

Report to: **Meeting of the District Council**  
Date: **3<sup>rd</sup> November 2005**  
Report of: **Director of Finance and Corporate Services**  
Subject: **Use of General Fund Reserves**  
Ward: **All**

## **1.0 Purpose of Report**

1.1 To consider a schedule of proposals for the use of £1.5m of general fund reserves.

## **2.0 Consultation**

2.1 The Management Team has considered and agreed the projects to be brought forward. Several Executive Members and Heads of Service have been involved in the course of developing these proposals.

## **3.0 Background**

3.1 Members are referred to the 2004/5-outturn report of 5<sup>th</sup> July 2005 where the Executive Committee agreed in principle to release £1.5m of the general fund reserve subject to a further report.

3.2 Since that time directorates and portfolio holders have considered a number of projects for submission based on the following criteria.

- Must be a priority of the Council.
- To address areas where performance needs to be improved.
- Service improvements generally.
- Initiatives, which may improve communications/ information around what can be expected from services.
- Initiatives should have impact in the community, for example the removal of blight.
- Invest to save projects where up front investment can release future budget savings and efficiencies. (Improved machinery/automation/contract buy out).
- One off spends that could negate future demand on budgets.

Exit strategies must be provided where necessary.

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3.3 It was stressed that the nature of the process was not to seek budget growth and to avoid projects with future revenue implications.

3.4 Business cases were prepared or are in development for each submission identifying:

- Details of the initiative/project
- The overall objective/priority.
- Why we need the project – outline current position and what we hope to achieve,
- Business need setting out:-
  - \* Costs
  - \* Quantifiable benefits/improved performance/targets
  - \* Efficiencies identified
  - \* Future budget savings identified, if any
  - \* Impact on the community
  - \* Exit strategies

## **4.0 Service Investments for consideration**

4.1 The proposed service investments for consideration are set out in Appendix 1 and are designed to achieve the following.

- Service improvements.
- Additional capacity.
- Efficiencies.
- Future budget savings.

Each is set against the Council's Corporate Priorities.

## **5.0 Review**

5.1 Clearly a commitment of an additional £1.5m into the budget is significant for a District Council and therefore we must ensure that the investment achieves value for money and delivers the outcomes identified. It is proposed that reports are submitted to either Executive or a Scrutiny Committee to track progress and achievement.

## 6.0 Implications

6.1 *cāā-āāā-ā-*

General fund reserves to the value of £1.5m will be ring fenced to meet the costs of the initiatives. It should be noted that the total costs of projects in Appendix 1 is £1.736m. This reflects a degree of prudent over programming to reflect potential underspends and withdrawal/delay of some schemes. Some of the costings are estimates only at this stage and there is sufficient flexibility, providing the budgets are regularly monitored, to keep within the global budget.

6.2 *iĒĒ-ā*

None.

6.3 *māāāā-*

The budget is prepared to meet the Council's corporate plans and priorities.

6.4 *oāā-*

A risk assessment has been undertaken and controls are in place to manage those risks.

6.5 *`çāāāāāā-āā-*

The service improvements identified in this report represent good news for residents of the district and consequently Members may wish to maximise the public relations opportunity it presents. The Council's Communication & Marketing Manager will assist in this process.

## 7.0 Corporate Implications

7.1 *`çéççé-īĒ-mā-ā-āç-méççéāāāĒ*

The proposals are aligned to the Council's objectives and agreed priorities.

7.2 *bèì-āāā-āç-āāāāāā*

None.

7.3 *b-dçīĒāāāĒ*

The initiatives will complement the E government agenda.

## 7.4 *mêçÀì èÉãÉâí=*

Procurement implications will be addressed in accordance with the corporate procurement strategy.

## 8.0 **Performance Management and Scrutiny**

8.1 The budget strategy has been discussed with the Scrutiny Management Board. Expected outcomes will be measured through a review process.

## 9.0 **Recommendations**

9.1 To agree to release £1.5m from the general fund reserve.

9.2 To consider the proposals as outlined in Appendix 1.

9.3 To consider an appropriate review process.

### **Background documents referred to:**

- i) Out-turn Report to Executive – 5<sup>th</sup> July 2005.

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Use of Reserves/ANapier/Reports/OS/CS



## PROPOSALS FOR THE USE OF RESERVES

## Clean, tidy communities

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
1.	A new Compact Sweeper	Bring to 4 (one for each zone) the numbers of mechanical sweepers in the District.  Increase frequency and efficiency of street cleansing.	Cleaner Streets (BVPI 199a)  Local Monitoring	No new staff required.  Complements zonal working approach.	£55,000	0	0	£55,000	Dependant on four day week and zonal working being introduced from April 2006.
2.	Bus Shelter Washing Machine	Replaces and improves existing machine to clean bus shelters. Includes high pressure washing equipment applications for flytipping.	Cleaner Streets (BVPI 199a)  Higher quality environment around bus shelters – an area of public concern.	No new staff required. Upgrade of existing vehicle at end of its economic life.	£24,000	0	0	£24,000	Inspection levels of bus shelters to increase.
3.	Graffiti Removal Equipment	Resources for graffiti removal: Anti-graffiti paint, removal gel.  Temporary resources for overtime to tackle backlog.	Cleaner Streets (BVPI 199a)	This is temporary solution only to address backlog of graffiti	£12,000	0	0	£12,000	Builds on success and allows more work outside Pathfinder areas.

## Clean, tidy communities

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
4.	Temporary Agency work for bin delivery	Releases cleansing crew to directly work on street cleansing duties.  Currently deliver 50 bins per week.	Cleaner Streets (BVPI 199a)	This is temporary solution only pending zonal working introduction in April 2006.	£12,000	0	0	£12,000	Immediate impact as cleansing staff currently deliver bins.
5.	5 Litter Hoovers	Efficient way of collecting litter.  Back pack operated hoovers.	BVPI 199a Local Street Cleansing Improvements	Longer term replacements from on-going revenue budgets if required.	£5,000	0	0	£5,000	One hoover to be trialled prior to further commitment.
6.	200 Litter and dog waste bins	Provide more opportunity for people to dispose of litter/dog waste responsibly.	BVPI 199a Dog/Litter prosecution	Revenue costs of emptying net from operational budgets	£13,000	£10,000	0	£23,000	Public consultation/Area Forum involvement in new locations.



## Clean, tidy communities

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
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7.	Closed Churchyards	Establish safer and more attractive churchyards through restoring headstones.  Consultancy work to develop plans for improvement.	Improvements to public satisfaction.  Grants attracted on basis of plans.	Headstones which in future fail the safety test will be secured through reconfigured budgets.  The consultancy plans will be used as the basis of funding submissions.	£25,000	£20,000	0	£45,000	Changes the current practice of laying flat headstones which has attracted public criticism.
8.	Reclamation of vacant and redundant sites	Removal of community identified 'problem' sites and buildings	Increase local amenity and to secure new development opportunities. Bring land into a beneficial use. Brownfield land remediation.	Formation of a Revolving Fund to treat and disposal of sites. Base budgets and external funding	150,000	200,000	0	350,000	Links to the Liveability agenda and existing programme.
9.	Partnership between Council, Groundwork Trust, DCC.	Training unemployed people/provide off road hardstandings.	Increases off street parking for residents. Training provision	One off :- £50k per annum x 3years.	50,000	50,000	50,000	150,000	Requires more detailed report.
10.	Improved Enforcement functions through training and joint working.	Improved service to deal with complaints and 'problem' sites.	Community satisfaction levels with local environments	Existing Budgets	£5,000	£15,000	0	£20,000	Links to the Liveability agenda and existing programme proposals on improved enforcement performance outcomes.

## Making the district safe

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
11.	Airwaves Communication System for Street Wardens	Improves further operational communication of Street Wardens with Police. Currently airwaves radios shared rather than individual to Street Wardens.	Operational Improvements Feedback from Police/Street Wardens	This option involves purchase of radios and maintenance.	£26,000	0	0	£26,000	Improves personal safety for Street Wardens who will have individual rather than shared radios.
12.	Holiday Activity Programme	Provide diversionary activities in Sport and Culture during school holidays.	Participation, impact on anti-social behaviour	Continued programme would be dependant on external funding.	£10,000	£10,000	£10,000	£30,000	Reduces the heavy reliance and uncertainty of external funding.
13.	Pride In Easington Project	Two temporary posts to raise public awareness of environmental issues and fear of crime.  Working through community engagements.  Promote a citizen package.	Improvements in environmental responsibility eg litter, dog fouling, community safety benefits and increase in recycling participation.	Temporary posts only for immediate impact.  Review project after three years.	£100,000	£100,000	£100,000	£300,000	Costs include two posts, promotion budgets and a 'Pride in Easington' grant pool to promote community activity.

## Decent homes for all

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
14.	Aids and Adaptations	Supplement existing budget to deal with rising demand levels and waiting times	Improve conditions for those with disabilities by adaptations of housing facilities	Existing Base budgets to meet performance standards for aids and adaptations	£50,000	£30,000	0	£80,000	To maintain service standard but full expenditure requirement not yet quantified. Some potential to meet from underspend in capital programme

## Quality services for our people

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
15.	Consultancy Support and Studies	More effective development of services in line with community aspirations and priorities	Clearer policy goals. Greater community engagement	Responsive community prioritised services through base budgets	See Below	See Below	See Below	See Below	Number of demands for policy/strategy development to shape future regeneration policy framework for the District. Schedule of proposed Studies and costs is indicative and subject to discussion with partners and stakeholders.
		Renew community appraisals	Community and Stakeholder owned Community Strategy	Base budgets and external funding	£30,000	£50,000	0	£80,000	Option of part NRF support
		Peterlee Master Plan Phase 2 Study	Strategy to support future investment and renewal.	Base budgets and external funding	£40,000	£40,000	0	£80,000	English Partnerships funding on offer
		Seaham Regeneration Study: Forward Programme	Provide forward strategy for the revitalisation of Seaham	Base budgets and external funding	0	£50,000	0	£50,000	Action to complement Peterlee work and provide basis for next stage of renewal. Link to LDF work
		Great Institute Project with Newcastle University	Creation of new economic activity and investment	Private Sector investment	£8,000	0	0	£8,000	Worklessness and development of geothermal energy sector. Part funded with Newcastle University
		Easington Renaissance	Strategy to support future investment and renewal.	Base budgets and external funding	£25,000	0	0	£25,000	Economic and Regeneration Vision Statement work to link to City Region debate and Community Strategy
		Others - to be determined	Clearer policy goals.	Base budgets and external funding	£22,000	£20,000	0	£42,000	To meet other identified needs as they arise.
		<b>Total</b>					<b>£125,000</b>	<b>£160,000</b>	<b>0</b>

## Quality services for our people

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
16.	Development of the Asset Management function.	Improve performance of land and property assets to support modernised service delivery	Better utilisation of existing resources	Existing base budgets	£50,000	£50,000	0	£100,000	Install a AM system and populate with key data (management information, DDA provisions, Asbestos, Running cots etc.) linked to undertaking a full condition surveys on all EDC properties, and undertake suitability and sufficiency surveys
17.	Appointment of a Polling Company	Maintain a Citizens Panel for gathering opinions on service improvement issues.	More community needs based/focused services	Finance use of Panel from existing budgets	£15,000	£15,000	0	£30,000	New Initiative. Costs are estimated and will need to be investigated further.
18.	Accelerating GIS work	Carrying out this task at faster pace than the current staffing levels allow	Whole District is mapped onto GIS more quickly (by. Positive impact particularly on Planning but potential on other services.	One off task. Once backlog of work is completed, maintenance would become part of routine workload	£20,000	£29,720	0	£49,720	

## Quality services for our people

No.	Service Improvements/ Net Projects	Purpose	Impact	Sustainability	£ Costs				Comments
					2005/06	2006/07	2007/08	Total	
19.	IT based performance management system	Performance data available in real time on everyone's desktop. Ability to produce flexible reports to meet a variety of needs	All managers and Directors able to access performance data readily. Greater mainstreaming of performance into day-to-day management and decision making.	Majority of cost is upfront with some small annual costs thereafter in terms of licences	0	£20,000	0	£20,000	System chose will need to be compatible with our network. Full procurement exercise needed- large marketplace for this type of system, hence 2006/7 timescale.
20.	Purchase of perpetual software licence.	To reduce future maintenance costs from £48k to £13k per annum.	Realignment of resources. Base budget savings of £35k per annum. Payback 2.1 years.	Base budget	£75,000	0	0	£75,000	
21	Seaham Town Centre Regeneration: Project Manager	To co-ordinate and facilitate the delivery of key projects associated with the regeneration of Seaham Town Centre (St Johns Square, Modus Development Scheme, North Docks)	Delivery of key development schemes to improve access to services and facilities and improve the physical environment	Short term intervention only  Might require funding of £52,000 in 2008/09 as non recurring expenditure	£5,000	£20,000	£20,000	£45,000	Funding support from the Single Programme will be explored. The project will form part of the Seaham Town Centre Programme under the County Economic Partnership's Major Centres Programme.  Anticipated that DCC will contribute to required match funding with Single Programme
<b>GRAND TOTAL (ALL PROJECTS)</b>					<b>£827,000</b>	<b>£729,729</b>	<b>£180,000</b>	<b>£1,736,729</b>	