

The Highland Council
Community Services Committee
18 August 2016

Agenda Item	5
Report No	COM 24/16

Revenue Budget – Final Outturn 2015/16 and Monitoring 2016/17

Report by Director of Community Services

Summary

This report invites Members to approve the revenue budget outturn position for the year ended 31 March 2016, and the revenue monitoring position for the period 1 April 2016 to 30 June 2016.

1. Background

1.1 This report is produced in support of the Council's corporate governance process, which in turn is designed to support/augment the Council's overall/corporate delivery of all of its obligations in terms of the Single Outcome Agreement.

2. Final Outturn 2015/16

2.1 The Service returned an underspend of £0.145m (0.2%) for the year ended 31 March 2016 out of a net budget of £63.356m. The predicted outturn, previously reported to Committee, was an overspend of £0.259m.

2.2 The Service summary statements, which show the final position for the year ended 31 March 2016, are contained in **Appendix 1**.

2.3 There has been a net increase in the budget of £3.782m from that reported at 31 December 2015 of £59.574m to £63.356m. The budget was increased by £3.888m to take account of voluntary severance costs (£3.432m); costs incurred so far for the introduction of decriminalised parking enforcement (£0.123m); purchase of allowances for carbon reduction commitment scheme (£0.232m); budget feed for developers contributions (£0.080m); and to meet the cost of early retirements (£0.021m). The budget was reduced by £0.106m in respect of transport savings on the public element of bus contracts (£0.053m); earmarking of funds for street lighting works on Nairn High Street (£0.044m); and the transfer to Chief Executive's budget to correct the amount transferred for CCTV to Community Services (£0.009m).

3. Notes on Variances

3.1 The following is a summary of the movement on variances between 31 December 2015 figures as reported to the February 2016 Committee and the outturn at 31 March 2016:

Activity	December	March	Movement
	£000	£000	£000
Roads and Transport	(260)	603	863
Environmental and Regulatory Services	235	(222)	(457)
Non-Housing Revenue Account	115	293	178
Trading Operations	173	(695)	(868)
Administration	(4)	(124)	(120)
Total	259	(145)	(404)

3.2 Roads and Transport

- 3.2.1 Due to the relative mild weather in some areas, the salt budget and associated movement of salt between depots resulted in an underspend on the winter maintenance budget.
- 3.2.2 Savings on contract payments for the cleaning of public conveniences, and an underspend on property costs resulted in an underspend.
- 3.2.3 The grounds maintenance overspend relates to a shortfall in income on the previous year, and increased materials costs, particularly on play areas. On examination, grass-cutting works in Sutherland, Easter Ross, Nairn and Inverness were not charged to the HRA, Nairn Common Good and Inverness Common Good. The shortfall in income of £0.140m will be addressed in 2016/17 by recharging for the 2015/16 grass-cutting works.
- 3.2.4 A combination of staff vacancies and increased income in respect of road consents resulted in an underspend for engineering services.
- 3.2.5 As reported to the February Committee, there was no further expenditure committed against the coast protection and flood alleviation budgets, resulting in underspends for the year.
- 3.2.6 The subsidies and concessionary fares overspend relates to 2014/15 expenditure paid in 2015/16 financial year. The costs were not accrued in the 2014/15 annual accounts. The error only came to light in the last quarter of the year when the education recharge for the school's element of the public bus contracts was processed. Procedures have been put in place to ensure this does not occur in future.
- 3.2.7 As previously reported to Committee, car park income is up on the previous year, however the target set was not achieved, resulting in an overspend in the car parks budget.
- 3.2.8 Due to the number of vacant operative posts, the roads and community works trading account did not achieve their target. As a consequence of the vacancies, capital structural work could not be carried out by the Council's workforce. However, contractors completed the capital structural work and this is included on the capital outturn statement.

3.3 Environmental and Regulatory Services

- 3.3.1 Reduction in contract costs for waste treatment through reductions in waste arisings was identified as one of the waste management savings in recent years. The saving was based on the reducing trend of overall waste arisings and waste going to landfill. As previously reported this trend flattened out, and is showing a slight increase. However, through a combination of diversion from landfill, and the estimate of tonnages disposed of through the waste disposal contracts, the estimated overspend did not materialise to the extent that was originally envisaged.
- 3.3.2 Due to the restructuring of environmental health, the previously reported underspend was utilised in paying for the one-off costs associated with the restructuring. The restructuring was agreed before the implementation of voluntary severance.

3.4 Non-Housing Revenue Account

- 3.4.1 As previously reported to Committee the homelessness budget was under pressure, and giving cause for concern. At the end of the year there was an

overspend of £0.251m. Lack of availability of permanent housing led to households spending longer in temporary accommodation, increasing the overall cost.

3.5 Trading Operations

3.5.1 Piers and Harbours exceeded their targeted surplus by £0.501m. A shortfall of £0.173m was previously reported to Committee. The increased surplus is due to a better than expected margin on marine fuel sales; an improved negotiation on ferry dues with ferry operators; and a different accounting treatment of management charges. This is the Council's only trading account which is a 'Significant Trading Operation'. In accordance with the Local Government (Scotland) Act 2003 the significant trading operation is required to break even over a rolling three year period. The trading account has achieved at least its statutory obligations.

3.5.2 The Corran Ferry was budgeted to make a small deficit of £0.002m. Refits and repairs to the boats are hard to predict with costs only known when the works are carried out. The second refit is scheduled for the end of the financial year, and as such, is hard to estimate the outturn with any degree of accuracy. Refit, repairs and maintenance costs were underspent by £0.103m; savings on marine gas oil due to low prices £0.066m; and an increase in ferry dues income of £0.025m resulted in an overall underspend of £0.194m.

3.6 Administration

3.6.1 The bulk of the management overheads underspend is attributable to savings on the amalgamation of the fleet manager and stores manager posts. Part of the underspend was utilised to pay for a joint-working arrangement with Moray Council in providing cover to satisfy statutory obligations under the Council's Operator's Licence.

4. Housing Revenue Account Final Outturn 2015/16

4.1 The Housing Revenue Account (HRA) achieved a balanced budget, and this was consistently reported to Committees throughout the year.

4.2 The HRA summary statement, which shows the final position for the year ended 31 March 2016, is contained in **Appendix 1**.

5. Notes on Variances

5.1 Budget provision was allowed for the additional management costs as a result of the new one-bedroom building programme for homelessness. As a consequence of internal restructuring within the Service, the additional costs were absorbed through the restructure. The homelessness underspend is attributable to the management costs budget provision, which was not required.

5.2 As a result of savings across the Council, the central support charge levied on the HRA reduced accordingly, resulting in an underspend.

5.3 Loan charges were under budget due to favourable interest rates throughout the year and the slippage in completing the Scottish Housing Quality Standard (SHQS) work.

5.4 House rents did not achieve their income targets. The shortfall is due to the number of new builds and one bedroom builds not achieving the assumption built into the rent model.

5.5 Utilisation of HRA properties as temporary accommodation for homelessness allowed other rents to exceed their target.

- 5.7 Other income was higher than budgeted, mainly due to increased invoicing for former tenant arrears and rechargeable repairs.
- 5.8 As a result of these variations the capital funded from current revenue was £0.984m higher than budgeted, reducing the requirement for new borrowing in the year.

6. Revenue Monitoring (1 April 2016 to 30 June 2016)

- 6.1 The overall budget for Community Services in financial year 2016/17 is £53.505m. The revenue expenditure monitoring statements, appended to this report (**Appendix 2**), show the financial position to 30 June 2016. In total, the expenditure is currently in line with the budget outturn target.

7. Budget Savings

- 7.1 All of the savings, both Service specific and corporate and transformational, have been reflected in the Community Services 2016/17 budget, and have been allocated across all parts of the Service, where appropriate. The only saving not allocated relates to the transformational saving on procurement of £0.249m. At this juncture in the year, the saving is “amber” on the basis there is a degree of certainty the saving will be achieved. Any saving will be allocated to the relevant budget code as it materialises throughout the year.
- 7.2 The £28m disaggregated to the eight Local Committees will be reported in detail at the next CS committee. Early indications are that these are currently within budget.
- 7.3 An updated Red/Amber/Yellow/Green (RAYG) analysis of Service specific agreed budget savings for the current financial year is set out on **Appendix 3**. This statement reflects the position for the first quarter of the financial year.
- 7.4 **Appendix 4** sets out the corporate and transformational savings for the current financial year and reflects the position for the first quarter of the financial year. The RAYG status is based on achieving the saving based on the proposal ie fuel procurement aligned to saving on the amount of fuel consumption directly linked to a reduction in the fuel budgets. The savings marked “red” totalling £0.330m, will not be achieved in the way they were originally intended. All fuel budgets across the Service have been allocated a share of this sum to allow the monetary value of the saving to be met.

8. Year-End Projection

- 8.1 The year to date actual figures represent the transactions for the three months ended 30 June 2016, and are generally in line with management expectations. To deliver a balanced budget will be a challenge.
- 8.2 Members will note that based on the financial performance to date, and the actions already taken, it is predicted, that at the end of the financial year the budget as a whole will be balanced.

9. Major Issues and Variances

- 9.1 At present there are no major issues or variances to be highlighted.

10. Actions Proposed

- 10.1 Managers will review their respective parts of the Service to identify where costs can be reduced without affecting service delivery, with a view to managing overspends, or approved savings measures that may not be fully achieved.
- 10.2 Budgets will be closely managed and any underspends will be used to offset overspends and pressures within the overall Community Services budget.

11. Housing Revenue Account

- 11.1 At this stage of the year no variations are predicted against the main budget headings.

12. Implications

- 12.1 Resource implications are discussed in the report.
- 12.2 Risk implications to the budget position, and budget assumptions, will be kept under regular review and any risks identified reported to future Committees.
- 12.3 There are no legal, equality, climate change/carbon clever, risk, Gaelic or rural implications arising as a direct result of this report.

Recommendations

Members are invited to:

- approve the revenue budget final outturn position for the year ended 31 March 2016; and
- approve the report and the attached monitoring statements which show the revenue position for the period 1 April 2016 to 30 June 2016, and the actions which have been put in place to manage the budget over the remainder of the financial year.

Designation: Director of Community Services

Date: 4 August 2016

Author: Mike Mitchell, Service Finance Manager

Background Papers: Final Outturn 31/03/16 and Monitoring Statements 30/06/16
and the Highland Council Financial Ledger

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2015 to 31 March 2016

Service Summary

	£000 Actual Year To Date		£000 Annual Budget		£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY						
Roads and Transport	27,748	2.1	27,145		27,748	603
Environmental and Regulatory Services	27,302	2.2	27,524		27,302	(222)
Non-Housing Revenue Account	3,997	2.3	3,704		3,997	293
Trading Operations	(2,297)	2.4	(1,602)		(2,297)	(695)
Administration	6,461	2.5	6,585		6,461	(124)
SERVICE TOTAL	63,211		63,356		63,211	(145)

BY SUBJECTIVE

Staff Costs	60,631		66,039		60,631	(5,408)
Other Costs	85,787		90,807		85,787	(5,020)
Gross Expenditure	146,418		156,846		146,418	(10,428)
Grants	(891)		(189)		(891)	(702)
Other Income	(82,316)		(93,301)		(82,316)	10,985
Total Income	(83,207)		(93,490)		(83,207)	10,283
	63,211		63,356		63,211	(145)

BY ACTIVITY

Housing Revenue Account	0	2.6	0		0	0
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BY SUBJECTIVE

Staff Costs	9,734		10,654		9,734	(920)
Other Costs	56,254		56,490		56,254	(236)
Gross Expenditure	65,988		67,144		65,988	(1,156)
Grants	0		0		0	0
Other Income	(65,988)		(67,144)		(65,988)	1,156
Total Income	(65,988)		(67,144)		(65,988)	1,156
	0		0		0	0

% of Budget Spent

This Year	100%
Last Year	99%

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2015 to 31 March 2016

Financial Detail

	£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
2.1 Roads and Transport				
Winter Maintenance	4,849	4,982	4,849	(133)
Roads Maintenance	9,601	9,586	9,601	15
Public Conveniences	1,064	1,230	1,064	(166)
Burials and Cremations	168	152	168	16
Grounds Maintenance	2,791	2,599	2,791	192
Engineering Services	463	614	463	(151)
Community Works Services	2,248	2,292	2,248	(44)
Coast Protection	2	57	2	(55)
Flood Alleviation	19	157	19	(138)
Lighting Services	4,042	3,985	4,042	57
Integrated Transport Services	636	637	636	(1)
Subsidies and Concessionary Fares	4,084	3,665	4,084	419
Car Parks and Airstrips	(554)	(981)	(554)	427
Emergency Planning and Oil Pollution	180	190	180	(10)
Roads and Community Works Trading Account	(1,845)	(2,020)	(1,845)	175
	27,748	27,145	27,748	603
2.2 Environmental and Regulatory Service:				
Refuse Collection	3,361	3,386	3,361	(25)
Waste Disposal	12,893	13,079	12,893	(186)
Recycling	9,967	9,910	9,967	57
Street Cleaning	2,863	2,871	2,863	(8)
Environmental Health	2,286	2,250	2,286	36
Waste Management Trading Account	(4,068)	(3,972)	(4,068)	(96)
	27,302	27,524	27,302	(222)
2.3 Non-Housing Revenue Account				
Homelessness	1,912	1,661	1,912	251
Supporting People	1,764	1,708	1,764	56
Anti Social Behaviour	353	336	353	17
Gypsy Traveller Sites	(32)	(1)	(32)	(31)
	3,997	3,704	3,997	293
2.4 Trading Operations				
Harbours and Ferries	(2,297)	(1,602)	(2,297)	(695)
	(2,297)	(1,602)	(2,297)	(695)
2.5 Administration				
Management Overheads	4,732	4,814	4,732	(82)
Stores and Depots	2,129	2,159	2,129	(30)
Vehicle Maintenance Trading Account	(400)	(388)	(400)	(12)
	6,461	6,585	6,461	(124)
SERVICE TOTAL	63,211	63,356	63,211	(145)

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2015 to 31 March 2016

Financial Detail

2.6 Housing Revenue Account
Expenditure:-

	£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
Supervision and Management	6,776	6,743	6,776	33
Tenant Participation	184	206	184	(22)
Sheltered Housing	715	659	715	56
Homelessness	439	553	439	(114)
Repairs and Maintenance	15,553	15,577	15,553	(24)
House Rent Voids	669	711	669	(42)
Other Rent Voids	269	268	269	1
Central Support	3,521	3,671	3,521	(150)
Loan Charges	17,546	18,000	17,546	(454)
Capital Funded from Current Revenue	4,754	3,770	4,754	984
Gross Expenditure	50,426	50,158	50,426	268

Income:-

House Rents	(47,620)	(47,905)	(47,620)	285
Other Rents	(1,458)	(1,288)	(1,458)	(170)
Other Income	(1,286)	(885)	(1,286)	(401)
Interest on Revenue Balances	(62)	(80)	(62)	18
Gross Income	(50,426)	(50,158)	(50,426)	(268)

HRA TOTAL

0	0	0	0
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COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2016 to 30 June 2016

Service Summary

	£000 Actual Year To Date		£000 Annual Budget		£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY						
Roads and Transport	5,134	2.1	22,153		22,153	0
Environmental and Regulatory Services	4,387	2.2	27,287		27,287	0
Non-Housing Revenue Account	1,338	2.3	3,243		3,243	0
Trading Operations	(877)	2.4	(1,645)		(1,645)	0
Administration	2,435	2.5	2,467		2,467	0
SERVICE TOTAL	12,417		53,505		53,505	0
BY SUBJECTIVE						
Staff Costs	11,980		61,147		61,147	0
Other Costs	14,417		82,968		82,968	0
Gross Expenditure	26,397		144,115		144,115	0
Grants	(38)		(164)		(164)	0
Other Income	(13,942)		(90,446)		(90,446)	0
Total Income	(13,980)		(90,610)		(90,610)	0
	12,417		53,505		53,505	0
BY ACTIVITY						
Housing Revenue Account	(6,066)	2.6	0		0	0
BY SUBJECTIVE						
Staff Costs	2,090		4,806		4,806	0
Other Costs	3,822		46,013		46,013	0
Gross Expenditure	5,912		50,819		50,819	0
Grants	0		0		0	0
Other Income	(11,978)		(50,819)		(50,819)	0
Total Income	(11,978)		(50,819)		(50,819)	0
	(6,066)		0		0	0

% of Budget Spent

This Year	23%
Last Year	29%

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2016 to 30 June 2016

Financial Detail

	£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
2.1 Roads and Transport				
Winter Maintenance	60	4,982	4,982	0
Roads Innovation Fund	0	0	0	0
Roads Maintenance	1,418	6,752	6,752	0
Public Conveniences	230	992	992	0
Burials and Cremations	(160)	(616)	(616)	0
Grounds Maintenance	763	1,985	1,985	0
Engineering Services	103	722	722	0
Community Works Services	487	2,086	2,086	0
Coast Protection	0	0	0	0
Flood Alleviation	15	157	157	0
Lighting Services	(168)	3,379	3,379	0
Integrated Transport Services	156	657	657	0
Subsidies and Concessionary Fares	1,011	3,412	3,412	0
Car Parks and Airstrips	57	(1,304)	(1,304)	0
Emergency Planning and Oil Pollution	44	190	190	0
Roads and Community Works Trading Account	1,118	(1,241)	(1,241)	0
	5,134	22,153	22,153	0
2.2 Environmental and Regulatory Services				
Refuse Collection	(346)	3,458	3,458	0
Waste Disposal	1,349	13,021	13,021	0
Recycling	1,608	10,538	10,538	0
Street Cleaning	441	3,029	3,029	0
Environmental Health	593	2,054	2,054	0
Waste Management Trading Account	742	(4,813)	(4,813)	0
	4,387	27,287	27,287	0
2.3 Non-Housing Revenue Account				
Homelessness	628	1,460	1,460	0
Supporting People	653	1,654	1,654	0
Anti Social Behaviour	73	164	164	0
Gypsy Traveller Sites	(16)	(35)	(35)	0
	1,338	3,243	3,243	0
2.4 Trading Operations				
Harbours and Ferries	(877)	(1,645)	(1,645)	0
	(877)	(1,645)	(1,645)	0
2.5 Administration				
Management Overheads	1,636	809	809	0
Stores and Depots	910	1,992	1,992	0
Vehicle Maintenance Trading Account	(111)	(334)	(334)	0
	2,435	2,467	2,467	0
SERVICE TOTAL	12,417	53,505	53,505	0

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2016 to 30 June 2016

Financial Detail

2.6 Housing Revenue Account**Expenditure:-**

Supervision and Management
 Tenant Participation
 Sheltered Housing
 Homelessness
 Repairs and Maintenance
 House Rent Voids
 Other Rent Voids
 Central Support
 Loan Charges
 Capital Funded from Current Revenue

Gross Expenditure**Income:-**

House Rents
 Other Rents
 Other Income
 Interest on Revenue Balances

Gross Income**HRA TOTAL**

	£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
Supervision and Management	1,332	6,021	6,021	0
Tenant Participation	50	210	210	0
Sheltered Housing	114	682	682	0
Homelessness	65	476	476	0
Repairs and Maintenance	3,812	15,730	15,730	0
House Rent Voids	132	722	722	0
Other Rent Voids	79	278	278	0
Central Support	0	3,610	3,610	0
Loan Charges	0	20,300	20,300	0
Capital Funded from Current Revenue	0	2,790	2,790	0
Gross Expenditure	5,584	50,819	50,819	0
House Rents	(11,120)	(48,769)	(48,769)	0
Other Rents	(466)	(1,649)	(1,649)	0
Other Income	(64)	(356)	(356)	0
Interest on Revenue Balances	0	(45)	(45)	0
Gross Income	(11,650)	(50,819)	(50,819)	0
HRA TOTAL	(6,066)	0	0	0

Service	Saving owner	Activity Heading	Saving category	Savings Proposal	Savings		
					2016/17 £m	Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow
CS	WG	Car Parking	Income generation	Weekend charging for the use of HQ car park	0.020	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.
CS	WG	Burials and Cremations	Income generation	Accelerate agreed increase (increase agreed HC 18/12/14)	0.633	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.
TSP	WG	Transport Programme	Efficiencies	Seeking contract variation opportunities for school and public bus services provision; home-to-school transport efficiencies; future services provision re-tendering	0.625	A	Several routes being re-tendered and will be reported to special CS Committee on 14 September
CS	WG	Lighting	Efficiencies	Street lighting - energy, LEDs, timings, spacings, controls	0.128	A	Seeking to deliver this saving in a shorter timeframe but risks with staffing and delivery
CS	WG	Burials and Cremations	Income generation	Increase interment charges by 10% pa for 4 years	0.091	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.
CS	WG	Burials and Cremations	Income generation	Increase lair purchase charges by 12% in year 1 and 10% pa for the next 3 years	0.087	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.

2016/17 Savings

APPENDIX 3

Service	Saving owner	Activity Heading	Saving category	Savings Proposal	Savings		
					2016/17 £m	Saving RAYG (enter R, A, Y, or G)	Projected saving- red amber yellow
CS	WG	Burials and Cremations	Income generation	Increase cremation charges by 10% pa for 4 years	0.064	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.
CS	WG	Burials and Cremations	Income generation	Increase interment charges to equal cremation charges in year 1 (+15%) and add 5% pa thereafter. This is additional to 7a.	0.046	A	Assumed increase in charges will achieve their target, however not guaranteed at this point in the year.
CS	WG	Management and staffing savings	Management and staffing savings	Review layers of management throughout Service	0.300	G	
CS	WG	Public Conveniences	Service reviews	Review of provision of public conveniences	0.250	G	
CS	WG	Horticulture (growing and planting)	Cessation/reduction of service	Cease growing flowers and building/providing floral decorations. Close Council nurseries; Wick, Thurso and Inverness. Cease planting of annual flowers.	0.217	G	
TSP	WG	Fuel Procurement	Efficiencies	Rationalise arrangements for fuel procurement	0.210	G	
CS	WG	Waste Disposal	Third parties	Negotiate to remove all funding from Social Enterprises	0.200	G	
CS	WG	Anti-Social Behaviour	Service reviews	Review of Anti-Social Behaviour Services including partial transfer to HRA	0.162	G	
TSP	WG	Reduction in Light Vehicles and Plant	Efficiencies	3 year programme to reduce the number of items of light vehicles and plant utilised full-time by the Council	0.150	G	
CS	WG	Contaminated Land	Cessation/reduction of service	Reduction in Contaminated Land work	0.089	G	
CS	WG	Standby	Service reviews	Review of duty officer	0.087	G	
CS	WG	Recycling	Service reviews	Review the hours of opening at recycling centres during weekdays	0.081	A	Negotiations with staff and unions ongoing to enable delivery

2016/17 Savings

APPENDIX 3

Service	Saving owner	Activity Heading	Saving category	Savings Proposal	Savings		Projected saving- red amber yellow
					2016/17 £m	Saving RAYG (enter R, A, Y, or G)	
CS	WG	Grounds Maintenance	Cessation/reduction of service	Reduced contractor costs from a review of maintained areas	0.063	G	
CS	WG	Coast Protection	Cessation/reduction of service	Delete the coast protection budget	0.057	G	
CS	WG	Waste Disposal	Third parties	Reduce payments to Social Enterprises	0.050	G	
CS	WG	Interments	Cessation/reduction of service	Interments to take place within 7 days unless there are traditional or religious reasons for not doing so	0.044	G	
CS	WG	Community Transport	Third parties	Review funding to community groups	0.040	G	
CS	WG	Recycling	Efficiencies	Cut in the waste awareness budget	0.040	G	
TSP	WG	Centralise Stores	Service reviews	Centralise stores under one management structure and use suppliers	0.030	G	
CS	WG	Out of Hours	Efficiencies	Move service to Aberdeen City	0.015	G	
CS	WG	Increase Income	Income generation	Increase income from applications and inspections - roads inspectors	0.010	G	
CS	WG	Street Cleansing	Cessation/reduction of service	Stop buying dog bags for public	0.010	G	

2016/17 Corporate & Transformation Savings

APPENDIX 4

2016/17					
Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17 Service Allocations CS £m	Saving RAYG (enter R, A, Y, or G)
Corp 5	Voluntary Severance	Voluntary Severance	Allocation agreed 30/05/16	-1.290	G
Corp 6	Recruitment Freeze	Recruitment freeze for non-exempt posts	Allocation agreed 30/05/16	-0.120	G
PIM8	Fuel Procurement	Rationalise arrangements for fuel procurement	Agreed to allocate 30/05/16	-0.192	G
Corp 1	Salary Sacrifice	Savings from salary sacrifice schemes	Allocate proportionate to take up of schemes in year to date	-0.021	G
Corp 7	Management and staffing savings	Agency Staff	Allocation agreed 30/05/16	-0.059	G
PIM27	Reduction in Light Vehicles and Plant	3 year programme to reduce the number of items of light vehicles and plant utilised full-time by the Council	Allocation agreed 30/05/16	-0.094	G
PIM2	Attendance Management	Reduction in sickness absence by continuing to adopt a robust and consistent approach to attendance management	Allocation agreed 30/05/16	-0.017	G
PIM2A	Travel, Subsistence and Overtime	Reduction in the costs of staff travel, subsistence and overtime through management action and greater use of technology	Allocation agreed 30/05/16	-0.053	G
PIM5	Centralise Stores	Centralise stores under one management structure and use suppliers	Allocated in full to CS budget	-0.030	G
PIM16	Transport Programme	Seeking contract variation opportunities for school and public bus services provision; home-to-school transport efficiencies; future services provision re-tendering	Allocation agreed 30/05/16	-0.119	A

2016/17 Corporate & Transformation Savings

APPENDIX 4

2016/17					
Ref.	Activity Heading	Savings Proposal	16/17 Allocation Comments	2016/17 Service Allocations CS £m	Saving RAYG (enter R, A, Y, or G)
Corp 4, TSP Proc 1 & 3, TSP WPP4-SSJV9	Procurement	Procurement Shared Service & Collaborative Spend	Allocation agreed 30/05/16	-0.249	A
Corp 2	Fees & Charges	10% increase on all fees and charges that are not nationally set, or a different amount has already been agreed	Allocation already included within HC 25/02/16 Service budgets; Based on actual % increases for individual fees & charges budgets	-0.226	A
Corp 3	Energy	Reduced consumption, pricing & behavioural change	Allocation agreed 30/05/16	-0.056	A
PIM1 & PIM20	Entitlements & Digital Services	Simplifying & streamlining entitlements applications processes Channel shift activity - increase the number of services accessible on-line, via the Council's website, and via the Council's Service Centre	Allocation agreed 30/05/16	-0.027	R
PIM22	Mobile Technology	Roll out of processes developed for Housing in support of mobile working, scheduling and appointments	Allocation agreed 30/05/16	-0.284	R
	Information Management		Allocation agreed 30/05/16	-0.019	R
Total				-2.856	