

Executive Board - 27th September 2002

Council - 14th October 2002

Result of savings exercise

Report of:	<i>Director of Finance and Corporate Services</i>	WARDS AFFECTED All
Report Author:	<i>Mark Luntley</i>	
Lead Member Responsible:	<i>Cllr. Hollingsworth</i>	
Overview and Scrutiny Committee Responsibility:	<i>Finance</i>	
Key Decision	<i>No</i>	
SUMMARY AND RECOMMENDATIONS		
<p>Members tasked Officers with identifying £2.5 million of net savings by Business Unit. After funding other spending pressures officers have identified £2 million to date, leaving £0.5m gap. Directors have made suggestions for further work which could generate further savings, potentially in the region of £250,000 in this year.</p> <p>This report summarises work to date and proposed savings, the detailed proposals are summarised in the appendix. Some potential risk areas are highlighted in the report. Business Managers have also identified some possible "cross cutting" savings which cut across several Business Units.</p> <p>Members are asked to:</p> <ol style="list-style-type: none"> 1. Recommend to the Council the identified savings in Appendix 1 and task Business Managers with implementing the resulting changes to services. 2. Agree an exercise to establish what current spending on capital projects can be legitimately charged to capital. 3. Agree which (if any) of the Directors' recommendations for savings in 2002-3 might be explored further. 4. Agree which (if any) of the cross cutting savings proposed by Business Managers should be included in the 2003-4 budget work plan 5. Note the comments of the S151 officer about risks in achieving savings in Property Services, and the need to keep this are under close review. 		

Appendices

1. Summary of savings proposed
2. Description of proposals Business Unit

Background papers:

- Spending Priorities and Funding Report (8th July Executive Board),
- Correspondence with Business Managers.

Introduction

1. Members previously agreed that £2.5 million of savings, most of which were previously being managed centrally, should be allocated to Business Units. Business Managers were tasked with identifying those savings and presenting them in an agreed format. These savings were equivalent to 10% or 12% of “controllable budgets”.¹

Overview

2. Managers were also charged with carrying out a full review of their budgets to see if there were any other apparent cost pressures. Managers identified £859,000 of such costs, 50% of this total comes from two business units; Property and Leisure. These additional costs increased the savings target to £3.4 million.

3. Managers have identified £2.9 million of potential savings. This leaves a shortfall on the original exercise of £532,000. This paper suggests ways of making further savings potentially reducing the gap by a further £250,000.

Process

4. Business Managers tabled proposed savings for review by their peers. At the same time they identified other “across the board savings” (some of which would affect 2003-4) which Members *might* wish to consider. These suggestions are summarised later in this paper.

5. Service Accountants subsequently examined where individual Business Managers had not achieved the savings target, or where further review seemed appropriate. A further series of meetings then looked in detail at some (but not all) Business Unit cost proposals and supporting budget information.

¹ Front line services were asked to find 10%, support services 12%. Two services (City Works and Leisure) were asked to find a fixed amount of £150,000 each.

Results

6. Most Managers identified savings equal to their target, however some have struggled and face genuine difficulties:

- Strategic Policy took on a series of functions with inadequate funding. It is clear that, if the unit is to deliver effective services, they will not be able to make their share of the savings.
- Legal Services demonstrated the pressures on their budgets and it is recommended a smaller saving is found from this Unit, linked to a thoroughgoing review of their activities in the forthcoming Business Planning/Budgeting process.
- Information systems achieved most of their savings target, but found much of their savings fell on the Housing Revenue and not General Fund Account. Given the substantial importance of this team in delivering the e-government agenda, a lower saving target is proposed.

7. The financial position of Revenues and Benefits was unclear. An oral briefing of the effects of proposed changes to their budgets will be given at Executive Board.

8. Some Business Units were tasked with finding additional savings:

- Property Services highlighted £79,000 additional income they anticipated receiving in the current year, and it is recommended this is used to offset some of the pressures in other Business Units.
- Environmental Health explained the cost pressures they were under, however it was recommended they are asked to find all the savings needed to reach their savings target.

9. Managers have agreed to look at whether some spending (in particular officer time spent on capital projects) can be appropriately financed from the capital programme. A further report on this issue will be tabled in the near future. A summary of the proposed savings, totalling £2.9m is attached as Appendix 1, the implications of savings by Business Unit is Appendix 2.

Risks

10. There are risks in making substantial reductions in service budgets (particularly in some central functions):

- **Non-delivery** - ambitious assumptions of savings fail to be delivered. One way of ensuring this does not take place is to carefully validate proposed savings and, afterwards, monitor progress.
- **Effects on corporate objectives** - Oxford City is being closely monitored by a series of external agencies. Failure to deliver agreed improvements in areas including: Investors in People, Benefits Improvement Plans, and Comprehensive Performance Assessment will result in adverse comment from external agencies.

- **Failures of internal control** - as a result of jobs where the staff carry out essential checks being deleted. A careful assessment of risks is needed by managers.

11. This report was drafted at the completion of the savings exercise. The Director of Finance and Corporate Services, and Legal Services Business Manager will review the proposals and advise at the Executive Board if there are areas where they believe the savings exercise has created any of the above potential risks.

12. One area where we believe there is a risk of non-delivery is in Property Services. The Property Business Manager proposes an ambitious increase in building rental income in order to balance his budget and achieve the saving target.

13. Generating this additional income will be an exceptionally challenging target to achieve. Members have previously highlighted the pressures in achieving existing budgeted income targets, and have asked for regular monitoring of this area.

14. The Director of Finance and Corporate Services is meeting with the Property Business Manager to review his budgets and the assumptions underpinning them.

Directors' suggestions/observations for savings in 2002-3

15. Strategic Directors have only had a brief opportunity to review the results of the exercise. They made the following suggestions which Members may wish to consider:

- Planning generates significant amounts of fee income, which appears to be running ahead of target. An early projection of the likely income in this year would help inform whether any sums could be used to bridge the budget gap. Additional income might be in the order of £120,000.
- Oxford Building Solutions have to date been excluded from this exercise (though of course they face their own budget pressures). OBS undertakes approximately £400,000 of general fund work. Tasking OBS with finding a £50,000 saving would help our finances.
- Transport and Parking achieved their target savings, identifying further supplies and services economies in 2003-4. Asking them to make this saving a year earlier in 2002-3 could generate a further £30,000.
- City Centre Management company is to receive a £75,000 yearly grant. Given the company will now start half way through this year, the grant could be scaled back by £35,000.
- Customer Services are currently making savings by trimming their costs. The risk is they deliver a less effective service. An alternative would be a more thoroughgoing review of delivery, closing one or more remote shops and generating further savings, some of which could be invested into improving telephone systems.

Business Unit Manager savings for 2003-4

16. Business Managers also suggested some potential across the board projects , which could further generate savings, though most would only be achievable in 2003-4. These include:

- Rationalising use of office accommodation - there is scope for using less office space, and selling spare capacity.
- Looking at funding of external organisations. We fund £1.5m of grants.
- Reviewing how we service Area Committees and the scrutiny function.
- Looking at longstanding staff management issues, including the cost of staff sickness and other staff related issues.
- Looking again at spending on concessionary fares.

Conclusion

17. The current exercise has not identified all the savings needed. However substantial costs have been squeezed out of budgets and other potential areas for further work have been identified.

18. If Members wish to progress the proposed 2003-4 savings an early decision is needed so that this work can be incorporated into the Business Planning and Budget programmes.

Background papers

Papers from Business Managers

Summary of Savings Targets & Achievement 2002/2003

	2002/2003	Business Manager	Savings Target	Target with Exp Pressures	Identified Savings	Shortfall
B01	Strategic Policy & Research	David Hill	97,711	128,012	22,174	105,838
B02	Corporate Strategy		77,445	77,445	77,894	449
B03	Human Resources	Paul Warters	64,130	64,130	62,142	1,988
B04	Modernisation	William Reed (acting)	142,316	178,806	72,982	105,824
B06	Chief Executive		26,692	26,692	26,692	-
B20	Financial Management	Sarah Fogden	142,533	210,234	210,234	-
B21	Revenues & Benefits	Christine Stevenson	228,865	323,000	206,100	116,900
B22	Legal Services	Bhupinder Gill	101,939	107,459	35,809	71,650
B23	Internal Audit	Richard Josephs	38,124	41,521	39,850	1,671
B24	Information Systems	Kathryn Latter	145,887	186,987	121,900	65,087
B25	Property Investment	Colin Beever	136,546	422,300	493,000	70,700
B26	Facilities Management	Jane Lubbock (acting)	154,901	167,901	167,741	160
B40	Housing Management	Karen Turner	-	-	-	-
B41	Customer Services	Ian Barrett	85,490	85,490	85,490	-
B42	Homelessness	Neil Gibson (acting)	17,120	17,120	17,120	-
B44	Neighbourhood Renewal	Val Johnson	73,449	96,349	84,500	11,849
B45	Environmental Health	John Copley	172,546	172,546	172,546	-
B60	Built Environment	John Hill	36,016	36,016	36,350	334
B61	City Works	Glen Wooldridge	150,000	188,500	188,500	-
B62	Planning	Michael Crofton-Briggs	155,043	155,043	205,043	50,000
B64	Transport & Parking	Graham Smith	118,848	158,848	230,000	71,152
B65	Leisure & Culture	Mark Bowler (acting)	150,000	301,745	162,058	139,687
B66	Parks and Green Spaces	Andrew Parsons	72,049	72,049	70,035	2,014

Other/temporary business units

B08	Corporate & Democratic Core		-	-	-	-
B63	City Centre Management		6,207	6,207	-	6,207
B80	Administration		126,863	104,871	78,356	26,515
B81	Highways Holding		282	282	3,064	2,782

Total **2,521,000** **3,329,553** **2,869,580** **459,973**

Additional Pressures 808,553

Add reduction in IS savings because of recharges to HRA etc.

72,045
532,018

Summary of Savings Targets & Achievement 2003/2004

2003/2004	Business Manager	Savings Target	Target with Exp Pressures	Identified Savings	Shortfall	
B01	Strategic Policy & Research	David Hill	97,711	145,231	12,670	132,561
B02	Corporate Strategy		77,445	2,445	19,144	16,699
B03	Human Resources	Paul Warters	64,130	67,730	47,000	20,730
B04	Modernisation	William Reed (acting)	142,316	180,712	124,382	56,330
B06	Chief Executive		26,692	26,692		-
B20	Financial Management	Sarah Fogden	142,533	195,781	195,781	-
B21	Revenues & Benefits	Christine Stevenson	228,865	357,000	168,100	188,900
B22	Legal Services	Bhupinder Gill	101,939	117,358	-	117,358
B23	Internal Audit	Richard Josephs	38,124	47,798	44,500	3,298
B24	Information Systems	Kathryn Latter	145,887	151,247	107,400	43,847
B25	Property Investment	Colin Beever	136,546	437,900	459,000	- 21,100
B26	Facilities Management	Jane Lubbock (acting)	154,901	171,729	171,394	335
B40	Housing Management	Karen Turner	-			-
B41	Customer Services	Ian Barrett	85,490	85,490	85,490	-
B42	Homelessness	Neil Gibson (acting)	17,120	17,120	17,120	-
B44	Neighbourhood Renewal	Val Johnson	73,449	140,649	73,449	67,200
B45	Environmental Health	John Copley	172,546	172,546	172,546	-
B60	Built Environment	John Hill	36,016	36,016	49,100	- 13,084
B61	City Works	Glen Wooldridge	150,000	269,500	150,000	119,500
B62	Planning	Michael Crofton-Briggs	155,043	200,043	170,550	29,493
B64	Transport & Parking	Graham Smith	118,848	393,548	214,848	178,700
B65	Leisure & Culture	Mark Bowler (acting)	150,000	496,745	150,388	346,357
B66	Parks and Green Spaces	Andrew Parsons	72,049	72,049	63,000	9,049

Other/temporary business units

B08	Corporate & Democratic Core		-			-
B63	City Centre Management		6,207	6,207	9,877	- 3,670
B80	Administration		126,863	109,261	110,246	- 985
B81	Highways Holding		282	282	3,064	- 2,782

Total **2,521,000** **3,901,079** **2,645,741** **1,255,338**

Additional Pressures

1,380,079

Add reduction in IS savings because of recharges to HRA etc.

77,355

Less saving on rent paid for Mac Hse (assuming disposal GF01= B97)

- 118,500

1,214,193

Strategic Policy and Research

This business unit was created during the restructuring of the council. Many of the posts were drawn from other business units and although most staff arrived with full salary budgets this did not apply in all cases. In addition there are a number of posts for which associated support budgets were not transferred. The unit also gave up five posts in the course of the restructuring - in effect one third of the policy staff. A number of these posts have been the subject of discussion with Portfolio Holders, other members and, indeed, at full Council. In addition a number of previously identified budget pressures were left unresolved and this situation has still not been rectified. The unit provides a complex mix of services across the council and its customers. It has a direct interface with the local business community; leads on, for example, community safety and social inclusion initiatives; co-ordinates corporate processes such as the development of housing strategy; and manages essential corporate research activity such as the Housing Needs and Stock Condition Surveys.

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	97,711	97,711	This figure has been challenged and discussed with accountants but amendments to the controllable budget have not, as yet, been included. Anticipated final figure up to £25-£30k lower.
Other Expenditure Pressures			
Additional cost of underfunded Enterprise Centre Business Rates	9,000	9,000	
Shortfall on Enterprise Centre income. Unrealistic income target based on undeliverable occupancy rates.	20,000	20,000	This item and that above combined negate the budgeted surplus.
Shortfall on TIC income. Book-ahead income declining nationally due to impact of web bookings etc	Currently unquantified		
Thames Valley Police part-funding of post ends.		16,520	Lack of resource to keep crime audit up-to-date. Reduced ability to successfully bid for evidence based funding for community safety initiatives.
Unfunded increments	1,301	2,000	
Total Other Pressures	30,301	47,520	
Total Savings Requirement	128,012	145,231	
Savings that can be achieved	Savings stated are whole year		
Supplies & Services	12,670	12,670	Reduced ability to initiate corporate projects. Greater call on external funding. Possible impact on funding drawn down for project capacity building. Specific areas affected will be Crime Strategy, Sustainable Development, Social Inclusion and LSP/Community Strategy Development.
Vacant posts	9,504	-	Crime strategy post held vacant for four months - excess beyond turnover saving. Post has now been filled.
Oxford Enterprise Centre	Unquantified	Unquantified	Transfer of Enterprise Centre to TBAC (or other) under one of three models - sale, lease or management arrangement. TBAC currently provide similar business start up premises where additional business support and coaching are offered. Leasing or management would yield ongoing and increased income levels. Discussions are at an early stage and possible benefits remain unquantified but could provide realistic additional savings or income.
Total savings	22,174	12,670	
Shortfall/(excess savings)	105,838	132,561	

Corporate Strategy

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	77,445	77,445	
Other Expenditure Pressures			
Reverse one-off bid for BV work	0	-75,000	Reduction in controllable budget for 2003/04
Total Other Pressures	0	-75,000	
Total Savings Requirement	77,445	2,445	
Savings that can be achieved			
Salaries budgets - Media & Communications (A0101, A0110, A0111)	5,000	0	KP01 - 0.5 FTE e-government work to be funded from KP10 from 1 August - funds released to be used for a media assistant, unlikely to start until 1 November = 3 months salary unused - savings in 2002/03 only
Salaries budgets - e-Government (A0101, A0110, A0111)	10,000	0	KP10 - proposal to fund 1.5 FTE (£45k pa) to develop/deliver e-Government projects. Staff not yet in place so budget will not be fully spent (spare £20k in 2002/03). Work area to transfer to IS business unit in September 02 - 50% of this saving claimed by IS
Overtime budget (A0102)	5,844	5,844	KK02 - no staff eligible to claim overtime!
Contracted transport repairs (C2101)	800	800	KL01 - only part of £1,200 budget needed - excess to savings
Supplies & Services - Performance Management Systems	7,000	0	KJ20 - funds will not be spent in this year. Improved system required – further roll-out and development of current system constrained by software. Devote no further resources to current system – capital bid for new system. Retain funds in future years to cover maintenance/support fees.
Supplies & Services - Best Value Reviews / Improvement Projects	40,000	0	KJ85 - total £95k funding for reviews/improvement projects and BVPP in 2002/03 only - some funds already committed/spent. Savings to be found by reducing scope of work on Community Buildings, Homelessness and Asset Management BVRs (save £15k) and not starting OBS/repairs or Community Safety BVRs (save £25k) - N.B.: insufficient staff resources in Corporate Strategy to deliver this work - funding needed to bring in specialist skills/expertise/advice. Not sustainable savings – work to be rescheduled to later date and a bid made for funding in future years as only £20k in base budget (part needed for BVPP publication) - staff resource issues remain. Significantly slows progress with performance improvement across the organisation – likely to lead to further criticism under BV and CPA if improvements not made by other means.
Supplies & Services - Local Strategic Partnership	5,000	0	KK04 - Unlikely to spend full budget in 2002/03 - £5k of £8k offered to savings. No resources to deliver this work in Corporate Strategy. Restructure work in Strategic Policy & Research Unit to accommodate the work and move remainder of budget there. Retain full budget for work in 2003/04.
Supplies & Services - Consultation Strategy	1,500	1,500	KW02 - some scope to trim budget through slimmed down training/exchange events, etc. Can continue to meet overall objectives through less high profile work but likely reduction in new/development work. Could be criticized by DA as already considered to be an under-resourced area
Supplies & Services - Emergency Planning	2,750	1,000	KL01 - transfer mobile phones to central contract - save approx. £750 in 2002/03 and £1000 pa thereafter; standby payments will not all be made in 2002/03 as insufficient volunteers in place - save £2000 in 2002/03 only
Supplies & Services - City newspaper	0	10,000	KP03 - savings 2003/04 by ceasing City news and replacing with more pro-active information and promotional publications. No savings in 2002/03 as October and February editions will need to go ahead due to contractual commitments.
Total savings	77,894	19,144	
Shortfall/(excess savings)	-449	-16,699	

6

Human Resources

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	64,130	64,130	
Other Expenditure Pressures			
Incremental progression		3,600	
Total Other Pressures	-	3,600	
Total Savings Requirement	64,130	67,730	
Savings that can be achieved			
Supplies & Services	4,000	4,000	Less training for HR staff. No Christmas party for retired employees.- already agreed June 2002
Redeployment budget (DC21)	15,000	27,000	Severely limited redeployment - Business Managers will be asked to fund training and protected salaries. This will cause budgetary and operational problems for other Business Units. The savings in 2003/4 assume some of the staff involved will be permanently transferred or leave. Likely outcome will be pressure to review Council policies. The Convenor post is temporarily funded from this budget and 2003/4 saving assumes confirmation of deletion of this post.
Delay Trainee post	12,500	-	Delay in updating HR computerised records system. Reduced service levels in recruitment and contract administration. Delay in producing employment contracts and monitoring information for RES and PI's etc.
Training Officer	28,642	-	Delaying appointment to this post until April 2003 will mean little progress on corporate training plans, Investors in people, management development and training review in 2002/3. Appointment to this post in 2003/4 assumes there will be further funding for these initiatives as all are currently unfunded. If no funding forthcoming then need to review whether to continue with the function and therefore possible different savings in 2003/4 (i.e. delete this post and reinstate redeployment budget, though this is not considered a viable option.)
Positive Action	2,000	16,000	End of Positive action scheme. (2/3 of budget already taken in March 2002)
Total savings	62,142	47,000	
Shortfall/(excess savings)	1,988	20,730	

Notes: These level of savings mean that the service will have insufficient funds for corporate pro-active work (see comments on Training Officer savings). If funds are to be freed up from within Business Unit then they can only come from reducing staffing levels through voluntary redundancy.

Modernisation

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	142,316	142,316	Includes £1,200 in respect of KU11 which is being spent by Human Resources and not Modernisation
Share of KS05	9,690	9,690	
Other Expenditure Pressures			
Incremental progression		6,406	
Loss of income from Housing	22,300	22,300	
Current overspend on KU11 re training	4,500		This budget is being spent by Human Resources
Total Other Pressures	36,490	38,396	
Total Savings Requirement	178,806	180,712	
Savings that can be achieved			
Lord Mayors Secretariat	8,774	8,774	12% reduction on budgets that were fully spent last year. For particular attention, this saving deletes the budget for the replacement of uniforms and the maintenance of members' gowns and civic bearings. It cuts by half the budget for floral decoration
Civic Hospitality	1,378	1,378	12% reduction in Civic Hospitality. Reduced programme will need to be achieved.
Members Allowances/Support etc.	11,381	11,381	97% is members' allowances. Cut represents reductions in discretionary allowances based on last year's spend. The conference budget has been cut by 25% because 25% less than the budget sum was spent last year. Supplies and services cuts will be hard to achieve.
Area Committees General	4,608	4,608	Area Co-ordinators' overtime payments. The rest of this budget represents salaries.
Overview & Scrutiny	5,300	6,900	12% of the remainder of a vacant post in Scrutiny plus 12% of the research budget. This would reduce resources in a developing area where less than 1/3rd of a post exists as a permanent resource.
Exec Board	5,000	5,000	Whole budget. Executive Board is not publicised in the manner assumed when this budget was set up
Area Committees Specific	5,000	5,000	Reduction in Area Committee publicity budget. Committee Chairs have decided to discontinue adverts on lamp posts. This amount represents 1/5th. of the cost of this. The actual cost is more than this. See "Savings that need member decision". 2002/03 .
Committees	16,340	16,340	12% cut on this mainly staff cost centre. This would leave no room for manoeuvre in this budget and, for 2002/03, will exercise staff considerably .
Data Protection	401	401	Cost centre is salary of one officer undertaking access to information, data protection and scrutiny work. Cuts represents most of the supplies and services budget.
Election/Electoral Reg'n	6,800	56,600	Statutory service. Cut in supplies and services budget. Majority of budget already spent on City elections. One off saving for 2003/04 of £45,000 because no City Council elections next year. This budget will need to be reinstated for future years.
Typing Support	8,000	8,000	Remainder of post where officer has elected to work part time.
Sub-total savings	72,982	124,382	
Shortfall/ without member decisions	105,824	56,330	

Name Of Business Unit			
B06 Chief Executive			
	2002/3	2003/4	Implications for Business Plans/Service Delivery
	£	£	
Savings Target	26,692	26,692	<i>same figure in both years EXAMPLE SHOWN</i>
Other Expenditure Pressures			<i>include previous savings not achieved include overspends identified as part of monitoring</i>
Total Other Pressures	-	-	
Total Savings Requirement	26,692	26,692	
Savings that can be achieved			
Employees	26,692	26,692	Vacant post deleted. Resource implications for Corporate Secretariat
Total savings	26,692	26,692	** Please note that information is provisional only; subject to confirmation on 19/8
Shortfall/(excess savings)	-	-	

12

Financial Management Savings

	2002/3 £	2003/4 £	Notes
Savings Target	142,533	142,533	
Share of Facilities Management saving	1,242	1,242	
	143,775	143,775	
Other Pressures			
Bumped redundancy costs	3,229		insufficient for replacement post in current year redundancy assumed 1/4/02, additional cost
redundancy @ 30/11/02	19,100		
SLA problems	15,162	15,162	previous savings passed onto non General Fund accounts
Coin Disposal	10,000	10,000	offset by additional income see below
Cash Van Contract - additional costs	14,815	14,815	offset by additional income see below
CM48/CM49 misc budgets	4,000	4,000	budget only 50% achieved
Increments in future years	0	7,876	
Income Inflation	1,395	1,395	not achievable
Total Other Pressures	67,701	53,248	
Total Savings Requirement	210,234	195,781	
Potential Savings			
Supplies & Services (prev identified)	13,000	13,000	
Vacant/frozen posts - Accy only	93,000	77,340	These posts are vacant Service provision depends on staff centralising in one place. Estimated cost of this is £30k. No funding currently available, alternative solution being sought Systems support ok whilst project team in place, needs reviewing if project team dissolved
Vacant/frozen posts - Cashiers	8,500	16,660	counter waiting times likely to increase. Debit card payment machine at estimated cost of £18k will help as payments by phone can then be made 24-7. Link to e-government, funding from e-gov? or capital?
Parking Shop Income	56,900	56,900	additional income from County used to fund Coin disposal & Cash Van contract. Contract with County being resolved.
CL49 misc budgets	14,777	14,777	
Supplies & Services Inflation	3,364	3,364	
Sharing Staff resources with IA	6,860	13,720	
One-off Supplies & savings	13,833	20	
Total potential savings	210,234	195,781	
Shortfall/(excess savings)	0	0	

13

Revenues and Benefits

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	238,000	238,000	<i>same figure in both years</i>
Other Expenditure Pressures			<i>include previous savings not achieved</i>
Had potential for staffing overspend in benefits	35,000	35,000	<i>include overspends identified as part of monitoring</i>
IT costs	50,000	84,000	based on 4 year replacement programme - servers, desktop, platform an DIP - capital bid potential
Total Other Pressures	85,000	119,000	
Total Savings Requirement	323,000	357,000	
Savings that can be achieved			
Overtime (CD42)	5,500	5,500	<i>As we are seeking improvements in productivity in normal hours- cutting overtime should not impact</i>
Unpaid leave (CD42)	2,500		
Training post entry	2,800		
training short courses	7,000		
Furniture and equipment	3,000	3,000	
Print unit recharges	5,000	5,000	Although not yet quantified would expect to reduce further in year 2 - linked to E-gov
Staffing secondment - return budget	18,000	36,000	Homeless budget will fund from sep 2002 to march 2003. May have to come back into budget for 2003/4
Postage and Carriage	10,000	10,000	Could pay HB cheques by BACS
Conferences	1,000		
Review of processes	15,000	15,000	Staffing implications - estimated savings based on 5 year savings of circa £75,000
Telephone re-charges			
Potential other staff vacancies	30,000	30,000	staff resigned, posts not yet filled. Impact on current productivity.
End temp contracts and maternity cover	45,000		Would impact on income collection
supplies and services (DA15)	5,000	5,000	
CD rom and microfilm	5,000	5,000	
Review funding of CAB secondments	10,000	10,000	estimate - could be tied in with grants - need to review political implications
Frozen post	25,000	25,000	Income post
Remove travel concessions	2,300	4,600	Would need change of corporate policy
Licences (non-transport)	14,000	14,000	Software licences now in IS budget?
Total savings	206,100	168,100	
Shortfall/(excess savings)	116,900	188,900	

41

Legal Services

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	101,939	101,939	
Other Expenditure Pressures			
Increments to be paid 2003/4	-	9,899	Increment figure advised by Accountancy
Contribution to KS05(Admin support)	5,520	5,520	Increase in the sum to be saved by reason of the transfer of 2 members of legal services staff into the KS04 code.
Total Other Pressures	5,520	15,419	
Total Savings Requirement	107,459	117,358	
Savings that can be achieved			
One off contribution (ex vacant posts)	35,809		During the course of the year there have been a number of vacancies that arose within the business unit.
Total savings	35,809	-	
Shortfall/(excess savings)	71,650	117,358	

15

Internal Audit Business Unit

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	38,124	38,124	
Other Expenditure Pressures			
Unfunded increments	2,156	3,433	
Apportioned admin support saving	1,241	1,241	
Recruitment difficulties		5,000	Unable to recruit to Auditor posts at current salary levels. Failed to attract candidates to part qualified post, qualified post vacant from 19/8/02
Total Other Pressures	3,397	9,674	
Total Savings Requirement	41,521	47,798	
Savings that can be achieved			
Fill vacant Auditor post (1) from FM - saving £28,000 (-2%) shared with FM	6,860	13,720	Implications for FM. Assumes start date 1/10/02 Impact on Audit Plan. Re-training costs in Internal Audit.
Delay recruitment to Auditor post (2) to 1/1/03	2,900		Impact on Audit Plan - 10% reduction in coverage.
Delay recruitment to Auditor post (2) to 1/4/03	4,700		Impact on Audit Plan - 16% reduction in coverage. Adverse DA comment expected
Reduce Internal Audit/Insurance service	5,390	10,780	High risk if insurance cover shifts risk to Council to minimise increased premium costs.
Increase Benefit Fraud sanctions subsidy	20,000	20,000	Decrease ground level fraud activity - already 40% of referrals are not investigated May not be sustainable in future - depends on DWP subsidy scheme
Total savings	39,850	44,500	
Shortfall/(excess savings)	1,671	3,298	

91

Name Of Business Unit

Information Systems

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
£233,000 savings made pre 1 April = 3 x redundant posts = £134,348 supplies & savings = £98,652			(General fund - 75% = £174,750; HRA - 21% = £48,930; City Works - 4% = £9,320) 3 x manager posts lost leading to lack of management structure in the unit, zero-based hardware/software/network spend requirements - reduced the ability to respond rapidly to service failure
Savings Target	145,887	145,887	
Other Expenditure Pressures			
Salary Increments	0	5,360	
Turn over savings	19,500		
Shift/standby allowance	21,600	0	A small number of staff are currently paid shift/standby allowance which is being reviewed corporately. There may be costs associated with buying this out which would then release savings in future years - assumed 1.5 X annual cost
Total Other Pressures	41,100	5,360	
Total Savings Requirement	186,987	151,247	
Savings that can be achieved			
<i>Network support</i>			<i>Service is very vulnerable without either staff in post or the ability to buy-in support as required - proposal to appoint to post at a lower grade than previous incumbent and release funds for external support</i>
Vacant post - Network Manager	16,000	4,000	post vacated end June 02 - replace by 1 Dec at lower grade - save 5 month salary costs in 2002/03
Supplies & Services	26,000	39,000	met by minimizing network/comms contingency and canceling plans for increased network resilience in Town Hall & Blue Board Street - any remedial work or improvements to the network would need to be funded separately
<i>Agresso support</i>			<i>On-going work required on Agresso systems - part of function undertaken by secondee from City Works/OBS plus provision made to buy-in support as required. Proposal to make secondment permanent, funded through vacant post, and release funds for external support - may impact on other business units</i>
Vacant post - Agresso project leader	18,700	0	post vacated end Mar 02 - replace by 1 Oct - save 6 months salary costs in 2002/03
Supplies & Services	6,000	12,000	remove Agresso support funds - on basis that re-fill Agresso post and provide support in-house
<i>Standby/Shift Allowance - removed</i>	7,200	14,400	being negotiated corporately - assumes full half year saving - possible costs associated with implementing the changes? (See pressures above)
<i>Supplies & Services</i>			<i>zero-based running costs of unit</i>
Across all cost centres	38,000	38,000	budgets assessed against previous years' spend and predicted future spends
<i>E-Government</i>			
Savings from unfilled post	10,000	0	total savings of £20k in 2002/03 as revised staffing arrangements will not be in place for the full year - saving shared with Corporate Strategy Unit
Total savings	121,900	107,400	(NB: 1FTE vacant post - £30,332 - has <u>not</u> been included as it primarily delivers work for the HRA)
Shortfall/(excess savings)	65,087	43,847	Full review of the Business Unit is needed to assess customer needs, service provision, SLAs, staffing structures, skills gaps, etc. Any further cuts at this stage may make service improvements untenable. Aim to identify further savings for 2003/04 once review has been completed.

17

PROPERTY INVESTMENT

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	136,000	136,000	
Other Expenditure Pressures	60,000	-	Estimated compensation re:Ombudsman
	7,000	-	Staff left 30/4/02 but budget assumed 1/4/02
	1,000	600	Increments
	4,300	4,300	Share of Admin budget previously part of Admin (KS05)
	50,000	50,000	Estimated reduced service charge income eg Bury Knowle, Northway, Barton.
	38,000	128,000	Shortfall on BDC capital fee income (assumes no capital work in 2003/4)
	35,000	35,000	Work not done for HRA by Estates Team and therefore shortfall in income
	84,000	84,000	Shortfall on Covered market rents if 20% increase from 1/4/2002
	7,000		Delay in disposing of Thomas Hull Hse
Total Other Pressures	286,300	301,900	
Total Savings Requirement	422,300	437,900	
Savings that can be achieved	18,000	18,000	Supplies and Services
	25,000	25,000	Reduction in Property maintenence programme
	22,000	-	Delay in filling Senior Valuer vacant post
	428,000	343,000	Estimated additional rent income - but subject to verification and assumes no further sales
	-	30,000	Take management of craft and farmers market in house
	-	-	Hold a Saturday Open Market
		43,000	Saving from disposal of Mac Hse (also 118k rent saving in corp GF01)
Total savings	493,000	459,000	
Shortfall/(excess savings)	(70,700)	(21,100)	

81

Facilities Management

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	154,901	154,901	
Other Expenditure Pressures			
Increments to be paid 2003/4		3,828	Figure advised by accountancy
Additional budget required	3,000	3,000	To fund the cost of caretaking staff delivering and collecting presentation equip to Area Committees
Additional budget required	10,000	10,000	Budget to fund archivist
Total Other Pressures	13,000	16,828	
Total Savings Requirement	167,901	171,729	
Savings that can be achieved			
BG30 RoseHill premises costs	145	145	Reduced spending on cleaning materials
BG31Woodfarm premises costs	101	101	Reduced spending on cleaning materials
BN05 Courier salaries	4,101	4,101	Reduce overtime budget
BN05 Courier premises cost	283	283	Courier van to be parked behind SAC. Council garage given up
BN05 Courier transport	500	500	Reduce vehicle and other travel costs
BN05 Courier supplies and services	906	906	Reduce budgets to a minimum to run service
BL10 Town Hall salaries/training	22,503	22,503	Delete vacant post and unused salary budgets
BL10 Town Hall Supplies and services	3,811	3,811	Reduce budgets
BL10 Town Hall income Commercial lets	20,000	20,000	Income target figure increased in line with projected income
BL11Catering salaries	674	674	Cut budget for use of casual catering staff
BL11 Catering cleaning supplies	50	50	Reduce budget
BL11 Catering Supplies and services	3,261	3,261	Reduce budgets for laundry, repairs and replacement equipment
BQ11 Switchboard salaries	2,153	2,153	Reduce budgets
BQ11 Switchboard supplies and services	18,617	18,617	Reduced telephone bills, no longer print internal telephone directories
BR01 Caretakers salary costs	314	314	Cut training budget
BR01 Caretakers premises costs	3,032	3,032	Reduce spend for cleaning materials
BR01 Caretakers supplies and services	4,996	4,996	Cut all budgets to minimum, reduce uniform replacement
BR02 caretakers salaries	10,252	10,252	Delete vacant post at Barton and overtime to fund absence cover
BR02 caretakers premises costs	724	724	Reduce spend on cleaning materials
BR02 caretakers supplies and services	1,602	1,602	Reduce spend to bare minimum to support service
CD38 Post room salaries	7,302	10,955	Reduce establishment, cut vacant .6 of a post , reorganise service
CD38 supplies and services	1,594	1,594	Cut budget for equipment repairs/telephone costs
DS51 Cleaners salaries	5,393	5,393	Cut vacant post* no cover for holidays/absences. Reduction in service standards
DS51 Cleaners cleaning materials	701	701	Cut budgets to bare minimum
DS51 Cleaners supplies and services	857	857	Cut budgets to bare minimum
KT11 Print salaries	10,451	10,451	Cut unused budget
KT11Reduce supplies and services	43,418	43,418	Budgets reduced to minimum. Print to be externalised from 1st December 02
Total savings	167,741	171,394	
Shortfall/(excess savings)	160	335	

Notes
Savings offered above

The savings listed above are achievable and have been checked by the service accountant. The impact of these savings will affect the service as follows

Two post room areas are to be merged to create saving/reduce duplication

No budget available to provide additional courier deliveries to members when there are extra meetings

No budget to print future internal telephone directories. This information will need to be obtained from the intranet or via local printing

Budgets for cleaning material/toilet requisites cut to a minimum

All float posts cut so no provision to clean offices etc during absences other than existing staff covering

61

Customer Services

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	85,490	85,490	
Other Expenditure Pressures			
		-	
Total Other Pressures	-	-	
Total Savings Requirement	85,490	85,490	
Savings that can be achieved			
Supplies & Services	15,490	15,490	
Vacant posts			
1 FTE Receptionist (Full year)	15,500	15,500	Reduce opening hours - 2 Options - Reduce Summertown LSS to 4 days and Northway to one day or Summertown 3 days and Northway to 2 days.
1.5 FTE CSO's	31,000	31,000	Ditto
12 hrs Supervisor/Trainer post	8,500	8,500	Ditto and reduces training capability.
Other			
35% Operations Manager Attributed to HRA	13,000	13,000	Work undertaken to cover posts for staff savings achieved in HRA totalling £56K - Funding agreed with HM BU
Child care Subsidy	1,000	1,000	
Short Courses	1,000	1,000	
Total savings	85,490	85,490	
Shortfall/(excess savings)	-	-	

20

Homelessness

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	17,120	17,120	
Other Expenditure Pressures			
Total Other Pressures	-	-	
Total Savings Requirement	17,120	17,120	
Savings that can be achieved Supplies & Services	17,120	17,120	
Total savings	17,120	17,120	
Shortfall/(excess savings)	-	-	

Neighbourhood Renewal

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	73,449	73,449	
Other Expenditure Pressures			
1 FTE Housing Development Officer	10,400	42,000	Required to implement housing development schemes as set out in local plan and to develop a more strategic approach to housing development funding (eg ORLITS) and implement team structure.
1 FTE Housing Development Support Worker	12,500	25,200	To retain existing member of support staff
			Other pressures have already been met within existing budgets which makes further reductions even more difficult. This includes projects which generate income to the Council, including: Neighbourhood Warden, Healthy Living Bid and Crime Retail Bids.
Total Savings Requirement	96,349	140,649	
Savings that can be achieved			
AE04 Community Recreation Vacancies	27,691	34,002	Loss of Community Development manager post
AE05 Review of play development	16,202	16,202	Reduction in the level of support for City after school and holiday play schemes.
KQ01 Review of equal opportunities	20,607	20,607	Reduction of support to community groups working on diversity issues.
Partnership for Youth	20,000		
		2,638	KQ01 Equal Opportunities - Books & publications
Total savings	84,500	73,449	
Shortfall/(excess savings)	11,849	67,200	

Environmental Health Business Unit

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings / Cuts Target	172,546	172,546	
Other Expenditure Pressures	-	-	
Total Savings Requirement	172,546	172,546	
Delete frozen vacant post in Occupational Health and Safety Team	6,201	12,402	Loss of proactive health and safety inspection programme for low risk commercial premises. This will mean the City will only have an involvement when accidents and complaints are made. The HSE may criticise the City as it wishes to encourage LAs to capacity build, (awareness raising, etc). Loss of sampling and advice service - swimming pools. Work done at no charge for Leisure. This saving would mean that Leisure may need to make an alternative arrangement. The loss of the EH auditing and advice role may adversely affect public confidence. (Note recent events at Barrow)
Improve service to disabled clients and capitalise half Grant Officer post	6,296	12,593	Will better meet client needs and will help with DDA Compliance. The cost will be met by the capital programme and will replace the cost of fees currently paid by the capital programme to private contractors for similar work.
Delete half Environmental Promotion Officer post and redeploy into vacant 1/2 post in Pollution Noise and Licensing team)	5,671	11,343	Cease all waste recycling projects. Halve promotional support to unit & County. Cancel EMAS contribution. Cancel LA21 contribution. BV PI 166 returns will reveal reduction. This will leave 1.5 posts in Environmental Promotion covering the matched funding to the New Opportunities Fund project, some environmental awareness work and the work for the Unit to BVPI166 Compliance.
Reduction in target hardening programme	8,000	-	Programme transferred to EH April '02, underspend in 02/03 due to staffing shortfall. Full spend in 03/04 will require reduction in fuel poverty and energy awareness work.
Delete frozen vacant post in HMO Team	18,782	37,564	Loss of proactive inspection programme of medium and low risk residential premises. Lengthen service response time to reactive calls by 2 days. This will mean that the City will only have an involvement when incidents and complaints occur. The Gov. Office for the South East may criticise the City for not carrying out this work.
Temporarily reduce staffing hours for residue of year (1 x 7 hrs SO1) (1 x 2.5hrs PO16)	4,765 2,220	-	This will leave weakened resources in food and multiple occupation, hence there will be increased service vulnerability in times of unplanned and planned staff absences.
Delete student EHO post	6,750	13,500	This will be vacant prior to 1st October so the half year saving is also achievable. Placements are very difficult to secure for students and there is a national shortage of EHOs.
Reduce hours of work for Staying Put Project Assistant. (Vacant) (1 x 10hrs ACT 3)	1,000	4,000	10% cut to project cost to Council. No loss of productivity, efficiency gain. Further work to follow on partnership agreement.
Delete frozen vacant post in Pest Control Team	2,947	5,894	This will bring Cutteslowe budget out of deficit. It will make permanent the current under-resourced service situation but will ensure that the Cutteslowe operation can function within budget. Service delays will therefore continue.

23

Environmental Health Business Unit

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Delete 1 x Pest Control Van (see above)	2,745	5,490	Arising from above.
Further staffing savings Achieved by 01.09.02	43,470		<p>This will mean that the Business Plan work targets will be abandoned. Response times to requests for service will remain lengthy and this will bring complaints. In times of sickness and unavoidable absence specialist service cover will disappear. Advice will be increasingly supplied via telephone without a site visit to assess options. Drainage work will be restricted to emergency only on private sewers and drains. The HMO Registration Scheme targets will be unmet. There will be a reduced input to the planning application process. The inspection of food premises in Categories D, E and F will cease. There will be a reduction in the programme for inspections of food premises in Cats A, B and C. The food sampling programme will be suspended. The improvement plan agreed with the Food Standards Agency will not be progressed. Contaminated land programme of work will remain dormant. Reduced capacity for partnership working. Ceasation of work experience and training placement facility. Reduced capacity for corporate working as new projects. Criticism from Government and Auditing Regimes. Future unquantifiable costs arising from need for corrective action. Future recruitment difficulties?</p>
To be achieved (through vacancy management and suspension of planned work)	20,268		
Out of hours rota service reductions	7,500 2,600	15,000 8,310	<p>Achieve by revised visits criteria to screen out lower priority requests. Fewer visits will then be made.</p> <p>2002/03 saving reduced through costs of contractual buy-out. Out of hours service costs remain subject to demand.</p>
24 Savings from disposal of Castle Street office (EM01 & JA19 provisions)	1,003 177 154 97	2,006 354 309 194	Disposal in September '02. (Source: Business Manager, Property Investment)
Raise additional Income-via increased charges			
asbestos service	500	1,000	Asbestos - introduce a charge of £50 for the sampling & advice service. This is far lower than market rate.
food hygiene training	500	1,000	Food hygiene courses- raise fee from £54pp to £65pp. Competitive in the market place.
health & safety training	1,000	2,000	H&s courses - Raise charge from £62pp to £99pp. Half day courses £50pp. This is still competitive in the market place. Income achievable by running a further 4 courses p.a.
pc service	2,000	6,000	Pest control - introduce £20 charge for treatments currently free. This will still be a subsidised service and will be markedly less costly to service users than the market rate.
punt hire	500	1,000	Provisions are in place for such charging
sex shops	1,000	2,000	Sex shops - no charge at present.
skin piercing	500	1,000	Skin piercing - raise charge from £49pp to £75pp and for premises from £99 to £150. This is in keeping with other LAs.
			All proposed charges are conservative. Subject to further research and legal opinion.
Supplies & services cut	12,400	14,587	Achievable. Assumes other savings/cuts are made.
Transport savings	13,500	15,000	Achievable. Assumes other savings/cuts are made.
Totals	172,546	172,546	

B60 Built Environment

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	36,016	36,016	
<u>Other Expenditure Pressures</u>			
None	-	-	
Total Other Pressures	-	-	
Total Savings Requirement	36,016	36,016	
<u>Savings that can be achieved</u>			
Supplies & Services	4,000 2,000	4,000 2,000	Taken from Development Team budget (BN24) This represents a 20% cut Taken from Shopmobility budget (FA27). This represents a 20% cut. In both these cases money will be taken mainly from staff training budgets which are already very small.
Employees	12,200	12,200	Realignment of business manager's salary based on head count within each section of business unit. Building Control ring-fenced account to pick up more equitable share of salary.
	5,400	5,400	Honoraria no longer paid
Budget of £25,500 for vulnerable post	12,750	25,500	Move budget of £25,500 for vulnerable post to follow work within another BU or change Council Policy on vulnerable posts to achieve the savings. (Note: if budget moved within Council, this would be a saving for the Business Unit but may not be an overall saving for the Council).
Total savings	36,350	49,100	
Shortfall/(excess savings)	- 334	- 13,084	

25

B61 City Works

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	150,000	150,000	
<u>Other Expenditure Pressures</u>			
<u>2002/03 bids</u>			
Restoration of 3 day leave	-	46,000	Reinstatement effective from 1 April 2002. On-going budget requirement.
Public toilets-refurbishment programme	-	35,000	Future refurbishments to existing toilet facilities could not be accomodated without ongoing budget.
<u>Unachievable saving</u>			
Budgeted surplus from redundancies	38,500	38,500	In setting the budget it was assumed that there could be a contribution to the General Fund from deleted posts made redundant from the trading account. It was assumed that the costs of redundancy and on-going pension costs would be absorbed centrally. However, it has since been disclosed that the trading account has to pick up the costs, totally £89,000 in 2002/03.
Total Other Pressures	38,500	119,500	
Total Savings Requirement	188,500	269,500	
<u>Savings that can be achieved</u>			
Business unit to absorb savings target and other pressures	188,500	150,000	Work being undertaken to establish if the business unit can absorb the savings as there was a surplus of £200,000 in 2001/02. There is a number of additional costs hitting the trading account in 2002/03, including additional pension/redundancy costs £89,000 .
Total savings	188,500	150,000	
Shortfall/(excess savings)	-	119,500	

26

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	155,043	155,043	Savings target set on a controllable budget which included £100,000 of bids. Target should have been reduced by approx £10,000 as bids only one-off.
<u>Other Expenditure Pressures</u>			
<u>2002/03 bids - ongoing expenditure in 2003/04</u>			
Counsel	-	40,000	The quality of the service and outcomes would be diminished if the Council did not have external Counsel to act as advocate and run the Council's case at Public Inquiries (eg appeals and call-ins by the DPM). The Council would be severely disadvantaged without such representation, which amounts to an estimated 4 inquiries at £10,000 per inquiry. The Council seeks to control development in the public interest. Without this support the Council would not meet the aims of sound management, strengthening local communities and improving the physical environment.
Nature surveys	-	5,000	Annual programme of independent surveys/data centres which is required to support Local Plan policies and help secure significant additional external funding. Without this sum the Council would not meet some of the objectives of strengthening local communities and improving the physical environment.
Total Other Pressures	-	45,000	
Total Savings Requirement	155,043	200,043	
<u>Savings that can be achieved</u>			
Development Control income	80,000	80,000	Extra income from planning applications can be used as a saving without reducing the planning service. However it must be recognised that offering increased fee income up is not without some risk. 67% of 2002/03 income budget has been achieved by 31 August.
Local Environmental Action Fund (LEAF)	50,000	50,000	The LEAF budget will be deleted so this service will no longer be provided.
Affordable housing SPG	50,000	-	Additional saving in 2002-03 only due to winning the Court of Appeal case on the affordable housing SPG
Vacant posts	25,043	20,550	During 2002/03 there will be no urban designer post to offer advice to DC on planning applications, advance any development guidelines/supplementary planning guidance for new sites coming forward or to support the First Draft Oxford Local Plan or assist the conservation section with outstanding project work. The post will be filled in 2003 otherwise the quality and level of service will be reduced. Also the implementation of the new Local Plan design related policies, which have been widely supported by the public and members, will be compromised. For 2003/04 the Research/Monitoring post in Planning Policy will be deleted as a saving. To minimise the impact on the service, there will be a redistribution of some tasks. However, there will be a loss of research capability which helps to support Local Plan policies and appeals.

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings that can be achieved (cont'd)			
Planning Bank	-	10,000	Without the flexibility of being able to bring in people for short periods to deal with planning applications or in other areas of acute stress, there could be implications on the performance of the development control service in terms of the speed of determination of planning applications. The worst case scenario is that we would slip back and be summonsed by the Minister for Planning again. The Council is still identified as one of the 75 worst performing authorities and this tag will remain until at least March 2004. To pull the plug on the Planning Bank would go against everything that the Best Value inspectors commended us on. The Planning Bank is currently used to fund a very experienced planner dealing with Ombudsman cases, formal complaints and complex queries, scanning staff for the internet development and anybody else required at peak times.
Archeological Service	-	5,000	There is uncertainty about the implications of the post losing its full-time status. However, there is some scope to review the arrangements the Council currently has in place.
Supplies & services	-	5,000	
Total savings	205,043	170,550	
Shortfall/(excess savings)	- 50,000	29,493	

28

B64 Transport & Parking

	2002/3	2003/4	Implications for Business Plans/Service Delivery
	£	£	
Savings Target	118,848	118,848	
<u>Other Expenditure Pressures</u>			
Rates saving at Westgate car park	40,000	40,000	Property Manager five-year plan saving in 2001-02 has not yet materialised. Decision due to be made September 2002.
Concessionary Fares	-	234,700	Estimated additional cost of including men over 60
Total Other Pressures	40,000	274,700	
Total Savings Requirement	158,848	393,548	
<u>Savings that can be achieved</u>			
Concessionary Fares	150,000	100,000	Saving due to average number of trips not increasing, & first time complete information has been available to base financial projections on.
Westgate customer care staff	55,000	26,000	
Supplies & services	-	10,848	
Plant maintenance	-	10,000	
Building maintenance (day to day)	-	10,000	Will result in a reduction of income to OBS
Introduction of evening charges	25,000	58,000	Continuation of day-rate charges until 8.00pm at City Centre car parks. Assume implementation at beginning of November following consultation. Assumes 40% resistance.
Total savings	230,000	214,848	
Shortfall/(excess savings)	- 71,152	178,700	

29

B65 Leisure & Culture

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	150,000	150,000	Sports Development function no longer deliverable - post deleted Central management budget deleted Funding for arts development projects deleted.
Other Expenditure Pressures			
<u>New Administration Priorities</u>			
Hinksey Pools - extended season		20,000	Manifesto commitment to extend operating season and opening hours. Insufficient funding in New Administration's Priorities to fund full extent of opening, ie May- Sept, 7.30am-9.00pm.
<u>Closures & repairs:</u>			
Blackbird Leys Pool Filtration Plant		15,000	The pool will be closed for 3 months to replace the plant which will result in loss of income.
Loss of income Ferry Sports Centre		215,000	The closure of the centre for 6 months to undertake replacement of the roof and hopefully development work associated with capital investment will result in a loss of income. Savings maybe achieved by moving staff to operate Hinksey for the season, if programming of the capital works allowed.
Funding - contingency		100,000	Contingency for closure and repairs, as reported to Exec Board 8 July 2002. There is also a contingency budget of £100,000 for any necessary works in 2002/03.
<u>Other pressures</u>			
Staffing & conditions of service		?	The changes in conditions of service for the existing establishment will have an impact on the budget. £100,000 was built into the base budget in 2002/03 to fund the changes from 1 October 2002. The calculations for the full on-going effect have not been finalised yet.
Business Rates shortfall	43,745	43,745	Shortfall resulting from rates review in 2001
Casual income pressure	100,000	100,000	The first quarter of this year has indicated a fall in the number of casual, non Slice Card, visits which is impacting on income. Due to the seasonal variations, a more accurate indication of the likely impact will be available half way through year.
County Council Joint Use Agreement		45,000	The County want to withdraw from the existing agreement due to the schools reorganisation. There may be an impact on income. The figure is an estimate and further work is required following negotiations with the County.
Museum income	?	?	Income shortfall position unknown. However, in 2001/02 income was £7,000 below budget.
Carfax Tower income	?	?	Income shortfall position unknown. However, in 2001/02 income was £25,000 below budget.
St Giles Fair	8,000	8,000	To cover all costs and the contribution to St John's College, fees needed to increase by approx 70%. Increase agreed in 2001/02 was 11% and for 2002/03 7%.
Total Other Pressures	151,745	346,745	
Total Savings Requirement	301,745	496,745	

B65 Leisure & Culture

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings that can be achieved			
Employees	52,930	57,218	Savings taken from deletion of Sports Development post and Instructors and Coaching budgets.
Premises	2,400	2,400	
Transport	1,000	1,000	
Supplies & Services	89,770	89,770	Includes deletion of central management budget and savings from Sports Development
No inflation on Supplies & Services	15,958	-	For 2002/2003 only
Total savings	162,058	150,388	
Shortfall/(excess savings)	139,687	346,357	

31

Parks and Green Spaces

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	72,049	72,049	
Savings that can be achieved			
Staffing Savings			
Parks Area Manager (to be filled 31/10/02)	16,630	-	
Countryside Ranger (to be filled 31/10/02)	9,405	-	
Civil Engineering recharge	10,000	5,000	As the Capital works at Fry's Hill are nearing completion the requirement to Revenue fund Engineers will increase.
Service related savings			
Delay start of 2003 Grass cutting season	5,000	5,000	Grass cutting regime will be delayed until April 2003 saving the cost of one cut across the City.
Reduction in DSO recharges for some maintenance items	4,000	4,000	Savings will accrue from correct application of the Schedule of Rates for building/engineering repairs.
Withdraw Spring baskets	5,000	5,000	Spring bedding in the City Centre will be withdrawn with the possibility of some complaints.
Employ less temporary staff	4,000	10,000	Some scheduling of work will be undertaken to ensure temp staff requirements are minimised.
Additional income from Events	15,000	20,000	A major event in South Park, similar to the 2001 Radiohead Event, could be budgeted for as income.
Additional sponsorship for floral displays	-	5,000	The media coverage of the 2002 Britain in Bloom success has led to an increased demand for new sponsorship opportunities which should translate to additional income.
Theatre companies use of Headington Hill Park	-	5,000	A major theatre company are in negotiation for use of Headington Hill Park for five years from 2003.
Increased income form catering sales in Parks	-	2,000	Prices will be reviewd with the intention of maximising returns in 2003.
Better marketing of the sports facilities will generate extra Income.	1,000	2,000	Additional income from activities such as tennis and athletics can be achieved
Reduction in Plant and equipment costs	??	????	Still being developed but missing savings should be achievable
Total savings	70,035	63,000	
Shortfall/(excess savings)	2,014	9,049	

32

B63 City Centre Management (temporary business unit)

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	6,207	6,207	
<u>Other Expenditure Pressures</u>			
None			
Total Other Pressures	-	-	
Total Savings Requirement	6,207	6,207	
<u>Savings that can be achieved</u>			
City centre managemet		9,877	Savings on city centre management budget as a result of setting up of company Saving made up of deleted budgets and unrequired inflation
Total savings	-	9,877	
Shortfall/(excess savings)	6,207	- 3,670	

33

B80 Administration

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	126,863	126,863	
less savings to be achieved by other BM's	21,992	21,992	
Revised savings target	104,871	104,871	
<u>Other Expenditure Pressures</u>			
Increments to be paid in 2003/4 KS01		3,000	
Increments to be paid in 2003/4 KS05		1,390	
Total Other Pressures	-	4,390	
Total Savings Requirement	104,871	109,261	
<u>Savings that can be achieved</u>			
Employees - (BN20) Ramsay House	26,500	33,400	No training budget and no resource to transfer to Corporate Secretariat Achievable if staffing changes made as a result of finalizing the Admin/Structure Review. Would reduce administration services in Ramsay House.
Employees - (BN20) Ramsay House	10,500	34,100	
Employees KS05	13,078	13,078	Vacant post deleted
Employees CD47	2,000	2,000	
Supplies & Services BN20	15,500	15,500	Basic service only possible
Supplies & Services KS05	10,778	12,168	Basic service only possible
Total savings	78,356	110,246	
Shortfall/(excess savings)	26,515	- 985	

34

B81 Highways Holding (temporary business unit)

	2002/3 £	2003/4 £	Implications for Business Plans/Service Delivery
Savings Target	282	282	
<u>Other Expenditure Pressures</u>			
None			
Total Other Pressures	-	-	
Total Savings Requirement	282	282	
<u>Savings that can be achieved</u>			
Salaries	3,064	3,064	Residual salaries budget from termination of agency in 2001/02
Total savings	3,064	3,064	
Shortfall/(excess savings)	- 2,782	- 2,782	

35