

Report to the Finance and Performance Management Cabinet Committee



**Epping Forest
District Council**

Report Reference: FPM-002-2016/17

Date of meeting: 16 June 2016

Portfolio: Finance

Subject: Invest to Save Proposals

Officer contact for further information: Bob Palmer – (01992 – 564279)

Democratic Services Officer: Rebecca Perrin - (01992 – 564532)

Recommendations/Decisions Required:

To consider the various business cases seeking Invest to Save funding and, if appropriate, recommend them to Cabinet.

Executive Summary:

In setting the budget for 2015/16 Council decided that, as the balance on the General Fund Reserve exceeded the minimum requirement and further savings were required, £0.5 million should be transferred from the General Fund Reserve into an Invest to Save earmarked reserve. It was intended that this earmarked reserve would be used to finance schemes that would reduce the Continuing Services Budget (CSB) in future years.

During 2015/16 a variety of schemes were approved including LED lighting in car parks, the purchase of grounds maintenance equipment and the installation of payment kiosks. When the budget was approved for 2016/17 there was still nearly £200,000 available for additional schemes. So far in 2016/17 funding has been provided for projects including the accommodation review and the replacement of NEPP for off street car parking enforcement.

A further three business cases are attached for Members to consider and recommend on to Cabinet, if appropriate.

Reasons for Proposed Decisions:

To seek Member approval for Invest to Save proposals before implementation.

Other Options for Action:

Members may decide not to support the proposals and suggest additional or alternative uses for the Invest to Save Fund.

Report:

1. The Medium Term Financial Strategy (MTFS) approved by Council in February 2015 included CSB reductions of £1,089,000 for the revised 2014/15 estimates and £573,000 for 2015/16. Despite these significant savings it was anticipated that further reductions would be required of £250,000 in 2016/17 and £400,000 in 2017/18. The MTFS also predicted that at the end of 2018/19 the balance on the General Fund Reserve would still comfortably exceed the minimum requirement set by Members. Given the adequacy of reserves and the need for savings, it was felt that the establishment of an Invest to Save

Fund may help generate some new and creative ideas to deliver services differently or generate income.

2. Prior to the approval of the 2016/17 budget by Council in February 2016 a total of six schemes had been approved for Invest to Save funding and £309,000 of the fund balance of £500,000 had been allocated. A further three allocations have been made by the March and April Cabinet meetings, which included the accommodation review and work on the future funding and structure of the museums service, reducing the balance of unallocated funds to £92,000.
3. The first business case (Appendix 1) for this Committee to consider is for some capital works at North Weald Airfield to extend a vehicle compound. This proposal is to spend approximately £12,000 to gain rental income of £4,000 per annum, giving a three year payback. It is possible that further income may arise from leasing some spare office accommodation to the same company.
4. The next business case for the Committee to consider is funding of £15,000 for a structural survey of the current main reception area, see Appendix 2. Significant savings are anticipated from the accommodation review and this is a necessary complementary piece of work to inform the discussion around potential re-configuration of and alternative uses for the site.
5. The final business case is provided at Appendix 3 and this seeks funding of £6,000 for a programme management system for prototype activities. There is a concern that inconsistent project management means the benefits of projects are not always fully achieved and recorded. The aim of this project is to improve the efficiency and effectiveness of these processes which should save the Council time and money.
6. In addition to the proposals set out above Members may have other ideas and so additional or alternative proposals are invited. If outline suggestions are made officers can evaluate and further develop any appropriate proposals.

Resource Implications:

The Invest to Save Fund has an unallocated balance of £92,000 and the proposals above can be contained within that amount. Depending on which, if any, of the proposals are supported, future reductions in CSB should arise.

Legal and Governance Implications:

None.

Safer, Cleaner, Greener Implications:

None.

Consultation Undertaken:

None.

Background Papers:

None.

Impact Assessments:

Risk Management

The risks for the proposal are set out on the attached appendices.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Date / Name	Summary of equality analysis
16/06/16 Director of Resources	There are no equality implications arising from the specific recommendations of this report. Relevant implications arising from individual proposals or actions to achieve net savings will be identified and considered by the responsible Director.