

CAB1923
FOR DECISION
WARD(S): ALL

SOCIAL ISSUES SCRUTINY PANEL – 10 NOVEMBER 2009

ENVIRONMENT SCRUTINY PANEL – 11 NOVEMBER 2009

CABINET - 12 NOVEMBER 2009

PRINCIPAL SCRUTINY COMMITTEE - 16 NOVEMBER 2009

LOCAL ECONOMY SCRUTINY PANEL – 17 NOVEMBER 2009

RESOURCES SCRUTINY PANEL – 18 NOVEMBER 2009

GENERAL FUND BUDGET CONSULTATION 2010/11

REPORT OF HEAD OF FINANCE

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RECENT REFERENCES:

CAB1760: Updated Sustainable Community Strategy and Corporate Business Plan,
10 December 2008

CAB1863: Financial Strategy 2010/11 – 2014/15, 8 July 2009

CAB1886: Capital Strategy and Programme 2009, 16 September 2009

CAB1899: General Fund budget – Revised Estimate 2009/10 & Revised Baseline
2010/11, 14 October 2009

EXECUTIVE SUMMARY:

In accordance with the Financial Strategy approved in July, this report gives each Scrutiny Panel and Principal Scrutiny Committee an opportunity to comment on the General Fund budget options for 2010/11. The Revised Baseline for 2010/11 (CAB1899) indicates a substantial forecast deficit of £1.7 million. It is necessary therefore to find additional income and additional savings to present a balanced budget. At this stage various options are being considered and the views of the scrutiny panels on these will be welcomed, as will be any ideas for additional opportunities for increased income and savings.

These initial options for budget savings and growth should be considered alongside the emerging priorities in the draft Corporate Business Plan (CAB1922). Equivalent savings will be required in order to release funds for any growth.

Cabinet will give further consideration to proposals, taking account of Government support, possible tax increases and other information, as part of finalising next year's budget in the New Year.

Under the Constitution the Cabinet is required to consult Scrutiny Panels about its proposals for the budget. This report is being presented to each Scrutiny Panel (and Principal Scrutiny Committee) in the current cycle of meetings. Consultation will take place alongside the planned consultation on the draft corporate business plan proposals, with scrutiny panels and with parish and town councils, the business community and the Winchester District Strategic Partnership.

RECOMMENDATIONS:

That Cabinet:

Confirms the initial options for 2010/11 budget savings and growth, to be considered alongside the emerging priorities in the draft Corporate Business Plan, to be the basis of budget consultation as part of its deliberation of the budget.

That Scrutiny Panels:

That the Scrutiny Panels and Principal Scrutiny Committee provide comments to Cabinet on:

1. the options for income growth and expenditure savings and any other areas for savings that they think should be considered, and
2. the relative prioritisation of growth options and any other areas of potential growth that they think should be considered.

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GENERAL FUND BUDGET CONSULTATION 2010/11

REPORT OF HEAD OF FINANCE

1 Introduction

1.1 The Council's Financial Strategy approved in July (CAB1863) set the following **Key Budget Principles:**

- The revenue budget for the forthcoming year will be balanced
- Reserves will not be used to fund annual, recurring expenditure
- Savings proposals will be sufficient to fund Growth proposals and to eliminate any projected deficit
- Growth proposals will not create a revenue deficit in future financial years without equivalent forward savings also being identified
- Growth and Savings proposals will be considered in relation to the Council's corporate objectives and priorities
- Inflation will be applied only to budgets for staff and external contracts

1.2 The corporate planning cycle and budget debate for 2010/11 started in June 2009 with a series of Divisional service reviews. The reviews aimed to identify areas for investment and disinvestment, acceptable service standards and where services could be provided differently in order to maximise resources. These involved key staff from the Division, the Corporate Management Team, Portfolio Holders and a non-Executive Member representative. The results of these reviews were fed into Leader's Board budget discussion, and Heads of Division used the findings from their service reviews to inform their options for growth and savings in their areas.

1.3 Under the Constitution the Cabinet is required to consult Scrutiny Panels about its proposals for the budget. This report is being presented to each Scrutiny Panel in the current cycle of meetings. Consultation will take place alongside the planned consultation on the draft corporate business plan

proposals, with scrutiny panels and with parish and town councils, the business community and the Winchester District Strategic Partnership.

- 1.4 These initial options for budget savings and growth should be considered alongside the emerging priorities in the draft Corporate Business Plan (CAB1922).
- 1.5 Cabinet will give further consideration to proposals, taking account of Government support, possible tax increases and other information, as part of finalising next year's budget in the New Year.

2 Scrutiny

- 2.1 This report gives each Scrutiny Panel (and Principal Scrutiny Committee) an opportunity to comment on the General Fund budget options for 2010/11. The preliminary figures (CAB1899) indicate a substantial potential deficit of £1.7 million. It is necessary therefore to find additional income and additional savings. At this stage various options are being considered and the views of the scrutiny panels on these will be welcomed, as will be any additional opportunities for increased income and savings.
- 2.2 Each Scrutiny Panel is asked to consider this matter as part of its role in acting as a critical friend in examining options for the development or review of key Council policies and programmes. No firm proposals are being presented at this stage, just options for consideration.
- 2.3 The Cabinet will consider the scrutiny panels' comments on these options along with other comments from business leaders, our partners in the Winchester District Strategic Partnership, the Town Forum and parish councils. The preferred options, taking account of ongoing discussions and consultation over the coming weeks, will be presented as proposals in due course. Cabinet will consider any comments made alongside its further consideration of budget options, to take account of Government support, possible tax increases, the revenue impact of the capital programme, and other information, as part of finalising the budget before making recommendations to Council in February.
- 2.4 The options presented in the appendices include officers' assessment of the risks associated with delivery of each option as follows:
 - Certain*** – most readily achievable
 - Possible*** – merit further consideration but likely to have some service issues or practical difficulties
 - Difficult*** – would have major impact on services and/or present practical problems with implementation
- 2.5 Growth options are included at Appendix D, and Scrutiny panels are asked to consider the relative priority that should be attached to each item listed.

- 2.6 Each Scrutiny Panel is asked to focus its attention on the relevant outcomes of the Sustainable Community Strategy, as shown, as well as providing any wider comments as it feels relevant.

Social Issues Scrutiny Panel	Safe & Strong communities, Inclusive Society, Health and Wellbeing
Environment Scrutiny Panel	High Quality Environment
Local Economy Scrutiny Panel	Economic Prosperity
Resources Scrutiny Panel	Efficient & Effective Council

- 2.7 Principal Scrutiny Committee is asked to take an overview and make any comments to Cabinet. Principal Scrutiny Committee will have a further opportunity to consider the budget in the January cycle.

- 2.8 Members will be aware that the Council has a need to find increasing levels of savings in order to achieve a balanced revenue budget. Any further growth options would need to be presented with options for equivalent savings.

3 2010/11 Budget Options

- 3.1 An Initial Baseline for 2010/11 was presented with the Financial Strategy in July, and a Revised Baseline was presented with the Revised Estimate for 2009/10 in October.
- 3.2 Budget options for increased income, expenditure savings and growth bids are now being presented for consultation, and are listed in the Appendices.
- 3.3 At this stage, all options are presented as a full year effect, at 2010/11 price levels. In some cases the implementation lead time may result in only a partial year effect being achieved in 2010/11. There may also be some associated one-off costs. Where appropriate, this will be adjusted for in the final budget proposals.

4 Reserves

- 4.1 The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

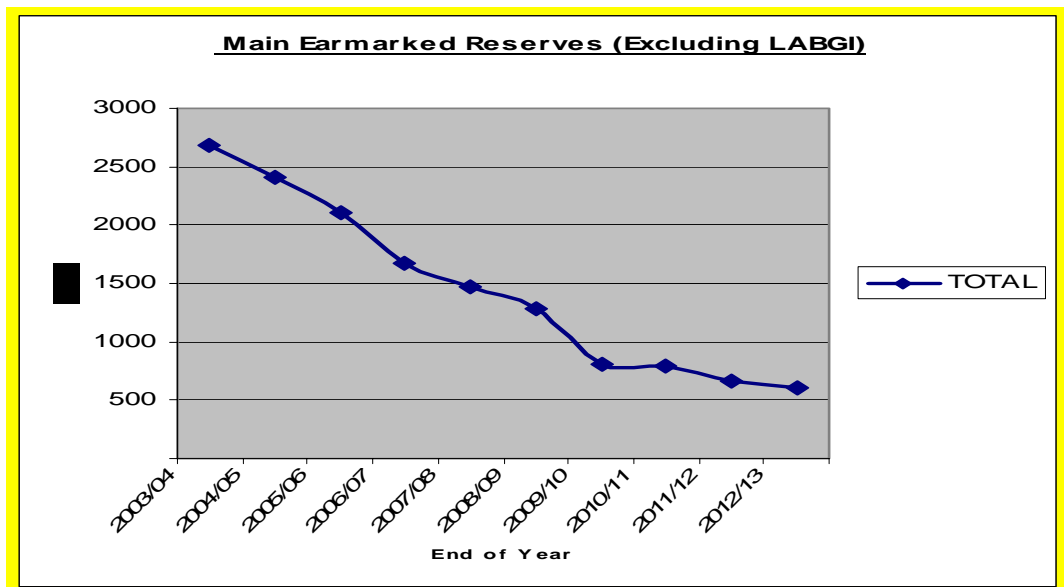
- 4.2 The CIPFA guidance stipulates:

“When reviewing their medium term financial plans and preparing their annual budgets local authorities should consider the establishment and maintenance of reserves. These can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.”

4.3 The first 2 items are provided for by the Council's General Fund Working Balance which is maintained at £2m. It is proposed that this is maintained at this level, which is considered appropriate in the context of the strategic, operational and financial risks facing the Council.

4.4 The table below shows the changes in the Council's main earmarked reserves.



4.5 It is readily apparent that the Council's earmarked reserves are substantially depleted and consideration should be given to any requirements for building up funds to meet known or predicted future liabilities.

4.6 The most obvious of such liabilities are those in respect of property, being quantified through a series of non-housing property condition surveys. There is a growth proposal to make a contribution of £100,000 to the earmarked Property Reserve in 2010/11, and in subsequent years to help address the predicted future liabilities.

4.7 There are no other proposals at this stage, although views would be welcomed as to whether there are any other specific known requirements, for which consideration should be given for earmarking reserves.

4.8 Winchester Town Reserve

4.9 The Winchester Town Account will be considered by the Town Forum at its meetings in November and January.

- 4.10 There is currently a forecast deficit for the current year (2009/10) and the Cabinet has requested that the Town Forum present proposals on how this can be redressed.

5 Council Tax Options

- 5.1 The baseline forecasts currently assume no increase in the Council tax level in 2010/11 from 2009/10. The table below shows the Maximum tax combinations for the District and the Town Account to remain within the Government capping levels of 5%.

MAXIMUM LEVELS OF TAX COMBINATIONS within 5% capping									
District					Town				
Annual Increase	Increase	Band D amount	Amount collected	Annual increase in amount collected	Increase	Band D amount	Amount collected	Annual increase in amount collected	Annual Increase
0%	£0.00	£124.38	£5,910,494	£0.00	£23.65	£81.33	£1,147,212	£333,587	41.00%
1%	£1.24	£125.62	£5,969,599	£59,105	£19.04	£76.72	£1,082,122	£268,497	33.00%
2%	£2.49	£126.87	£6,028,704	£118,210	£15.00	£72.68	£1,025,168	£211,543	26.00%
3%	£3.73	£128.11	£6,087,809	£177,315	£10.96	£68.64	£968,214	£154,589	19.00%
4%	£4.98	£129.36	£6,146,914	£236,420	£6.92	£64.60	£911,260	£97,635	12.00%
5%	£6.22	£130.60	£6,206,019	£295,525	£2.88	£60.57	£854,307	£40,681	5.03%

- 5.2 In order to support the Council's priorities an increase in the tax level is advised. It is ultimately for Members to determine the level of tax to be set although any increase would help achieve the requirement for a balanced budget to be set.

6 Housing Revenue Account

- 6.1 Whilst the Housing Revenue Account (HRA) is fairly self contained in that its revenue expenditure must be funded by its rental income, its capital schemes can impact on the General Fund through loss of interest. Conversely changes initiated in the General Fund can impact on the HRA in the form of overhead charges.
- 6.2 Consultation on the Housing Revenue Account (HRA) budget options is underway separately. The final budget proposals will bring together the implications of both accounts; General Fund and Housing Revenue Account.

7 Capital Expenditure

- 7.1 Under the prudential approach to capital investment, local authorities are required to have full regard to affordability when setting the future capital programme. Such consideration must include the level of long term revenue commitments. Indeed, in considering the affordability of its capital plans, the Council is required to consider all of the resources available to it/estimated for the future, together with the totality of its capital plans and revenue forecasts for the forthcoming year and the following two years.

- 7.2 A revised capital strategy and programme was approved by the Council in October 2009. This identified that there may be a need for borrowing in the medium term. The consequential revenue costs of any borrowing will be an additional growth requirement for the Revenue budget.
- 7.3 The Capital programme will be reviewed again and updated before the budget is finalised, at which stage the revenue consequences of the proposed programme will be quantified and included in the final budget proposals.

OTHER CONSIDERATIONS:

8 SUSTAINABLE COMMUNITY STRATEGY AND CORPORATE BUSINESS PLAN (RELEVANCE TO):

- 8.1 In order that limited resources are matched most appropriately to the Council's priorities the budget options should be considered in the context of the Sustainable Community Strategy and the draft Corporate Business Plan.

9 RESOURCE IMPLICATIONS:

- 9.1 As set out in the report.

10 RISK/UNCERTAINTY/SENSITIVITY

- 10.1 The budget for next year and the forward projections will be influenced significantly by various factors that cannot be quantified or assessed fully at this stage; some external and outside of the control of the Council; and others that relate to factors and aspirations within the Council's control. The sensitivity to key assumptions used in the baseline projections is shown below:

	Baseline assumption	Sensitivity +/- 0.5%
Pay inflation	1%	c. £65,000
Contract inflation	c. 1.5%	c. £45,000
Interest rates	3 month LIBID -1.5%	c. £113,000
	Other – 1%	

BACKGROUND DOCUMENTS:

Working papers held in the Finance and other divisions.

CAB1863: Financial Strategy 2010/11 – 2014/15, 8 July 2009

http://www.winchester.gov.uk/Documents/Committees/Cabinet/1800_1899/CAB1863.pdf

CIPFA – Guidance note on Local Authority Reserves and Balances

<http://www.cipfa.org.uk/pt/download/laap55.pdf>

APPENDICES:

Appendix A: General Fund Budget – Baseline for 2010/11

Appendix B: General Fund Budget 2010/11 – Options for Increased Income

Appendix C: General Fund Budget 2010/11 – Options for Expenditure Savings

Appendix D: General Fund Budget 2010/11 – Unavoidable and Priority Growth Options

Appendix E: Supplementary Approvals affecting the 2010/11 baseline

GENERAL FUND - REVISED BASELINE FORECAST FOR 2010/11

	2009/10 Revised Budget £000	2010/11 CAB1899 Forecast £000	2010/11 Revised Forecast £000
opening Net Cost of Services		21,611	21,611
Supplementary approvals		65	65
Contractual commitments (+1.5% then +3%)		250	220
Employee costs (@ +1%pa)		391	391
Net cost of services	21,384	22,317	22,287
<u>Less:</u>			
Reversal of Capital Financing	(6,135)	(6,135)	(6,135)
Net Interest & Investment income receivable	(253)	(255)	(255)
Appropriations:			
Transfers to or (from) Major Investment Reserve	(826)	(330)	(330)
Transfers to or (from) Earmarked Reserves	(342)	(28)	(28)
Transfers to or (from) Winchester Town Reserve	(68)	10	10
Forecast net budget requirement	13,760	15,580	15,550
Funded by:			
Council Tax (@ 0% increase in tax levels)	6,689	6,718	6,718
Collection Fund transfer	(20)		
Other Government Grants	113	113	113
Revenue Support Grant & Non-domestic rates redistribution	6,978	7,013	7,013
Forecast available funding	13,760	13,845	13,845
(Headroom) / shortfall	0	1,735	1,705

(Appendix E)

GENERAL FUND - BUDGET OPTIONS FOR 2010/11

	2010/11 Certain £000	2010/11 Possible £000	2010/11 Difficult £000	2010/11 TOTAL £000
Revised Forecast (Headroom) / shortfall	1,705	1,372	(230)	1,705
Increased Income Options	(87)	(765)	(34)	(885) <i>(Appendix B)</i>
Expenditure Savings Options	(246)	(837)	(77)	(1,160) <i>(Appendix C)</i>
(Headroom) / shortfall	1,372	(230)	(340)	(340)
	Unavoidable	Priority		TOTAL
Revised Forecast (Headroom) / shortfall - after savings options	1,372	(138)	213	(340)
Growth Options	92	461		553 <i>(Appendix D)</i>
(Headroom) / shortfall	1,464	323	213	213

Increased Income Options						
	Title	Description	Division	Portfolio	Certain / Possible / Difficult	2010/11 (£000)
<u>Efficient & Effective Council</u>						
1	Estates General Rent	Rental income from purchase of property (one year only)	Estates	Finance and Efficiency	Possible	(20)
2	Benefits Subsidy	Increased Forecast Subsidy of benefit payments	Revenues	Finance and Efficiency	Certain	(83)
3	LSP	Partners Share Support Costs for LSP	PC&I	Leader	Difficult	(10)
4	Street Name & Numbering	Charge for administration of street Name & Numbering	IMT	Performance and OD	Possible	(5)
5	SEE services	Provision of IT services to South East Employers	IMT	Performance and OD	Difficult	(5)
6	Planning - Pre-application charges	Householder developments	Planning	Planning and Access	Possible	(15)
7	Planning - Minor amendments	Charges for approving/refusing minor amendments	Planning	Planning and Access	Possible	(40)
TOTAL Efficient & Effective Council						(178)
<u>High Quality Environment</u>						
8	Glass Recycling	Increased price received for Glass recycling	Environment	Environment	Possible	(17)
9	Contaminated land	Increase charges for costs of contaminated land reports for commercial enquiries and introduce charges for domestic enquiries	Environment	Environment	Difficult	(15)
10	Dog Control	Increase in charge to Parish Council of dog waste bin emptying form £3.10 to £5	Environment	Environment	Difficult	(4)
11	Interment Fees *	5% increase in fees (TOWN A/C)	Legal Services	Performance and OD	Possible	(6)
	* Town A/C Savings		Legal Services	Performance and OD	Possible	6
12	Parking Charges	Increase Parking Charges & Effect of new Park & Ride	A&I	Planning and Access	Possible	(660)
TOTAL High Quality Environment						(695)
<u>Inclusive Society</u>						
13	Choice Based Lettings - extension of Shared service	Test Valley joining shared service - Possible one-off Project Management charge (one year only)	IMT	Performance and OD	Possible	(8)
TOTAL Inclusive Society						(8)
<u>Safe & Strong Communities</u>						
14	Licences	Increase in Gambling Licence Fee	Legal Services	Performance and OD	Certain	(4)
TOTAL Safe & Strong Communities						(4)
TOTAL INCREASED INCOME						(885)
					Certain	(87)
					Possible	(765)
					Difficult	(34)
					Town A/C	(6)

Expenditure Savings Options				Certain / Possible / Difficult	2010/11 (£000)	
Title	Description	Division	Portfolio			
<u>Cross Cutting / Corporate</u>						
1	Lease Cars	Restructure current arrangements	Corporate	Corporate	Possible	(15)
2	Statutory Notices	Reduce cost of Statutory Notice Advertising	Corporate	Corporate	Difficult	(25)
3	Shared Services		Corporate	Corporate	Possible	(80)
4	Organisational Development		Corporate	Corporate	Possible / Difficult	(250)
TOTAL Cross Cutting / Corporate						(370)
<u>Efficient & Effective</u>						
5	Marketing Team Reorganisation	Two part time posts disestablished and replaced with one FT	E&CS	Culture, Heritage and Sport	Certain	(10)
6	Economic development	Reduction of advertising	E&CS	Culture, Heritage and Sport	Certain	(3)
7	Supplies & Services	Review of Supplies & Services & Bank Charges	Financial Services	Finance and Efficiency	Possible	(3)
8	Audit Commission Fees	Seek to reduce Audit Commission Fees	Financial Services	Finance and Efficiency	Difficult	(10)
9	Postage	Some post now sent 2nd class/smaller envelopes used	Planning	Planning and Access	Certain	(10)
10	Mobile phones	Decrease in use	Planning	Planning and Access	Possible	(2)
11	Software licences	Decrease in number of new licences	Planning	Planning and Access	Certain	(2)
12	Supplies & Services	Decrease in Stationery & Technical Publications	Planning	Planning and Access	Possible	(3)
13	Communications Team	Re-organisation of the Communications Team	PC&I	Leader	Possible	(29)
14	External print budget	Further reduce external print budget by c20%	PC&I	Leader	Possible	(20)
15	Clinical waste	Efficiency savings in clinical waste collection service	Environment	Environment	Possible	(10)
16	Glass recycling	Efficiency savings in bottle bank emptying service	Environment	Environment	Possible	(15)
17	Revs & Bens Employees	Reductions in Revenues & Benefits Employee Costs	Revenues	Finance and Efficiency	Certain	(35)
18	Historic Resources Centre	Removal of Building Maintenance Budget	Estates	Finance and Efficiency	Certain	(12)
19	Supplies & Services	Decrease in Stationery / Conferences / Technical Books	Revenues	Finance and Efficiency	Certain	(8)
20	Debtors	Services provided by contractors	Revenues	Finance and Efficiency	Certain	(2)

Expenditure Savings Options					Certain / Possible / Difficult	2010/11 (£000)
Title	Description	Division	Portfolio			
21	Housing Benefit	Legal, consultancy and services	Revenues	Finance and Efficiency	Certain	(2)
22	Housing Benefit	Court costs etc	Revenues	Finance and Efficiency	Certain	(2)
23	Customer Service Centre	Reduced staffing through reduced opening hours	Customer Services	Performance and OD	Possible	(11)
24	Member Services Officer	Reduced staffing of 0.8FTE - Democratic & Member Services Officer	Democratic Services	Performance and OD	Certain	(20)
25	Guildhall Employees	Minor staffing restructure	Estates	Performance and OD	Possible	(5)
26	HR Employees	Savings in HR staffing costs	HR	Performance and OD	Possible	(29)
27	Legal Employees	Deletion of Admin Assistant Post (currently vacant)	Legal Services	Performance and OD	Certain	(25)
28	Legal Employees	Holding Land Charges Assistant Post	Legal Services	Performance and OD	Possible	(8)
29	Postage - TNT	Migration of outbound post to TNT from Royal Mail	Customer Services	Performance and OD	Possible	(10)
30	Members Allowances	5% reduction in Basic and Special Responsibility Allowances	Democratic Services	Performance and OD	Possible	(23)
31	Member Training	Reduce amount of training undertaken	Democratic Services	Performance and OD	Possible	(2)
32	Mayoral Car	Reduce car usage	Democratic Services	Performance and OD	Possible	(2)
33	Anite/Northgate	Cancel License fee - not needed with new Finance System	IMT	Performance and OD	Certain	(2)
34	Oxygen	Single Sign on - saves staff remember number of passwords	IMT	Performance and OD	Difficult	(5)
35	NCC	Escrow agreement - all - risk if supplier goes bust	IMT	Performance and OD	Difficult	(3)
36	Capita	Cash Receipting - if new system purchased	IMT	Performance and OD	Possible	(1)
37	Intelco	When new financial system fully live	IMT	Performance and OD	Certain	(3)
38	CAPS	Reduce (10) licences will have an impact on service delivery	IMT	Performance and OD	Difficult	(4)
39	Covalent	Performance Management - supplier will charge for any upgrades	IMT	Performance and OD	Difficult	(5)
40	Materials / Equip. / Maintenance	Reduced Consumables & Maintenance & New Switchboard Maintenance Contract	IMT	Performance and OD	Certain	(6)
41	Recruitment	c50% Reduced recruitment budget	HR	Performance and OD	Certain	(30)
42	Corporate Overtime	Reduction in Overtime & honoraria budgets (through further Zero Based Budgeting)	HR	Performance and OD	Certain	(15)

Expenditure Savings Options					Certain / Possible / Difficult	2010/11 (£000)
Title	Description	Division	Portfolio			
43	Corporate Training	5% Reduction	HR	Performance and OD	Difficult	(8)
44	Consultancy Services	Job Evaluation consultancy reduce number of panel meeting by 5 per annum	HR	Performance and OD	Certain	(1)
45	Mobile calls	Negotiating new contract potential of between 15-20% savings	IMT	Performance and OD	Certain	(7)
46	Telephone calls	Negotiating new contract potential of c10% savings	IMT	Performance and OD	Certain	(3)
TOTAL Efficient & Effective						(405)
Health & Wellbeing						
47	Leisure Centre	Review of Leisure Centre Arrangements	E&CS	Culture, Heritage and Sport	Possible	(58)
		Currently within the baseline forecast			Possible	20
TOTAL Health & Wellbeing						(38)
High Quality Environment						
48	Waste Mgt Team Leader	Deletion of Waste Management Team Leader (Frozen Post)	Environment	Environment	Possible	(45)
49	Environment	Re-organisation of Environment Team	Environment	Environment	Possible	(26)
50	DC Employees	Reduction in Information Assistant hours	Planning	Environment	Certain	(2)
51	DC Employees	Reduction in salary costs as a result of re-organisation	Planning	Environment	Certain	(9)
52	Environment Grants budget	15% Reduction in budget which will reduce support to partners	Environment	Environment	Possible	(8)
53	Floral decorations in the City	Seek additional floral contributions	Environment	Environment	Difficult	(6)
54	Air Quality Monitoring	Efficiency savings on air quality monitoring equipment and reductions in service	Environment	Environment	Certain	(11)
55	Abandoned vehicles	Efficiency savings in provision of service through renegotiation of the countywide collection contract	Environment	Environment	Certain	(3)
56	Bucket Emptying	Reduction in costs due to fewer houses	Environment	Environment	Certain	(2)
57	Garden waste recycling	Efficiency of collection rounds	Environment	Environment	Possible	(42)
58	A&I Employees	Parking Services Operational Savings	A&I	Planning and Access	Possible	(60)
59	Building Control Employees	Reduction in working hours	Building Control	Planning and Access	Certain	(8)
60	Building Control Employees	Holding admin post (for one year only)	Building Control	Planning and Access	Possible	(11)

Expenditure Savings Options					Certain / Possible / Difficult	2010/11 (£000)
Title	Description	Division	Portfolio			
61	Stationery	Concessionary travel stationary costs	A&I	Planning and Access	Certain	(8)
62	Microfilming	Not microfilming scanning records	Building Control	Planning and Access	Certain	(8)
63	Supplies & Services	Decrease in expenditure - EMS Repair / Tech Books / Postage (not returning approved plans)	Building Control	Planning and Access	Possible	(4)
64	Village/Neighbourhood Design Statements	Reduce budget for design statements to match planned/expected village and neighbourhood design statements (NB funded by LABGI)	Strategic Planning	Planning and Access	Difficult	(10)
65	Strategic Planning	Staff reduction in Strategic Planning (one year only)	Strategic Planning	Environment	Possible	(45)
TOTAL High Quality Environment						(306)
Inclusive Society						
66	Home Improvement Agency	Contract savings	Strategic Housing	Housing	Possible	(3)
67	Housing Needs	Contract savings (CBL System)	Strategic Housing	Housing	Possible	(5)
TOTAL Inclusive Society						(8)
Safe & Strong						
68	Housing Needs Administration Officer	Remove Vacant Post (0.5)	Strategic Housing	Housing	Possible	(12)
69	CCTV Maintenance	CCTV maintenance	A&I	Planning and Access	Possible	(20)
TOTAL Safe & Strong						(32)
TOTAL						(1,160)

Certain	(246)
Possible	(837)
Difficult	(77)

GROWTH OPTIONS

Title	Description	Division	Portfolio	Unavoidable/ Priority	2010/11 £000	
Cross Cutting						
1	WDSP conference	Promise made to WDSP Full Board but no budget available	PC&I	Leader	Priority	2
TOTAL Cross Cutting						
2						
Efficient & Effective Council						
2	Earmarked Reserves - Property Fund	Baseline Contribution to Earmarked Property Fund Reserve to support future expenditure	Estates	Finance and Efficiency	Priority	100
3	Building Surveyor	Operational Building Surveyor & Energy Management	Estates	Finance and Efficiency	Priority	48
4	Technical Accountant	Technical Accountant - to address ongoing need in the team to deal with technical accounting changes like IFRS implementation, Housing Revenue Account changes, and borrowing. The need for ongoing technical accounting support within the team was also highlighted in the External Audit report for 2008/09. It is estimated that c25% could be charged to HRA	Financial Services	Finance and Efficiency	Priority	48
5	Systems Accountant	Potential new requirement following implementation of new finance system. There will be more system based controls in the modern financial system, and fewer paper based, and manual processes. Therefore house keeping, maintenance and development of the system will be central to obtaining the most efficient & effective procedures and ensuring the financial control environment is correct.	Financial Services	Finance and Efficiency	Priority	30
6	Public Consultation - Future Electoral Arrangements	Legislation requires a public consultation exercise about the future role of the Leader	Democratic Services	Performance and OD	Priority	10
7	Place Survey	Place Survey - 2 yearly statutory requirement	PC&I	Performance and OD	Unavoidable	10
8	Citizens Panel	Budget removed last year. CP can only continue with this growth bid.	PC&I	Performance and OD	Priority	3
9	Customer Insight Project	Working with the HIOWLA Customer Insight project to develop and utilise a deeper knowledge of our customer base and using Experian Mosaic data	PC&I	Performance and OD	Priority	17
10	Technical Publications	Additional budget required for books (contractual fee)	Legal Services	Performance and OD	Unavoidable	15
11	Planning Shared Serv.	Currently within the baseline forecast Hampshire & IOW Planning Officers Group (HIPOG) shared services no longer possible	Planning	Performance and OD	Unavoidable	(15)

12	Magazine Copyright Fee	Required for whole Council	PC&I	All	Unavoidable	9
		Currently within the baseline forecast			Unavoidable	(9)
TOTAL Efficient & Effective Council						316
Economic Prosperity						
13	Friarsgate Car Park	Ongoing Repairs	A&I	Planning and Access	Unavoidable	5
14	New Park & Ride	Estimated cost of running new park & ride service	A&I	Planning and Access	Priority	371
		Currently within the baseline forecast			Priority	(200)
TOTAL Economic Prosperity						176
Health & Wellbeing						
15	Safeguarding Children Board	Essential contribution to statutory county wide structure	PC&I	Communities and Safety	Unavoidable	2
TOTAL Health & Wellbeing						2
High Quality Environment						
16	Public Conveniences - 50% Town	Increase repair and improvement expenditure following ISG report on subject	Environment	Environment	Priority	10
		Town A/C to pay 50% - £5k	Environment	Environment	Priority	(5)
17	Public Conveniences - 50% Town	NNDR payments - premises re-rated and existing budget insufficient to meet these	Environment	Environment	Unavoidable	10
		Town A/C to pay 50% - £5k	Environment	Environment	Unavoidable	(5)
18	Bridge Maintenance - District	Further works above the £40k already planned & budgeted in 2009/10	Estates	Environment	Unavoidable	20
19	Climate Change	Support for High Quality Environment Climate Change Programme	PC&I	Environment	Priority	20
TOTAL High Quality Environment						50
Inclusive Society						
20	Rural Housing Enabler	Funding to Community Action Hampshire for Rural Housing Enabler	Strategic Housing	Housing	Priority	7
TOTAL Inclusive Society						7
TOTAL Unavoidable & Priority Growth Options						553
					Unavoidable	92
					Priority	461
					Town A/C	10

SUPPLEMENTARY APPROVALS

Approved Growth & Savings funded from MIR / Revenue Budgets	Reference	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Total	VfM
		£000	£000	£000	£000	£000	£000	£000	Y/N
Approved Growth									
Guildhall Bapsy Revenue Impact	CAB1871		300					300	
Bridge Maintenance (£40k Property Reserve, £60k WTA)	WTF133	70	30					100	
Guildhall Bapsy Consultants	CAB1859	35						35	
Environment Services Contract Renewal	CAB1862	20						20	
TVBC Revenues Shared Service	PER166	1	(15)	(15)	(15)	(15)	(15)	(75)	Y
Total Approved Growth		126	315	(15)	(15)	(15)	(15)	80	
Approved Savings									
West Wing Head Lease *	CAB1827	(150)	(195)	(195)	(195)	(195)	(195)	(1125)	Y
Office Accommodation Cleaning Contract *	PHD234	(10)	(10)	(10)	(10)	(10)	(10)	(59)	Y
Parking Office Saturday Opening	CAB1884	(2)	(4)	(4)	(4)	(4)	(4)	(21)	N
IMT Support Contract *	CAB1868		(76)	(229)	(229)	(229)	(229)	(992)	Y
Total Approved Savings		(161)	(285)	(438)	(438)	(438)	(438)	(2197)	
NET Approved Growth / (Savings)		(35)	30	(453)	(453)	(453)	(453)	(2117)	