

Business Planning / MTFs Options 2019/20 – 2023/24

Ref: EC2

Title of Option:	Reduction in Consultancy Budget		
Priority:	Economy	Responsible Officer:	Peter O'Brien
Affected Service(s):	Regeneration	Contact / Lead:	David Lee

Description of Option:

- What is the proposal in essence? What is its *scope*? What will *change*?
- What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)
- **How does this option ensure the Council is still able to meet statutory requirements?**
- How will the proposal deliver the benefits outlined?

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Regeneration are proposing to save £75k in our central budget (V30001), from an allocation of £250k in 2017/18 for GL code 24005 (Fees – Consultants).

This budget line has typically been allocated to cover large contracts and project delivery requirements.

As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources. It is therefore not proposed that the work undertaken in this area would change, but that funding for this work would be sought from other sources.

We do not expect that this will impact on the Council's objectives and outcomes, nor will this affect statutory requirements as the work that Regeneration undertakes is not statutory. There is a risk that some exploratory/feasibility work may take longer to commence, or will not happen in a given financial year, if alternative funding sources cannot be identified.

1. Financial benefits summary					
2018/19 Service Budget (£000s)					
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
New net additional savings	75				

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>As above, the most significant risk is that some feasibility, technical or commercial work may take longer to commence and there will be a reduction in operational flexibility. This may require managing expectations around how much feasibility work can be undertaken in a given year, which may impact on the council's housing and development aspirations.</p> <p>The Regeneration Department will work to try and identify alternative sources of funding to seek to mitigate this risk.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>There is minimal impact on relevant stakeholders, as above; however if cumulative savings pressures were to increase substantially this could impact on the Regeneration Team's ability to continue to match fund its significant external investment secured to date. It is believed that the £75k savings can be offset through capitalising costs and, where this is not possible, that an internal review of subsidiary budgets can offset this reduction in the central budget.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>This £75k makes a contribution of 0.7% of the £11m savings expected in 2019/20.</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
There is a risk that, as Regeneration budgets shrink, it is unable to meet match funding requirements for external funding secured.	H	L	Budget holders with responsibility for externally funded projects to ensure that adequate match funding remains in place.
Risk that cumulative savings proposals impact on the Regeneration Team's ability to deliver the ambitious change laid out in the Tottenham and Wood Green SRFs.	M	L	The Regeneration Team is continuing to explore further capitalising costs and will continue to leverage in external funding sources in order to deliver large-scale change.