

DRAFT SAVINGS LIST - LATEST OPTIONS		2015/16	2016/17	2017/18	2018/19	2019/20	NOTES
		£'000	£'000	£'000	£'000	£'000	
		Controllable Budgets					
Proposals considered by Cabinet - Portfolio Savings							
Environment Portfolio							
Street Scene and Green Space							
1	Deletion of outstanding balance for cleansing contract held in the Central Contingency (replace by one-off Environment Fund, value to be determined)	60	-60	-60	-60	-60	Deletion of the £60k would mean no contingency to fall back on if members' wished to increase frequency of st. cleansing currently provided for within the St. Cleansing contract.
2	Reduction in provision of graffiti & chewing gum removal contract proposed that reduction in town centres to be undertaken by traders)	248	-60	-60	-60	-60	Cease funding for chewing gum removal in town centres and reduce capacity for proactive graffiti removal. It is expected that a reduction in proactive work will result in an increase in the number of reported reactive reports - expected to at least 50% of the current proactive SqM per annum.
3	Income generation - parks and greenspace	0	0	-50	-50	-50	Potential income from new activities in parks dependent on interest from the market. No agreement reached at this time.
4	Overachievement of savings from the change in paper collection frequencies	2,799	-250	-250	-250	-250	Additional savings were achieved through contract negotiation and a more cost effective way of procuring waste vehicles
5	Removal of the residual budget for green garden waste satellite sites (may be re-phased to reflect a specific interim arrangement)	20	-20	-20	-20	-20	November PDS recommended the PH agree to the phased closure of GGW sites with a net cost of £29k (£49k IF THIS SAVING IS TAKEN)
Total Street Scene and Green Space			-390	-440	-440	-440	
Transport and Highways							
6	Extension of repayment of street lighting invest to save scheme by a further two years	4,251	-353	-353	-353	-353	Extending the payback by 2 years to the end of 2021/22 will enable savings of £353k per annum from 2016/17, increasing to £528k from 2020/21. This is on the basis that maintenance budgets are protected at current levels to enable any emergency works to be completed during these years. It would not be possible to extend any further as the replacement budget is required to replace the remainder of the street columns from 2022/23 onwards.
7	Additional parking income - details to be confirmed	Cr 2,948	-350	-350	-350	-350	Removing under-utilised pay & display bays and introducing additional bays around shopping areas will increase turnover and availability of spaces where needed and raise an additional £220,000 income. Further work is required to confirm the impact of a similar expansion of pay & display parking around railway stations. This will be subject to a report to Environment PDS in February 2016. Members should note that each scheme will be subject to consultation with Ward members so full implementation will not be possible by 1st April 2016. Ward member views could also reduce the number of new P&D bays, reducing the impact of the scheme, including additional total income. There will also be additional one-off costs in year one for installation of P&D machines reducing the total projected income for 16/17 to £150k. Schemes will be dealt with at the appropriate level of delegation.
Total Transport and Highways			-703	-703	-703	-703	
Total Savings to date			-1,093	-1,143	-1,143	-1,143	

ENVIRONMENT PORTFOLIO
DRAFT REVENUE BUDGET 2016/17 - SUMMARY

2014/15 Actual	Service Area	2015/16 Budget	Increased costs	Other Changes	2016/17 Draft Budget
£		£	£	£	£
	Support Services				
545,332	Support Services	518,300	120	Cr 26,930	491,490
545,332		518,300	120	Cr 26,930	491,490
	Public Protection				
76,852	Emergency Planning	74,980	80	1,100	76,160
76,852		74,980	80	1,100	76,160
	Street Scene & Green Space				
4,115,313	Area Management & Street Cleansing	4,047,690	18,270	Cr 146,290	3,919,670
2,428,775	Highways - SS&GS	2,541,590	12,040	Cr 80,030	2,473,600
Cr 42,075	Markets	Cr 1,960	Cr 200	Cr 35,740	Cr 37,900
5,744,956	Parks and Green Space	5,675,920	26,830	Cr 254,230	5,448,520
466,903	Street Regulation	513,030	100	87,330	600,460
17,612,972	Waste Services	17,853,200	86,020	Cr 433,640	17,505,580
30,326,844		30,629,470	143,060	Cr 862,600	29,909,930
	Transport & Highways				
6,921,021	Highways (Including London Permit Scheme)	6,794,000	31,810	Cr 299,480	6,526,330
Cr 6,496,193	Parking	Cr 6,695,630	Cr 37,340	Cr 222,000	Cr 6,954,970
175,936	Traffic & Road Safety	156,470	Cr 320	111,000	267,150
578,817	Transport & Depot Support Services	616,880	1,320	165,000	783,200
1,179,581		871,720	Cr 4,530	Cr 245,480	621,710
32,128,609		32,094,470	138,730	Cr 1,133,910	31,099,290
6,237,865	TOTAL NON CONTROLLABLE	5,332,340	4,110	Cr 37,360	5,299,090
2,221,253	TOTAL EXCLUDED RECHARGES	2,290,340	0	Cr 388,040	1,902,300
40,587,727	PORTFOLIO TOTAL	39,717,150	142,840	Cr 1,559,310	38,300,680

ENVIRONMENT PORTFOLIO**SUMMARY OF BUDGET VARIATIONS 2016/17**

Ref		VARIATION IN 2016/17 £'000	ORIGINAL BUDGET 2015/16 £'000
1	2015/16 BUDGET	39,717	
2	Increased Costs	89	
	Full Year Effect of Allocation of Central Contingency		
3	Increase in Contract Costs re TLG Pension contributions	23	1,262
4	Contingency allocation re Street Cleansing contract	<u>60</u>	60
	Movements Between Portfolios/Departments		
5	Transfer resources for SEN transport client team	<u>159</u>	159
	Real Changes		
6	Impact of removal of contracted out NI	130	6,432
7	Absorption of inflation increases for PCNs	56	Cr4,116
8	Absorption of inflation increases for parking fee income	123	Cr7,697
9	Increase in landfill tax above inflation	16	3,164
10	Increase in refuse/recycling collection to reflect additional units	40	7,288
11	Increase in refuse/recycling disposal to reflect additional units	<u>64</u>	12,287
	<i>Savings identified for 2016/17 as part of the 2015/16 Budget process</i>		
12	Full year effect of the closure of the public conveniences	Cr 67	110
13	Full year effect of restructuring the SSGS division	Cr 348	3,999
14	Reduction of opening hours of the green garden waste satellite sites	Cr 125	145
15	Full year effect of management savings	Cr 142	142
16	Increase price of green garden wheelie bin service from April 2016	<u>Cr 30</u>	Cr 894
	<i>New Savings Identified for 2016/17 (subject to approval)</i>		
17	Deletion of outstanding balance for cleansing contract held in the Central Contingency	Cr 60	60
18	Reduction in provision of graffiti & chewing gum removal contract	Cr 60	248
19	Overachievement of savings from the change in paper collection frequencies	Cr 250	1,986
20	Removal of the residual budget for green garden waste satellite sites	Cr 20	145
21	Extension of repayment of street lighting invest to save scheme by a further two years	Cr 353	4,251
22	Additional parking income	<u>Cr 350</u>	Cr 2,942
23	Variations in Capital Charges	Cr 4	4,475
24	Variations in Recharges	Cr 388	2,239
25	Variations in Rent Income	21	Cr 478
26	2016/17 DRAFT BUDGET	<u>38,301</u>	

ENVIRONMENT PORTFOLIO

Notes on Budget Variations in 2016/17

Ref Comments

Full Year Effect of Allocation of Central Contingency

- 3 Increase in Contract Costs re TLG Pension contributions (Dr £23k)
This reflects the additional cost of the pension contributions payable for the staff transferred to TLG.
- 4 Street Cleansing Contract (Dr £60k)
Allocation of central contingency re Street Cleansing Contract into portfolio budget (total contingency is £60k). This enables a corresponding saving to be made - see below.

Movements Between Portfolios/Departments

- 5 Transfer of resources for SEN transport client team (Dr £159k)
Transfer of resources to the Environment Portfolio to manage the new SEN transport contract.

Real Changes

- 6 Impact of removal of contracted out NI (Dr £130k)
With effect from 6th April 2016, contracted out rates for Defined Benefit pension schemes have been abolished. The cost of this for the Environment Portfolio is £130k.
- 7 Absorption of Inflation increases for PCNs (Dr £56k)
Estimates are prepared on the basis that inflation is added to both income and expenditure. As penalty charge notices (for parking and bus lane contraventions) are set by the Mayor of London and therefore statutory, savings have to be found to absorb the inflation rate.
- 8 Absorption of Inflation increases for parking fee income (Dr £123k)
Estimates are prepared on the basis that inflation is added to both income and expenditure. As the parking fees were increased significantly in 2015/16 and are not expected to rise again for another 3 years, savings have to be found to absorb the inflation rate.
- 9 Increase in landfill tax above inflation (Dr £16k)
This represents the expected cost of the Government increasing the landfill tax above inflation built into the 2016/17 budget.

- 10 Increase in Refuse/Recycling Collection (Dr £40k)
The current refuse and recycling collection contract is based on the number of premises rather than bins. The additional costs reflect the anticipated increase in new properties for 2016/17.
- 11 Increase in Refuse/Recycling Disposal (Dr £64k)
The additional costs for the disposal contract reflect the anticipated increase in tonnage generated from new properties for 2016/17.
- 12 Full year effect of the closure of the public conveniences (Cr £67k)
Full year effect of closing the remaining four public conveniences.
- 13 Full year effect of restructuring the SSGS Division (Cr £348k)
This represents the full year effect of the restructuring of SSGS division including; a fully commissioned park service and a review of the client contract monitoring function across the whole division.
- 14 Reduction of opening hours - Green Garden Waste satellite sites (Cr £125k)
Reduced opening hours of the green garden waste satellite sites from April 2016 as detailed in the November 2015 report to the Environment PDS.
- 15 Full year effect of management savings (Cr £142k)
This represents the full year effect of the agreed management savings.
- 16 Increase price of green garden waste wheelie bin service (Cr £30k)
This proposal involves increasing the price of the green garden waste wheelie bin collection service with effect from April 2016.
- 17 Deletion of the residual balance held in central contingency for Street Cleansing contract (Cr £60k)
Deletion of the remaining balance of £60k held in the central contingency set aside for the Street Cleansing contract.
- 18 Reduction in provision of graffiti and chewing gum removal contract (Cr £60k)
Cease funding for chewing gum removal in town centres and reduce capacity for proactive graffiti removal.
- 19 Overachievement of savings from the change in paper collection frequencies (Cr £250k)
Overachievement of savings from the change in collection frequencies for kerbside paper, as reported to the Environment PDS on 18th February 2015.
- 20 Removal of residual budget for green garden waste satellite sites (Cr £20k)
The November 2015 Environment PDS recommended the Portfolio Holder agree to the phased closure of GGW sites with a net cost of £29k. If this saving is taken the net cost of this recommendation will rise to £49k. Alternative savings will have to be found to meet this additional net cost.

- 21 Extension of repayment of the street lighting invest to save scheme (Cr £353k)
Extending the payback of the invest to save scheme for street lighting by 2 years to the end of 2021/22, will enable savings of £353k per annum to be taken from 2016/17, increasing to £528k from 2020/21. This is on the basis that maintenance budgets are protected at current levels to enable any emergency works to be completed during these years. It would not be possible to extend any further as the replacement budget is required to replace the remainder of the street columns from 2022/23 onwards.
- 22 Additional parking income (Cr £350k)
Removal of under-utilised pay and display bays, the introduction of additional bays around shopping areas will increase turnover and availability of spaces where needed and there is potential to expand pay and display parking around railway stations. This will be subject to a report to Environment PDS in February 2016.
- 23 Variations in Capital Charges (Cr £4k)
The variation on capital charges, etc is due to a combination of the following:
- (i) Depreciation – the impact of revaluations or asset disposals in 2014/15 (after the 2015/16 budget was agreed) and in the first half of 2015/16
 - (ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to a significant general increase in the value of schemes in our 2016/17 Capital Programme that do not add value to the Council's fixed asset base.
 - (iii) Government Grants - mainly due to a significant increase in credits for capital grants receivable in respect of 2016/17 Capital Programme schemes, which are used to finance expenditure that is treated as REFCUS.
- These charges are required to be made to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.
- 24 Variations in Recharges (Cr £388k)
Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.
- 25 Variations in Rent Income (Dr £21k)
This relates to the reallocation of rental income budgets across departments/portfolios. There are corresponding adjustments in other portfolios and these net out to zero in total.

Environment Portfolio
DRAFT REVENUE BUDGET 2016/17 - SUBJECTIVE SUMMARY

Service area	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Income	Controllable Recharges	Total Controllable	Capital Charges/ Financing	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In	Total Cost of Service	Recharges Out	Total Net Budget
	£	£	£	£	£	£		£	£				£	£	£	£
Support Services																
Support Services	463,140	0	1,020	27,330	0	0	0	491,490	0	0	0	0	136,890	628,380	Cr 677,900	Cr 49,520
	463,140	0	1,020	27,330	0	0	0	491,490	0	0	0	0	136,890	628,380	Cr 677,900	Cr 49,520
Public Protection																
Emergency Planning	48,810	0	5,380	21,970	0	0	0	76,160	0	0	0	0	49,740	125,900	0	125,900
Street Scene & Green Space																
Area Management & Street Cleansing	293,430	25,810	22,350	28,860	3,557,050	Cr 7,830	0	3,919,670	41,000	9,550	0	50,550	796,240	4,766,460	Cr 345,480	4,420,980
Highways - SS&GS	368,480	0	31,150	2,611,360	0	Cr 209,390	Cr 328,000	2,473,600	0	0	0	0	1,344,310	3,817,910	Cr 2,230	3,815,680
Markets	0	5,020	0	176,870	0	Cr 219,790	0	37,900	0	290	0	290	58,220	20,610	0	20,610
Parks and Green Space	307,670	3,188,550	22,750	35,240	2,196,110	Cr 41,800	Cr 260,000	5,448,520	569,000	557,780	Cr 299,020	827,760	1,373,660	7,649,940	Cr 1,775,670	5,874,270
Street Regulation	584,140	0	20,520	6,800	0	0	Cr 11,000	600,460	0	0	0	0	67,380	667,840	Cr 601,050	66,790
Waste Services	527,980	17,330	25,210	297,700	21,467,620	Cr 4,773,660	Cr 56,600	17,505,580	15,000	0	0	15,000	645,000	18,165,580	Cr 214,010	17,951,570
	2,081,700	3,236,710	121,980	3,156,830	27,220,780	Cr 5,252,470	Cr 655,600	29,909,930	625,000	567,620	Cr 299,020	893,600	4,284,810	35,088,340	Cr 2,938,440	32,149,900
Transport & Highways																
Highways (Including London Permit Scheme)	1,015,970	1,656,480	96,540	5,162,570	336,640	Cr 1,696,670	Cr 45,200	6,526,330	3,675,000	517,780	Cr 18,950	4,173,830	964,590	11,664,750	Cr 252,960	11,411,790
Parking	834,530	927,990	21,640	722,810	2,314,790	Cr 11,819,050	42,320	6,954,970	120,000	38,710	Cr 46,270	112,440	497,620	6,344,910	Cr 399,090	5,945,820
Traffic & Road Safety	1,492,800	4,540	29,490	37,370	178,690	Cr 327,880	Cr 1,147,860	267,150	0	0	0	0	496,870	764,020	Cr 243,220	520,800
Transport and Depot Support Services	483,220	226,530	40,460	38,930	0	Cr 5,940	0	783,200	51,000	163,020	Cr 94,800	119,220	293,410	1,195,830	Cr 1,108,200	87,630
	3,826,520	2,815,540	188,130	5,961,680	2,830,120	Cr 13,849,540	Cr 1,150,740	621,710	3,846,000	719,510	Cr 160,020	4,405,490	2,252,490	7,279,690	Cr 1,205,290	6,074,400
	6,420,170	6,052,250	316,510	9,167,810	30,050,900	Cr 19,102,010	Cr 1,806,340	31,099,290	4,471,000	1,287,130	Cr 459,040	5,299,090	6,723,930	43,122,310	Cr 4,821,630	38,300,680