

SAVINGS / ADDITIONAL INCOME ANALYSIS - 2008/09 BUDGET

Area of saving / additional income	Amount	Service Implications	Risk Assessment	Efficiency Savings (Cashable)	Built into Base Budget 2008/09	Subject to Member Approval
Policy	£			£	£	£
Divisional restructure	52,000	The restructure is based on the need to align resources to the new agenda of partnership activity, governance, CAA and neighbourhood engagement. The reduction in 3 FTE will reduce the capacity of the corporate centre but it will provide a more dedicated and equal resource to the Cheltenham Strategic Partnership and its six thematic partnerships. It will also require managers to have more ownership of performance management and other corporate initiatives – as there will not be the capacity within the central team to undertake certain activities in future.	There is a risk that organisational expectations of the Division do not recognise the reduction in capacity. If the budget is approved then ADs and service managers will be given a clear breakdown of the activities which will be undertaken by the division and the roles and responsibilities we would expect from them. Some partnerships will see a reduction in the level of support eg community safety partnership and there is a risk that the performance of these partnerships may reduce which could impact on the council's reputation. The new structure of the division should enable more effective monitoring of partnership performance and be able to highlight areas of concern so that action can be taken at an early stage to remedy any dips in performance.	52,000		52,000
Internal audit	10,800	This will reduce the audit capacity but it can be managed by reducing the frequency of audits and the support which is given to managers when ad-hoc issues arise. This equates to 0.3FTE – current post holder has requested P/T work therefore no current HR implications	There is a risk that the reduction in capacity may impact on our ability to move forward the shared service agenda as quickly as anticipated.			10,800
Risk management	10,000	This funding has been used to provide advice and support to managers. The division will have a policy officer (corporate governance) who will have to provide strategic advice and support to the organisation. If there are larger projects which require risk management support this will need to be built into the original business case and costings as per any other support function.	There is a risk that managers do not take ownership of risk themselves or identify resources when developing project plans. One of the new posts within the divisional restructure will include risk management within their responsibilities and they would work with managers to ensure that risk management is effectively embedded within management practices.	10,000		10,000

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TEN software	4,000	No upgrades required – only require annual maintenance budget	No Risk - there will still be a small budget to support maintenance work	4,000	4,000	
Sustainability grants	4,000	This would still leave £5,200 which the low carbon partnership could use to fund specific project work. It would mean that Vision 21 and Cheltenham Centre for Change would no longer receive a grant but they would be able to “bid” for specific project work. The funding has also (indirectly) been used to support the Environment Forum which has developed local initiatives and enabled local groups to voice their concerns, and their future may be in doubt if the the grants are cut. (Note: Forum for the Future Grant to continue at £3000 as they provide a useful resource for the council and gives us access to nationally accepted best practice	There is a risk that the reduction in funding to these organisations will impact on their ability to participate in partnership work which may impact on the council's reputation where we have relied on such partnership activity. If the budget is approved then the CSP will need to be confident that it is commissioning partnership work which will add value and deliver the aims of the community strategy.			4,000
Municipal year book	300	Now that most councils have web sites there seems little need to purchase this publication	No Risk	300		300
Echo's	900	Reduce the number by 5 copies (.35x6x52)	No Risk	900		900
Equal opportunities budget	3,200	This budget was set up to provide training and awareness sessions for equalities and diversity but would leave £2,500 to support cohesion work and relevant training and advice	No Risk - the L&D team are exploring other ways in which we can raise awareness and also exploring e learning opportunities which are not as expensive as traditional training methods			3,200
Total Chief Executives Group	85,200			67,200	4,000	81,200

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Financial Services						
Lloyds TSB Bank account current charges	2,000	Reduction in bank charges contract negotiated 2007. No service implications.	Risk if renewal of contract in 2009/10 is awarded at a cost above inflation.	2,000	2,000	
Unison grant	300	Deletion of grant payment to Unison, used to cover telephony costs, etc. no other union received a grant from CBC. Funding to be found within Unison's budgets.	Consultation has taken place with the Unison Branch Treasurer and there is considered to be no risk to the Council or to Unison.			300
Front Line Services						
Housing Benefit / Housing Benefit Admin / Council Tax Benefit	65,000	Reduction in net costs of benefits payable / subsidy received, based on reported underspend in 2004/05 - 2006/07. No significant impact on benefits service, assuming reserve remains available, due to the volatile nature of the service.	Subsidy levels may reduce due to a reduction in performance by the benefit service (financial incentives are linked to high performance). The government may change the current subsidy funding scheme.		65,000	
Reduce hrs of one FT post to Part time	7,500	Reduction in service resilience. There will be less staff to deliver the current service and maintain the current performance levels, creating greater pressures on staff.	There is a greater risk of not maintaining current performance/accuracy levels in line with customer expectations resulting in an increase in complaints etc. Loss of staff as morale drops due to backlogs / complaints etc. Subsidy levels reduce due to a reduction in performance by the benefit service (financial incentives are linked to high performance).			7,500
Delete part time Benefit Support Officer	13,000	Reduction in service resilience. Less staff to deliver the current service and maintain the current performance levels. Greater pressures on staff. Succession planning will be further restricted (it takes on average two years to train a benefit officer - currently two posts will be reduced to one)	Greater risk of not maintaining current performance/accuracy levels in line with customer expectations resulting in an increase in complaints etc. Loss of staff as morale drops due to backlogs/complaints etc. Subsidy levels reduce due to a reduction in performance by the benefit service (financial incentives are linked to high performance). Greater likelihood of buying in external expertise which is expensive.			13,000

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Sundry Debt service	12,500	Reduction in service resilience (minimised by improved efficiency through new system functionality and working in partnership). Less staff to deliver the current service and maintain the current performance levels (minimised by improved efficiency through new system functionality and working in partnership). Greater pressures on staff (minimised by improved efficiency through new system functionality and working in partnership)	Risk of not maintaining current performance/accuracy levels in line with customer expectations resulting in an increase in complaints etc. Loss of staff as morale drops due to backlogs/complaints etc.	12,500		12,500
Custodians- staff reductions	17,700	Reduction in service resilience (minimised due to staff restructuring). Less staff to deliver the current service and maintain the current performance levels (minimised due to staff restructuring). Greater pressures on staff (minimised due to staff restructuring).	Greater risk of not maintaining current performance in line with customer expectations resulting in an increase in complaints etc.	17,700		17,700
Revenues (efficiency savings)	44,600	Reduction in service resource which will impact on service resilience. Likelihood of less staff to deliver the current service and maintain the current performance levels. Greater pressures on staff.	Reduced data integrity due to delays in collecting and processing information which could result in inefficiencies when data is shared with other services. These services such as Empty Homes Management, Planning, DCLG etc. have an expectation that the data provided reflects an accurate picture. Working on inaccurate data creates inefficiencies for all concerned. Loss of revenue through tax evasion/fraud. Loss of staff as morale drops due to backlogs/complaints etc.			44,600
Cashiers - Reduce one part-time cashier post	10,500	Post currently vacant - partially being covered by overtime at present. Additional workload following the decriminalisation of parking enforcement (DPE) is beginning to have an impact and work levels will continue grow until the full number of enforcement officers are in place. There is an expectation that this post will be funded via the contract with the county council.	Funding via the county council is not forthcoming to allow this post to continue which will result in resource levels being insufficient to undertake workload in an efficient manner.	10,500		10,500

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Agency Staff - Reduce budget in Customer Services	8,500	Reduction in service resilience. Unable to be reactive to live situations (staff shortages/work peaks etc) to mitigate problems. Greater pressures on staff to maintain the current performance levels (meet customer expectations).	Level of service drops on occasions resulting in complaints etc. Staff morale drops due to them being placed in difficult situations with customers.			8,500
Cut the annual maintenance agreement for @UK marketplace	4,000	Ending contract of a system procured via GEP. System not currently in use.	Would require expensive capital outlay if it were decided that an electronic marketplace was required in the future, however this may be secured through partnership working.		4,000	
Restructure of Service	500	Restructure within the team in 2007/08 has resulted in a saving of £500 with no impact on resources/service.	Revised gradings do not attract the appropriate level candidate for the vacant post.	500	500	
Stop subscriptions to ESD toolkit	500	Non return of statistical data for the Government in respect of E.gov (initiative now ended), if requested.	Possibly viewed as non compliance by the Government		500	
Clothing and Uniforms	1,500	None	Insufficient budget to replace items when required.		1,500	
ICT Services						
Loss of three scale 5 posts	75,500	Being assessed in detail. Will involve transfer of some functions outside ICT Division and scaling back of some support to users plus general trimming of infrastructure and development work	Risk that ICT users are not supported sufficiently and that errors and problems arise delaying business functions			75,500
ICT Infrastructure	2,300	Drop proxy software function can be achieved by another application.	No risk; function of software replicated elsewhere	2,300	2,300	
Reduction in annual contribution to the IT repairs & replacement reserve	45,000	Desktop PC life extended by additional memory. Average savings over 3 years 2008/09 - 2011/12	Slight risk of increased PC's failures giving some interruptions for individual users. Slight risk that desktop power will not be sufficient for future applications or operating systems.	45,000		45,000
Server virtualisation - creating reduction in annual contribution to the IT Repairs and Renewals reserve.	60,000	Using new techniques to reduce overall server numbers. Average savings over 3 years 2008/09 - 2011/12	New approach slightly more complex in technology and management terms but reduced risk due to potential for increased resilience (i.e. spread load)	60,000		60,000

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GEP VPN cessation	9,000	Ending contract for under utilised network connection.	Slight risk that a new network connection will be required immediately if partnership working accelerates much more rapidly than currently predicted.			9,000
Legal Practice						
Hire of outside services	5,000	Reduction in budget for hire of outside services, used to fund external legal work and licensing legal matters. Limited effect on delivery of current service	The risk is difficult to assess but could result in an inability to accurately advise the council of its legal liabilities if there are no funds available to seek external specialist advice.	5,000	5,000	
Salaries	4,000	Salary savings following restructure of vacant posts in the Legal Practice and Elections team. Reduction in staffing levels will impact upon service but it is hoped that the reorganisation of working will keep impact to a minimum.	There is a risk that the reduction in staffing within the Elections may result in an inability to cope with workload at busy periods. This may lead to the need to employ short term agency staff.	4,000	4,000	
Total Corporate Group	388,900			159,500	84,800	304,100
Green Environment						
Housing Forecourts - Hire of outside services	900	None	This will take affect in year four of a five year Service Level Agreement with CBH.	900	900	
Parks & Gardens - Cleaning materials	2,000	None	None	2,000	2,000	
Saving by stop locking gates (many of the sites you can gain access to anyway) and just lock those sites which are fully enclosed e.g. Hatherley Park and Pittville.	25,000	Many sites are currently not fully secured. There may be a requirement for a one-off capital cost to secure all parking areas within open spaces.	Public perception that there may be an increase in anti-social behaviour. This is identified and monitored within the divisional risk register.			25,000
Cem/Crem Security	5,000	None, to be undertaken within existing resources	None	5,000	5,000	

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Outdoor Recreation Fees - Benchmarking comparison information from Warwick would indicate that an increases in fees and charges for outdoor recreation facilities and events of 5% could would be acheivable (income)	5,000	None	None			5,000
Cem/Crem fees - increase in cremation fees of 8.2% above inflation (total increase 11%)	60,000	None	none - as these categories of fees are still lower than the closest neighbouring authority			60,000
Cem/Crem fees - a 5% above inflation increase in fees at the cem and crem still leaving us below the rate of our immediate competitors at Gloucester (excluding cremation fees - total increase 7.8%)	23,000	None	none - as these categories of fees are still lower than the closest neighbouring authority			23,000
Environment Maintenance						
Refuse Collection - Agency Staff	10,000	None	Low risk due to reduced workload arising from waste diversion	10,000	10,000	
Refuse Collection - Equipment Purchases	10,000	None	Low risk due to reduced workload arising from waste diversion	10,000	10,000	
Refuse Collection - Trade Waste - contract base income	40,000	None	Competitive market, risk of losing custom to private sector contractors	40,000	40,000	
Refuse Collection - Trade Waste - fee increase	40,000	Increased cost of disposal is passed on to customers.	Passing on increased costs to customers may reduce customer base	40,000		40,000
Recycling Centre - materials haulage	4,100	None	No risk, change from contractor to in house operation	4,100	4,100	
Recycling centre - recycling credits (GCC)	3,400	None	Risk associated with variable collection volumes, increase based on current performance		3,400	

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Recycling centre - sale of materials	40,700	None	Risk associated with variable collection volumes, increase based on current performance		40,700	
Recycling Bring Schemes - sale of materials	26,100	None	Risk associated with variable collection volumes, increase based on current performance		26,100	
Environmental Maintenance O/H - postages	1,500	None	None	1,500	1,500	
Environmental Maintenance O/H - advertising	2,000	None	None	2,000	2,000	
Recycling Kerbside - recycling credits (GCC)	4,500	None	Risk associated with variable collection volumes, increase based on current performance		4,500	
Recycling Kerbside - sale of materials	56,400	None	Risk associated with variable collection volumes, increase based on current performance		56,400	
Garden Collections - additional green bags (sold at Muni)	5,000	None	Risk that income target will not be achieved due to static customer base and reducing demand.	5,000	5,000	
Garden Collections - additional green bags (sold at Depot)	5,000	None	Risk that income target will not be achieved due to static customer base and reducing demand.	5,000	5,000	
Fleet Maintenance - materials	5,500	Potential impact on vehicle availability resulting in reduced service reliability and additional vehicle hire costs	Low risk of increased breakdowns and /or wear and tear due to reducing age profile of fleet	5,500	5,500	
Fleet Maintenance -supplies & services	19,500	Potential impact on vehicle availability resulting in reduced service reliability and additional vehicle hire costs	Low risk of increased breakdowns and /or wear and tear due to reducing age profile of fleet	19,500	19,500	
Total Environment Group	394,600			150,500	241,600	153,000
Entertainments & Tourism						
Town Hall Events Promotions	10,000	Budget for surplus on Town Hall events, after absorption of events wages costs.	Minor risk that promotions profit target may not be achieved	10,000	10,000	
Town Hall casual wages	10,000	Reduction in casual wages budgets as a result of wages costs for events being absorbed within events budget.	Minor risk that promotions profit target may not be achieved	10,000		10,000

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Town Hall salaries	6,000	Part saving from vacant Venues Assistant post, net of new cleaning post	No risk identified. Service should be able to absorb cut.	6,000		6,000
Pump Room - saving of one salaried post following restructure	20,000	Member of staff to be made redundant left voluntarily, no redundancy costs.	Restructure now implemented. No risks identified.	20,000		20,000
Pump Room lettings	5,000	Additional income, after allowing for discontinued Nightfly events.	Minor risk that revised targets may not be achieved.	5,000	5,000	
Pump room events	1,500	Removal of loss budget for Pump room events. Now budgeted to break even. Events to be discontinued by 2009/10.	Reduction of risk due to elimination of potential loss-making promotions.	1,500	1,500	
Tourism - saving in postage budget	2,000	None	No risk identified. Service should be able to absorb cuts following increase in on-line activity.	2,000	2,000	
Tourism - reduction of computer software licenses budget	3,000	None	No risk identified. Savings identified following change of computer system suppliers.	3,000	3,000	
Tourism - Increase in income budget for Tourist Information Centre shop surplus	5,000		Risk of downturn in TIC trading. Mitigated by trading surpluses carried forward for equalisation if required.	5,000	5,000	
Christmas in Cheltenham - removal of budget for Feature replacement, in lieu of income from Christmas market.	5,000	None	Future risk that lighting features may become obsolete if no further funding identified.	5,000	5,000	
Community Services						
Objects on the Highway license income (A21500)	7,000	Increase in applications for tables and chairs		7,000	7,000	
Gambling license income (A21500)	7,000	New source of income		7,000	7,000	
A Boards income (A21500)	15,000	New source of income	Premises may not apply for consent but will simply remove the A board.	15,000		15,000
Premises licensing income (A21500)	10,000	New premises licence and temporary event notices	A reduction in the number of applications	10,000		10,000
Home safety check scheme	6,800	Minor equipment for home safety formerly funded by 6 district councils	Funding will be removed by remaining 2 authorities in 2008			6,800
Lifeline equipment purchases.	2,000	This may be required for equipment purchases next year.	Not having sufficient funds to purchase equipment as service is demand lead.		2,000	

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Termination of the lease rental agreement for Royal Well, on behalf of CAB, rental costs no longer required.	39,000	rent - this is in response to a Cabinet decision taken three years ago	No impact for CBC.	39,000	39,000	
With the termination of the lease rental agreement for Royal Well, on behalf of CAB, property support costs (i.e. maintenance, insurance costs, etc..) are no longer required.	4,500	costs - these costs will no longer apply following the withdrawal of the CAB's rent	See above	4,500	4,500	
Withdrawal of the annual funding support (COG agreement) to support the Regeneration Partnership - Cheltenham (now known as the Stronger Communities Partnership)	25,000	Represents a £15k salary contribution and £10k running cost contribution.	The loss of the grant will mean the loss of the partnership's dedicated co-ordinator.			25,000
Capitalisation of agency fee to Severn Wye energy agency currently charged to revenue (£7k H22300)	7,000	Nature of work carried out by Severn Wye energy agency means agency fee suitable for payment out of Private Sector Renewal capital grant.	Risk of PSR diminishing - but this remains a top priority within PSR spend as the activities Severn Wye manage contribute directly to LAA targets.	7,000	7,000	
Implementation of the Council's Single Housing and Debt Advice Contract	90,000		The introduction of the Single Housing and Debt Advice Contract will see the loss of up to two voluntary sector organisations in Cheltenham.	90,000	90,000	
Community Services restructure	51,500	The merger of the 3 Divisions (Community Services, Public Protection and Neighbourhood Regeneration) has realised an efficiency saving resulting from the loss of 2 Assistant Director posts		51,500	51,500	

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Children & Young Peoples Services	25,000	Re-organisation of healthy living and childrens divisions focusing on district rather than county services. The remaining budget will be available to support the front-line operation but there will be no strategic capacity	This budget reduction will reduce capacity to develop the service and the broader childrens' agenda by placing emphasis on delivery of frontline services, in conjunction with sports development activities. MAD youth council will no longer have full time CBC officer support.			25,000
Health & Wellbeing						
Restructuring proposals in relation to the FoH\Admin\Retail service areas are forecast to deliver an annual saving of £14k.	14,000		The re-organisation of this section within the AG&M service has been well considered. There are no significant operational or business risks associated with the re-structure plans and consequential savings.	14,000		14,000
Total Social & Community Group				312,500	239,500	131,800
Assistant Director restructure	148,800	At a meeting on 11th December, the Council agreed to reduce the number of Assistant Directors.	May create capacity issues for remaining staff or impact on the delivery of the business plan	148,800		148,800
General Fund savings / additional income identified				838,500	569,900	818,900