

Report of: Scrutiny Budget Review Group

To: Value and performance Scrutiny Committee/Executive Board

Date: 15th January/4th February 2009

Item No:

Title of Report: Budget Scrutiny – Indicative Budget 2009/10

Summary and Recommendations

Purpose of report: To report the findings and conclusions of the Scrutiny Budget Review Group

Key decision: No

Board Members: Councillors Turner and Price

Scrutiny Responsibility: Value and Performance

Report Approved by:

Recommendation(s): The scrutiny committee is asked to consider the conclusions of the Review Group and decide on their recommendations to the City Executive Board. The conclusions are contained in bold within the body of the report alongside findings but are listed below.

The committee is also asked to consider the findings and recommendations from the scrutiny of the activity based costing exercise. These are found at

Appendix 1

Conclusions

More than ever this year officers and members have had to respond quickly to a changing local, national and international background. This has meant that many facets of the budget have not been available for scrutiny so this report must be seen as a work in progress

The budget gap is well thought through with a generally prudent approach to the money needed to deliver services in 2009/10. There are allowances and pressures that remain high risk. These should be considered with other high risk savings when

considering the adequacy of allowances and reserves set aside to support these. The items are listed in the table at paragraph 7

Within the list at paragraph 7 there are 3 big issues that have been known about for some time:

- Single Status implementation costs
- The cost of concessionary fares
- The likely further reduction in interest rates

Any one of these is significant and there still remains uncertainty about the overall likely cost to the Council. The Group concluded that the risk of costs above those allowed is real but was not clear how these would be met

The 200k allowance for high risk savings is adequate based on the scrutiny of savings agreed. The Group would place the following limitations on this view:

- The proposals to bridge the remaining gap have not been scrutinised. A number of the suggestions for debate appear on first sight to be high risk in terms of delivery. In general terms it is expected that the harder the lever on the budget the higher the risk becomes. The Group think it prudent to set allowances for high risk savings at no less than half their total value
- It was not clear to the RG how much of the fund created from paused spending in 2008/09 was to be set aside to rebuild balances and therefore how much would be available to support the high risk items within the budget gap calculation (discussed at paragraphs 7 and 8). The Group think it prudent to identify this amount in the budget

The total savings scrutinised by the RG to set against the 1.24m gap leaves a remainder to be bridged of about 700k. This amount has been reach by taking as agreed the savings “to implement” in paragraph. 15. At the time of writing changes within the budget calculation materially affecting the budget gap have not been made available to the RG so this opinion should be considered with caution.

The report outlining all proposals to balance the budget appears on the agenda and the RG asks the committee to scrutinise these at the meeting to complete this opinion

General conclusions:

A few of savings placed the value in 1 service area with the requirement to find these across all services. This is considered poor practice and all saving should be allocated to their point of delivery

A number of savings either said or it was implied that they required staff reductions. The RG has understood that the Council wherever possible will avoid staff redundancy through the use of vacant posts and staff turnover. When looking at the budget overall and the already inbuilt requirement to consider all vacancies for deletion the Group consider it prudent to make an allowance for severance

The activity based costing process has been used to bring forward savings for debate in low scoring services and the Group is pleased to see this link made. The potential for more use to be made of this process across all services for the future should not be lost. The RG particularly refer the committee to the interim report at Appendix 1 and recommendations aimed at further refining the process towards value for money and service development

Introduction and Methodology

- 1 The Value and Performance Scrutiny Committee agreed to set a Review Group (RG) to consider the indicative proposals to fund Council services for the coming year. The councillors nominated to undertake this work were Cllrs. Simmons, Goddard and Hazell with Cllr. Simmons agreeing to Chair the Group.

The RG recognised the challenging task presented to officers and councillors this year in providing a budget to support Council services. The Group wishes to pass on it's thanks to all councillors and officers who have supported this review and would commend their positive and open attitude in difficult circumstances

- 2 The Group agreed within It's scope to test:
 - The financial assumptions within the 08/09 budget and the predictions for the 09/10 budget for robustness and deliverability
 - The scoring and outcomes from the ABC process for consistency and links to efficiencies and savings proposals
 - The outcomes from the budget consultation exercise and if these are reflected adequately in the budget proposals, MTFS and Corporate Plan

The Review Group has already reported to the Cross Party Working Group on the activity based costing exercise and this report is attached at **Appendix 1** for this committee agree its recommendations.

3. The detailed lines of enquiry for the remainder of the scope developed as the review progressed and limitations were placed on these by the availability of information for scrutiny. This was particularly so for additional proposals to bridge the remaining budget gap outlined in the

advertised proposals. In outline the lines of enquiry were those in the table below

Is the budget gap for 09/10 detailed robustly

Detail	Tests
<p>Annual savings target plus additional pressures - £2.95m (MTFS)</p> <p>Annual savings target plus additional pressures - £5.45m (indicative budget)</p>	<ul style="list-style-type: none"> • Is 08/09 expenditure and income to budget • Are new spending plans approved delivering to target • Are 08/09 savings to be met as detailed or what is to replace them • Are the plans for 09/10 savings agreed in 08/09 robust and in line with delivery? If not what is to replace these • Are risks from 08/09 and new risks for 09/10 onwards reflected adequately in the budget gap
<p>Possible savings – £1.7m (MTFS)</p> <p>Possible savings – £1.55m (indicative budget)</p> <p>Other savings - £1.33m (indicative budget)</p> <p>Savings from the ABC process - £1.352m (indicative budget)</p>	<ul style="list-style-type: none"> • Are the possible savings detailed in the MTFS deliverable for 09/10 • In particular are the staff savings deliverable, how and what are effects on service delivery

Are the proposals for savings and efficiencies deliverable and consistent with the activity based costing outcomes

Detail	Tests
<p>Activity based costing to allow service delivery priorities to be judged more clearly</p>	<ul style="list-style-type: none"> • To consider the information and scoring data for services to judge fitness for purpose • To match these results to the savings and efficiencies proposed to bridge the remaining budget gap
<p>Gap to be met from savings, efficiencies and prioritisation – £1.2m (MTFS)</p> <p>Gap to be met from savings, efficiencies and prioritisation - £1.24m (indicative budget)</p>	<ul style="list-style-type: none"> • To see the business case for all savings and efficiencies to test robustness and match to activity based costing (see above) • To match all efficiencies and savings to corporate plan priorities and vfm planning (not done)

Are the outcomes from budget consultation reflected adequately in the 09/10 budget, MTFS and Corporate Plan

Information was not available to the Group to allow this line of enquiry to be perused.

4. The methodology used by the Group was a mixture of document review and member and officer interviews. When talking to officers about proposals the questions were directed at Executive Directors, the Chief Executive and Heads of Service. When talking to members questions were directed to Board Members attending
5. The paper work requested by the review group was:
 - All ABC sheets including the scoring system and outcomes from the member and officer review
 - All efficiency and savings sheets at the earliest date within the published timetable (08/09 agreements and 09/10 proposals)
 - Details of spending and income for 08/09 with information added showing the actual amounts delivered against incomplete savings. The assumption being that September “blue book” information would be used pre indicative budget and 3rd. Qtr post indicative budget
 - Tracked changes for movements within the financial position as this moves forward
 - Access to the detailed information used to support stated risks
 - The timetable and outcomes from consultation and proposals for linking these into the budget and corporate plan

All information was requested to be made available at the earliest date shown in the published timetable

Findings

6. Findings from the review of the activity based costing exercise are attached at **Appendix 1** for the committee to consider.
7. **Is the budget gap for 09/10 detailed robustly?**

Listed below are the issues considered along with the conclusions of the RG

- * This figure is the latest one available to the RG. It is understood that some of these have changed but the amount has not been made available at the time of writing

Issue/Risk	*Amount	Comment
Undeliverable savings in the 08/09 budget	456k	Explanations were given for the non-achievement of savings and assurances given in nearly all areas that other savings were to be achieved. In Community Housing and Community Developments officers reported that the "Income from PSL units – 91k" was not likely to be achieved. In Environmental Development officers reported that "Income from charging for missed appointments 10k" was not likely to be achieved. These are additional to those listed in the indicative budget
Allowance for the implementation of single status	100k in addition to the budgeted allowance	Our total allowance is at the low end of implementation – 3% (industry experience is between 2 ½ - 5% of salary base). There is a clear impetus in the organisation to deliver within this budget but concern about incremental drift; backdating and incomplete negotiations seem real. The fund "saved" from non-implementation is a welcome cushion but this allowance should remain as high risk
Credit Crunch Pressures	300k – further pressures 500k – investment income 600k – fuel and energy	Good explanations were given for the derivation of most of these figures. The exception was the 300k further pressures where no details were available. The Group also saw that income was holding up in some areas. The general uncertainty within the economy and a budget supported by significant income levels coupled with the potential for investment income to fall even further lead the Group to the view that this was an area of significant risk. The fund created from paused spending to support the rebuilding of balances from the potential Icelandic bank problems and underpin the budget if pressures grow beyond those budgeted for

		provides some prudent reinsurance. The Group was not clear exactly how much would be available beyond Icelandic bank issues. The real uncertainty in this area leads to a conclusion of high risk
Support service costs		Savings agreed and deliverable require reductions in support service costs. The 2 of significance are Leisure and HRA. The RG heard that a review was currently underway to identify where these contractions fall and how to take out the costs. No action plan was provided or amounts quantified. This area remains medium risk
Waste Credits	Nil	The possibility of a pressure from waste credits is listed in the MTFs as a significant risk. The RG heard that issues around current gate fees and recyclables were also causing potential problems. A review of the most advantageous position was underway incorporating commercial recycling. The RG has not had the opportunity to consider the outcome of this and without that information would consider there to be high risk of penalties or overrun
Expansion and contraction of services		The RG did not receive clear responses to the account taken of the potential for the contraction and expansion of services as the economy and local and regional circumstances change. There was a recognition that this may happen and would be dealt with as it arises but a more corporate approach to this may help in prioritising budget reductions and determining the gap
Concessionary Fares	700k additional	The RG was happy that this allowance had been based on the evidence of returns so far. It was not clear to the group the potential for a successful operators appeal

		and so no opinion is given
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8. **In conclusion the RG considered the budget gap to be well thought through with a generally prudent approach to the money needed to deliver services in 2009/10. There are allowances and pressures that remain high risk. These should be considered with other high risk savings when considering the adequacy of allowances and reserves set aside to support these. The view applies to all items in the table above**

9. **Closing the Budget Gap for 2009/10**

Attached at **Appendices 2, 3 and 4** are notes taken at the meeting with senior officers from:

- City Services – Appendix 2
- Chief Executive and Support Services – Appendix 3
- City Regeneration – Appendix 4

These notes outline the information given in response to the RG’s questions. The tables outline the Group’s judgement on the risk level of the saving being delivered. This opinion was mostly derived at the meeting with the officer concerned but on some occasions has been made independently by the Group. These areas are marked in italics. In all cases the risk rating is attached to potential delivery rather than an opinion on efficacy

10. Detailed information was mostly only made available on the savings/efficiencies in the advertised budget proposals and so the RG’s opinion on risk has been confined to these savings only. The exception to this is City Regeneration where some savings from “mini reviews” have been further agreed and details provided
11. In looking at the bridging of the budget gap the RG gives an outline opinion on all other potential savings considered with little background
12. **Alongside this budget report are the complete CEB proposals to balance the budget. Members will see here the detailed proposals to bridge the remaining gap. Any further scrutiny of these can be made at the meeting**
13. The tables below show extracts from the notes at **Appendices 2 –4** outlining all advertised proposals that the RG considered to be medium or high risk

City Services

Oxford City Homes (HRA)

New Savings	Amount	Comment	Risk
<i>Close Local Housing Offices</i>	20k	<i>Offices are currently poorly used and infrequently open. Staff to be used on more proactive work. Saving represents running costs of offices. (GB said office was also used by advice staff and street wardens, not clear if they remain or if the office will be closed completely)</i>	<i>M</i>

Leisure

New Savings	Amount	Comment	Risk
Sports development to work closer with neighbourhood renewal	10k	Synergies with Community Development staff. No clear plan as yet but just beginning talks. Possibilities: new funding/doing less/supplies and services/outcomes from new Leisure provider	H

Customer Services

New Savings	Amount	Comment	Risk
Reduce Council Tax inspections	27k	Loss of an inspector so slower service for those asking for a Council Tax discount. No vacancies in the inspection team	M/H
Review CAB secondment	14.5k	Debt advice worker in CAB is our employee. Either take back or place in a vacant post or handover to CAB to fund directly. Possibility of CAB making an increased grant application. This would be resisted.	M/H

City Works

New savings	Amount	Comment	Risk
<i>Trade Waste operation</i>	30k	<i>Increase charges for trade waste going to landfill. Part of discussions on the most advantageous position on waste</i>	<i>H</i>
<i>Closure of selected Public toilets outside 1 mile perimeter of City</i>	50k	<i>Action plan has been overtaken by a review which will be completed in time for</i>	<i>M</i>

<i>Centre</i>		<i>the budget</i>	
Fundamental service review – City Works	300k (10/11)	Review of all services to start immediately for implementation as soon as possible	M
Recycling	50k	This amount had reduced from 200k to 50k because of double counting with savings from the rounds review. Unneeded contingency	M
Proposed/other savings			
<i>Car park increases</i>	<i>500k</i>	<i>Increase above inflation already in budget. Current income levels holding up well without increases</i>	<i>M</i>

Chief Executive and Support Services

Chief Executive

New Savings	Amount	Comment	Risk
Increase income from St. Giles Fair	10k	Increase in annual income. Any increased profit we make from the fair has to be shared with St. John's college (55% to them). So to get this from increased pitch fees will mean higher than expected increase. Showmen will be resistant to this. Considerations: looking at other fairs around the country to benchmark fees, considering offering opening on Sunday evening	M

Business Transformation

New Saving	Amount	Comment	Risk
ICT spend linked to contact	40k	This is in addition to the 200k already in the budget for the ICT transfer. Some of this relates to staff reductions	M

Other/Proposed savings			
Invest to save/transformation	100k 200k 300k	Financial efficiencies from this programme. Not clear as yet where/how/when these efficiencies will arise	M

Human Recourses

New Saving	Amount	Comment	Risk
Payroll/HR Information System	0 10k 10k	On implementation of the new HR/payroll system. This will be self service for employees and therefore likely to take out matching administrative costs. This will come out across all services and be identified in the first year of running. In addition to 40k already in the budget	M
Review of recruitment advertising	20k	Recruitment costs are not budgeted for separately but are mostly funded out of vacancies in services. Work is going on to reduce these costs and will be taken from budgets across the Council. Described as difficult.	M

City Regeneration

City Development

New Saving	Amount	Comments	Risk
Regeneration and Economic development grants	50k	We are the accountable body so need to be more directional about what we want to do and obtain from these grants	M
Redesign culture/Transfer to Oxford Inspires	30k	Ask Oxford Inspires to provide additional services rather than us within their existing grant. It may mean that they ask for extra grant	M
Opening Hours at the Museum	18k- rising to 90k yr1 and 180k yr2	This line has been overtaken by the proposal to close the museum (90k yr1, 180k yr2). Exist strategy being developed between now and Feb. Alternative provision being considered – static	M

		displays, passing some displays to other collections	
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Community Housing and Community Development

New Savings	Amount	Comment	Risk
Reorganise work in Community Development, Social Cohesion and Social inclusion	70k	To be achieved through restructure and will be challenging whilst maintaining service levels. Not clear that this amount can be achieved	H

Environmental Development

New Saving	Amount	Comment	Risk
Charge for vermin and move to hand held devices	40k	Charge for vermin service has been withdrawn. Hand held devices element was efficiency. Alternative saving needed but nothing outlined	H
Uplift mandatory HMO licence for late payment (subject to a legal test)	3k	This is a charge levied on landlords. Fees for this service don't cover our costs because we are only able to charge for the statutory element	M
Review charging for providing planning application conditions in conjunction with City development	5k	Technical support to planning applications. We are able to charge and the developer would pay. Does depend on activity levels	M

14. In addition the RG saw outlines of proposals being considered to bridge the remaining gap in the budget. It was made clear to the Group that these were still proposals and decisions on which of these was to be taken would not be available for this review

15. The proposals were outlined as “to implement” or “for debate”. The notes at **Appendices 2 – 4** show the risk rating discussed on some of these. When considering the level of high and medium risk savings and the balancing of the budget only those marked “to implement” have been considered. The table below shows these and their risk rating

Saving	Amount	Comment	Risk
<u>To Implement</u> Line by line review		To look at all paused savings to reconsider if there is room for permanent deletion	L
<u>To implement</u> Parks – tighten budget management	75k	Need to understand better where money is spent but budgets do traditionally under spend	L
<u>To implement</u> Spatial development – core strategy examination and related policy documents	40k	To fund some West End development from DCLG grant. Needs negotiation with County and partners	M
<u>To implement</u> Culture supplies and services	20k	No discussion	L
<u>To implement</u> Top slice further 50k from West End DCLG money	50k	No clear if this is the same as 50k above	M
<u>To implement</u> Delete some small economic development grants	20k	This will affect activities like venturfest. These may still continue but will be funded either in other ways or by other people	L
<u>Agreed</u> Reduction in supplies and services budgets in community safety	12k	Budgets not needed	L
<u>Agreed</u> Supplies and services reduction and grants to community associations	10k	Supplies and services not needed. Small grants budget that community associations bid against. Never all spent	L
<u>Agreed</u> Further supplies and services reductions	20k	In this team the number of people has reduced so this level of supplies and services isn't needed	L
<u>Agreed</u> Salary budget reduction	15k	Left over budget from sure start. 1 officer budget higher than salary, other work no longer carried out by us so budget not needed	L
<u>To implement</u> Discretionary employment health and safety work	10k	Cease to visit low risk rated establishments	L
<u>Agreed</u> Commercial property insurance premiums	25k	We are able to pass these insurance premiums onto our leaseholders but haven't been. We are looking at back payment	L

<u>To implement</u> Policy performance and communication – invest to save bid. 10k investment to save 20k by not buying in survey report	20k		L
<u>To implement</u> Centralise the co-ordination of communications activity	25k		L
<u>To implement</u> Increase procurement target (150k – 200k)	50k	<i>Needs admin. resource to deliver.</i>	M
<u>To implement</u> Reduce training	25k		L
<u>To implement</u> Green travel – salary sacrifice for bus travel	15k 30 30		L
<u>To implement</u> Occupational health-tender due in May. In house handling of pre-employment checks	2k		L
<u>To implement</u> Web rather than sending out a pack	2k		L
<u>To implement</u> Review management structure and release 1 senior post. Reduce frequency of meetings	75k		M

16. In conclusion the RG considers the 200k allowance for high risk savings to be adequate based on the tables above. The Group would place the following limitations on this view:

- The proposals to bridge the remaining gap have not been scrutinised. A number of the suggestions for debate appear on first sight to be high risk in terms of delivery. In general terms it is expected that the harder the lever on the budget the high the risk becomes. The Group think it prudent to set allowances for high risk savings at no less than half their total value
- It was not clear to the RG how much of the fund created from paused spending in 2008/09 was to be set aside to rebuild balances and therefore how much would be available to support the high risk items within the budget gap calculation (discussed in paragraph 7 and 8). The Group think it prudent to identify this amount in the budget

17. The total savings scrutinised by the RG to set against the 1.24m gap leaves a remainder to be bridged of about 700k. This amount has been reached by taking as agreed the savings “to implement” in paragraph. 15. At the time of writing changes within the budget calculation materially affecting the budget gap have not been made available to the RG so this opinion should be considered with caution.

The report outlining all proposals to balance the budget appears on the agenda and the RG asks the committee to scrutinise these at the meeting to complete this opinion

18. General Conclusions

- A few of savings placed the value in 1 area with the requirement to find these across all services. This is considered poor practice and all saving should be allocated to their point of delivery**
- A number of savings either said or it was implied that they required staff reductions. The RG has understood that the Council wherever possible will avoid staff redundancy through the use of vacant posts and staff turnover. When looking at the budget overall and the already inbuilt requirement to consider all vacancies for deletion the Group consider it prudent to make an allowance for severance**
- The activity based costing process has been used to bring forward savings for debate in low scoring services and the Group is pleased to see this link made. The potential for more use to be made of this process across all services for the future should not be lost**

<p>Report Author: Pat Jones on behalf of the Scrutiny Budget Review Group Town Hall Blue Boar Street 01865 252191 phjones@oxford.gov.uk</p>
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To: Cross Party Working Group

Date: 12th. November

Item :

Title of Report: Findings and recommendations from the activity based costing process

Summary and Recommendations

Purpose of report: To report interim findings from the Budget Review Group on the activity based costing exercise

Key decision: No

Executive lead member: Not applicable

Scrutiny Responsibility: Value and Performance Scrutiny Committee

Report Approved by:
Scrutiny Budget Review Group members:
Cllrs. Hazell, Goddard and Simmons

Policy Framework: No

Recommendations:

This an interim report on the 09/10 budget the findings, conclusions and recommendations are contained within the body of the report

1. Introduction

The comments and recommendations below represent the views of the Scrutiny Budget Review Group on the activity based costing exercise that has been undertaken by the Council. The members working on this Group are Cllrs. Hazell, Goddard and Simmons. The group would like to thank the Chief Executive for the opportunity to be involved in and comment upon the new process and members for considering their views.

The Budget Review Group this year is pursuing 3 lines of enquiry:

- a. Is the budget gap for 09/10 robustly detailed
- b. Are the proposals for savings and efficiencies deliverable and consistent with activity based costing outcomes
- c. Are the outcomes from budget consultation reflected adequately in the 09/10 budget, MTFS and Corporate Plan

More detailed enquiries are being pursued below each of these 3 headlines and the views here represent opinions formed on the adequacy of the activity based costing system in meeting its stated aims. This forms part of “b”.

All other views and recommendations will be presented to the CEB at the end of the budget consultation period and before recommendations are made to Council. In particular the review groups view of the savings proposed within the indicative budget will come later once there is more clarity on what these proposals are. Meetings have been set with Directors in December to begin these lines of enquiry

2. Understanding of the aims of the exercise

The Group has taken their understanding from the instructions of the Head of Finance to Heads of Service.

“...to help members determine priorities for the budget and Corporate Plan for 2009/10. The aim is to identify our top priorities and the areas or services that could be changed. It is about Council Policy – should we do less or more activities/services? Are there things we could stop doing? This is based on an activity based costing approach which gives a marginal cost for each service area and scores its priority to the Council...”

The exercise at the time was set against a budget gap of £2.95m of which £1.7m possible savings had already been identified so the prioritisation exercise was set to help bridge a £1.25m gap in the budget. Since the completion of the exercise the gap to be bridged by prioritisation has risen to £2.85m

The scoring system would be judged by marks against questions that tested:

- Statutory duty
- Impact on the Corporate Plan
- Impact on the Council’s reputation if the service is reduced/withdrawn
- Attracting additional resources into Oxford City Council

These questions were placed in a hierarchy of importance by applying a weighting. The maximum potential score was 32 and any service scoring less than 18 would go forward for further review.

A further test was undertaken by asking managers to risk assess the effects of elimination of their service or reducing it (in budget terms) by 10%, 20% or 50%. This risk assessment was determined into 3 categories high, medium and low and the guidance in applying these categories was “the level of risk that Oxford City Council would become exposed to should it reduce/eliminate services”.

Finally managers were asked to offer potential efficiencies within their services, which the group assumed should equate to the risk assessment above but this was not explicit.

3. Findings

3.1 Scoring System

The overall emphasis of the questions is around statutory duty and delivery of the Council’s corporate aims, whilst these are important and deserve critical appraisal they ignore other issues that are fundamental to the aims of the overall exercise:

- Services regardless of importance need to demonstrate value for money and we are not able to judge within this system if a highly scoring service is doing that and therefore what potential reduction/prioritisation may be available now or in the future from these services. This is further compounded by only those services scoring less than 18 being given further analysis.
- There may be some services that are important to the “business” of the Council that would not score highly within this system (internal communications might be a good example of this). These services are fundamental to the health of the organisation and arguably therefore critical to the delivery of the Council’s corporate aims. The review group recognises that further review of low scoring services may identify these.

The scoring system does not take account of opportunities for transformation, restructuring, service sharing or outsourcing and so is a single dimension within a multi-dimensional assessment of priorities. Using these scores alone to rule in or out further analysis or prioritisation gives a misleading indication of value and misses opportunities and challenges

3.2 Risk Analysis

The parameters given for defining service reductions as high, medium and low were very broad and so their application could be nothing other than subjectively applied.

There was no link between the application of the risk analysis of monetary reductions and the activity based costing scoring. This may have been intended but was not explicit and so in many cases relatively low scoring services were judged as “high risk” across all or most monetary reductions.

This subjectivity coupled with an overly cautious approach to risk has produced risk ratings predominantly in the high category; arguably the default position was “High Risk”. This has diminished the usefulness of this section within the process.

3.3 Efficiencies

It was in this area where the group saw the most confusion. The assumption applied by the group (but not explicitly detailed) was:

- The same approach would be taken by all
- Efficiencies would be new i.e. not already accounted for within the budgeting process
- They would relate to the scoring system i.e. if a service scored below say 20 there would be an expectation of some reductions and if that score was below say 12 then definitely to see reductions
- That efficiencies would be well considered i.e. ranging from definitely deliverable to a good chance of delivery and this would be defined in an understandable way
- That all efficiencies would relate to the risk analysis i.e. if an efficiency offer was made that related to 10% of the budget then this element within the analysis would be marked as “Low Risk”
- Any potential efficiencies that had been given little consideration or needed much more thought and debate would be listed separately or kept out of this process completely (certainly not lost)

The Group recognises that efficiencies totalling £1.7m have come from this process, which is to be commended, but found little consistency across the analysis. It would be hard for members to judge whether these savings were consistent with the aims and findings of the prioritisation process or even whether they would have arisen without this process.

The service areas between which costs have been broken down is recognised as a work in progress but it was obvious:

- Some areas needed to be broken down further because they contained high and low priority areas (defined by the scoring) to gain a better understanding of the opportunities available
- Some services and elements in services (both within and across departments) needed to be joined together to see potential for management and administrative savings in particular.
- There wasn't clear recognition of the role external agencies play or should play within some service elements. As examples Community Safety and Elderly Services where members might want to see if the Council has the balance right between itself and the statutory responsibilities of the Police and County Council set against the wider budgetary pressures
- It wasn't clear what opportunities there are to either centralise or decentralise support services to produce better use of resources either at the centre or within services and thus improve value for money overall
- Whilst the efficiency sheets aimed to ask value for money questions to produce reductions no objective opinion was given alongside scoring to show an objective use of resources score. As a starting point this was thought to be particularly important within Corporate Services who should be required to demonstrate their value for money objectively
- The analysis is predominantly targeted towards cost reduction. Some services such as the TIC and Tourism need to face greater challenges around income generation.
- Disaggregation of costs between those directly linked to income streams and those not would provide a greater challenge
- It would have been helpful to see alongside the budget for services any differences in outturns that are expected. This would enable a better understanding of the actual cost of the service particularly where surpluses are expected to turn into net costs.

All of these would be key considerations for members when considering a prioritisation exercise and should be considered when costing is produced for the future

4. Conclusions and Recommendations

The exercise is a good one and has the beginnings of a robust process within which members and senior officers can draw priorities for the budget. Whilst the exercise has produced significant efficiencies it has in the Groups view not met its overall aim. The process needs to be improved so that members can have a clearer understanding of the opportunities for and the consequences of service reductions.

Many of the review group's views are set out in the findings but in particular the group would wish to see:

- 4.1 All instructions objectively written, applied and linked in meaning and consistency through the process. This is particularly important for lay members to be able to make sound judgements on information presented
- 4.2 The scoring system is enhanced to include an objective opinion on the value for money provided by each service. In particular, and as a priority, corporate and support services should be able to objectively demonstrate their value for money
- 4.3 That the scoring system in itself is not used to rule out any services for further investigation. This is done only on the basis of a matrix that includes cost, performance and importance information
- 4.4 The definition of high, medium and low risk more objectively defined and linked directly to the scoring system. The judgements of risk are then only applied to higher scoring services because these judgements become irrelevant within the rest
- 4.5 Where services score within the bottom 2/3rds. there is an inbuilt expectation of service reductions and the effects of this on service outcomes are detailed
- 4.6 When service marginal costs are produced:
 - Expenditure linked to income is highlighted alongside the income level
 - Expected budget outcomes are detailed
 - Management and administrative costs are highlighted for each service, service area, department and across the council
 - Within broad services that include both statutory and non statutory elements those that are not our statutory responsibility are highlighted
 - For support services to show separately the cost of any service that could be decentralised and for end services to show separately the cost of any corporate service that could be recentralised. These costs to be aggregated upwards for corporate consideration
- 4.7 Efficiencies offered are defined as new and deliverable either now or with a little further thought. Those efficiencies that are still blue sky thinking to be detailed for separate consideration
- 4.8 The Group would also wish to see the process be useful not only for the immediate budget it address but for further thinking and strategies. It is clear that any process developed cannot

stand alone in terms of delivering on the aims set and so the group would like to see a further step at the end of this process that places services in a matrix representing cost, performance levels and importance to the Council. The outcomes would be:

- Services that are high cost and poor performing that are not important to the council are open to deprioritisation
- Services that are high cost and either poor or average performance and are important to the Council need to be a priority for radical transformation
- Services falling within the average of either cost or performance should be considered on their merits, importance and ability to show cost or performance improvements

The group recognises that it may not be possible to fit all services within this formulation but believes it may bring some clarity and expectation for the majority. Services would not be ruled out for consideration until this point.

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Appendix 2

Notes of the Budget Review Group - 8th. December

City Services

The Budget Gap

Oxford City Homes

New pressure – adjustment to HRA recharges. This is an amalgam of items that represents staff and recharges that were paid for within the HRA and the service or output is no longer needed in the HRA. It includes a member of staff that has been transferred back to the GF.

Leisure

Football money agreed in the mini budget in June- not spent as yet but is in the planning. No commitments have been made so not an issue for 09/10

Customer Services

Unachievable saving – income from partners using Templers Square one-stop –shop. Officer could not find interest in this and thought that it was is was not a feasible prospect for the future. More likely that we could get funding in the use of St. Aldates and this will be pursued

New pressure – HB admin grant. This is a straight reduction in the administration grant received from Govt. to run the Benefits Service

New pressure – Pay point charges. This was an accounting issue. Money was kept back from the closure of the cash office savings to pay for the pay point charges. These were in the accountancy budget and charges feel in the customer services budget. Transfer has now happened. The pressure has however been replaced with a pressure on court fees. We are taking more people to court and the level of court fees is not keeping pace. (There is an action sheet relating to this)

Figure for Council Tax base slower growth is correct

City Works

Unachievable saving – Car park cleaning Westgate. Direct result of the delayed handover of the Westgate to the developers. City is perusing compensation but still in discussion

Unachievable saving – Charging for toilets. A review of this showed that these were not achievable but a full review to map the whole provision, standards and use is underway. This will inform what we do for the future.

An alternative saving has been offered on the back of this (see savings sheets). The review will be complete in time for the budget
 New pressures – Tree inspection work. Essential work to expand the tree inspection process to all trees rather than just those in parks and verges. Considered essential by Director. **Cllr. Goddard asked to see the old and new programmes along with public access information**

Waste credits. Possibility of a pressure but depends what we decide to do (we may have some this year – 300k?). Trade waste income offsets some of the pressures in domestic waste and recycling bought about by higher gate fees and drop in prices achievable for recyclables. Trade waste increases our waste and therefore pushes very close to the LATs ceiling and so risks penalties. This may be more than the benefit we get within domestic waste.

Still under debate what we do...stay in trade waste and drive up costs and risk penaltiessell business (currently being valued)

Other pressures that may come forward.

- Car parks income – At the moment monitoring shows that income levels are holding up

Balancing the Budget

HRA

New Savings	Amount	Comments	Risk
Service Level Agreements/recharges	125k	Base budgets in the GF have been adjusted with some shown as a pressure	L
Reduced Inflation	220k	Review of budgets has shown that not all applied inflation is likely. Complicated picture in inflation with some greater and some lesser. Utilities are one of the larger amounts and this is likely to remain as predicted here. No expected change overall	L
Vacancy Savings	200k	Vacant post currently deleted. Already achieved	L
<i>Close Local Housing Offices</i>	<i>20k</i>	<i>Office is currently poorly used and infrequently open. Staff to be used on more proactive work. Saving represents running costs of offices. (GB said office was also used by advice staff and street wardens, not clear if they remain or if the office will be closed completely)</i>	<i>M</i>

CCTV	90k	Original budget was too high. Some economies have been found by larger contract but this represents a surplus budget	L
REMS	40k	Original budget too high. This amount represents normal demand levels. Surplus budget	L
Planned Maintenance	55k	Work to upgrade TV aerials from analogue to digital. Already completed and now only maintenance needed. Surplus budget	L
Savings from Mini Reviews			
<i>Increase in rental income</i>	30k	<i>Reduction in the number of RTBs means more income from rents</i>	L
Increase leaseholder charges	30k	Our administration charges are at the bottom end of the scale nationally so room to put them up without successful challenge. May be room for them to go higher	L
<i>Staggered approach to the decant of Cardinal House</i>	51k	<i>Re negotiation of the development arrangements, which means that, we now only have to empty half the block at a time. This means less rent loss</i>	L

Icelandic banks

No issue in terms of capital until 2010/11

Loss to HRA balances because of interest rate fall – accounted for as a pressure

Leisure

New Savings	Amount	Comment	Risk
Sports development to work closer with neighbourhood renewal	10k	Synergies with Graham Stratford's staff. No clear plan as yet but just beginning talks. Possibilities: new funding/doing less/supplies and services/outcomes from new Leisure provider	H
Savings from Mini Reviews		All items listed below are meeting notes only and should not be read as agreed or otherwise	

To debate <i>Close Peers earlier</i>		<i>Not considered</i>	<i>No risk given</i>
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Leisure tendering exercise will produce at least the 700k detailed. Possibility it may produce more but this will have to be balanced against investment costs. Modelling with providers underway, report to CEB in January. 700k includes the element for reduced support service needs

Customer Services

New Savings	Amount	Comment	Risk
Increase court cost	60k	Fees last set in 2005. Increase in line with inflation (see notes on pressure)	L
Reduce Council Tax inspections	27k	Loss of an inspector so slower service for those asking for a Ctax discount. No vacancies in the inspection team	M/H
Review CAB secondment	14.5k	Debt advice worker in CAB is our employee. Either take back or place in a vacant post or handover to CAB to fund directly. Discussion on the possibility of CAB making an increased grant application. This would be resisted.	M/H
Reduce NNDR discretionary rate relief	30k	Relief given within specific criteria set by the Council (not ailing businesses). Only spent 6.5k last years. This represents the remainder of the budget	L
Review of scanning process	5k	Rationalising handling of post. Saving may fall in customer services or in the post room	L
Proposed/other savings			
<i>Housing benefit administration improvement</i>	100k	<i>No discussion but assumed netting against HB grant reduction pressure – 53k</i>	L
Savings from Mini Reviews		All items listed below are meeting notes only and should not be read as agreed or otherwise	

<u>For debate</u> Close Cowley Shop	45k rising to 90k	Represents half of the staff and the accommodation costs. Lease has a break point soon. Rest of staff to St. Aldates Chambers	No risk given
<u>For Debate</u> Partnering – Revenues and Benefits telephone answering and remote processing	80k	T/f to Capita or other provider/consortia who can link into our CRM system. Not until 10/11	No risk given
<u>For Debate</u> Local cost of benefits – employ more staff to recover more overpayments		No discussion	No risk given

City Works

New Savings	Amount	Comment	Risk
Street Cleaning and Grounds maintenance synergies	40k	Work is already happening and beginning to deliver results. Possibility that there could be more here	L
<i>Trade Waste operation</i>	<i>30k</i>	<i>Increase charges for trade waste going to landfill. See notes earlier on current debates</i>	<i>H</i>
Short notice weekend burials	8k	To pay someone a premium rather than have someone on call all the time	L
Reduce Admin/DLO Overheads	50k	Merger of staff. 2 posts deleted	L
<i>Reduction in running costs for Countryside services</i>	<i>20k</i>	<i>Reduction of half a post (see possible further reductions in mini reviews)</i>	<i>L</i>
<i>Closure of selected Public toilets outside 1 mile perimeter of City Centre</i>	<i>50k</i>	<i>Action plan has been overtaken by a review which will be completed in time for the budget</i>	<i>M</i>
Street furniture budget-bus shelter maintenance	15k	This is a programme over 5 years (front end loaded). We can reduce our response times	L
Other savings			
Park and Ride	150k	Larger figure than accounted for from the handover of the Park and Ride	L

Fundamental service review – City Works	300k (10/11)	Review of all services to start immediately for implementation as soon as possible	M
Recycling	50k	This amount had reduced from 200k to 50k because of double counting with savings from the rounds review. Unneeded contingency	M
Proposed/other savings			
<i>Car park increases</i>	<i>500k</i>	<i>Increase above inflation already in budget. Current income levels holding up well without increases</i>	<i>M</i>
Savings from Mini Reviews		All items listed below are meeting notes only and should not be read as agreed or otherwise	

<u>To Implement</u> Line by line review		To look at all paused savings to reconsider if there is room for permanent deletion	L
<u>For debate</u> Waste		To model if it likely to be more financially viable to stay in or out of the Trade waste market (see notes above)	No risk given
<u>For debate</u> Toilets	50k	Ongoing review of toilet provision. May be more to be saved by a fresh look at provision methods	H
<u>For debate</u> Outdoor markets – Consider different management arrangements and remove 50k pressure	50k	Consider expanding Gloucester Green to accommodate more specialist markets	No risk given
<u>For debate</u> Engineering (S42) Options		Consider what we do with section 42 work. Possibilities reducing the number of grass cuts and handing back tarmac work to the County. Need to determine financial advantage	H
<u>For debate</u> Burial Service		Make sure all costs are captured in the price charged	No risk given
<u>To implement</u> Parks – tighten budget management	75k	Need to understand better where money is spent but budgets do traditionally under spend	L
<u>For Debate</u> Gloucester Green bus station	25k	Review bus company rents. Danger they may just not use it and park at buss stops instead	M
<u>For Debate</u> Countryside service	200k	The amount represents the net controllable budget of the whole service. Low scoring service. Options to withdraw, do basics or transfer to neighbouring districts (20k of the 200k already counted in action sheets for indicative budget)	No risk given
<u>For Debate</u> Allotments	7k	Delete specific grants budget and association apply through normal grant process	No risk given
<u>For Debate</u> Allotments	2k	Increase rents by 21%	No risk given

Appendix 3

Notes of the Budget Review Group – 9th. December

Chief Executive and Support Services

The Budget Gap

Single Status

The allowance is 1m across HRA and GF and this represents about 3% of the total payroll. This is at the low end of what it has cost in other authorities (2 ½ - 5%). Backdating costs are unpredictable and incremental drift in subsequent years will be an issue that will be monitored closely. There is a contingency fund of 1.8m (built year on year that we haven't implemented single status) this will be used to support implementation but only if absolutely necessary. If this isn't enough then work force reduction is the only other option.

Credit crunch pressures

The 300k allowance represents about 1% of fees and charges. The actual level of income will be monitored closely over the coming year. Paused spending this year will produce a "fighting fund" of about 2m. This fund will be used to support the write off pressures expected from Icelandic Bank investments and any further pressures arising from the down turn. There is a real danger that investment income will fall below that allowed as rumours of 0 or 1% interest rates are talked of. 0% would mean a 2m loss

Allowance for High Risk savings

This has moved in the accounts but is now 200k and is likely to remain as such

Business Transformation

The unachieved saving "corporate services future years". This relates to the ICT transfer. The 200k will be achieved from 2010 onwards (subject to finalisation of the contract) but one off costs in 2009/10 mean that not all is achievable

Human Resources

Unachievable saving in HR/payroll. The project to implement a new system has shown there to be much more data cleansing and processing than expected so in reality it was never deliverable in 9/10. Will be delivered in 10/11

Balancing the Budget

General comments

Support services level of reduction is acceptable when seen with reduction made last year.

A review of costs is underway within support services to achieve the reduction required for loss of work for leisure and Park and Ride. Any further contractions of work will be considered as they arise.

There are 2 transformation projects in 09/10 that will change methods of works in support services (HR/payroll self service and order to pay). Some of these show cost reductions in the current budget

In response to whether a larger transformation budget will produce greater efficiencies the Chief Executive said that he would need to be sure that projects produced cashable savings as well as improvements in service. There was also a limit on the rate at which any organisation could change.

Chief Executive

New Savings	Amount	Comments	Risk
Procurement Hub	20k	We currently do work in this area for other councils. This will be formalised from next year with management costs being shared over 4 District Councils	L
Increase income from St. Giles Fair	10k	Increase in annual income. Any increased profit we make from the fair has to be shared with St. John's college (55%) to them. So to get this from increased pitch fees will mean higher than expected increase. Showmen will be resistant to this. Considerations: looking at other fairs around the country to benchmark fees, considering offering opening on Sunday evening	M
Reduce "Your Oxford" to 3 copies per year	11k	Take out one publication per year will deliver this. Any reduction below this will make the publication not viable. Also looking at increased revenue from advertising and	L

		encouraging or requiring advertising through our contracts and grants with suppliers and groups	
Take in house CORVU training	5k	The team have the skills to do this	L
Other/Proposed Savings			
Procurement saving	150k	This money will be taken out of budgets across the Council as a result of successful procurement activity. Very confident that this will be achieved with a possibility that it may be more. There is a programme of analysing all budgets to bring together procurement opportunities	L
Savings from Mini Reviews		All items below are meeting notes only and should not be read as agreed	
<u>To implement</u> Policy performance and communication – invest to save bid. 10k investment to save 20k by not buying in survey report	20k		L
<u>To implement</u> Centralise the co-ordination of communications activity	25k		L
<u>To implement</u> Increase procurement target (150k – 200k)	50k	Needs admin. resource to deliver.	M

Business Transformation

New saving	Amount	Comments	Risk
ICT spend linked to contact	40k	This is in addition to the 200k already in the budget for the ICT transfer. Some of this relates to staff reductions	M
Shared back officer	15k	Reduction of admin. Post. Already delivered	L
Other/Proposed savings			
<i>Invest to save/transformation</i>	<i>100k 200k 300k</i>	<i>Financial efficiencies from this programme. Not clear as yet where/how/when these efficiencies will arise</i>	<i>M</i>

Finance

New saving	Amount	Comments	Risk
Internal Audit Contract	10k	We have re-tendered for a new contract from April. Hope to achieve this amount. If we don't will go back to tenderers and negotiate	L

Human Resources

New saving	Amount	Comments	Risk
Health and Safety	0 10k 10k	Assess needs linked to outcomes and priorities over the coming year. Very achievable	L
Payroll/HR Information System	0 10k 10k	On implementation of the new HR/payroll system which will be self services for employees and therefore likely to take out matching administrative costs. This will come out across all services and be identified in the first year of running. In addition to 40k already in the budget	M
Review of recruitment advertising	20k	Recruitment costs are not budgeted for separately but are mostly funded out of vacancies in services. Work is going on to reduce these costs and will be taken from budgets across the Council. This will be difficult	M
Payroll system	13.5k 27k 27k	Reduction of payroll staff on implementation of a new system	L
Job evaluation integration	0 0 30k	This is a time limited project and this reduces the employee at the end of the project	No risk given

Savings from Mini Reviews		All items below are meeting notes only and should not be read as agreed	
<i>To implement Reduce training</i>	25k		L
<i>To implement Green travel – salary sacrifice for bus travel</i>	15k 30 30		L
<i>To implement Occupational health-tender due in May. In house handling of pre-employment checks</i>	2k		L
<i>To implement Web rather than sending out a pack</i>	2k		L
Other/Proposed Savings			
Management Costs	750k	HR looking at establishment feel we have almost achieved this. There may be a problem with severance pay but exploring capitalisation	M
Staff reduction front line 1%	150k	Review every vacant post that arises. This produced 4% last year but there are diminishing returns	L

Legal and Democratic Services

New Saving	Amount	Comments	Risk
Income from administration of District Chief Execs/Leaders meetings	5k 5k 0	2 years agreement to support this group	L
Introduce electronic agendas	40k	Currently spend about 65k/year on printing agendas. Reduce this significantly by making reports available electronically with alerts to show availability. Members will still get paper copies	L
Savings from Mini Reviews		All items below are meeting notes only and should not be read as agreed	
<i>To implement Review management structure and release 1 senior post. Reduce frequency of meetings</i>	75k		M

Appendix 4

Notes of the Budget review Group – 16th. December

City Regeneration

The Budget Gap

Additional Pressures

Private Housing Grants

The grant from Govt. for 09/10 will be 390k with the remainder usually funded by the Council from capital. City Council funding will now come from revenue because of lack of capital funding. This will give a total budget of 690k against a programme of about 1m in the capital programme. These grants are statutory and the money is mostly spent on disabled facilities. The work will be programmed more slowly to match the reduced budget

Income estimate for 106 funding

This pressure has been removed

Land Charges

Not clear what this pressure was. Thinks income reduction from credit crunch. Group asked to be given a description of the pressure

Property rents payable

This is rent we pay out and this reflects the actual increase in contracted rent payments

Unachievable savings

Increased Tourist income

This is a mixture of credit crunch pressures and the way we run the TIC. Contracts of staff are not written for a retail environment and the centre is not run as a retail outlet. There is to be a complete review of the centre to sort out these issues and only after that will its location be considered. Feasibility study of the centre has been completed. Cllr. Goddard asked to see this

New Growth points grant

This has been removed as a pressure, see planning delivery grant below

Housing and Planning delivery grant

This is an internal accounting issue but not clear from the meeting how this arose. Group asked for a clearer understanding here.
 Change in system for the coming year. Govt. has confirmed this for next year. We have put forward a bid to work with the County and CEDA on development of the West End. The money received is mostly capital.

Homelessness reduce temporary accommodation

This does not currently appear in the budget as a pressure. Amount not quantified at the meeting.

Higher level of voids in temporary accommodation (better prevention work). This has been sorted out for next year by reducing numbers of properties as contracts come up.

Charging for missed appointments

This does not currently appear in the budget as a pressure. Amount not quantified at the meeting.

The threat of charging for missed appointments has altered behaviour and so not much revenue has been achieved. Cllrs. asked to see any consideration of charging for other missed appointments around green waste and bulky items.

Balancing the budget

General comments

Falling numbers of planning applications. Currently considering the best way to handle this- reduce staffing levels/shift resources elsewhere until the upturn. Nothing currently in the budget

Income from the investment portfolio. Normally this is budgeted assuming a 95% let rate. The adjustment to this because of the down turn is reflected in the 300k “further credit crunch pressures”. Members asked to see the detail making up the 300k line

City Development

New Saving	Amount	Comments	Risk
Regeneration and Economic development grants	50k	We are the accountable body so need to be more directional about what we want to do and obtain from these grants	M
Redesign culture/Transfer to Oxford Inspires	30k	Ask Oxford Inspires to provide additional services rather than us within their existing grant. It may mean	M

		that they ask for extra grant	
Opening Hours at the Museum	18k	This line has been overtaken by the proposal to close the museum (90k yr1, 180k yr2). Exist strategy being developed between now and Feb. Alternative provision being considered – static displays, passing some displays to other collections	M
Review charges for the Town Hall	50k	This is deliverable based on charge increases and over achievement of income in the current year. A charging review will be undertaken in the coming year to see how far we can go with this	L

Savings from mini reviews		Some items listed below are for consideration only and are not agreed unless stated	
<u>To implement</u> Spatial development – core strategy examination and related policy documents	40k	To fund some West End development from DCLG grant. Needs negotiation with County and partners	M
<u>To implement</u> Culture supplies and services	20k	No discussion	L
<u>For debate</u> TIC – in addition to the 50k already proposed to look at partnering the running of the centre	40k yr1 80k yr2	No discussion	
<u>To implement</u> Top slice further 50k from West End DCLG money	50k	No clear if this is the same as 50k above	M
<u>To implement</u> Delete some small economic development grants	20k	This will affect activities like venturefest. These may still continue but will be funded either in other ways or by other people	L
<u>For Debate</u> Reconsider City centre management and economic development	30k net	In addition to the 30k from transfer to Oxford Spire. After the failure of the Business District bid there is to be a reconsideration activities and outcomes in this area. The net figure includes the withdrawal from funding of OX1 and a joint City Centre management post with the County	No risk given
<u>For Debate</u> Town twinning		Withdrawn	
<u>For Debate</u> Reduce culture grants		Withdrawn	

Community Housing and Community Development

New saving	Amount	Comment	Risk
Supplies and services review housing needs team	20k	Budget not needed	L
Reduce PCSO budget	40	PCSO are match funded with TVP. Discussions with them means that this will only represent a reduction by 2	L
Fines for dog fouling &	6k	Street wardens don't do this	L

littering (street wardens)		currently	
Reduce Area committees supplies and services	150k	This represents about ½ the budget and will be about 120k from grants and 30k from Area Co-ordinators supplies and services budget	L
Improve void management in PSL properties	30k	In the current year we have high levels of voids because of better prevention work. Will reduce numbers as contracts come up	L
Visible Accreditation for Community Centres	0 45k 45k	Withdrawn – double counting	
Loss of 20hr. Community development post plus supplies and services review	10k 33k 33k	To be achieved through restructure	L
Reorganise work in Community Development, Social Cohesion and Social inclusion	70k	To be achieved through restructure and will be challenging whilst maintaining service levels. Not clear that this amount can be achieved	H
Housing Advice Contract	15k	This has already been achieved with no drop in service levels	L
Delete ½ post in policy and performance	12k	This post has not been filled and is not needed	L
Delete ½ post in elderly services (control centre)	16k	This post has not been filled and is not needed	L

Proposed/other Saving		Comment	
Homelessness reduce temporary accommodation	100k	Reduction in OSLA properties	L
Savings from mini reviews		Some items listed below are for consideration only and are not agreed unless stated	
<u>Agreed</u> Reduction in supplies and services budgets in community safety	12k	Budgets not needed	L
<u>Agreed</u> Supplies and services reduction and grants to community associations	10k	Supplies and services not needed. Small grants budget that community associations bid against. Never all spent	L
<u>Agreed</u> Further supplies and services reductions	20k	In this team the number of people has reduced so this level of supplies and services isn't needed	L
<u>Agreed</u> Salary budget reduction	15k	This left over budget from sure start. 1 officer budget higher than salary, other work no longer carried out by us so budget not needed	L
<u>For Debate</u> Further review of community development when the new manager is in post	35k		No risk given
<u>For Debate</u> Further reduction of PCSO's	40k	A further reduction by 2 giving 4 overall. This is agreed	No risk level given
<u>For Debate</u> Wardens	35k	Loss of senior street warden. Will not affect service levels	L
<u>For Debate</u> Discretionary grants awarded through the open bidding process	100k	Main grants budget	No risk given

Environmental Development

New Saving	Amount	Comment	Risk
Charge for vermin and move to hand held devices	40k	Charge for vermin service has been withdrawn. Hand held devices element was efficiency. Alternative saving needed but nothing outlined	H
Reduction of air quality	20k	Monitor fewer sites but will	L

monitoring programme & support vehicle		not undermine our ability to declare an LEZ	
Synergies in the back office	20k	Reduction in support through efficiencies	L
Income for charging for notices and other income streams to be identified	5k	Statutory notices we are able to charge for some of these.	L
Uplift mandatory HMO licence for late payment (subject to a legal test)	3k	This is a charge levied on landlords. Fees for this service don't cover our costs because we are only able to charge for the statutory element and we go further than this	M
Review charging for providing planning application conditions in conjunction with City development	5k	Technical support to planning applications. We are able to charge and the developer would pay this. Does depend on activity levels	M
Increase course fees and review taxi licensing	2k	Service to be reviewed on transfer	L
Improve procurement in licensing and development and sacrifice annual inflation uplift	10k	Purchasing is happening much more efficiently so inflationary uplift is automatic not needed	L
Savings from mini reviews		Some items listed below are for consideration only and are not agreed unless stated	
<i>To implement Discretionary employment health and safety work</i>	10k	<i>Cease to visit low risk rated establishments</i>	L

Property and Facilities Management

Saving from mini review	Amount	Comment	Risk
<u>Agreed</u> Commercial property insurance premiums	25k	We are able to pass these insurance premiums onto our leaseholders but haven't been. We are looking at back payment	L