



Performance and Audit Scrutiny Committee 30 January 2012

Delivering a Sustainable Budget 2012/13

1.0 Background and Purpose of Report

1.1 This is the final budget report to Performance and Audit Scrutiny Committee, and it updates Members on progress made towards setting the 2012/13 budget.

1.2 Members are asked to:

- (i) **Scrutinise and recommend to Cabinet the savings/new income** proposed in Table 2;
- (ii) **Scrutinise and recommend to Cabinet the growth bids** proposed at 2.2.

1.3 Position at the end of November 2011

1.3.1 At the last meeting of this Committee (in November 2011), the 'banked' savings delivered approximately £2.2m of the overall target of £4.1m, across the three years. Table 1 sets out the DR-IVE target, banked totals reported so far and remaining gap as at November 2011.

Table 1: Banked Savings

	12/13	13/14	14/15
DR-IVE target	£2m	£1.3m	£0.8m
<i>less</i>			
Banked Savings reported to P&A	£1,515,500	£718,500	£62,000
<i>equals</i>			
Remaining Gap	£484,500	£581,500	£738,000

1.3.2 However, in refining some of the banked totals, there have been minor changes which have resulted in a net reduction of £72k of savings in 12/13. **The 12/13 gap as at the end of 2011 was therefore £556,500.**

2.1 Further Savings

2.1.1 A number of other savings areas and new income opportunities have been progressed since the last meeting of this Committee, and these are now being presented for recommendation to Cabinet. They are set out in Table 2 below. Where the proposal was

included in the public budget consultation (which took place last Autumn), the results of the consultation are included:

Table 2 – Savings areas/New income

	Saving Proposal	12/13 £000s	13/14 £000s
1	Increase car parking prices in the Borough car parks (when consulted, 51% of people in Bury were in favour or had no opinion; 61% of people in Haverhill were in favour)	165	
2	Reduction in Haverhill Town Hall Arts Centre grant, due to the Haverhill Town Council decision to precept the equivalent sum locally. (£50k retained for Haverhill grants fund)	158.75	
3	Procurement savings across a range of budgets	91.35	
4	Charge for off-street blue badge parking (<i>70% of people consulted about this were in favour; 36% of blue badge holders were in favour</i>)	85	
5	Restructure Heritage and TIC services (<i>although the consultation was more specifically around the buildings used by these teams, and moving the TIC into Moyse's, there was clear support for maintaining both services but doing so more cost-effectively</i>)	80	
6	Efficiency savings in ICT (not related to shared service)	51.4	
7	Efficiency savings in Finance due to internal restructuring	40	
8	Efficiency savings in Planning and Development Control	25.8	
9	Reduction in disposal costs of recycled waste	24.4	
10	Cut staff homeworking allowance (subject to consultation with the Union)	18.5	
11	Reduction in service charge for underground car park	13.85	
12	Restructuring in Democratic Services	12	11
13	Reduction in Audit Commission fees	9.5	
14	Other small savings across a range of budgets	8.35	
15	Staff saving in Environmental Health and Housing (student post deleted)	7.7	
16	Increased trade waste income	7.25	
	TOTAL	798.85	11

2.1.2 **If all of the above savings are recommended to, and approved by Cabinet, we will have delivered some £240,000 in excess of the 12/13 gap.** However, as reported at the November 2011 meeting of this Committee, a number of the shared services savings are **uncertain in terms of timing and projected amount of actual saving**, and it is therefore prudent to continue on this basis, in order to allow some flexibility if necessary. There is also renewed uncertainty around future government grant funding following the Chancellor's Autumn statement and I therefore strongly advise that we proceed as planned. Should all the shared service savings be delivered as planned in 12/13, the budget gap for 13/14 will be reduced by approximately £240,000.

- 2.1.3 There is only one further item which the public were consulted about and has not been included in the budget proposals. This was the proposal to charge for the **Abbey Gardens toilets**. 52% of the public were *not* in favour of this proposal, and it has therefore been decided not to charge, but to continue to offer free public conveniences.
- 2.1.4 A summary of the entire budget consultation exercise and the outcomes of each proposal can be found at Appendix A, for further reference.

2.2 Growth Bids

2.2.1 There are two further items of revenue growth:

- 2.2.1.1 Establishment of an **Elections Reserve**, to which **£30,000** will be contributed annually. This effectively will spread the cost of elections over 4 years.
- 2.2.1.2 An increase in the annual contribution to the **Building Maintenance Reserve** of **£11,250**.

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Appendix A – Summary of budget consultation exercise and outcomes

Consultation question summary	Estimated saving, or new income	%age of respondents	Action we are proposing	Why we're taking this action
CCTV cameras monitor urban areas and open spaces. Are you in favour of this level monitoring continuing? Could it be reduced?	£169,000 saving if CCTV service stops completely.	84% favoured keeping monitoring. 25% said peak time only.	Monitor 24 hours a day, seven days a week but reduced staffing at quieter times.	High percentage shows people value the feeling of safety a constant CCTV service provides
Increase car parking charges in Bury and Haverhill car parks by 10%.	£150,000 income	50/50 in Bury. 61% in favour in Haverhill.	Increase charges from 1 April 2012	Cost is borne only by those who use the car parks, not all Council Tax payers. Car parks good value compared to some towns.
Introduce parking fees at Nowton Country Park as we do now at Hardwick Heath and West Stow.	£25,000 income	52% in favour	Introduce charging.	Principle of 'user pays'. There will also be a good value season ticket.
Charge blue badge holders in borough council car parks.	£100,000 income	70% in favour	Introduce charges in off-street car parks (no charges on-street, which includes Angel Hill	Many places now charge all car park users. Blue badge holders will get double the amount of time they pay for. Extra time will help those with mobility difficulties. Free parking bays still available on-street.
Cut staffing and other costs through sharing services with another council.	£312,000 saving	68% in favour	Share services with Forest Heath District Council. Have a joint Chief Executive and one management team across both councils.	Sharing with Forest Heath will save around £2 million by 2013, shared between both councils.

Consultation question summary	Estimated saving, or new income	%age of respondents	Action we are proposing	Why we're taking this action
Reduce voluntary, arts and community grants by total of 20% over four years.	£33,750 saving	54% disagree	Freeze the current 'pot' of funding and then review each individual grant on its merits. Most grants will stay the same, but some may reduce. This approach will also give us the chance to support additional organisations if needed.	The Council recognises the important of a strong voluntary sector. This decision will therefore give the voluntary and arts sectors some certainty about the Council's funding plans for the next four years but also mean that the Council prioritises its spending appropriately.
Introduce more web-based services so people can help themselves online.		62% in favour	Redesign some services so people can access services, such as making planning applications, for example, online.	People are used to being able to access services 24 hours a day, seven days a week – not just when council offices are open.
Transfer ownership and costs of urban community centres to local communities.		67% in favour	Southgate Community Centre successfully transferred; others being looked at over next two years.	Ownership gives local people control of their own facilities (already the case in rural areas where village halls are owned and paid for by local communities).
Reduce current standards of flower planting and grass cutting.		85% said no	Maintain standards, but look at more efficient ways of working to get some savings.	Potential impact on prosperity of towns in floral displays and environmental works cut back.
Reduce the current level of the park ranger service.	Current service costs £250,000	62% against reducing the current level of service	Only make a very small reduction in the current level of the ranger service and look to generate more income from the parks in a sensitive manner.	Rangers add value for people using parks. Appropriate events and commercial activities in the parks can help to maintain the free services currently provided.
Charge for toilets in the Abbey Gardens.	£20,000 income	52% said no	No charge in 2012/13.	Savings can be made elsewhere – but charging may need to be reviewed in future.

Consultation question summary	Estimated saving, or new income	%age of respondents	Action we are proposing	Why we're taking this action
Close the Tourist Information Centre (TIC) in Bury St Edmunds.	Closing saves £100,000	78% said no	Keep a TIC.	Tourism service has impact on vitality of the town by bringing people in to spend money in the local economy.
Reduce TIC opening hours and/or merge with Moyse's Hall Museum	£50,000 saving	67% said yes	Investigate possibility.	Need more detail on potential impact before making any decision.
Reduce Moyse's Hall Museum's opening hours		75% said yes	Investigate possibility.	Museum's hours need to be considered as part of TIC review.