

Summary of Cash Limited Budgets

	Housing £'000	Culture & Enterprise £'000	CYPT £'000	Environment £'000	Finance & Resources £'000	Strategy & Governance £'000	Adult Social Care, LD & S75 £'000	General Fund Total £'000
2010/11 adjusted base budget	4,547	11,214	47,482	37,029	18,777	11,869	71,631	202,549
Inflation	25	119	727	452	183	124	1,143	2,773
Service Pressures	337	376	3,466	1,762	920	630	2,265	9,756
VFM programme savings			-2,019	-225	-1,107		-1,551	-4,902
Commissioning changes savings			-1,631					-1,631
Efficiency savings and additional income	-365	-111	-486	-2,065	-775	-582	-1,402	-5,786
2011/12 Budget Strategy	4,544	11,598	47,539	36,953	17,998	12,041	72,086	202,759
2011/12 Cash Limit	4,544	11,333	48,798	36,980	18,531	11,751	72,086	204,023
Surplus/ (-Shortfall)	0	-265	1,259	27	533	-290	0	1,264

ENVIRONMENT DIRECTORATE 2011/12 BUDGET PROPOSALS

Strategic Context and Direction of Travel

The Environment Directorate shapes the appearance of the city and leads the creation of a public realm which is safe and accessible for residents and visitors. To do this, there are a complex range of services and funding arrangements to deliver as much money as possible to actual service delivery on the ground. There is a mix of financial arrangements such as capital projects funded through the Local Transport Plan (LTP) and other external grants for the community safety work. There is also a mix of types of provision to best meet the city's needs such as use of external contractors for parking enforcement and the provision of waste and cleansing services.

Strategic Response to this Context is:

The adjusted base budget for 2010/11 was £37,029,000, to which corporate inflation of £452,000 would be added to give a revised budget for 2011/12 of £37,481,000. However, the overall cash limit adjustment for the directorate is a reduction of just over £500,000 leaving a new year budget of £36,980,000. The Directorate needs to address both the cash limit adjustment and other service pressures. Community Safety grants totalling £800,000 will stop altogether. In addition, there are unavoidable service pressures totalling £960,000, which means that savings of £2,260,000 are required to balance the budget.

The Environment savings and additional income (£1,600,000) identified last year as part of the budget setting process came largely from two major sources: further changes to the Cityclean waste collection rounds and increases in Parking charges. Further savings and income from these two sources not proposed in this budget strategy. In addition, we have some key service pressures including the loss of grant income for Community Safety and a reduction in income from parking tickets. The proposals set out here include: re-negotiating contracts (such as parking enforcement); reducing the use of consultants across the board; investing in under-used car parks to secure greater income and efficiencies in expenditure on staffing.

Financial and Service Pressures

The main financial pressures on the Directorate's services are shown in tables 1 and 2 below:

Table 1 – unavoidable service pressures which are dealt with as part of the budget strategy	2011-12 £'000
Reduction in the level of building control income/planning grants	219
Reduction in the level of PCN income	550
No inflationary increase for Penalty notices	111
TOTAL	880

Table 2 – Further Service pressures as a result of expected grant funding ending or reductions**2011-12
£'000**

Loss of Area Based Grant Funding	282
Loss of LPSA funding	520
TOTAL	802

Approach to Savings in 2011/12:***Community Safety***

The Community Safety Partnership as a whole is undergoing a complete review of its processes in order to identify the priorities for funding in the light of reduced resources. In the meantime, current evaluations have identified savings of £347,000 towards the shortfall in funding. These savings include efficiencies from the restructuring of community safety activities, merging some of the teams and reducing employee related expenditure. Some of the savings will be achieved through ensuring service delivery is carefully prioritised by the Partnership and changing how services are delivered.

City Services

City Clean has recently been through a substantial reorganisation of the refuse and recycling service resulting in £1,700,000 savings per annum and there are limited opportunities for savings within the current operational structures. However, small efficiency savings have been identified totalling £128,000. City Parks budgets have been reviewed to identify savings which the least impact on the image of the city and its parks, achieving savings of £25,000.

The release of the South Downs Joint Committee contribution of £90,000 following the establishment of the national park has been included but this has been offset by the investment of £80,000 needed for the Biosphere Reserve project officer, costs of converting tractors and mowers to higher duty diesel and other low level pressures within this service area.

Parking Services

Contract efficiencies, a reduction in staffing levels and improved enforcement will achieve savings of £90,000.

The increased patronage experienced during 2010-11 at the refurbished Lanes and London Road car parks is expected to continue into 2011-12, achieving additional income of £380,000. Further proposed capital investment in the ex leased car parks, (£3,500,000 will be required), particularly Regency Square and Trafalgar Street is expected to yield additional income of £57,000. Other options for savings in the car parks include maintaining the equipment in house, and allowing advertising in council car parks, achieving an additional £40,000.

It is not proposed to increase on street parking tariffs other than an overall inflationary increase.

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Efficiencies in the cash collection contract will achieve savings of £15,000; while a further £50,000 can be saved by bring the machine data maintenance back in house.

A further £64,000 in savings can be realised by reviewing the use of permits, charging for Car Club bays and ensuring consistency of operation.

These savings will help to offset the £550,000 pressure on PCN income due to the reduction in the number of tickets being issued.

Other Sustainable Transport

Within other areas of Sustainable Transport, efficiencies have been identified by reducing staffing costs and consultants' fees. This follows the reduction in available budget for capital projects, and is net of any income targets.

Value for Money savings of £115,000 will be generated by reducing the number of posts in Environment Initiatives, Traffic & Transport, Road Safety and Transport Planning. There will be further Value for Money savings through a variation of certain bus routes, with no risks attached, of £50,000. Through more accurate charging of officer time to events in the city £25,000 in Value for Money savings will be achieved.

Efficiency savings of £123,000 will be generated by reducing the number of posts in Highways Engineering & Projects, Road Safety and Parking Strategy, due to the reduced level of work available for capital projects. The Highway Enforcement Team will achieve an additional £21,000 income by reviewing the fees and charges.

City Planning

A range of measures across City Planning are designed to help offset the pressures of £219,000 due to the loss of the Planning Delivery Grant during 2010/11 and the shortfall in building control income. These should achieve savings of £303,000. For 2011/12 the proposals are to reduce employee related expenditure including on consultants in Development Control, Planning Strategy, and Building Control saving £237,000. Fees will be charged for pre-application planning advice, achieving £20,000 in income. The proposed service changes include a significant reduction in the funding available to support Examinations in Public for plan preparation, achieving £46,000 in savings. The planning service still needs to allow for major development applications going to appeal and the various plans currently in preparation proceeding to examination. Uncertainty around the requirements of emerging legislation for evidence gathering, plan making and examination in the future, mean that it is difficult to accurately predict budgetary requirements.

Public Protection

A review of Public Protection will contribute a further £110,000 in savings including from reductions in staffing costs, more cost effective vehicles procurement, some additional income generation and other minor efficiency savings.

Sport & Leisure

Savings have been identified within the Sport & Leisure budgets totalling £150,000. Efficiencies in expenditure budgets, including contract variations,

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private contractors and professional fees will deliver £120,000 of this. There will be further reviews of rents for individual seafront properties, ensuring that we retain fair and reasonable rents. This is expected to generate additional income of £30,000. The DC Leisure contract is currently being re-tendered, and this will be in operation for the next 10 years. It was originally feared that this would cause a pressure for this service area, due to increased utility costs and loss of income when Brighton and Hove Albion withdraw from Withdean Stadium. However, early indications are that this is unlikely to be the case, and that this new contract may deliver substantial savings which are not yet factored into this budget strategy.

Key Risks:

- Community Safety – the risks around re-prioritisation of work will be evaluated by the Partnership as a whole.
- Sustainable Transport – the measures proposed are of low risk to the council but some may impact events organisers.
- City Planning – Examinations in Public. The risk in reducing the funding available to support plan preparation can only be fully assessed once new legislation is published.

2011/12 Budget proposals summary:

Main Service Area	Adjusted Base Budget 2010/11	Inflation	Service Pressures & reinvestment	VFM Programme Savings	Savings from Commissioning Changes	Efficiency Savings and Income above Inflation	Net Change in Budget to 2011/12
Main Service Area	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Director	230	2					2
Parking Services	(13,280)	(279)	661	(25)		(751)	(394)
Other Sustainable Transport	11,638	194		(190)		(171)	(167)
Development Planning	2,729	13	219			(303)	(71)
Other Planning/Public Protection	2,672	23				(110)	(87)
Community Safety	1,187	11	802			(347)	466
Sport & Leisure	1,936	17		(10)		(140)	(133)
City Services	29,917	471	80			(243)	308
TOTAL	37,029	452	1,762	(225)		(2,065)	(76)

