

## Proposals for service change, income generation and efficiencies Place

**Responsible Officer:** Kevin Mowat/Andrew England

**Executive Leads:** The Elected Mayor and Councillors Amil, Ellery, Excell and Mills

	<b>2018/2019 Budget £000</b>	<b>2019/2020 Proposed Reduction £000</b>	<b>Anticipated Outcomes</b>	<b>Associated Risks</b>
Resort Services	892 (income)	20	Increase in income arising from 40 new Beach Hut sites at Preston on an annual ground rental basis.	<p>Although the waiting list for the area is extensive there is a chance that these new sites may not be desirable to those already waiting. If the new beach hut sites are under-occupied, they will be offered out to those on other waiting lists across Torbay.</p> <p>There will be a cost of the ground work in getting the site ready for customers and planning consent might be required.</p>
Tor Bay Harbour	N/A	50	Contribution from Harbour Account to General Fund	With this cost pressure the forecast 2019/20 harbour revenue account will be in deficit, requiring the Harbour reserve to be drawn down to achieve a break-even position. If the income from fish tolls exceeds the forecast budget then a deficit could be avoided. The Harbour Committee would not normally set a deficit budget.
UNESCO Geopark	35	10	Income sought from external sources to cover the support provided for the UNESCO Geopark.	There are limited opportunities for income but options are being explored with TDA and others. There are a number of commitments to the UNESCO Global Geopark organisation that need to be met in order to ensure the area's UNESCO International Geopark status remains intact.

	<b>2018/2019 Budget £000</b>	<b>2019/2020 Proposed Reduction £000</b>	<b>Anticipated Outcomes</b>	<b>Associated Risks</b>
Highways	2,100 (Repairs and maintenance)	<del>320</del> 450	<p>Reduce the available highways budget which is not currently subject to fixed expenditure. The reduction in the Highways budget be increased from £320,000 (as originally proposed) to £450,000.</p> <p>This will be offset in 2019/2020 by utilising the expected underspend on the 2018/2019 budget. The underspend on the 2018/2019 budget will be mitigated by the use of the one-off transport funding from Government.</p> <p><b>This is a change to the Elected Mayor's original proposal.</b></p>	<p>The Highways maintenance budget is only sufficient to cover reactive repairs and, due to the reduction in investment into planned maintenance over previous years, these reactive costs are increasing year-on-year. A reduction to the highways budget of this size will potentially leave insufficient revenue funding to carry out the level of reactive repairs expected as the condition of the highway network continues to deteriorate. In addition, there is a potential impact on future grant funding.</p>
Oldway premises costs	118	118	<p>The costs of the security, premises and grounds maintenance associated with Oldway Mansion to be met from the Oldway Reserve Fund.</p>	<p>If a long term solution for the future of Oldway Mansion is not found, the Reserve will need to be reviewed.</p>
School Crossing Patrols	28	28	<p>Achieve full cost recovery (including the Council's management of those crossing patrols) for school crossing patrols from schools.</p>	<p>The full cost recovery has completed its first year of operation, however it is anticipated that the average yearly running costs will not be known until the end of year 3. The first year did show that costs were fully recovered, however this will continue to be reviewed.</p>
Asset rationalisation	36	36	<p>The disposal of 21 Old Mill Road and 87 Abbey Road will lead to a reduction in building maintenance costs, including a reduction in the NNDR paid.</p>	<p>These sites are currently being marketed for disposal at full market value.</p>

	2018/2019 Budget £000	2019/2020 Proposed Reduction £000	Anticipated Outcomes	Associated Risks
Illuminations	100	<del>30</del> 20	<p>Seek sponsorship for the costs of providing illuminations and/or an alternative approach to the management and delivery of illuminations which would include removing this item from the existing street lighting contract.</p> <p>It is proposed that the reduction be implemented from 1 October 2018 enabling time for sponsorship and/or an alternative approach to be agreed, communicated and introduced.</p> <p>Therefore the proposal will have a part year effect.</p> <p><b>This is a change to the Elected Mayor's original proposal.</b></p>	<p>This is not a statutory function. If the illuminations were turned off and the asset remained in place the saving might be around £60k as the asset will continue to require ongoing maintenance. Opportunities to look for sponsorship will need to take account of the increased expectation should the apparatus become defective or damaged.</p>
Playgrounds	74	<del>7</del> 0	<p><b>The proposal to seek a reduction in reactive maintenance linked to routine inspections of playgrounds has been removed from the Elected Mayor's proposals.</b></p>	
Asset Management	882	76	<p>A reduction in the contract fee paid to TDA with the existing service being maintained with efficiency savings achieved through improvements in processes and technology.</p>	<p>If the efficiency savings are not achieved, then there would be a reduction in the services provided to the Council.</p>
	662	150	<p>Reduction in reactive and/or planned maintenance of the Council's assets with the associated reduction in the contract fee paid to TDA.</p>	<p>It is possible that some of the Council's assets may deteriorate to such an extent that they need to be closed.</p>
Parking	n/a	5	<p>Introduce new pay and display parking and review/introduce new on-street parking areas across Torbay. Options will include keeping Eastern Esplanade open for parking.</p>	<p>Community resistance when parking charges are introduced in areas where parking is currently free.</p>

	2018/2019 Budget £000	2019/2020 Proposed Reduction £000	Anticipated Outcomes	Associated Risks
Regeneration	59	59	Cessation of the regeneration funding provided to TDA through the Contract Fee (leaving the Regional Development Agency Strategic Grant of £299k (in 2018/19) to support the revenue costs of regeneration).	This is likely to result in a loss in capacity. If the TDA's surplus is not adequate to replace the funding, regeneration activity will decrease. The current TDA business plan assumes the continuation of the current funding plus a challenging level of additional income.
Natural Environment	1,574	<del>125</del> 75	<p>Savings from a range of contracts associated with natural environment services and deletion of vacant Natural Environment Officer post.</p> <p>It is proposed that the contract savings be implemented from 1 October 2018 enabling changes in contracts to be made and time to engage with communities as to alternative arrangements, with the final plans effectively communicated. Hence, there will only be a part year saving on this element of the proposal.</p> <p><b>This is a change to the Elected Mayor's original proposal.</b></p>	Grass might only be cut three times per year and seasonal bedding plants might be impacted in certain areas.
Events	271	164	<p>Seek sponsorship for the 2019 Airshow as well as increasing income and reviewing overall costs to ensure that it does not require Council funding.</p> <p>Deletion of a vacant post and reduction in hours of staff member and removal of the Mayor's Events Budget as the post of Elected Mayor will cease in May 2019.</p>	<p>The number of events which the Council can manage each year will be reduced, in particular those run by others on the Council's land.</p> <p>From May 2019, it will be for the Leader of the Council to identify in future budgets whether a separate fund is required for events.</p>

	<b>2018/2019 Budget £000</b>	<b>2019/2020 Proposed Reduction £000</b>	<b>Anticipated Outcomes</b>	<b>Associated Risks</b>
Torbay Coast and Countryside Trust	191	45 22	<p>Seek a reduction in the level of management fee currently paid to the Torbay Coast and Countryside Trust. This will be through market testing of the level of management fee and further negotiations with TCCT to inform future arrangements.</p> <p>It is proposed that the saving will be implement from 1 October 2018, so part year effect only.</p> <p><b>This is a change to the Elected Mayor's original proposal.</b></p>	The proposed market testing has yet to be scoped. There is a risk that, following market testing, the current management fee is shown to represent best value and further negotiations with TCCT do not achieve the budget reduction.
Sea Fisheries	25	25	Explore withdrawing from the Devon and Severn Inshore Fisheries and Conservation Authority	The payment of the fee may be a legal requirement, in which case the Council (as the Harbour Authority) will need to meet this cost.
Archives	101	10	Review the entirety of the current Archives contract to determine if savings can be achieved.	The current contract could provide best value and therefore no saving is achieved. Work is currently progressing with this review.
Joint Operations Team	610	50	Review the functions within the Joint Operations Team to seek further efficiencies.	A fundamental review will be undertaken to identify all possible efficiencies to achieve this level of saving.
Street Lighting	1,000	25	Seek to reduce the spend on street lighting.	Any increases to the wholesale cost of electricity may result in additional energy costs to the expected budget. The proposed reduction is subject to acceptance of a revised inventory of the street lighting asset by the wholesale energy provider.
<b>Total</b>		<b>1,353</b> <b>1,393</b>		