

**Budget Review 2008 - Action Plan Proposals for Reductions****Appendix 2**

Item No:	Priority:	Risk:	Proposed savings and reductions: £000's	08/09	09/10	10/11	11/12	12/13	Cum' Total	Indicative Action Plan:	Resources needed & risk of redundancy impact	Expected outcomes in terms of performance and quality:	Resp' Officer:	Due Date:
1	1	A	Museum & Art Gallery - Library			45			45	Head of Service Review - Establish a viable alternative use for the vacated library space, this is tracked with above item.	In budget	To produce net income of at least £45K p.a.	HSSC	
2	1	A	Repair and Maintenance	30					75	Review need for maintenance in view of current standards of buildings - <b>reduce £30k in Cat. B n.b. inflation allowance already £30K frozen also.</b>	Work in Progress	Maintain buildings to a serviceable standard suitable for the use we make of them.	HG&CS	
3	1	A	Car parking	-					75	Head of Service Review - Commission review and develop business plan for the service, This may lead to a saving but as a minimum will be cost neutral.	New project - needs funding	Improved business planning of service	HG&CS	
4	1	A	Human Resources / Training	10					85	Head of Service Review - Reduce phase two costs, reduction in training budget, but one off costs of policies project - internal restructure	New project	Maintain existing service	HPIE	
5	1	A	Customer Service Centre	30					115	Head of service Review - Implement cash machines, and support DD campaign to go cashless.	New project needs resources	Improved customer service experience with cashless / cash machines.	CE	
6	1	A	Legal & Democratic	10	-				125	Head of Service Review - Minor restructuring and squeeze Land Charges budget to bridge budget gap.	No	Same level of service for less cost	HG&CS	
7	1	A	Business Support	10					135	Head of Service Review - Minor restructuring.	No	Same level of service for less cost	HG&CS	
8	1	A	Environmental Health - see also second tranche (B)	145					280	Head of Service Review - Extra income from license fees, and delete two vacant posts	No	Reduction of overall deficit compared to existing licensing budget position	HCGC	
9	1	A	Cemetery and Crematorium	60					340	Head of Service Review - Increase fees and charges well above assumed level in MTFP.	No	No change to quality, but bringing charges upto to comparable levels in neighbouring areas.	HCGC	
10	1	A	Housing	50					390	Head of Service Review - Restructure part of the Strategic Housing Team. Increase income from private sector housing work. Selectively reduce and/or terminate grants to housing-related voluntary sector. K23	Work in Progress. Restructuring will probably result in the net loss of 1 post through redundancy.	Overall the best outcome net impact on quality and performance will probably be neutral. P & Q improvements from restructuring and increased volumes of HMO work will be offset by increased homelessness risk and service demand caused by reductions or cessations in voluntary sector support agencies whose work is currently funded (partly) by budgets we propose to cut.	HUE	
11	1	A	Finance - Concessionary Travel	100	-				490	Head of Service Review - Renegotiate the reimbursement level based on average fares per the Redditch Appeal outcome	In budget	No change to service - but reduced costs	HFS	Nov-07
12	1	A	Finance - Income generation	30					520	Head of Service Review - Deliver the income anticipated in the Immediate Solutions contract	In budget	More income	HFS	Nov-07

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13	1	A	Reduce communications team	30					550	Head of Service Review - amend phase two of senior restructuring - vacant Communications and CSC Manager post by deleting communication element.	freeze phase 2 post	Comms output as now.	CE	
14	1	B	Museum & Art Gallery			100			650	Head of Service Review - Officers to continue to look at options and explore shared service with County Council, and action plan to deliver outcome	In budget	Sustain museum service making better use of resources and reducing Worcester City's cost of operating by £100k p.a.	HSSC	
15	1	B	Sport & Recreation stretched target		10				660	Head of Service Review - amalgamate management of two joint use sports centres - Nunnery Wood and the new St. Johns SC.	In budget	Sustain the service and reduce the Council Tax subsidy	HSSC	
16	1	B	Planning	100					760	Head of Service Review - Re-engineer development control business process and maximise e-planning modernisation of service in line with national best practice. Consider selective charging for pre-application advice, discharge of conditions and s.106 monitoring. Reduce fte staffing by deleting 3 or 4 posts. Reduce enforcement capacity. £25 from increased income, £15K to £20K from Business Process Re-engineering savings, and £55K to £60K from reductions in employee costs.	New Project. Fund from 2007/8 PDG or an alternative source to be identified. Significant IT investment required. Possibly one post will need to be made redundant and some vacant posts may not be filled.	Reduction in capacity. Slower response to enforcement enquiries. Initially planning application timescales to decision will worsen, adversely affecting our BVPI performance. Even with process improvements counteracting this we should expect speed of processing to stabilise in a middle quartile position, lower than current because current performance is overstretched and cannot be maintained indefinitely. More vulnerable to demand and capacity variations. Less leverage for drawing in external resources to support local priorities. Slippage in LDF delivery. Uncertain ability to progress master planning priority or provide the proactive services needed to achieve a first rank cathedral and university city.	HUE	
17	1	B	Human Resources/Training - stretched target	5					765	Head of Service Review - Reduction in training budget but one off costs of policies project - internal restructure	New project	Maintain existing service	HPIE	
18	1	B	Customer Service Centre	20					785	Head of Service Review - Review need for new Manager post (senior structure phase 2) - reduce need for senior manager & potentially reduce number of CSA's through natural wastage if failure demand tackled.		Maintain customer service experience with potential to reduce failure demand.	CE	
19	1	B	Guildhall		-				785	Implement quick wins from the Guildhall review report (Colin Davis) and plan major changes to deliver real savings and reduce existing Guildhall budget deficit	New project needs resources	Significant improvement in image of the building, and widening use by public and other organisations.	HG&CS	

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20	1	B	Environmental Health / Operational Services	50					835	Head of Service review: structural changes: Review of current basis for enforcement action, to include funding of Community Support Officers; includes the provision of a senior manager.	Possible Redundancy / re-deployment	More co-ordinated approach to dealing with all areas of work as included within the Clean Neighbourhood Act	HCGC	
21	1	B	Parks / Operational Services	30					865	Head of Service Review: Reorganisation following bringing together of parks and operational services sections	One possible redundancy / re-deployment	Movement towards a Street Scene approach in dealing with Quality of Life issues across the City, with corresponding improvement in overall service delivery	HCGC	
22	1	B	Finance - Concessionary Travel - stretched target	100	-				965	Renegotiate the reimbursement level based on average fares per the Redditch Appeal outcome	In budget	No change to service - but reduced costs	HFS	Nov-07
23	1	B	Service restructuring and Shared Services - Support Services and Management		100	400	500		1,965	Carry out a complete organisational review; dependant upon discussion with south worcestershire districts and or potential reconstitution of support services and management costs including potential outsourcing	WIP and not yet evaluated	Maintain city services or significant downsizing to keep within budget. Seek to sustain services but may have to result in significant reduction in scale and scope of City Council services.	CE	
24	1	B	Strategic review of Property assets						1,965	Head of Service Review - Reduction in revenue costs / increase in income for existing properties - no savings reflected until more information is available.	WIP and not yet evaluated	aim to maintain services	HG&CS	
25	1	B	Car park charges to staff and Members	20					1,985	Double the charges currently levied for all members and employees who purchase city centre car park passes. Consult with staff as part of budget consultation.	No	Increase the level of income generated for city centre car parking facilities. Members and employees will still be in receipt of discounted car parking facilities. This approach may encourage members and employees to travel in other environmental ways.	HPIE	
26	1	C	Repair and Maintenance	40					2,025	Review need for maintenance in view of current standards of buildings - cutting into responsive maintenance in the short term - this will potentially lead to a need for increase in the base budget in future years unless reductions in property holdings can be delivered - see item on Strategic review of Property Assets.	Work in Progress	Maintain buildings to a serviceable standard suitable for the use we make of them. Risk that cuts to responsive maintenance may reduce service provision.	HG&CS	
27	1	C	Legal & Democratic - stretched target	10					2,035	Head of Service Review - Minor restructuring and squeeze Land Charges budget to bridge budget gap.	No	Significant risk of reduced service	HG&CS	
28	1	C	LABGI grant - assume annual contribution to budget from assumed continuation of the LABGI scheme	50					2,085	Assume that LABGI grant will continue in future years based on receipt of £180K and £85K over the last two years.	No	None	HFS	
29	2	A	Use of Sainsbury money £2m capital receipt	-	-				2,085	Use of Sainsbury money: £300K set aside for contribution to the new Library project, and the balance of £1.7m to fund capital programme in place of borrowing see line 33.	No	None	CMT	

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30	1	C	Parks / Operational Services	42					2,127	Head of Service Review - Reorganisation following bringing together of parks and operational services sections	2 posts possibly redundant	Movement towards a Street Scene approach in dealing with Quality of Life issues across the City, with corresponding improvement in overall service delivery	HCGC	
31	2	A	Parks Service Review	250					2,377	Head of Service Review – a systematic examination of all budget heads of expenditure across the Clean and Green area in order to identify efficiency savings in supplies, vehicles etc. together with potential opportunities for increased income and revisions to management structures.	possibility of 3 redundancies if alternative savings cannot be identified'	minimise overall impact arising from reductions on current services, with a review of the overall level of activities provided by the existing ranger and warden sections'	HCGC	
32	2	A	Withdraw grant to WREC	8					2,385	The funding for the WREC is unlikely to be required, however, we may well be expected to contribute to any new Worcestershire equalities organisation that may emerge.	No	Not a viable option	HPIE	
33	2	B	Capital Programme	104	104	104	104	104	2,905	Reduce borrowing of £600K p.a. by use of capital receipts (e.g. sainsbury's money) and avoid the need to enter into new borrowing in future. See line 29		Refinancing of Capital Programme	CMT	
34	2	E	Repair and Maintenance - stretched target	50					2,955	Review need for maintenance in view of current standards of buildings - cutting into responsive maintenance in the short term - this will potentially lead to a need for increase in the base budget in future years unless reductions in property holdings can be delivered - see item on Strategic review of Property Assets.	Work in Progress	Maintain buildings to a serviceable standard suitable for the use we make of them. Risk that cuts to responsive maintenance may reduce service provision.	HG&CS	

**Budget Review 2008 - Proposals for new expenditure****Appendix 2(2)**

Table: PRIORITY PROGRAMME OF NEW SPENDING						
No.	Description of project:	Amount £'s	Type of Exp. [1]	Action Plan:	Expected outcomes in terms of performance and quality:	Resp' Officer: Due Date:
<b>Existing Priority Programme:</b>						
A	PIE - Review to squeeze out back office resources	Savings	RR	Cabinet priority item – Action: VFM HoS reviews 2007		
A	PIE – increase mobile / flexible working	Savings	NR	Cabinet priority item – spend to save? Action: VFM 2008/9		
A	Refuse Collection – review need for recycling banks when Wheeled Bin system fully implemented	Savings	RR	Cabinet priority item – Action: 2008/9		
A	Car parking – market overnight secure parking at St. Martin's Gate MSCP	Net income?	RR	Cabinet priority item – spend to save? Action: VFM 2008/9		
B	Personnel – Scrutiny of Job Evaluation outcome	10,000	R	Officer bid – to enable the implementation of the Scrutiny review - Action: Priority bid		
B	Water front revenue costs	??	RR	Costs arising in 2009/10 as a result of the need to maintain the enhanced waterfront		
C	Job Evaluation of some senior Manager level posts using Hay Scales	60,000	RR	Officer bid – SMT recommendation outcome from Scrutiny review of JE - Action: include in HoS review?		
C	Repair & Maintenance of Seats	3,000	RR	Not yet funded		
C	Scrutiny Support Officer	24,000	RR	Not yet funded		
<b>New Bids as at December 2007:</b>						
A	Temporary Accommodation	25,000	RR	Homelessness - to set Budget at realistic level based upon homelessness approaches		HUE
C	Wheeled Bins	35,000	RR	long term resources to respond to wheeled bin service requests - repairs/exchanges		HCGC
C	Olympics Co-ordinator	3,250	RR	Worcester's contribution to the Worcestershire Olympics Co-ordinator. Cost per annum including inflation until 2012		HS&S
B	Stray Dogs	5,000	RR	Transfer of responsibility from Police.		HCGC
B	Dog Warden	14,000	RR	Increased cost of Dog Warden Contract		HCGC
A	Emergency Planning	10,000	RR	top up provision		CE
A	Health & Safety	35,000	RR			HG&CS / PIE
A	South Worcestershire Shared Services research & development	100,000	NR	Capital - Spend to Save investment		CE
B	Additional Gardener	25,000	RR	To meet conditions within HLF bid to dedicate additional committed resources to Gheluvet Park		HCGC
B	Additional Holiday Cover	20,000	RR	Single status impact		HCGC

**Budget Review 2008 - CMT Action Plan to deliver Cabinet's Proposals for Reductions****Appendix 2 (3)**

Summary of Budget position £000's	08/09 £000's	09/10 £000's	10/11 £000's	11/12 £000's	12/13 £000's	Total
<b>Budget Reductions required:</b>						
1 MTFP Budget gap per report	1,634	328	445	407	529	3,343
2 Level of Council Tax @ 4.4%	- 90	- 96	- 103	- 109	- 118	- 516
3 Changes to base since MTFP	150					150
4 Total reductions needed yr on yr	1,694	232	342	298	411	2,977
5 Reductions deferred - bfwd from 11		380	398	91	215	
6 Cabinet proposed reductions/savings	1,384	214	649	604	104	2,955
7 Add provision for recurring growth	70					70
8 Net position each year cfwd to 9	380	398	91	- 215	92	92
9						
10 Use of balances each year	380	398	91	- 215	92	746
11 Loss of interest @5% - use of bals	10	29	29	29	29	125
12 <b>Total cost from use of balances:</b>	<b>390</b>	<b>816</b>	<b>936</b>	<b>750</b>	<b>871</b>	<b>871</b>

Represents current view of detailed Base Budget plus reduction in efficiency target

Based on priority A new bid items from previous page

Total use of balances over the five years  
0.05 interest rate