

APPENDIX E (i)

Options for Savings

2018/19 Revenue Budget

COUNCIL Meeting – 22nd February 2018

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

1. SERVICE	Environmental Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	<p>Working with partners and the community to sustain services of good value</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
4. TITLE OF PROPOSAL	Charging for Bulky Household Waste

5. BRIEF DESCRIPTION OF PROPOSAL:

Bulky Household Waste Collection Charge £10 (inclusive of VAT)

Pendle is one of the very few Councils that does not charge for bulky waste. Currently there are just 4 out of 39 councils that are free, with 3 of the 4 being restricted collections in some way, leaving only Pendle with no restriction and a free of charge service for bulkies. In Lancashire all councils charge with the exception of Pendle and Hyndburn (who are proposing to charge from 2018).

Going back to 2015 there have been two factors that greatly increased the demand placed upon the bulky household waste collection service. The first was Lancashire County Council's permit scheme for the disposal of construction and demolition waste which has resulted in residents who would have taken bulky household waste to a HWRC no longer doing so. The second was a significant drop in the resale value of scrap metal which has led to an increase in demand for the collections.

There has been continued a steady growth during the last 12 months :

Type	Sept 14 – Aug 15	Sept 15 – Aug 16	Sept 16 – Aug 17	Current Yr Movem't	%
Bulkies	11,267	12,957	13,169	+212	2%
Fridges	1,699	2,377	2,673	+296	12%
White Goods	1,349	2,547	2,345	-202	-8%
Total	14,315	17,881	18,187	+306	

In addition to the above figures, an analysis of the collections in 15/16 showed that nearly 70% of these are multiple requests with the highest of 22 pa which included several white goods collection from the same household suggesting that some of these are possibly servicing private landlords.

In the consultation on Waste Services which concluded on 26th November 2017, 51% of the public strongly agreed or agreed with the introduction of a £10 charge.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	90,000	4,500	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The introduction of a charge would result in a reduction in demand for the service. Councils that charge for bulky waste in Lancashire see annual requests at around 5% of their total number of households. In Pendle this would mean a reduction in the number of requests from 18,000 per year to around 2,000. This would also mean a reduction in the number of vehicles needed to service the requests, and therefore a reduction in CO2 emissions whilst promoting the “reduce, reuse and recycle” theme.

Charging and the level of charge would have an impact on demand for the service and therefore on the likely income. A cautious estimate of the net saving is considered to be c£90,000 per annum with a £10 charge producing c£17k income, with reduced collections resulting in estimated cost savings of c£73k.

Opinion amongst professionals within the waste sector strongly suggests there is no link between fly tipping incidents and bulky waste collection charges. The table below shows two Lancashire authorities that introduced charges during 2010/11. Their fly tipping incidents remained lower and decreased significantly, when compared to the two years preceding their charging schemes.

<i>Fly tip incidents</i>	2008/9	2009/10	2010/11 <i>Charging introduced</i>	2011/12	2012/13
Blackburn (nos. fly tips)	4046	4098	4018	2880	2887
Preston (nos. fly tips)	4864	3371	2613	677	1815

PENDLE BOROUGH COUNCIL
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2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	<p>Working with partners and the community to sustain services of good value</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
4. TITLE OF PROPOSAL	Administrative Charge for Replacement Bins & Boxes

5. BRIEF DESCRIPTION OF PROPOSAL:

Replacement Waste Containers – Administrative Charge £15 + VAT

In September 2010 an administrative charge was introduced (£10 for bins and £5 for boxes) only for it to be withdrawn after one month by the Council. There was very little complaint or public resistance during the time it was in place. The Council agreed to continue the charge for new build properties (currently £28 each for Grey & Brown bins). Only 3 (including Pendle) of Lancashire Districts provide replacement waste bins for free with a range of £15-£39 and an average charge being £24.90 from the 11 who do make a charge.

To recover the full cost of providing replacement bins in Pendle it is estimated that a charge of over £32 per bin would be required.

Below are the number of bins issued free of charge within the last two years.

Type	Deliveries July 15 – Aug 16	Deliveries July 16 – Aug 17
Grey (General Refuse) bins	1,807	} 3,653
Brown (Dry Recycle) bins	1,572	
Total	3,379	3,653

In the consultation on Waste Services which concluded on the 26th November, 2017, 34% of the public strongly agreed or agreed with the introduction of the £15 charge for replacement bin delivery.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	45,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

A charge of £15 + VAT would cover the Council's administration and delivery costs but the bin would remain free of charge.

The underlying intention is to reduce net expenditure and encourage residents to take more responsibility for the containers provided to them. In addition to this, It also discourages households from obtaining additional bins limiting the amount of waste for disposal and into landfill. From a sustainability viewpoint it is expected that requests for new bins will reduce which would promote the reuse and recycle policy.

It is estimated that the introduction of such a charge would generate net additional income of £45,000 per annum, taking into account the likely reduction in demand.

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

1. SERVICE	Environmental Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	<p>Ensuring a Clean, Healthier, Safer and Cohesive Pendle</p> <p>Working with partners and the community to sustain services of good value</p>
4. TITLE OF PROPOSAL	Change in Garden Waste Scheme

<p>5. BRIEF DESCRIPTION OF PROPOSAL:</p> <p><i>Garden Waste Collection – Increase subscription from £30 to £35 per bin & Introduce a request system during winter months.</i></p> <p>To increase the current annual subscription of £30 per bin by £5 (17%) to £35 with effect from 1st July 2018 and;</p> <p>To introduce a booking system for garden waste collections for the December to February period.</p>
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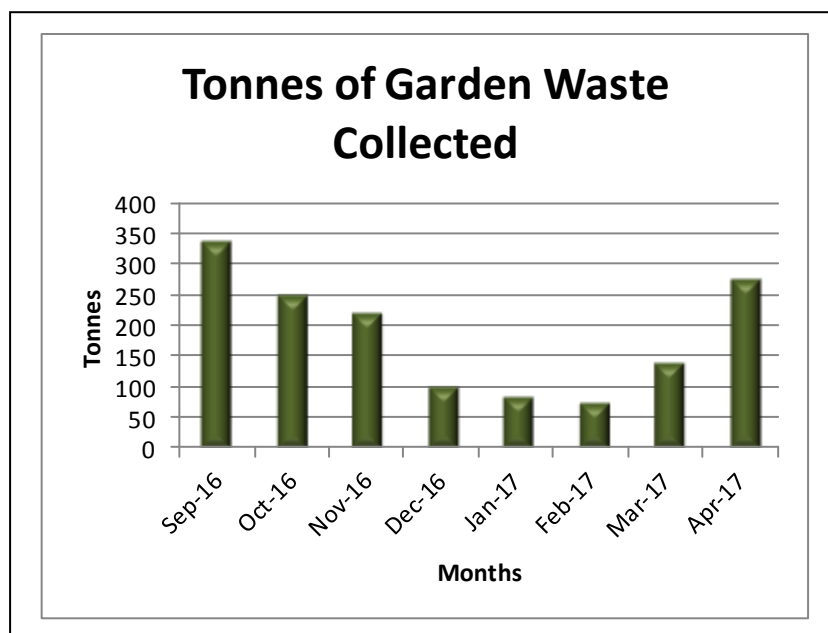
6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	48,180	0	0
Capital	0	0	0

<p>7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES</p> <p>The implementation of the garden waste scheme has gone well since 2014. The subscription charge was originally set at £25 per bin in July 2014 and was last raised to £30 per bin in July 2016.</p> <p>The estimated number of green bins included within the service in 2017/18 is 8,619. This proposal outlines a fee increase of 17% applied to estimated income of £258,570 (as at January 2018) and allows for a 2.5% reduction in customer demand.</p> <p>Estimated saving of £35,000.</p> <p>During the quieter periods for garden waste between December and February, Environmental Services still provide the full collection rounds each week even though collection rates are low. It is proposed to implement a booking system to request collections and thereby save unnecessary use of resource.</p> <p>Estimated saving of £13,180.</p>

The public consultation on Waste Services which concluded on 26th November, 2017 showed that 30% of all respondents strongly agreed or agreed to an increase of £5 per bin. 65% strongly agreed or agreed with the introduction of a booking system during this period.

The graph below shows the reduction in the amounts of garden waste collected during the 'quieter' period compared with the months before and after.



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2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	<p>Ensuring a clean, healthier, safer and cohesive Pendle</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
4. TITLE OF PROPOSAL	Waste Management – Service Delivery Savings

5. BRIEF DESCRIPTION OF PROPOSAL:

A range of savings within the Street Cleansing service with the overall objective of delivering savings of c£150k in 2018/19.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2018/19 £	2019/20 £	2020/21 £
Revenue	£150,100	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

Reduction in Manual Street Cleansing

There are currently 8 operatives working across 6 towns / villages. If agreed this proposal would lead to a reduction of hours spent in each location. The saving would result from reduced spending on agency personnel.
Estimated Saving £25,000

Reduction in Mechanical Sweeping

This service is currently provided via 5 mechanical sweepers covering the 5 main towns. This proposal would result in the reduction of 2 mechanical sweepers. The saving on the cost of these together with reduced spending on agency personnel would generate an overall saving of £81,820.

Additional sweeping undertaken in each location during the 10 week Autumn period due to leaf fall would continue.
Estimated Saving £81,820

Reduction in Fly tipping / Litter picking

There are currently 2 teams that undertake collection of fly-tipping and verge litter picking across the Borough. This proposal would reduce this to one team. The reduction in staffing costs (through a combination of reduced agency costs and reassignment to other duties) together with reduction in vehicle costs would result in the targeted saving.
Estimated Saving £43,280

The public consultation on Waste Services which concluded on 26th November, 2017 showed that 77% strongly disagreed or disagreed with reducing the level of manual sweeping and 82% strongly disagreed or disagreed with the with reducing the level of main road cleaning and fly tipping.

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 – Reduced Management Fee

5. BRIEF DESCRIPTION OF PROPOSAL:
To target a reduction in the Council's grant funding (management fee) to the Trust by £150,000 in 2018/19.

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
Discussions have taken place 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. The Council's grant funding of the Trust in the current year is £1.426m.
In response the Trust have submitted a number of proposals for consideration by the Council. A summary of these is provided at Appendix E (ii).

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

1. SERVICE	Neighbourhood Services
2. IMPLEMENTATION DATE:	1/4/18
3. CORPORATE PRIORITY	<p>Ensuring a clean, healthier, safer and cohesive Pendle</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
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

<p>7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES</p> <p>The budget in the current year is £26,890. It is proposed to reduce budget to £16,890 in 2018/19.</p> <p>Work appears largely reactive in nature and a reduction in the budget would mean that response to works would need to be more selective. Some aspects of this activity may be picked up by Town Councils.</p>

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	12,000	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

The Reduction is proposed reflecting the Council's move to a Committee system of governance from May 2018 and in particular the establishment of a politically balanced Policy and Resources Committee in place of the Executive. The Council's Independent Remuneration Panel has met recently to review allowances. Its report and recommendations have now been received and will be formally considered at the Budget Council meeting in February.

In summary the Panel is recommending that the basic allowance remains at £3000 (total cost £147,000). It has considered special responsibility allowances anticipating that there will no longer be Executive portfolio holders and that there will no longer be a Development Management Committee and Scrutiny Management Team.

The recommended allowances per annum are :

Leader - £4,000

Group Leader (x2) - £1,200 each

Area Committee Chairmen (x5)- £1,200 each

Other Committee Chairmen(x3 – Accounts and Audit, Licensing, Taxi and Other Licensing) - £500 each.

These total £13,900 representing a reduction of £12,000.

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

<p>5. BRIEF DESCRIPTION OF PROPOSAL:</p> <p>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</p>
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6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

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

<p>7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES</p> <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 reduction of the budget will unfortunately mean that the Council is limited in helping residents in times of severe weather.</p> <p>The total budget for repair and maintenance and flood defences for 2017/18 is £26,320.</p> <p>The budget for Area Committee based works is not affected by this proposal.</p>

PENDLE BOROUGH COUNCIL
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 with effect from 2018/19. The Council currently provides financial support to the merged Burnley and Pendle 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 will help the CAB to plan and potentially mitigate the risk depending on the security of their other funding streams.

Councillors are advised that in 2016/17 Burnley Borough Council funded the CAB to the level of £82.5k. However, from 2017/18 the Council determined that it would reduce its grant funding to the CAB by c25% over a 3 year period ending at £61.5k in 2019/20.

The reduction being proposed for Pendle in next year equates to c27% on the current level of grant support.

Discussions have taken place with the CAB to assess the options and implications for the CAB of the reduction proposed above.

PENDLE BOROUGH COUNCIL
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 withdraw from funding the M1 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 that is funded by the Council for which it has no statutory obligation to provide. As an isolated service 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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3. CORPORATE PRIORITY	<p>Ensuring a clean, healthier, safer and cohesive Pendle</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
4. TITLE OF PROPOSAL	Review Community Safety Initiatives

5. BRIEF DESCRIPTION OF PROPOSAL: To reduce funding for Community Safety Initiatives.

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 <p>50% of this budget is used for boarding up or repairing locks etc following burglaries to premises. The remainder funds membership to Lancashire Partnership Against Crime, SOCITM and the White Ribbon accreditation program.</p> <p>The proposal is to withdraw from membership and to cease funding of repairs to premises.</p> <p>Occupiers would have to make their own arrangements going forward.</p>

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1. SERVICE	Financial Services
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3. CORPORATE PRIORITY	<p>Ensuring a clean, healthier, safer and cohesive Pendle</p> <p>Maintaining a sustainable, resilient and efficient organisation</p>
4. TITLE OF PROPOSAL	Review Postage Service and Fees

5. BRIEF DESCRIPTION OF PROPOSAL: To review current postage charges and stop timed delivery of mail.
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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 <p>Following quality issues with the current postage supplier, a review of prices and suppliers is being carried out which is expected to generate savings of c £440.</p> <p>The Council also pays for a timed delivery licence to Royal Mail ensuring that mail is received prior to a designated time each day. As more communications are carried out electronically and the postage delivered reduced it is less important to ensure post is received early in the morning. Discussions with Royal Mail have confirmed that normal delivery of mail would probably be received at a time that is acceptable with no impact on services. As a result it is proposed that the timed delivery service is withdrawn saving £3,560 pa.</p>
