

BRECKLAND COUNCIL PROFORMA B
(CAPITAL AND REVENUE BUDGETS)

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THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED REPORT

REPORT: Lease Car Scheme – Savings Flexibility
REPORT DATE: 21st August 2012

Option 1 – Removal of Job Based Criteria

Revenue	£ Year 1 2012/13	£ Year 2 2013/14	£ Year 3 2014/15	£ Year 4 2015/16	£ Year 5 2016/17
Lease Cars	(2,350)	(3,260)	(10,330)	(10,330)	(10,330)
Total Revenue	(2,350)	(3,260)	(10,330)	(10,330)	(10,330)

Option 2 – Removal of Job Based Criteria and Increase Mileage Threshold to 6,250 miles per year

Revenue	£ Year 1 2012/13	£ Year 2 2013/14	£ Year 3 2014/15	£ Year 4 2015/16	£ Year 5 2016/17
Lease Cars	(13,980)	(32,370)	(37,840)	(37,840)	(37,840)
Total Revenue	(13,980)	(32,370)	(37,840)	(37,840)	(37,840)

Option 3 – Removal of the lease car scheme in its entirety

Revenue	£ Year 1 2012/13	£ Year 2 2013/14	£ Year 3 2014/15	£ Year 4 2015/16	£ Year 5 2016/17
Lease Cars	(12,030)	(26,150)	(31,330)	(31,330)	(31,330)
Total Revenue	(12,030)	(26,150)	(31,330)	(31,330)	(31,330)

Funding required:		Considered by:	Date:
Total capital cost	£nil	LJCC	06/09/12
Revenue saving	See above	GP	19/09/12

Financial Services Comments

Option 1 – Removal of Job Based Criteria

The savings identified in option 1 are based on non-renewal of lease cars for staff that are eligible for a lease car as a “job based employee”. As the renewal dates occur these staff will no longer be eligible and will revert to essential user status.

Option 2 – Removal of Job Based Criteria and increase mileage threshold to 6,250 miles per year

The savings identified in option 2 are based on non-renewal of lease cars for staff that are eligible for a lease car either as a “job based employee” and for “work based employees” that do not carry out mileage in excess of 6,250 miles per year. As the renewal dates occur these staff will no longer be eligible and will revert to essential user status.

This PB is valid for 3 months from PB date	If this PB is not longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.
11/09/2012	Page 1 of 2	D:\moderngov\data\published\Intranet\C00000130\M00003017\AI00016564\Sjstdjhxt.doc

Option 3 – Removal of lease car scheme in its entirety

The savings identified in option 3 are based on non-renewal of lease cars upon their expiry. All users will revert to essential user status. The savings may be greater if a mileage threshold is introduced for essential user status.

Financial Risk

	2012/13	2013/14	2014/15	2015/16	2016/17
Budgeted Efficiency	16,000	38,000	45,000	59,000	61,000
Recommended option (3)	(12,030)	(26,150)	(31,330)	(31,330)	(31,330)
Shortfall	3,970	11,850	13,670	27,670	29,670

The table above shows the efficiency shortfall against the budgeted efficiency and the recommended option as set in the 5 year budget.

The next stage will generate additional savings if a new mileage threshold is set to determine casual/essential user status. Non-cashable savings for staff time or additional costing for extensions (if approved) in contracts have not been factored into the workings.

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11/09/2012	Page 2 of 2	D:\moderngov\data\published\intranet\C00000130\M00003017\AI00016564\sjstdjhxt.doc