

APPENDIX F

Revenue Budget - Further Savings Options for 2016/17

Savings Options	2016/17 Estimated Savings	Commentary
	£	
Savings Shortfall in 2015/16 Deliverable in 2016/17		
Reduction in maintenance standards across the public realm	17,000	Savings proposals approved as part of the 2015/16 budget strategy and not fully delivered in 2015/16 as a result of delayed implementation etc. However it is anticipated the balance of savings to be delivered will be achieved in full from 1 April 2016
Heritage Education	30,000	
Cowes Floating Bridge - Review of Charges	40,000	
School Crossing Patrols	60,000	
Public Health Funding	250,000	
Deletion of Commissioning Manager Post	9,000	
Fleet & Transport Administration	5,000	
Events - Staff/Administration	44,000	
Statutory Union Facilities Time	20,000	
Pool Cars	20,000	
Review of Income Streams	300,000	
Confidential Waste	3,000	
Support to Lord Lieutenant	6,000	
Customer Interface	29,000	
Sub-total	833,000	
Savings Options Not Supported Previously		
Reduction in Member allowances	40,000	Budget reduction in amount of allowances paid to members
Supporting People	1,000,000	Consider options for further reducing the current supporting people budget
Schools	115,000	Charging schools for services
Concessionary Fares - discretionary element	225,000	Limit availability of the concessionary fares scheme to the statutory scheme only - this would mean withdrawing the local concession allowing those with a disability to travel at any time, and the local Islander Card scheme
Sub-total	1,380,000	
Potential New Savings		
Adult Social Care	2,000,000	Savings identified from the current adult social care transformation programme
Property rationalisation (Westridge/Sandown)	25,000	Resulting from the combination of existing office space - small saving may be achieved part year only, but if pursued potential £50,000 full year effect
Waste Contract - income generation	100,000	The contract provides for additional income generation from the sale of recyclates and a share of net profits
Property rationalisation (Bugle House/Westridge)	65,000	Resulting from the move of ICT out of Bugle House and Archaeology to Westridge

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Changes to the member decision making structure	30,000	A reduction in the number of meetings would be required to achieve this saving
Realignment of community safety provision	60,000	A reduction in service to meet only the minimum statutory requirements
Merging of design, media and consultation functions	40,000	Will mean the amalgamation of some roles in these teams
Cancel membership of Solent LEP and Partnership for Urban South Hampshire (PUSH)	50,000	Assumes the role of PUSH will diminish if a new Hants and IoW devolution deal is agreed and that the economic responsibility of the LEP extends to the IoW regardless of whether the council is a member. Membership does however give the council a seat on the board of the LEP
Reduction in maintenance and cleaning of other council owned assets (public realm area)	20,000	Reduction in maintenance and cleaning costs of small areas of land owned by the council and not included within the highways pfi contract
Other staffing reductions	600,000	Saving arising from a move towards focussing on the delivery of statutory duties and an enabling role rather than direct service provision, with fewer staff to deliver services - equivalent to 20 FTE posts
Sub-total	2,990,000	
Further Options Being Developed		
Potential savings from implementation of service redesign for the delivery of social care packages via a dynamic purchasing system		Bidding functionality within the system is not planned to be used at present, however if this decision should be changed in future there is the potential for savings to be achieved
Extra care facilities – Adults		Longer term savings option requiring further investigation - part of adult social care phase 2 transformation agenda
Adult Social Care Community Interest Company		Proposal to change from direct service provision to a commissioning arrangement to deliver improved outcomes - part of adult social care phase 2 transformation agenda. Savings will be part of the deliverable savings attributed to a change in the council's operating model.
Reduction in revenue spend on Highways PFI contract		Consider options to reduce the council's contribution to the maintenance of the highways network
Highways PFI income generation		Review the current arrangement for administration charges levied by Island Roads for the collection of income on behalf of the council
Review the potential for charging services to public health grants		Consider options for charging further service costs to the public health grant, particularly if the ring fenced arrangement ceases
Further contract reviews		Instigate review of existing contracts held with the council to identify opportunities for further efficiency savings, combining of contracts to increase potential for cost reduction and review of contracts due for renewal and instigate options appraisals to assess future need and delivery methods.
Recharges to schools budgets and DSG		Further review of re-charges to schools budgets and DSG funding to ensure that appropriate changes continue to be made where we are able to do so
Fire and Rescue Service - options for further savings		Consider options for delivering additional savings from Fire Partnership/closure of a Fire Station
Income generation from contracts to cover the costs of contract management function.		The council directly funds the costs of contract management within its base budget - consider whether there are any opportunities to cover all or part of those costs from income generation

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	£	
Changes to local council tax support scheme – reduction in discretionary benefits		Would be dependent upon public consultation outcomes but any saving would be linked to the council tax base funding
Newport Harbour re-development		Requires a harbour revision order which is unlikely to be secured within this timeframe
Asset Acquisition/development of housing provision for rental purposes		Would require the establishment of a trading company as well as investment funds.
Solar panels for all council buildings		Already under consideration although savings likely to be minimal due to the ever reducing feed-in tariff value
Development of an energy company		Under consideration subject to reaching agreement with external partners
Joint venture for pre-school provision		Unlikely to deliver savings within this timeframe
Sponsorship from ordinance survey for walking/cycling festivals		Sponsorship package already in place for this financial year but will need to keep under review.
Business start-up support for the establishment of community interest companies to deliver existing services		Considered unlikely to deliver savings and would require investment funds.
Re-location of Lord Louis Library into County Hall		Is not currently part of the public consultation underway. A feasible option but would not deliver savings within this timeframe and requires capital investment.
Re-development of car parks – Quay Arts		Possible option but would be unlikely to deliver savings within this timeframe and would require investment
Maintenance of 5 public toilets only - one in each town		Consider options to secure alternative service provision for public toilets but continue with the maintenance of one toilet in each of the main towns
Alternative provision for all public toilets		Consider options to secure alternative service provision for all public toilets
Review of floating bridge and parking charge structure		Would require further public consultation and charging review.
Sub-total	0	
<u>Further partnership/joint venture opportunities to attract transformation funding from central government</u>		
Enter into a joint venture with Hampshire County Council's business centre (H3) for the delivery of all council business transactions		A business case review to be undertaken to consider the cost/benefits to the council. Requires on-boarding costs,
Sub-total	0	
<u>Review of processes and operation of the council to minimum levels</u>		

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Externalise the council's contact centre		A business case review to be undertaken to consider the cost/benefits to the council. Current benchmarking demonstrates that there is already a significant level of efficiency in service costs to level of service provision.
significantly reduce contact centre provision		A business case review to be undertaken to consider the impact of doing so as the council's contact centre is an integral part of the business centre through which a number of back office functions/transactions are conducted whilst dealing with customers and is not therefore just a call handling service. However, through enabling customers to utilise on-line transaction facilities and promotion of self service facilities, the number of calls could be reduced and therefore a further reduction in costs secured together with a reduction in the speed of call answering.
Sub-total	0	
Overall Totals	5,203,000	