduce a new charge for cremated remains plots	(3,760) (3,200)
<b>People</b>	Indoor Leisure Charges	(25,000)	A combination of increases to reflect the level of investment in the centres and amending profit share formula	(25,000)

**PROPOSALS FOR INCREASING FEES & CHARGES IN 2008/09**

DIRECTORATE	INCOME AREA	BUDGET 2007/08 £	PROPOSAL	ESTIMATED INCREASE £
<b>People</b>	Get Up and Go		Additional activities for which we currently charge. Typically 3 day activities offering added value eg visits, payments to be made on-line.	(5,000)
<b>Neighbourhoods</b>	Wheeled Bins	(15,570)	Increase from £32 to £40 per bin	(3,130)
<b>Neighbourhoods</b>	Emptying Dog Waste Bins	(4,610)	Expected new income from annual sponsorship of waste bins	(3,000)
<b>Neighbourhoods</b>	Pest Control Contracts	(21,480)	3% inflationary increase	(490)
<b>Neighbourhoods</b>	Parking Permits	(54,370)	Increase to £265 (from £220) and additional permits.	(22,990)
<b>Neighbourhoods</b>	Parking Fees	(540,800)	New Flat Iron stall layout - extra 50 parking spaces on Tuesdays	(9,880)
			50 spaces x 52 weeks x £3.80 daily income/space = £9,880	
			Rationalisation of tariffs:- Short Stay car parks	(38,600)
			Rationalisation of tariffs:- Long Stay car parks	(24,000)
			5% increase	(27,040)
<b>Neighbourhoods</b>	Income from amortisation of commuted sums on Public Open Spaces		Based on £90,000 of receipts brought into revenue equally over 10 years.	(9,000)
			<b>ESTIMATED ADDITIONAL INCOME</b>	<b>(223,301)</b>