

APPENDIX B- REVENUE BUDGET SAVINGS AND INVESTMENTS

New Revenue Efficiency Proposals

Ref No	Description of Proposal	Net Efficiency				
		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
E1	Expenditure on printing and photocopying. The contract for the rental of Multi Functional Devices (MFD's) has recently expired and we have taken the opportunity to review usage and current requirements. This has resulted in a reduction in the number of devices and therefore a reduction in the ongoing total rental cost.	(2)	(2)	(2)	(2)	(2)
E2	IT Software Costs. Following the upgrade of Microsoft licences earlier this year we have been able to eliminate some of the peripheral software costs, as they are now included within the Microsoft Agreement.	(9)	(9)	(9)	(9)	(9)
E3	IT Network costs. Following a review of our Public Services Network (PSN) security we have been able to eliminate the use of a dedicated PSN line supplied by Vodafone as this is no longer required.	(4)	(4)	(4)	(4)	(4)
E4	Careline equipment maintenance for non-complex clients. This service was provided by an external company. When Careline took on additional clients from HCC the cost of the additional maintenance was unknown, so the budget was estimated and potential higher costs were built in. Now the maintenance and installation is to be provided inhouse (Caretelch) this has led to a reduction in estimated costs on the maintenance side, which has resulted in a saving on the maintenance budget.	(161)	(161)	(161)	(161)	(161)
E5	Careline equipment maintenance for clients with complex needs. Installation and maintenance is currently provided by an external company under a contract to the end of March 2023. The estimated saving would be from bringing this service in-house from April 2023, subject to approval from Cabinet. The saving relates to maintenance costs only, as installation costs are funded by Herts County Council.	(51)	(51)	(51)	(51)	(51)
E6	Net income from the acquisition of Churchgate Shopping Centre. Following the acquisition of the head leasehold interest the Council will receive additional income (i.e. the income from the tenants, less associated management costs and previous income levels). This saving reflects the additional income that is necessary to off-set the treasury income that would have been generated from the capital used to purchase the shopping centre. This is estimated at 2% of the total capital acquisition cost. The intention is that the remaining income will be set aside in a reserve to support the planning and delivery of Churchgate regeneration project. The money will provide necessary professional advice via consultants, architects, quantity surveyors etc. The amount required is very uncertain, and will be kept under review. As plans develop further it will become possible to capitalise any costs (subject to a future capital bid) that relate to a final scheme, when that scheme moves in to construction. Based on advice during the acquisition it is estimated that the available funding could be around £750k by the end of 2025/26.	(84)	(84)	(84)	(84)	(84)
E7	Additional net income from appointment to a new Assistant Operations and Events Manager position at Hitchin Town Hall for a fixed term of two years. The new post, whilst supporting and adding resilience to the overall Hitchin Town Hall service, would be primarily responsible for scheduling and planning a range of internally organised public events. Recently the team have begun running such events in small numbers, which have generated good returns for the Council, but without further staff capacity, the team lack the time to program in more of these events over and above the general day to day private hire requests. This new role will allow the service to generate greater income through running more internally organised public events and being able to match increasing demand with more staffing capability. The proposal would also facilitate the requested temporary reduction in hours from 37hpw to 30hpw of the current Operations and Events Manager (saving included in efficiency value).	(8)	(8)	-	-	-
E8	Net direct surplus from the creation of a café kiosk in Bancroft Pavilion, which will enable the council to offer food and refreshments at one of its green spaces. The corresponding capital investment in 2023/24 required to renovate a disused wing of Bancroft Pavilion for this purpose is requested within the Investment Strategy 2023-2033.	(9)	(9)	(9)	(9)	(9)
E9	Interest income return from treasury investments. As noted below, the ongoing budget was increased at Quarter One 2022/23 following the increases to the Bank of England base rate during the calendar year 2022. The base rate was subsequently increased by a further 0.5% to 2.25% on the 22nd September and may rise further in the coming months. The estimated interest income return is also dependent on the anticipated level of cash balances available for investment. These estimates are based on the proposed Investment Strategy (Integrated Capital and Treasury) 2023-2033.	(987)	(344)	153	200	222
E10	Reduction in the contribution rate to the Local Government pension scheme following the triennial revaluation of the scheme. The draft outcome of the revaluation exercise was received in January and, due to an improvement in the Council's position over the three years, the actuary has indicated that a 1% reduction in the overall contribution rate (which includes the amount paid as a lump sum) should be sufficient to maintain a stable position going forward.	(20)	(20)	(20)	(20)	(20)
E11	Garden waste subscriptions income. We have received feedback from residents that the subscription period should start in spring, rather than autumn. This change would require an 18 month subscription period from October 2023 to March 2025. This length of subscription should be over £60, but using reserves to keep the price at £49, as we are know the impact the cost of living crisis is having on residents. We will have a new waste contract from May 2025 and unfortunately we expect our costs to go up. Garden waste charging from April 2025 will reflect the full cost of the service, which includes the administration costs (including in relation to providing concessionary pricing) and providing bin stickers. The current estimate is that this would be around £49 per year. As the current budget assumption is an annual increase of 2% efficiency value represents the difference between that and the newly estimated income. See also R33 which shows the assumed additional costs from 2025/26 that will be covered by the additional income.	121	253	(168)	(145)	(121)
E12	Waste awareness and minimisation expenditure. Expenditure budget for this purpose in previous years has been directly linked to the value of the AFM receipt received from Herts County Council. It is proposed to adjust the base expenditure budget to reflect expected spend, which will include the joint financing of a Waste Awareness Officer post from 2024/25 with East Herts District Council.	(93)	(83)	(73)	(73)	(73)

E13	Provision of safety barriers and man safe systems to various premises to improve safety of roof access for roof maintenance, gutter and outlet maintenance. Estimate includes additional cost of provision of man safe systems to three sites with the ongoing saving from a reduction in access equipment required to access the roofs year on year.	1	1	(3)	(3)	(3)
E14	Revenue efficiency associated with capital proposal for the provision of remote testing Emergency Lights and Water Temperature Monitoring at at least four small pavilion and cemetery sites. The equipment will reduce the number of physical inspections / compliance visits required.	-	(1)	(4)	(4)	(4)
Total Net Budget Reduction from new efficiency proposals		(339)	(330)	(327)	(327)	(327)
		(967)	(192)	(108)	(38)	8
		(1,306)	(522)	(435)	(365)	(319)

New Revenue Pressures and Investment Proposals

Ref No	Description of Proposal	Investment				
		2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
R1	IT software maintenance expenditure. Upgrades to the Public Access module of the Planning management system over a three year period from the start of April 2023. While NHC will undertake all customer installable upgrades, to avoid additional costs of £43k over the 3 years had the software provider completed the upgrades, the public access module is not customer installable and has to be upgraded by the software provider IDOX.	7	7	7	7	7
R2	Economic Development Officer post. The current budget allocation for the shared post with East Herts District Council ends in March 2023. It is proposed that this continues for 2023/24.	25	-	-	-	-
R3	Development of a new Enterprise Strategy. Appointment of specialists/consultants to help the Council produce a new Enterprise strategy, which will include Economic Development, Tourism and Commercial.	15	-	-	-	-
R4	Appointment of Architect (Royal Institute of British Architects "RIBA" qualified) to undertake four stages of consultancy on proposed repurposing/redevelopment of Royston Town Hall Annex, off Melbourn Street, Royston. Four stages are: (1) Strategic Definition; (2) Preparation & Brief; (3) Concept Design; and (4) Developed Design.	20	-	-	-	-
R5	Purchase of Wireless Gallery Climate Monitoring Devices for North Herts Museum. These devices are important for ensuring that our museum has the correct environment for storing and displaying artwork and historical artefacts. The current devices we have are reaching the end of their life and have various technological limitations compared with modern devices. The new devices would enable us to monitor gallery conditions remotely and be alerted to emerging issues along with being able to share this data with other prospective museums considering loaning their exhibits to us. This would hopefully allow us to convincingly demonstrate the stable environment within our galleries and stores to other museums and would also allow us to take ever greater care of our exhibits.	3	-	-	-	-
R6	One off financial support to Citizens Advice for North Herts to ensure operations provided under the Memorandum of Understanding continue in the current economic climate and can accommodate the increase in need. The proposed investment for Citizens Advice will contribute to the upgrading of the IT infrastructure underlying their service delivery.	20	-	-	-	-
R7	One off financial support to North Herts Minority Ethnic Forum to ensure operations provided under the Memorandum of Understanding continue in the current economic climate and can accommodate the increase in need. The proposed investment will address the anticipated shortfall in funding to cover the core costs of their service provision.	25	-	-	-	-
R8	One off financial support to North Herts Centre for Voluntary Services to ensure operations provided under the Memorandum of Understanding continue in the current economic climate and can accommodate the increase in need. The proposed investment will help CVS to build capacity in the community through greater partnership working and the hosting of a Voluntary Sector conference.	5	-	-	-	-
R9	Annual Remembrance event in Letchworth. The event requires the closure of one road, for which an application must be submitted to the County Council. The budget requested is for the appointment of a Traffic Management Company to prepare a plan to support the application. For events beyond 2023/24, Officers are seeking to gain appropriate training and accreditation to enable the Council to successfully submit a road closure application without requiring the involvement of a traffic management company.	5	-	-	-	-
R10	Additional resource required to respond to Domestic Homicide Reviews (DHRs). This takes the total contribution up to £5k. Since 13 April 2011, there has been a statutory requirement for local areas (i.e. Community Safety Partnerships) to conduct a multi agency DHR following a domestic homicide of a person aged 16 or over which has, or appears to have, resulted from violence, abuse or neglect. If we do not contribute to the county-wide arrangement, then we would be required to fund the full cost of any DHR in our area (upwards of £12k per DHR).	2	2	2	2	2
R11	Recruitment of fixed term Sustainability Project Manager to help enable the council to meet its net zero commitments. The cost will be partially offset by temporary salary savings within the Place directorate.	40	40	40	-	-
R12	Sustainability projects expenditure budget. To support the Council and Herts Climate Change and Sustainability Partnership projects, which will assist with delivery of aspirations within the climate change strategy and to work towards shared county wide climate goals.	25	-	-	-	-
R13	Commissioning of consultants to carry out a ten year condition survey of the Council's Leisure Centre buildings. The survey will identify the level of investment required to maintain and improve the current offer over the next 10 years and will inform capital allocations required in future years. This survey will also form part of the leisure procurement documentation, with potential providers given a better understanding of the condition of the assets they will be tendering to manage and the future plan in place.	32	-	-	-	-
R14	Waste related telephone payments, including garden waste payments, are currently facilitated by Urbaser. It is intended to bring payments back in-house and this will require an upgrade to the telephone payment system to allow for immediate confirmation of payment receipt to ensure additional back office reconciliation is not required.	TBC	TBC	TBC	TBC	TBC
R15	Integration of waste management IT systems with CRM. Costs associated with additional part time staff resource procured to provide integration on a fixed term contract.	20	20	10	-	-

R16	Anticipated waste collection catchup costs associated with the additional bank holiday for the Coronation of King Charles III.	20	-	-	-	-
R17	Hitchin Rail Station - Eastern Access options appraisal - funding required to appoint consultants to undertake a wider Strategic Sustainable transport option appraisal to improve east - west access across Hitchin including Hitchin Station, the town centre and Wilbury industrial estate. Project fee estimated at £60k - £30k required to match fund a bid being sought by HCC.	30	-	-	-	-
R18	Recruitment of Planning Enforcement Officer. With the receipt of the Inspectors letter and the approval of some large scale housing sites within the District, the planning enforcement team requires additional resource to met the expectations placed upon it. Currently the team has one manager and two junior officers (one being part time in this role). This bid seeks funding for an experienced enforcement officer to cater for the additional workload arising from the Local Plan. Investment value indicates maximum cost of proposal.	53	53	53	53	53
R19	Recruitment of Major Projects Development Management Officer. The receipt of The Inspectors letter and the adoption of the master planning process has identified a need to recruit a qualified major projects officer. Planning is a hard to recruit to service and, as such, often the most suitable candidates only wish to work part time. In addition staff often request flexible working arrangements, such as following maternity leave. As such, the additional cost of this post can be offset by the salary lag generated from where full time posts within the service have been recruited to at part time hours. The investment bid is therefore for the remaining funding to seek a full time officer. Investment value indicates maximum cost of proposal.	17	17	17	17	17
R20	Recruitment of Housing Improvement Officer subject to job evaluation). The new role would be to identify & facilitate energy improvements or 'green' energy grants, target & bring into use vacant residential premises including via CPO & Management Orders & help residents live longer & healthier in their homes. Investment value indicates maximum cost of proposal.	47	47	47	47	47
R21	Recruitment of a Housing Register and Accommodation Officer. This post would be to focus on the resettlement of refugees and any associated asylum seeker activity, which is an increasing area of work. Given the nature of the role, the estimated additional cost of the post would be eligible to be financed from the grant monies currently held in the Syrian Refugee earmarked Reserve.	-	-	-	-	-
R22	<p>Local Plan Review - the examination of the Local Plan 2011-2031 cost ~£1m (this excludes the preparatory costs of the earlier consultation stages and evidence base) and contains a commitment to begin the next review by the end of the 2023, looking forward over the period to the 2040s.</p> <p>Although it is presently anticipated that the cost of the next review will not be as high (due to, inter alia, having a relatively recent plan to build upon, potential for some costs to be shared / mitigated / absorbed through joint planning arrangements etc.) there will still be a significant cost. There will be a requirement for early stage evidence studies to inform the review scheduled for late 2023 and / or 'pace' the development of the evidence base whilst any year-on-year underspend will help mitigate / reduce further growth bids as the Plan reaches key points (e.g. pre-submission and examination stages which require full, up-to-date evidence bases, legal support etc.). Proposed reforms to the planning system are currently in the early stages of progress through Parliament and may result in new or additional requirements.</p> <p>The 2022/23 budget included approved funding of £60k per annum over a five period (£300k in total). This bid is based upon a more defined work programme and is for a further £60k per year over the next five years which would provide a working budget of £120k per year for the next four years and a total commitment of £600k over a six year period.</p>	60	60	60	60	60
R23	Chilterns Area of Outstanding National Beauty (AONB) extension. The Council previously supported an application to extend the AONB boundary and approved an associated budget. The application failed to progress for a number of years and the budget was removed. Natural England are now in the early stages of considering the potential for such an extension of the Chilterns Area of Outstanding Natural Beauty, which lies partially within the District. Further areas within North Hertfordshire may be considered for inclusion or amendment. The process is expected to take 2-3 years to complete. The Growth Bid reflects the previous budget and would be used to secure ongoing expert support from a Landscape Consultant to advise the Council on any emerging proposals.	10	10	10	-	-
R24	Local Cycling Walking Infrastructure Plan (LCWIP) - Rural Areas. Match funding is required in working with HCC to review the adopted Plan for the inclusion of rural areas and to prepare and undertake survey work associated with an extension to the NHC LCWIP.	-	20	30	-	-
R25	Electric Vehicle (EV) charge point maintenance. Resource is required to cover existing 10 EV vehicle charge points within NHC public car parks cost at an estimated cost of £500 per socket per year. Only one year of funding has been sought as officers are seeking to extend the provision through a Government Grant and partnership with a private sector operator who will take over the existing charge points. If the bid is unsuccessful or the operator declines to take over the existing chargers, further investment bids will be required in the future.	5	-	-	-	-
R26	Maintenance of existing Air Quality Monitoring Equipment within the Air Quality Management Areas. The equipment has been insitu for some time and is beginning to require an increasing degree of repair for which there is no budget. This bid seeks to rectify that need for on-going maintenance and repair.	-	-	-	-	-
R27	Sustainable Travel Town. Funding is requested for North Herts Council's contribution towards the preparation of the Sustainable Travel Town Implementation Plans in Letchworth and Royston, including community engagement and promotion.	20	10	10	-	-
R28	Lighting maintenance at Letchworth Multi Storey Car Park (LMSCP). All the current lighting was installed nearly nine years ago and the number of failures has increased recently. The budget pressure is to recognise both; the additional cost from the higher number of visits anticipated in next year to address issues with the lighting; to engage a lighting design specialist to look at Letchworth MSCP to, 1) give a view on the longevity of the existing installation at LMSCP and 2) provide an estimate for a large scale replacement, which can be used to form a future capital bid.	25	-	-	-	-
R29	Repair of the surface water drain at District Council Offices, Letchworth.	-	15	-	-	-

R30	Implementation and ongoing licence and support fees of a computer aided facilities management system (CAFM). This is the net additional cost after reallocation of some other linked budgets. The CAFM system will help deliver a number of benefits including: improved property compliance and resilience, better reporting on progress of fixing property issues and improved works management which will help deliver better value for money.	10	10	10	10	10
R31	Estimated additional cost from the reprocurement of the property compliance contract. The previous contract was based on a fixed price over the contract period. So this mainly reflects the accumulated inflation on costs, which are particularly high in relation to materials. This estimate is based on Community Centres taking on monthly checks. This will be subject to a Cabinet decision in December. The additional cost would be around £15k higher, if the Council continues to provide these monthly checks.	30	30	30	30	30
R32	Contribution to Better Business for All. This service provided through the Local Enterprise Partnership supports works to boost business productivity and growth by making it easier for businesses to access the regulatory support they need from Local Authorities such as Trading Standards, Environmental Health, Licensing and others. BBFA also works with regulators to help them better understand the challenges faced by businesses.	3	6	-	-	-
R33	Additional garden waste collection costs that are covered by increased income. Note the additional costs will be only be known when the new contract is awarded in early 2024.	-	-	168	145	121
R34	Repairs to the riverside footpath near Jill Grey Place in Hitchin that will be required when it is taken on by the Council. This is part of the overall project to provide a link from Bridge Street to Biggin Lane.	26	-	-	-	-
R35	AFM Income. Hertfordshire County Council are looking to withdraw the support that they provide to Districts and Boroughs to minimise residual (i.e. non-recyclable) waste. This funding was provided through a mechanism known as the Alternative Financial Model (AFM). The amount that we will receive will reduce in 2023/24 (which is a payment based on performance in 2022/23), although it is expected that it will be broadly in line with the budget, after adjusting for the potential ongoing impacts of COVID-19 (as detailed in the Medium-Term Financial Strategy). It will then reduce to zero in 2024/25.	-	395	395	395	395
R36	Extension of the outdoor pool season at Letchworth Outdoor pool by 4 weeks (2 weeks at the beginning and end of the season) in 2023. Based on experience of usage and to minimise the financial impact to the council, the opening hours will be restricted to peak periods. A timed session wrist band system is also being introduced during the school holidays to reduce queuing and maximise income. A review of season ticket pricing will also be undertaken prior to the new season.	25	-	-	-	-
R37	Additional consultancy support for the leisure contract procurement. As resource in the Leisure team is extremely stretched, the appointment of consultants to provide pre procurement support, draft the documentation for, and project manage, the procurement process and the production of the leisure contract, draft tender documents and support the tender process. Investment value also includes an allowance for external legal advice where this cannot be provided in-house.	52	-	-	-	-
R38	Public conveniences cleaning contract expenditure. Increase in estimated cost follows the outcome of the recent contract tender exercise.	52	52	52	52	52
R39	Revenue cost of internal borrowing required to finance the proposed capital programme 2023-2033. Value only reflects Minimum Revenue Provision, as additional impact of lost interest income is included in the interest income projection above.	-	24	189	173	189
R40	Council chamber audio visual equipment maintenance support costs. Recent issues with the Council Chambers AV equipment have highlighted the need for a support contract with the equipment provider.	6	6	6	6	6
Total Net Budget Increase from new pressures and investment proposals		735	429	173	602	594
		-	395	395	395	395
		735	824	568	997	989