

Bridging the Gap

Budget savings and efficiencies proposals 2023/24



PLYMOUTH
CITY COUNCIL



CONTENTS

Introduction	3
What are our additional financial pressures?	3
What are we doing to save money?	4
Understanding the Council's budget	4
We want your views	4
We remain ambitious	5
Savings proposals	6
Fees and charges	6
Children's Services Directorate savings proposals	6
People Directorate savings proposals	7
Customer and Corporate Services / Chief Executive Directorates savings proposals	8
Place Directorate savings proposals	10



INTRODUCTION

Funding available to local government has been reducing steadily in recent years despite rising demand for services. As a council we have undergone huge changes in order to maintain good local services with fewer resources.

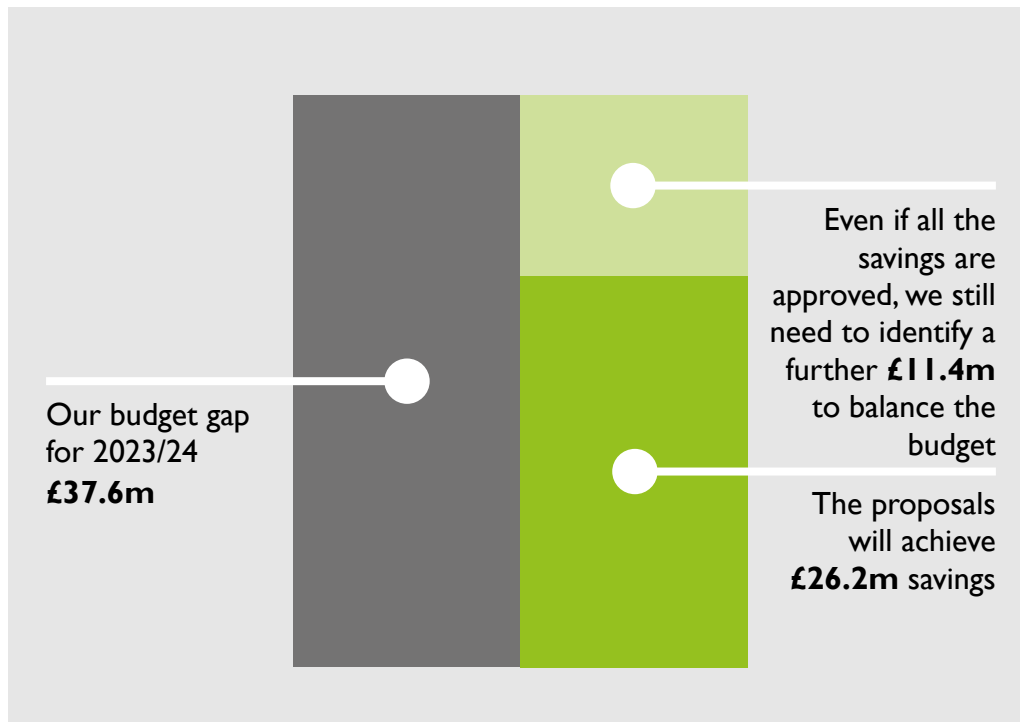
We have a history of delivering and in the past three years we have delivered over £25million of savings, in order to set a balanced budget.

However, like all authorities we are now in a serious and unprecedented position due to additional national factors largely beyond our control, including rapidly rising energy costs and demand pressures and costs in social care.

We have a legal duty to bridge the gap in our budget.

To date, we have identified a potential £15.5m shortfall in this year's budget (2022/23). We immediately instigated urgent and decisive action to identify savings of £9m.

But, these pressures mean we are also facing a substantial shortfall in resources needed to set a balanced budget for 2023/4 – where we are currently projecting a £37.6m shortfall.



What are our additional financial pressures?



Rise in gas and electricity costs to heat council buildings, swimming pools and fuel for council vehicles e.g. waste and recycling

£5.7m



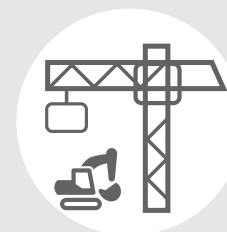
Additional salary and national pay award increases

£6.7m



Further increase in demand in Children's and Adult's social care and homelessness pressures

£9m



Increase in costs to deliver our capital programme

£3.2m



Meanwhile, the ongoing impact of the pandemic is also being seen in reducing income e.g. parking and libraries



What are we doing to save money?

We continuously seek to further improve the way we work and be more efficient through our ongoing modernisation programme. However, the scale of the financial pressures we have been facing following the pandemic and the recent rise in inflation has required additional measures.

We have carried out a full review of all the known pressures over the next 12 months and have worked hard to create a robust recovery plan based on these themes:

- 1 Modernising and investing
- 2 Generating income
- 3 Being efficient and effective in everything we do
- 4 Making difficult decisions to change, pause or stop things we are doing.

Understanding the Council's budget

The City Council has a very wide range of responsibilities for delivering services in the city, supporting Plymouth's residents and championing the city's interests.

We deliver more than 300 services – as diverse as bin collections, protecting vulnerable children, providing libraries, making planning decisions, attracting investment and jobs in the city, providing leisure facilities, providing parking, maintaining roads and pavements and looking after Plymouth's parks and green spaces.

For more information on how the Council budget works, understanding statutory and non-statutory services, the difference between revenue and capital budgets and how much money we invest into our services, visit:
www.plymouth.gov.uk/how-councils-budget-works

We want your views

The tables within this document summarise the potential savings proposed so far. The savings will be subject to full scrutiny and engagement before they are again presented to Cabinet on 9 February 2023 when members will decide whether to recommend the budget to Full Council. If it does, Full Council will consider the budget for 2023/24 on 27 February 2023.

All proposals are currently very high level and will be subject to robust analysis of impact and consideration of risk and mitigation. The detail around some of these proposals will be subject to public, staff and/or stakeholder consultation, along with relevant democratic decision-making processes.



Have your say from 11 November until 4 December 2022

Your views will be considered as part of our budget setting process, leading up to the Full Council meeting in February 2023.

Have your say online:

www.plymouth.gov.uk/help-us-prioritise-plymouths-pounds



We remain ambitious for Plymouth

We are in a serious, unprecedented financial situation – that is a result of external pressures that are not within our control. Quite frankly, this is a crisis.

We know the Government has some very difficult decisions to make and we look to the new Prime Minister and Secretary of State for Levelling Up, Housing and Communities to consider the pressures we face in Plymouth and to work with us to best safeguard the services that matter most to people and which support the most vulnerable.

That said, we do need to be realistic about the prospect of large-scale support and we must intensify our approach to mitigate the effects of the current economic climate. What that looks like is a combination of resisting pressures, managing down our costs and having to make some tough and painful decisions.

We are leaving no stone unturned when identifying savings and this is our first tranche of proposals to change, stop, pause or reduce services in order for us to be able to close the financial gap and balance the books. We will emerge from this a leaner council.

But, the cost-of-living crisis makes it more important than ever to remain ambitious for Plymouth and keep up the momentum in delivering higher value jobs, affordable green homes, better education and access to good health care.

Despite our very serious financial challenges, we continue to make strong progress in delivering the commitments laid out in our [Corporate Plan](#) with a keen focus on our major [priorities](#). These priorities have helped guide our decisions on the budget for the coming year.

We will continue to invest in our transport infrastructure and our major regeneration projects – including at Bath Street and Armada Way.

We are committed to working with the Government on our plans to launch a Freeport in the city, we have commissioned a new port strategy and we will continue developing wellbeing hubs, expand our mental health support for children and families, drive up our primary and secondary school results and deliver more green homes across the city. And of course, we will continue to work with our partners to safeguard our most vulnerable residents, providing high quality reablement and respite for adults and older people.

Most of all, throughout these difficult times we will continue working hard to unleash Plymouth's full potential to help ensure our city emerges from the latest economic situation even stronger and more resilient for the future.



Councillor Richard Bingley

Leader of Plymouth City Council



Fees and charges

There are a number of services that Plymouth City Council provides that are subject to additional charges. Some of our fees and charges are set nationally and we cannot change the rate locally.

However, for those fees and charges where we can set a local rate, our Fees and Charges policy allows an annual uplift of fees by the rate of inflation. There is also further flexibility around changing the rates throughout the year.

As the cost of delivering many of our services has increased by up to 20 per cent, the Council's Cabinet is due to agree on 10 November 2022 that fees

and charges should be increased, as set out in the report, from 1 December 2022. This includes charges for building control, allotments, venue hire, highway permits and parking.

As the initial increase will not close the funding gap for delivering the services and inflationary pressures continue, it is also proposed that a further 10 per cent increase, where practical, should be introduced on 1 April 2023.

Children's Services Directorate savings proposals

Budget Proposal		Saving / Income
1	Work with families to keep more children at home	£1.627m
2	Reduce the use of residential care, increase the use of foster care and work to ensure children in care can return to their families or a connected person in their lives	£2.275m
3	Review our workforce / organisational structure. Realigning services in Targeted Support and Social Care will reduce the need for agency workers and costs associated with external assessments	£0.673m



People Directorate savings proposals

Budget Proposal		Saving / Income
1	Manage and reduce demand on housing and adult social care	£2.93m
2	Review Reablement service	£250k
3	Review early help provision and children's centres in partnership with Children's Directorate and partners across the city	£600k
4	Review sports development service and align function to Plymouth Active Leisure	£43k
5	Review youth services working in partnership with local providers to reduce costs	£100k
6	Transfer funding for health and wellbeing hubs to Public Health	£119k
7	Maximise grants to support wellbeing services	£508k
8	Review contracts to deliver efficiencies	£205k
9	Maximise Disabled Facilities Grant	£500k
10	Develop a new operating model across the directorate	£200k
11	Use reserve to support range of children's services	£250k
12	Reduce Council subsidy associated with leisure facilities: <ul style="list-style-type: none">■ Tinside Lido: Broaden offer including new events■ Plympton Pool: Review operating costs and income■ Mount Wise Pools: Implement entry charge to contribute to costs of running■ Brickfields: Develop community sports and wellbeing hub with partners	£250k



Customer and Corporate Services / Chief Executive Directorates savings proposals

Budget Proposal		Saving / Income
1	Review Contact Centres/Customer Services operating within the Council to look at broader efficiencies, bringing services together and focusing on those who are not able to use digital services and the most vulnerable communities we serve	£188k
2	Reduce purchasing of library books as ebook loans are increasing	£50k
3	Swap revenue budget funding for Community Grants programme with capital funding which is available	£213k
4	Share policy and performance functions across the Council	£84k
5	Bring together marketing, design and communications functions across the Council	£80k
6	Reduce external legal advice	£20k
7	Review Lord Mayor's events and streamline resources	£30k
8	Review senior management resource across the Council	£200k
9	One-off proposal to freeze the Head of Policy and Regional Partnerships role for 2023/24	£70k
10	Improve processes and implement automation technology to reduce manual work in Business Support	£200k
11	Consult residents on how the Council reprovides its Library Service alongside a review of other community buildings and services	Subject to consultation – likely to be 24/25 saving



Budget Proposal		Saving / Income
12	Introduce a plan to save money on IT as part of review of how services are best delivered across the Council	£600k
13	Freeze vacancies from transformation and digital teams and identify funding sources	£300k
14	Reduce spending on agency staff used in managing Council buildings	£60k
15	Adjust security provision in Council buildings	£123k
16	Reduce posts within the Human Resources Organisational Development (HROD) service	£220k
17	Review learning and development spend across the Council	£25k
18	Review of audit requirements from the Devon Audit Partnership	£50k
19	Review budget for the Finance team	£250k
20	Reduce external financial advice	£50k
21	Vacate Windsor House earlier than planned	£500k
22	Accelerate transfer of Children, Young People and Families service from Midland House and sell the building	£230k



Place Directorate savings proposals

Budget Proposal		Saving / Income
1	Reduce concessionary fares budget - release underspends in this budget assessed against historic trends	£500k
2	Consider and consult upon the implementation of charges at Park and Ride sites to support the non-commercial bus routes and contribute to savings already identified in the separate Cabinet report due to be agreed on 10 November 2022	£229k
3	Generate savings and income from the commercial estate (lease renewals, re-gearing and new income)	£343k
4	Capitalisation of Strategic Project Team costs	£50k
5	Review costs of the economic development team through capitalisation of costs, efficiencies, income and sponsorship targets	£77k
6	Secure new and additional income and grants from cultural trusts and foundations	£125k
7	Ensure Tourist Information Centre is cost neutral	£25k
8	Seek sponsor for Bonfire Night on The Hoe or stop the event	£30k
9	Review of community transport provision including release of bike hire underspend, consideration of funding underspends, the optimisation of services and identifying alternative funding models	£70k
10	Withdraw from Devon and Cornwall Rail Partnership	£10k
11	Withdraw from South Hams/Plymouth Urban Fringe Team	£66k
12	Reduce/re-align financial contributions to environment/marine bodies	£10k



Budget Proposal		Saving / Income
13	Increase allotment fees	£11k
14	Undertake a full-service re-structure of Strategic Planning and Infrastructure	£300k
15	Annual increase in parking fees and identify new forms of income (subject to consultation as required), in addition to those savings already identified in the separate Cabinet report due to be agreed on 10 November 2022	£423k
16	Highways engineering client fees through capitalisation of back-office support	£128k
17	Re-profile highways maintenance in areas such as white-lining, gully work, barriers and ironworks as well as rationalise staffing and seek capitalisation of back-office costs	£500k
18	Make route optimisation savings in refuse collection service	£290k
19	Increase fees and charges in Street Services in line with fees and charges policy – areas include commercial, trade and bulky waste, MOTs, marine, playing pitches and beach huts	£234k
20	Strategic contract optimisation	£430k
21	Introduce new Chelson Meadow solar farm to generate savings (post feasibility works)	£50k
22	In line with national government policy, create a habitat banking scheme to generate income from developments to improve biodiversity and offset environmental impact	£29k
23	Maximise nature-based solutions to create additional income	£20k
24	One off saving – reduce foreshore reserve	£129k



Budget Proposal		Saving / Income
25	One off saving – reduce Park and Ride reserve	£100k
26	One off saving – reduce bad debt provision	£343k
27	One off saving – Strategic Project Team licence fee	£48k
28	Utilise funding allocated for food waste collection service pending Government guidance on next steps for introduction	£200k
29	Recovery of owed land receipts	£50k

Chief Executive Office
Plymouth City Council
Ballard House
West Hoe Road
Plymouth PL1 3BJ