

Committee: Extraordinary Environment and Transport Committee

Date: 3 February 2004

Agenda Item No: 2

Title: Policy Priorities and Budgets 2004/05

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Summary

- 1 This report proposes budget savings options to partially recover the income forgone by this Committee in deciding to keep car parking charges at the current level during the 2004/05 financial year.

Background

- 2 At its meeting on 13 January 2004, this Committee decided not to give final approval to the proposed car parking charges increase it had previously recommended.
- 3 The decision made at that meeting, along with the small outstanding shortfall on the remainder of the Committee's budget savings target, created a shortfall of £137,000 in the Council's General Fund budget strategy for 2004/05 and the plan, for indicative purposes, to have a Council Tax rise of 7.5%.
- 4 Resources Committee, at its meeting on 22 January 2004, noted that this Committee had increased its net expenditure by £137,000 through reversing most of the previously recommended increases in car park charges which were included in the revised Committee totals approved by Council on 16 December. The Resources Committee also noted that all Committees needed to be part of the corporate budget and Council Tax setting process. In addition, the Committee also re-affirmed the indicative Council Tax rise of 7.5%, making recovery of the sum lost from potential car parking income a necessity. Resources Committee decided to accept savings proposals exceeding the savings target set for its own services by £84,000 largely offsetting this Committee's shortfall, but leaving a further £53,000 to be found to achieve the Council's overall spending and Council Tax level plans. It is this sum of £53,000 which the Committee is asked to meet by agreeing savings at this meeting.

Options to achieve the savings target

- 5 Officer have met and examined the complete Committee budget in some detail. The following list of ideas for reductions has been prepared. It is stressed that these are new ideas or opportunities for budget savings which were not known about or sufficiently developed at the time of this Committee's previous meeting to have been of use at that stage.

	Potential saving £
Planning Delivery Grant – Use small element for spending on ICT costs	8,350
Greater Cambridge Partnership – fund from reserves to keep consistent with Airport Campaign funding. Use newly proposed District Character Reserve	5,000
Essex Economic Development Partnership- fund from new Reserve as above	3,500
Business Development Services for North West Essex- fund from new Reserve as above	5,000
New income from County Council re enhanced litter monitoring and response service on A120	11,500
Funding tax and maintenance of new recycling vehicle contained in base budget from newly announced DEFRA grant	12,600
Residents Parking- savings/decriminalisation issue	5,000
Land Drainage schemes – reducing budget to current year level	<u>2,500</u>
	£53,450

- 6 In addition, other options looked at as part of this process were reductions in the Travel Tokens budget, the Railcard Concession Scheme, and the remaining budget for Local Centre Grants. However, these were considered to have a significant effect on client groups or partners. There was also a proposal for the Council to insure refuse vehicles on behalf of the contractor, with savings anticipated and shared via the Council's bulk insurance arrangements. The contractor has now arranged such a reduction with their own insurers, removing the possibility of the Council making a saving. Finally, there is the whole issue of depot rationalisation and the discontinuance of the client/contractor split. This is being progressed as part of the organisational restructuring, but is unlikely to provide savings for 2004/05.
- 7 Another issue considered was the use of recently announced DEFRA grants expenditure in the Corporate Quality of Life Plan relating to recycling. This would not be of direct assistance in reducing this Committee's base budget, but would reduce the overall Council budget for the year ahead.

RECOMMENDED that this Committee approves the savings contained in paragraph 5 of this report and informs the Resources Committee of its decisions.

Background Papers: Notes of officer meeting 21 January 2004, and budget working papers