

SAVINGS / ADDITIONAL INCOME ANALYSIS - 2009/10 BUDGET

Group	Area of saving / additional income	Amount £	Saving £	Addl Income £	Service Implications	Risk Assessment	Built into Base Budget 2009/10 £	Not Built into Base Budget 2009/10 £
13 Corp	Housing Benefit / Housing Benefit Admin / Council Tax Benefit	64,300		64,300	Reduction in net costs of benefits payable / subsidy received. 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.	64,300	
25 Corp	Human Resources - review of administrative support	7,500	7,500		Can achieve this saving through efficiency gains in administration e.g. use of e-HR /LMS system, streamlined processes, reducing duplication of effort, creation of an integrated administrative team within HR, and use of an apprentice.	Unpredicted high volume administration e.g. recruitment. Likelihood is low, but if so would cover short term through request for help from other teams or agency (within budget).		7,500
26 Corp	Financial Services - management restructure	20,000	20,000		Reduction in dedicated systems administration may force additional pressures at certain times throughout the year e.g. implementing the reduction in VAT rate change although the restructure has created more resources for strategic financial planning.	Additional resources may be required on an ad-hoc basis to implement significant changes to financial systems.		20,000
27 Corp	Legal Services - Elections	5,500	5,500		None - arises from the implementation of new working practices to conduct the canvass.	In the very unlikely event canvass not able to be completed, would bring in temporary staff funded from within budget.		5,500
28 Corp	Review of CAST operational budgets post merger of Front Line Services and ICT	11,800	11,800		None - arises from a restructuring within the revenues section following various staff changes and introduction of more efficient working practices.	Although at present has no service implications, reduces capacity to a minimum.		11,800
36 Corp	Insurance premiums	69,900	69,900		The decision to self insure by taking on greater excesses has been a success. The strategy at the time was to use part of the saving to top-up the insurance reserve to provide a pool for paying claims that were below the excess. As a result of good risk management and internal reporting mechanisms, the Council is able to defend claims, which has resulted in a significant reduction in its premiums.	The Chief Finance Officer is of the opinion that the funds held in the insurance reserve are now sufficient and are in line with the reserve policy set by Council.	69,900	
	Corp	179,000	114,700	64,300				
8 Env	Cemetery and Crematorium fees - above inflation increases as detailed in Appendix I	38,000		38,000	An average 2.9% increase above inflation, targetted at service areas where current charges are judged to be below market rate.	Unlikely to see reduction in demand as these categories of fees are still lower than the closest neighbouring authority		38,000
9 Env	Planning pre-application fees	30,000		30,000	This is a new income stream that is dependent on customers deciding to pay for advice that was previously free of charge, in the expectation that any subsequent planning application would be better presented.	The risk of not achieving this level of fee income is considered low. There is potentially an increased liability risk to the authority that will need to be mitigated by new procedures and a staffing resource implication that could be offset by some clients choosing not to take up advice.		30,000
10 Env	Refuse Collection - Trade Waste - pass on additional costs to customer through a fee increase	40,000		40,000	Additional Landfill Tax which will be passed on to customers through above-inflation fee increases.	In passing on increased costs to customers may reduce customer base		40,000

SAVINGS / ADDITIONAL INCOME ANALYSIS - 2009/10 BUDGET

Group	Area of saving / additional income	Amount £	Saving £	Addl Income £	Service Implications	Risk Assessment	Built into Base Budget 2009/10 £	Not Built into Base Budget 2009/10 £
14 Env	VAT reduction to 15 per cent from the start of December 2008 to the end of December 2009.	95,000		95,000	Where the VAT element of Council charges is clearly identified in the published fees and charges, the VAT charge has been reduced with effect from 1 st December 2008. However, it would cause a huge amount of extra work to identify the VAT element in all council charges, change them for a 13-month period, altering systems and processes, and then change them back. Cabinet believes that the Council is under an obligation to pass on the VAT saving to the people of Cheltenham. They have therefore identified the amount of £95,000 which the Council will save on VAT during the period of the tax reduction and propose to use it to reduce the council tax increase in 2009/10 to 3% and set aside £50,000 for Community Pride.	The £95,000 identified has been derived from the previous financial years activity. If fees and charges were subject to further significant decreases in 2009/10 as a result of the current economic downturn, the amount available would be reduced.		95,000
17 Env	Increased net rental income	50,000		50,000	Marginal service impact - additional management as a result of three new lettings.	New funding stream from the completion of three commercial units on the Fellmongers site. Two are currently occupied, with one letting pending. Low risk.		50,000
18 Env	Asset appropriations between the Housing Revenue Account and General Fund	35,000		35,000	Marginal service impact - three new lettings in management within the general fund.	The groundwork for this initiative has already been completed and the risk of this not achieving additional income is low, although is subject to an income risk that individual business tenancies might fail or vacancy rates may be higher, particularly during the economic downturn.		35,000
21 Env	Operations - Merged Division overhead account	25,000	25,000		Savings resulting from the Supplies and Services budgets of the combined Green Environment and Environmental Maintenance Divisions.	None		25,000
22 Env	Operations - Merged Division general budget codes	20,000	20,000		Savings resulting from the wages budgets of the combined Green Environment and Environmental Maintenance Divisions.	None		20,000
23 Env	Operations - Nursery Service	10,000	10,000		Savings generated through a variety a cost reduction measures. The supply of plants to CBC and external customers will be unaffected.	A detailed review of operations is underway to identify and reduce residual risks		10,000
24 Env	Operations - Cemetery & Crematorium	5,000	5,000		THIS IS ADDITIONAL INCOME - Increased choice in memorial generating a small increase in income	None		5,000
34 Env	Planning post (keep vacancy open)	41,900	41,900		Planning officers will be picking up planning appeals work in addition to their normal planning caseload. This is likely to be offset in the short term by a downturn in planning applications due to current economic conditions.	Holding this vacant post is linked to a projected reduction in applications and associated fee income within development control. If application activity increases, there is a risk that planning performance in processing applications could reduce prior to recruitment.		41,900

SAVINGS / ADDITIONAL INCOME ANALYSIS - 2009/10 BUDGET

Group	Area of saving / additional income	Amount £	Saving £	Addl Income £	Service Implications	Risk Assessment	Built into Base Budget 2009/10 £	Not Built into Base Budget 2009/10 £
35 Env	Building Control post (keep vacancy open)	38,200	38,200		None.	Holding this post vacant is linked to a projected reduction in applications and associated fee income within building control. If application activity increases, there is a risk that performance in processing building control applications could reduce prior to recruitment.		38,200
Env		428,100	140,100	288,000				
11 S+C	Wellbeing & Culture - additional event income at Town Hall and Pittville Pump Room	20,000		20,000	None - increased level of income already achieved	The current economic climate may result in a reduction in ticket sales for events and affect the ability to maintain current income levels.	20,000	
12 S+C	Wellbeing & Culture - additional event income at Town Hall and Pittville Pump Room	5,000		5,000	None - increased level of income already achieved	The current economic climate may result in a reduction in ticket sales for events and affect the ability to maintain current income levels.		5,000
29 S+C	Community Services - management restructure	18,700	18,700		This restructure could result in reduced capacity within Community Enforcement services, but has enabled salaries for two fixed term part-time Community Protection Officer posts to be funded from base budgets in addition to the saving quoted.	There may be HR staffing and employee cost implications involved, depending on the result of the restructure, currently subject to consultation.		18,700
30 S+C	Wellbeing & Culture - management restructure	30,000	30,000		Efficiency savings as a result of the creation of the new Wellbeing and Culture division.	No implications on front line service. There may be HR staffing and employee cost implications, depending on the result of the restructure.		30,000
31 S+C	Wellbeing & Culture - review of divisional support	15,000	15,000		Efficiency savings as a result of the creation of the new Wellbeing and Culture division.	No implications on front line service. There may be HR staffing and employee cost implications, depending on the result of the review.		15,000
32 S+C	Senior Management restructure (net saving)	138,000	138,000		Capacity and resilience at Strategic Director level. Council will need to appoint a new Returning Officer and Electoral Registration Officer.	Full risk assessment carried out. Key risks appear to be capacity, silo working - mitigated by succession management and revised communication between Board and Assistant Director's, plus extended Board membership. Report to S&SSC in February 2009 will set out options for the role of Returning Officer.		138,000
37 S+C	Housing enabling	9,800	9,800		Reduced budget to secure external advice in complex negotiations to secure affordable housing contributions from private developers through the planning system.	Less flexibility at service level than currently is more likely to generate in-year request to members for additional resources to deal with statutory service demands on an ad-hoc basis.	9,800	
38 S+C	Provision of B&B accomodation	10,000	10,000		Due to the excellent coordination work between the Housing Options Team and Housing Benefits, both in maximising HB take up and in reducing bed & breakfast usage through a continued focus on preventing homelessness (as a result of invest to save measures), there has been an on-going saving in this area of £10,000 per annum.	The current economic climate and the impact on the housing market, for example repossessions, may result in increased demand for the requirement to meet the council's statutory duty through the provision of B & B accomodation.	10,000	

SAVINGS / ADDITIONAL INCOME ANALYSIS - 2009/10 BUDGET

Group	Area of saving / additional income	Amount £	Saving £	Addl Income £	Service Implications	Risk Assessment	Built into Base Budget 2009/10 £	Not Built into Base Budget 2009/10 £
39 S+C	Residual saving from Single Advice Contract	12,500	12,500		£12,500 was held back from the original savings identified as part of the Single Advice Contract to fund expenditure on dilapidations to 340 High Street.	None	12,500	
40 S+C	Box Office Wages	15,000	15,000		A greater number of casual employees has allowed the rotas to become more flexible and focus on busy periods.	None	15,000	
41 S+C	TIC Postage	3,000	3,000		The streamlining of the postage budget within the Entertainment & Tourism division has resulted in on on-going saving in this area.	None	3,000	
43 S+C		277,000	252,000	25,000				
33 Env Corp S/C CE	Vacancy levels - factor in increased savings through turnover - to £400k	200,000	200,000		Evidence on the past two years indicates that this saving is achievable without impact on service levels.	Leaves little scope in future years to find one-off sums required through the course of a financial year for one-off initiatives.		200,000

Chief Execs	50000	50000	0
Corp	229,000	164,700	64,300
Env	478,100	190,100	288,000
S+C	327,000	302,000	25,000
	1084100	706800	377300