

Bath and North East Somerset Council

Place Directorate Plan - 2016/17 to 2019/20

Finance & Resource Impacts

This appendix sets out the proposals for which there are specific financial, staff or property implications. The focus is on 2016/17 but indicative headline amounts are set out for future years.

2016/17

Type of Service Change

1. Income Generating Opportunities – Place

Proposal – items starting in 16/17 only

Requiring Capital Investment:

- Develop the Digital and WIFI network across B&NES to provide WIFI and improved connectivity across the district to generate additional incomes of £100,000 in 2016/17, potentially growing by a further estimated £1,000,000 by 2019/20;
- Bath Quays development of office, retail and residential spaces with the objective of generating substantial future year incomes estimated at £1,200,000 by 2019/20.

Requiring No Capital Investment:

- Improvement of the Visitor Economy by means of markets, pop ups and events, working closely with our Destination Management partners. This is expected to generate additional recurring income of £300,000 from 2016/17, growing in future years by a further estimated £200,000 by 2019/20;
- Alignment of the Heritage Services budgets with the approved business plan and profit targets. This is expected to generate additional recurring income of £350,000 from 2016/17, growing in future years by a further £750,000 over the following three years;
- Development of the Parks service to enable provision of wedding locations. This is expected to generate additional recurring income of £50,000 from 2016/17, growing by an expected further £50,000 in 2017/18;
- Implementation of spring water agreements. This is expected to generate additional recurring income of £30,000 from 2016/17, growing by £20,000 in 2017/18;
- Provision of building control services to North Somerset Council. This is expected to generate additional recurring income of £9,000 from 2016/17;
- Improved and increased pre application review service for Planning services. This is expected to generate additional recurring income of £13,000 from 2016/17;

- Support the development of Neighbourhood Plans and offer wider chargeable support services for grant application preparation. This is expected to generate additional recurring income of £25,000 from 2016/17;
- Increase income generated through fees & charges for use of the Council's Homesearch Scheme. This is expected to generate additional recurring income of £7,500 from 2016/17, growing by a further £22,500 over the following three years;
- Use of specialist knowledge to deliver bespoke training and development packages to other Local Planning Authorities. This is expected to generate additional recurring income of £17,000 from 2016/17; and
- Review of the Film Office services currently on offer with a view to this service becoming cost neutral over the next four years through a more commercial focus. This is expected to generate additional recurring income of £7,500 from 2016/17, growing by an expected further £60k over the following three years.

Impact

- Each of these initiatives is proposed in line with existing Council policies, priorities and strategies, with a view to improving the financial sustainability of the relevant services;
- Each of the proposals will have a business plan developed prior to implementation, which will include staffing, legal, equalities and risk considerations;
- Where capital investment is required these proposals will be taken through the Council's usual capital appraisal process and project planning will be undertaken;
- The Visitor Economy Improvements would have the added benefit of improving the sustainability of the Destination Management provider; and
- There could be impacts to staffing contracts and working patterns from some of these proposals, however there is no expectation at this time for staffing numbers to reduce.

Investment required

Capital investment will be required as follows:

- Digital B&NES will require £2.3m capital investment to put WIFI in place and upgrade fibre switches; and
- Bath Quays delivery is expected to require up to £30m of capital investment in order to optimise the return for the Council.

Place – Capital Investment to Enable Savings	2016/17	2017/18	2018/19	2019/20
	£000's	£000's	£000's	£000's
Digital B&NES	2,300			
Bath Quays Delivery	2,000	10,000	10,000	8,000
Total	4,300	10,000	10,000	8,000

Other projects will require some revenue investment (up to £50,000 per project) estimated to be £125,000 in total, of which £75,000 is anticipated before the end of 2016/17.

Type of Service Change

2. Efficiencies – An effective Business - Place

Proposal – 2016/17 items only

Requiring Capital Investment:

- Extend the conversion of street lighting units to LEDs and introduce dimming technology to reduce energy consumption and maintenance costs. This is expected to result in recurring annual savings of £83,000 in 2016/17 growing to £106,000 by 2017/18; and

Requiring No Capital Investment:

- Repatriating DCLG Homeless Prevention Fund to support existing Housing services resulting in a net budget reduction. This is expected to generate budget reductions of £50,000 from 2016/17;
- Bring housing support services currently outsourced for Disabled Facilities Grant in house to maximise use of existing skills and reduce commissioning costs. This is expected to generate budget reductions of £25,000 from 2016/17;
- Reduce the Housing Renewal budget reflecting the actual demand seen for this service. This is expected to generate budget reductions of £35,000 from 2016/17;
- Reduce Administration across Community Regeneration by consolidation of the teams' administration functions. This is expected to generate budget reductions of £23,000 from 2016/17; and
- Stop printing & posting applications for Parish Consultations. This is expected to generate budget reductions of £11,000 from 2016/17.

Impact

- These items are expected to maximise the use of in-house skills by refocusing and increasing staffing workloads.
- There will be some staffing impact anticipated in Place from these proposals, expected in the region of 2.5 posts.

Investment required

Capital investment will be required as follows:

- The Street lighting and LED replacement proposal will require £3.5m investment to replacement lights and implementation of a central management system.

Place – Capital Investment to Enable Savings	2016/17	2017/18	2018/19	2019/20
	£000's	£000's	£000's	£000's
Street Lighting Proposals	1,550	1,950		

Total	1,600	1,950	0	0
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Other projects will require some revenue investment (up to £10,000 per project) estimated to be £20,000 in total, investment is expected before the end of 2016/17.

Additional investment of existing staff time to design new processes supported by the One Council Review method and an initial £100,000 revenue investment have been included which, depending on its level of success, may need to be repeated throughout this 4 year programme.

Type of Service Change

3. Service Redesign – Place

Proposal – 2016/17 items only

Requiring Capital Investment:

- A wide ranging review of the Passenger Transportation services, capital investment is expected to be required on infrastructure in order to facilitate this. This review will be jointly delivered with People & Communities services and is expected to enable savings of £368,000 in 2016/17.

Requiring No Capital Investment:

- Reduce the provision of Arts Development grants and services. This would be expected to reduce budgets by £57,000 in 2016/17, with further reductions in future years;
- Reduce the provision of Events Grants provided. This would be expected to reduce budgets by £50,000 in 2016/17; and
- Review and revise the service model for Bereavement Services. This would be expected to reduce budgets by £50,000 in 2016/17.

Impact

- The reduction to events grants would mean reducing the number of events which are currently financially supported by the Council; however this would be mitigated with the proposal under destination management including other mechanisms to support and advise these groups on the running of events.
- These proposals would need to be managed carefully in order to avoid negative impact to the Council's economic development and with consideration to the Cultural and Creative Strategy.
- There will be some staffing impact anticipated in Place from these proposals; the number of posts affected would be dependent on the particular service re-design options ultimately progressed.
- Service redesigns will follow the Corporate Strategy principles and focus on delivering: stronger economy and growth, better prevention, new relationships with customers and communities, and an effective business.

Investment required

Capital investment will be required as follows:

- The Transport proposal may require capital investment in order to deliver in the most effective way; it is anticipated that the majority of this will be delivered as part of the Transport Improvement Programme funded by grant.

Place – Capital Investment to Enable Savings	2016/17	2017/18	2018/19	2019/20
	£000's	£000's	£000's	£000's
Transport Proposals	150	200	200	0
Total	150	200	200	0

The transport proposal is also anticipated to require some revenue investment of up to £345,000, of which £245,000 is anticipated before the end of 2016/17.

Other projects will require some revenue investment (up to £200,000 per project) estimated to be £250,000 in total, of which £200,000 is anticipated before the end of 2016/17.

Type of Service Change

4. Growth Avoidance – Place

Proposal

Requiring Capital Investment:

- There is a proposal to review the service provision for Waste & Recycling collections in more detail in order to mitigate the loss of £450,000 grant in 2017/18 that is currently being received to support this service from central Government.

No Capital Investment:

- There are no proposals for Growth Avoidance in this category for the Place directorate.

Impact

- The wider impacts of this project will be clear once the review is underway and proposals for change are being put forward.

Investment required

Capital investment will be required as follows:

- The Waste service is undergoing a comprehensive review of the service with the objective to mitigate growth costs in this area. Capital expenditure has been identified at £100,000 to fund the progression of the project irrespective of the review outcome, which is expected to require further capital investment the value of which will depend on the outcome of the review underway.

Summary – 2016/17

Place – Revenue – Recurring Net Savings Targets - Summary	2016/17
	£000's
Income Generating Opportunities	909
Efficiencies	227
Service Redesign	525
Total	1,661

Place – Capital Investment to Enable Savings	2016/17	2017/18	2018/19	2019/20
	£000's	£000's	£000's	£000's
Income Generating Opportunities	4,300	10,000	10,000	8,000
Efficiencies	1,600	0	0	0
Service Redesign	150	200	200	0
Growth Avoidance	782	1,950	0	0
Total	6,832	12,150	10,200	8,000

Places – One Off Revenue Investment to Enable Savings	by end of 2016/17
	£000's
Income Generating Opportunities	75
Efficiencies*	120
Service Redesign	445
Total	640

Revenue severance costs arising from fewer staff have not yet been calculated. The approach which is generally to increase income, and not reduce service levels, will in any case minimise these costs.

Capital projects not linked to the achievement of recurring revenue savings do not appear in this appendix. This appendix only summarises the capital spend linked to the above invest to save type proposals.

Summary - 2017/18 to 2019/20

Targets have been established for the following 3 years broken down into broad headings and to be refined following;

- Further consultation; and
- Development of business cases.

Place - Revenue - Recurring Savings Targets	2017/18	2018/19	2019/20
	£000's	£000's	£000's
Income Generating Opportunities	400	1,600	1,600
Efficiencies	200	200	200
Service Redesign	500	600	800
Totals	1,100	2,400	2,600

The levels of capital and revenue investment in future years will be established in the light of consultation on proposals for future years. It is not possible to estimate all of these until more work has been done on the right solutions with appropriate internal and public consultation. Sufficient balances will need to be available set aside in reserves to enable this.

The Directorate Plan sets out the other areas that will need to be considered to achieve the above savings targets, and these include:

- Management and direction of the Destination Management arrangements;
- Priorities around Arts & Events service provisions;
- Priorities around Bereavement services;
- Direction of service objectives around Community Transportation; and
- Development, implementation and participation of the following strategies, policies, initiatives & plans:

Place-making Plan & Neighbourhood Plans.	Keynsham Implementation Plan.	Green Space Strategy.
Transport Strategies: Keynsham, Chew & Somer Valleys.	Bath City Riverside Enterprise Area Masterplan.	Waste Strategy.
Core Strategy.	River Management Plan.	Empty Homes, Affordable Housing & Homelessness Policies.
Economic Strategy.	Gambling Policy.	Highway Asset Management Plan.
Events Strategy.	Network Management Plan.	Connecting Communities Initiative.
Playing Pitch Strategy.	Cultural Plan.	Workforce Development Plans.
Leisure Strategy.	Health & Safety Policy.	

This has the potential to impact the income generating opportunities and service redesign future year proposals within the Place Directorate should this be taken forward.