

APPENDIX F (ii)

Ref No:	Saving
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PENDLE BOROUGH COUNCIL
2018/19 GENERAL FUND REVENUE BUDGET – SAVINGS PROPOSAL

1. SERVICE	Financial Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	Ensuring a clean, healthier, safer and cohesive Pendle Maintaining a sustainable, resilient and efficient organisation
4. TITLE OF PROPOSAL	Pendle Leisure Trust – Reduction in Management Fee payable by the Council

5. BRIEF DESCRIPTION OF PROPOSAL:

To reduce the management fee paid by the Council to the Trust by £150,000 in 2018/19. A number of proposals have been discussed with the Trust with details appended to this pro-forma.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue (target)	150,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The Council's core grant to the Trust is £1.426m in the current year. .

Discussions have taken place recently with Trust representatives outlining the Council's financial position and requesting that the Trust identify options to deliver the Council's target saving for 2018/19 of £150k.

A copy of the savings as proposed by the Trust is appended to this document - these were shared with Councillors on the Budget Working Group at a meeting held on 10th November 2017.

The Trust's own financial plans show them needing to find savings of £124k **before** any reduction in the Council's management fee. Therefore, taking account of the Council's saving requirement means the Trust have to identify savings of £274k to balance their budget in next year.

Members will be aware that part of the proposed savings involves the re-development of the Pendle Leisure Centre in Colne, for which the Trust would require a loan from the Council of up to £500k. This project is subject to public consultation currently.

APPENDIX F (ii)

Ref No:	Saving
---------	--------

PENDLE BOROUGH COUNCIL
2018/19 GENERAL FUND REVENUE BUDGET – SAVINGS PROPOSAL

1. SERVICE	Neighbourhood Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	Ensuring a clean, healthier, safer and cohesive Pendle Maintaining a sustainable, resilient and efficient organisation
4. TITLE OF PROPOSAL	To reduce the budget for Town Centres repairs and maintenance from 2018/19.

5. BRIEF DESCRIPTION OF PROPOSAL:
To reduce the budget for Town Centres repairs and maintenance from 2018/19.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	10,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES
<p>The budget in the current year is £26,890. Actual expenditure in 2016/17 was £36k and £41k the year before. Demand for spend will increase when expensive (capital projects) materials need replacing</p> <p>Work appears largely reactive in nature. Reducing the budget would affect the Council's ability to respond unless aspects of this activity could be transferred to local Town Councils.</p>

APPENDIX F (ii)

Ref No:	Saving
---------	--------

PENDLE BOROUGH COUNCIL 2018/19 GENERAL FUND REVENUE BUDGET – **SAVINGS** PROPOSAL

1. SERVICE	Democratic & Legal Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	All corporate priorities
4. TITLE OF PROPOSAL	Reduce Members Allowances

5. BRIEF DESCRIPTION OF PROPOSAL:

To implement a reduction in the level of Members' Allowances with effect from April 2018 to deliver a saving on current costs of c£12k.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	12,250*	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

Members Allowances - Option 1 (Basic Allowance reduced)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	2,750	134,750	(12,250)	-8%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	4,000	4,000	-	0%
Executive Members	10	1,200	12,000	1,200	12,000	-	0%
Opposition Group Leader	1	1,200	1,200	1,200	1,200	-	0%
Licensing	1	1,200	1,200	1,200	1,200	-	0%
Area Committee Chairman	5	1,200	6,000	1,200	6,000	-	0%
Scrutiny Mgmt Chairman	1	1,200	1,200	1,200	1,200	-	0%
Taxi Licensing	1	500	500	500	500	-	0%
Development Management	1	500	500	500	500	-	0%
Accounts and Audit	1	500	500	500	500	-	0%
			174,100		161,850	(12,250)	

APPENDIX F (ii)

Members Allowances - Option 2 (all Allowances reduced)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	2,800	137,200	(9,800)	-7%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	3,600	3,600	(400)	-10%
Executive Members	10	1,200	12,000	1,080	10,800	(1,200)	-10%
Opposition Group Leader	1	1,200	1,200	1,080	1,080	(120)	-10%
Licensing	1	1,200	1,200	1,080	1,080	(120)	-10%
Area Committee Chairman	5	1,200	6,000	1,080	5,400	(600)	-10%
Scrutiny Mgmt Chairman	1	1,200	1,200	1,080	1,080	(120)	-10%
Taxi Licensing	1	500	500	450	450	(50)	-10%
Development Management	1	500	500	450	450	(50)	-10%
Accounts and Audit	1	500	500	450	450	(50)	-10%
			174,100		161,590	(12,510)	

Members Allowances - Option3 (Remove Executive Special Responsibility Allowances)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	3,000	147,000	-	0%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	4,000	4,000	-	0%
Executive Members	10	1,200	12,000	-	-	(12,000)	-100%
Opposition Group Leader	1	1,200	1,200	1,200	1,200	-	0%
Licensing	1	1,200	1,200	1,200	1,200	-	0%
Area Committee Chairman	5	1,200	6,000	1,200	6,000	-	0%
Scrutiny Mgmt Chairman	1	1,200	1,200	500	500	(700)	-58%
Taxi Licensing	1	500	500	500	500	-	0%
Development Management	1	500	500	-	-	(500)	-100%
Accounts and Audit	1	500	500	500	500	-	0%
			174,100		160,900	(13,200)	

*Saving shown reflects **Option 1**. **Option 2** results in all allowances being reduced which, if agreed, would generate a saving of £12,510 on current costs.

Option 3 is put forward in support of the Council's decision to move to a Committee system of governance. The central feature of this is that the present 10 strong executive would be replaced by a politically balanced Policy Committee of 17 members. Portfolios are a feature of executive governance arrangements and arguably there is less of a role or need for portfolio holders or lead members on a committee. The requirement for political balance may also mean that such a system would not work smoothly in practice. In addition the move to a Committee system may see the replacement of the Scrutiny Management Committee by an ad hoc Scrutiny panel and the abolition of the Development Management Committee. A further saving of £1,200 could therefore be achieved by reducing the payment for chairing the Scrutiny Panel to £500 and deleting the payment for chairing the Development Management Committee.

Reducing the level of allowances could potentially act as a barrier to some people standing for election to the Council. **The scheme of allowances will be reviewed by an Independent Remuneration Panel in preparation for the new governance arrangements from next May. The Panel will make recommendations for consideration by Council in due course.**

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PENDLE BOROUGH COUNCIL
2018/19 GENERAL FUND REVENUE BUDGET – SAVINGS PROPOSAL

1. SERVICE	Neighbourhood Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	Ensuring a clean, healthier, safer and cohesive Pendle Maintaining a sustainable, resilient and efficient organisation
4. TITLE OF PROPOSAL	To reduce the budget for Land Drainage works

5. BRIEF DESCRIPTION OF PROPOSAL:
To reduce the funding for Land Drainage activity with effect from 2018/19. This would still leave that portion of the budget allocated to Area Committee based land drainage activity

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2018/19 £	2019/20 £
Revenue	10,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES
<p>The service was impacted 2 years ago by the termination of the Environment Agency contract. This and other changes that have taken place in relation to the management of watercourses have reduced the Council's operational capacity to deal with land drainage matters. The function is increasingly more that of an enabling/advisory activity with less direct works being undertaken.</p> <p>This particular budget was established for proactive and reactive flood prevention works, in particular the supply of sand bags to residents. A total loss of the budget will unfortunately mean we will be unable to help residents in times of severe weather.</p> <p>The budget for Area Committee based works is not affected by this proposal.</p>

APPENDIX F (ii)

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2018/19 GENERAL FUND REVENUE BUDGET – SAVINGS PROPOSAL

1. SERVICE	Financial Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	Working with partners and the community to sustain accessible services of good value
4. TITLE OF PROPOSAL	To reduce the level of Council funding for the Burnley and Pendle Citizen's Advice (CAB)

5. BRIEF DESCRIPTION OF PROPOSAL:

To reduce Council funding support for the CAB by £20,000 in 2018/19. The Council currently provides financial support to the merged Burnley and Pendle and Burnley CAB by a grant of £74,450.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	20,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The CAB provides services to Pendle residents in 3 locations, namely Barnoldswick, Colne and Nelson.

The saving proposed is likely to impact on the scale of activity provided by the CAB and possibly the number of locations from which its services are provided.

Providing early notice of the reduction in funding support would help the CAB to plan and potentially mitigate the risk depending on the security of their other funding streams.

An initial discussion has been held with the CAB which outlined the proposal being put forward by officers and also to discuss ways of working together which might help mitigate the impact. Further discussions are planned.

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1. SERVICE	Financial Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	Working with partners and the community to sustain accessible services of good value
4. TITLE OF PROPOSAL	To withdraw funding for the late night bus service.

5. BRIEF DESCRIPTION OF PROPOSAL:

A late night bus service was funded in 2017/18 servicing a route from Burnley to Nelson, Colne, Earby and Barnoldswick, following the withdrawal of funding from Lancashire County Council.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	7,700	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The Council agreed to fund a late night bus service by Transdev serving Burnley to Barnoldswick and return following the withdrawal of Lancashire County Council funding in 2017/18.

This is the only route funded by the Council which it has no statutory obligation to provide. Given the Council's financial position it is recommended that funding is ceased and should the service be viable, Transdev are in a position to re-instate it on its own merits.

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- 1. SERVICE** Neighbourhood Services
- 2. IMPLEMENTATION DATE:** 1/4/18
- 3. CORPORATE PRIORITY**
Ensuring a clean, healthier, safer and cohesive Pendle

Maintaining a sustainable, resilient and efficient organisation
- 4. TITLE OF PROPOSAL** To delete the budget for Community Safety Initiatives

5. BRIEF DESCRIPTION OF PROPOSAL:

To delete the annual budget for Community Safety Initiatives of £4,000.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	4,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The budget provides funding primarily for replacement security equipment (door and window locks) following a crime and a range of miscellaneous items of expense. It also supports initiatives connected with the Community Safety Partnership.

Service users affected by this budget reduction would need to make alternative arrangements to obtain equivalent support.