

Summary

	Culture & Enterprise £'000	CYPT £'000	Environment £'000	Finance & Resources £'000	Strategy & Governance £'000	ASC&H - Housing & LD £'000	ASC&H - ASC & Section 75 £'000	General Fund Total
2009/10 base budget	11,091	45,216	36,487	18,348	11,727	27,145	48,685	198,699
Inflation	112	686	439	172	127	391	767	2,694
Service Pressures	457	4,564	1,202	920	70	2,551	1,934	11,698
Reinvestment	236		150	184				570
Efficiency Savings	-495	-522	-936	-1,046	-227	-2,017	-2,671	-7,914
Other Savings	-227	-1,815	-922	-355	-83	-375	0	-3,777
2010/11 Budget Strategy	11,174	48,129	36,420	18,223	11,614	27,695	48,715	201,970
Cash Limit	11,174	46,189	36,420	18,223	11,614	27,695	48,715	200,030
Savings to be identified	0	1,940	0	0	0	0	0	1,940

Staff posts affected	34.0	14.0	20.0	25.0	16.0	0.0	51.0	160.0
Estimated posts deleted FTE	17.5	9.7	6.0	20.0	10.0	0.0	38.5	101.7
Estimated Redundancies FTE	13.4	0.0	3.0	13.0	2.0	0.0	22.0	53.4

ENVIRONMENT DIRECTORATE 2010/11 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 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 example NCP for parking enforcement and Veolia for the provision of waste disposal services.

There are significant reductions in Area Based Grant (ABG) both in 2010/11 and 2011/12 which affect the Partnership Community Safety Team despite an additional £250,000 already being built into the base budget for this service.

Strategic Response to this Context is:

The overall cash limit adjustment for the directorate is a reduction of just over £0.5m meaning that the directorate has a £0.5m budget pressure to fund before dealing with its own service pressures. Unavoidable service pressures and loss of grant income totalling £1.2m mean savings of over £1.7m are required to balance the budget. Savings in excess of this have been achieved which has allowed £150,000 of service reinvestment to take place.

Over the last two years the directorate particularly focussed delivery of savings in Cityclean where there have been significant opportunities for efficiency savings through streamlining and modernising services and increasing productivity. This year savings in this area are primarily linked to reductions in waste levels.

Only modest increases in parking charges are proposed this year.

A range of other opportunities to improve value for money and generate additional income have been identified. This enables a further £250,000 of lost ABG funding to be replaced in this budget strategy. A further £150,000 is planned to be covered through better joining up of a range of other grant funding streams across the organisation to ensure there is no duplication of similar provision for the same client group. A temporary budget provision of £75,000 has been retained to cover staff costs until the rationalisation work is complete to minimise the risk of redundancies. It is not possible within the current budget strategy to directly replace the remaining £112,000 of grant. However the significant investment in the Turning the Tide project in the HRA will have some mitigating effect on this.

Financial and Service Pressures

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

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Table 1 – unavoidable service pressures which are dealt with as part of the budget strategy	2010-11 £'000
New rateable values for our buildings & car parks	100
Reduction in Development Control income	230
One off costs of Public Planning Enquiries	250
No inflationary increase for Penalty notices	110
TOTAL	690

Table 2 - Service Pressures as a result of grant funding coming to an end (partly dealt with in this budget strategy)	2010-11 £'000
Loss of Area Based Grant Funding	512
TOTAL	512

Approach to Savings in 2010/11:

Public Safety

Savings will arise following amendments to contracts and a realignment of spend towards prioritised services which will generate savings of £213,000. Management changes should deliver a further £100,000 savings.

City Services

The full year effect of the service changes delivered in 2009/10 exceeded projections in the original business plan and means the service will produce £200,000 in efficiency savings for 2010/11. The continued reduction in waste levels in the city will provide a saving of £290,000.

Sustainable Transport

Efficiency savings of £80,000 will be generated from bringing maintenance of parking machines back in house following termination of the Parkeon Contract. The majority of parking tariffs will be frozen in 2010/11. There will be an increase in short stay tariffs in selected areas. This is likely to mainly affect central Brighton areas and city centre car parks but should deliver about £318,000 of increased income

Subsidised bus services currently cost the council £1.505m. Currently we spend £49.63 per head with the average across unitary authorities being £20.73. It is proposed that around £200,000 savings could be made by detailed examination of usage and subsidy levels against social needs, assessment against Transport Priorities and legal obligations. There would be a requirement to consult before re-prioritising these services.

City Planning

For 2010/11 the proposals are to reduce advertising costs, saving £30,000 and generate efficiencies from the application of the 'systems thinking' (see note at the end of the appendix) review methodology to achieve further savings of £50,000.

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Sport & Leisure

There will be a full review of rents for seafront properties, ensuring that we retain fair and reasonable rents. This is expected to generate additional income of £80,000. It is proposed to build and sell 17 new beach huts (subject to planning permission) on the promenade adjacent to Hove Lagoon, which should generate a further £80,000. We will carry out a review of the programme and pricing structure for outdoor events which should generate a minimum amount of £10,000. We are currently looking to outsource the management arrangements for the council's 2 golf courses at Hollingbury Park and Waterhall subject to Cabinet agreement, which we anticipate will secure a £20,000 annual saving.

Reinvestment

In the budget proposals the Directorate proposes to provide reinvestment of up to £150,000 to fund:-

- Additional investment seafront maintenance of £100,000 recurrent funding including an enhanced painting programme for the seafront railings.
- The operating costs for a new gum removal service.

Staffing Implications for the Directorate:

The main impact on staffing as a result of these budget proposals are in Sustainable Transport Division and in Public Safety due to the changes in management arrangements and the loss of some ABG.

Key Risks:

The routes affected by the reduction in subsidised bus routes will need to be determined and consulted upon. The services affected by the loss of ABG will need to be determined taking into account the risk and impact of the various initiatives funded in this way.

2010/11 Budget proposals summary:

Environment							
	Adjusted Base Budget 2009/10	Inflation	Service Pressures & Reinvestment	Efficiency Savings	Other Savings	Net Change in Budget to 2010/11	
Main Service Area	£'000	£'000	£'000	£'000	£'000	£'000	
City Planning	2,294	28	480	-80		428	
City Services	29,640	359	50	-490		-81	
Sport & Leisure	2,085	25	50	-20	-170	-115	
Public Safety	3,722	42	512	-266	-234	54	
Sustainable Transport	-1,254	-15	260	-80	-518	-353	
TOTAL	36,487	439	1,352	-936	-922	-67	
Finance &	5,996	83	-	-250	-10	-177	

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Procurement							
ICT	5,602	41	50	-500	-	-409	
Property & Design	2,911	21	654	-190	-	485	
Customer Services	3,839	27	400	-106	-345	-24	
TOTAL	18,348	172	1,104	-1,046	-355	-125	

Footnote to all strategies:

Explanation of “systems thinking” reviews being used to deliver efficiency savings across a wide range of services

“Systems Thinking” reviews (also known as Lean Reviews) are becoming widely used across service organisations to identify improvements in customer service and efficiency. The reviews focus on what matters to customers or stakeholders and try to ensure that processes are designed to concentrate only on work that is of value to the customer or stakeholder. This is a different way of looking at services compared with traditional service reviews which do consider customer needs but often focus too heavily on organisational, professional, functional or administrative requirements.