



Leicester
City Council

WARDS AFFECTED: ALL

ENVIRONMENT AND CULTURE SCRUTINY COMMITTEE
ECONOMIC AND PLANNING SCRUTINY COMMITTEE
HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE

31 JANUARY 2007
18 JANUARY 2007
TBA

The Draft Revenue Budget Strategy of Regeneration and Culture 2007/8 –
2009/10

Report of the Corporate Director

SUPPORTING INFORMATION

1. INTRODUCTION

Over the last years the Regeneration and Culture Department has delivered considerable savings to the Council. In 2006/07 we implemented an organisational review, now complete, which will generate annual savings of £1.6m.

Also in 2006/07 we found other efficiency savings of £320k per annum rising to £620k pa in 2007/08.

Both the organisational review and efficiency saving targets are assumed in our baseline cash allocation for 2007/08.

The budget for 2007/08 identifies some savings to be made against a small number of new and unavoidable budget pressures.

2. GROWTH PROPOSALS.

1. Performing Arts Centre: 2007/08 £25k, 2008/09 £250k, 2009/10 £150k

The City Council currently supports the Haymarket Theatre to a value of £585K. This continuing support up to the opening of the PAC will allow the theatre to develop new audiences and retain existing audiences when the PAC opens. Cabinet agreed in June 2005 to raise the level of support by £150K when the PAC

opens. Once the theatre moves into the PAC the Council, as lessee of the Haymarket theatre will become liable for the service charge and insurance of the building. Since we intend to dispose of the lease, the service charge/insurance cost of £100K is only included up to the end of 08/09.

2. **Hazardous waste regulations 2007/08 £90k, 2008/09 £90k, £2009/10 £90k**

The £90k represents the additional costs incurred through the application of revised hazardous waste regulations advice. Televisions and computer monitors, household paints and chemicals are not allowed to be land filled and are now separated out at both the Bridge Road and Freemans Common Community Recycling Centres for specialist disposal.

3. **Fridge Freezers 2007/08 £180k, £2008/09 £180k, 2009/10 £180k**

The Department's contract with Biffa assumed a decrease in the volumes of unwanted fridge freezers up to 08/09. This has not proved to be the case. The cost shown here is the difference between the forecast costs and the assumed costs in the Biffa contract.

4. **CCTV 2007/08 £165k, 2008/09 £165k, 2009/10 £165k**

This cost, and the saving shown at 19 below, relate to the transfer of responsibilities for community safety CCTV monitoring between the Regeneration and Culture budgets and those of Adults' and Community. The service cannot be financially disaggregated and this cost will allow an adequate service in future.

5. **Short term support to PAC pending litigation strategy 2007/08 £2,000k**

Additional costs will be incurred on the PAC as a result of an extension to the build programme following difficulties with the design, A litigation strategy has been put in place to maximise the recovery of costs from the relevant parties.

6. **Free concessionary travel throughout Leicestershire 2007/08 £150k, 2008/09 £150k, 2009/10 £150k**

This is the annual cost of extending the existing scheme of free off peak concessionary travel throughout Leicestershire.

3. **REDUCTION PROPOSALS**

7. **Subsidised bus routes 2007/08 £0k, 2008/09 £100k, 2009/10 £100k**

During 2007/8 the Service Director for Regeneration and Transport will carry out a review of the effectiveness of the

current basket of subsidised routes for consideration by Members later in the year. The saving shown is a small percentage target of the current £1.2million subsidy, and should be readily achievable.

8. **De-Criminalised Parking enforcement 2007/08 £100k, 2008/09 £100k, 2009/10 £100k**

This saving is made by spreading the start up costs of the enforcement service over a longer pay back period than was shown in the previous budget.

9. **Transport consultants 2007/08 £20k, 2008/09 £0k, 2009/10 £0k**

This budget saving presumes a reduction in the number and/or frequency of the use of external consultants in the Transport Strategy Service.

10. **Local environment works and investment in streets 2007/08 £135k, 2008/09 £130k, 2009/10 £130k**

This saving is a reduction of approximately 60% of the existing revenue budget for local environment works and investment in streets. There is also a capital budget for local environment works as part of the current three year capital programme.

The local environment works includes verge hardening,, resurfacing, dealing with untidy land. The investment in streets programme has mainly been used to improve street lighting.

11. **Waste Performance efficiency grant 2007/08 £30k, 2008/09 £0k, 2009/10 £0k**

2007/08 is the last year the Council will receive the Waste Performance Efficiency Grant. The grant is being used in part to offset the additional hazardous waste disposal costs noted in 2. above.

12. **Haymarket car park 2007/08 £0k, 2008/09 £200k, 2009/10 £200k**

In the 2006/07 DRS a growth bid was approved to compensate H&T for the loss of the surplus generated by the Haymarket car park on the assumption that this would be sold. Subsequently the decision to sell the Haymarket car park was reversed. The additional funds have been used in 06/07 to fund outstanding back rent following a rent review and in 07/08 will be used to fund significant dilapidation costs which are not being funded through the CMF.

From 08/09 the funds will be available to contribute towards the increased Leicester Theatre Trust subsidy.

13. **Fleet management 2007/08 £50k, 2008/09 £50k, 2009/10 £50k**
The department will increase efficiency in the Fleet management service, making a saving on the budget.
14. **City Catering 2007/08 £10k, 2008/09 £10k, 2009/10 £10k**
The department will increase efficiency in the City Catering service, making a saving on the budget.
15. **Cultural services 2007/08 £50k, 2008/09 £50k, 2009/10 £50k**
The department will increase efficiency in the Cultural Services Division, making a saving on the budget.
16. **Lighting 2007/08 £50k, 2008/09 £50k, 2009/10 £50k**
The department will reorganise the lighting service, making a saving on the budget.
17. **CCTV 2007/08 £40k, 2008/09 £40k, 2009/10 £40k**
This is a contribution from the crime and disorder budget towards the growth shown at 4. above.
18. **Highways and transport 2007/08 £0k, 2008/09 £140k, 2009/10 £320k**
During 2007/8 the Service Director of Regeneration and Transport will carry out a review of the service's priorities to better balance the relationship between corporate priorities, the LTP, existing Council policies and practice and other local, regional and national transport plans. This exercise is intended to make savings by reducing expenditure on low priority ventures and increasing efficiency.

4. EFFICIENCY PLAN

The departmental efficiency plan will deliver total savings in 2007/08 of £2.38m. £2.21m of savings from previous budget strategies are included in our base budget allocation for 2007/08, and a further £170k of savings form part of this budget (items 13,14,15 and 16 above).

5. RISK MATRIX

	Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1	Efficiency savings not realised	L	M	Monitor efficiency plan closely throughout year.

L - Low

L - Low

M	-	M	-
Medium		Medium	
H - High		H - High	

APPENDIX 1

Regeneration & Culture Unavoidable Growth & Savings

	07/08 £000's	08/09 £000's	09/10 £000's
Growth Pressures			
1 Increased grant to PAC Theatre Trust	25	250	150
2 Hazardous Waste Regulations	90	90	90
3 Fridge freezer disposal costs	180	180	180
4 City Centre TV security	165	165	165
5 Short term support to PAC pending litigation strategy	2,000		
6 Free concessionary travel throughout Leicestershire	150	150	150
Total Growth Pressures	2,610	835	735
Savings / Efficiencies			
7 Subsidised bus routes	0	(100)	(100)
8 Decriminalised parking enforcement income	(100)	(100)	(100)
9 Transport strategy consultancy	(20)	0	0
10 City centre street improvements / local environment works	(135)	(130)	(130)
11 Waste performance efficiency grant	(30)		
12 Subsidy for Haymarket car park	0	(200)	(200)
13 Fleet management efficiencies	(50)	(50)	(50)
14 Catering efficiencies	(10)	(10)	(10)
15 Culture efficiencies	(50)	(50)	(50)
16 Lighting maintenance efficiencies	(50)	(50)	(50)
17 Crime and disorder budget	(40)	(40)	(40)
18 Highways and Transport Reprioritisation	0	(140)	(320)
Total Savings	(485)	(870)	(1,050)
Net Growth (Reduction)	2,125	(35)	(315)
Base budget	59,494	59,494	59,494
Budget proposals Growth/(Reduction)	2,125	(35)	(315)
Planning target	61,619	59,459	59,179

APPENDIX TWO Regeneration and Culture Basic Equality Matrix Impact and Risk Assessment for Budget Savings

Proposal	Subsidised bus routes	Decriminalised parking enforcement income	Transport strategy consultancy	City Centre street improvements/local environment works	Waste performance efficiency grant	Subsidy for Haymarket car park
Are Services determined to be core or non core	Core	Core	Core	Core	Core	Core
Q1. <i>Do the proposals have an adverse impact on equality of opportunity for some racial groups, i.e. does it mean that some racial groups will be put at a disadvantage?</i>	No	No	No	No	No	No
Q2. <i>Could the proposals have an adverse impact on relations between different racial groups?</i>	No	No	No	No	No	No
Q3. <i>Is the adverse impact avoidable? Can it be justified against the overall aim of the specific service? Are there alternatives that would have less of an adverse impact?</i>	N/a	N/a	N/a	N/a	N/a	N/a
Q4. <i>Could the adverse impact be reduced by taking particular measures?</i>	N/a	N/a	N/a	N/a	N/a	N/a
Q5. <i>Is further research or consultation necessary? Would this be proportionate to the importance of the function or service (e.g. does it directly impact on all 3 parts of the general duty or just 1 or 2)? Is it likely to lead to a different outcome?</i>	No	No	No	No	No	No
Risk	Low	Low	Low	Low	Low	Low

