

REVENUE AND CAPITAL BUDGETS 2013/14

Submitted by: Executive Director (Resources and Support Services)

Portfolio: Finance and Budget Management

Wards(s) affected: All

Purpose of the Report

To inform the Committee of the current proposals being considered to balance the 2013/14 revenue budget.

Recommendation

That the proposals as set out in the appendix to the report be noted and any comments be forwarded to the Cabinet for further consideration.

Reasons

To enable the Committee to review the proposals and to determine whether any comments are to be forwarded to the Cabinet for further consideration.

1. Background

- 1.1 As reported to you at your meeting of 3 September 2012, a Budget Review Group has been established, chaired by the Cabinet Portfolio Holder for Finance and Budget Management. Its remit is to oversee all aspects of the budget process, including service review and challenge, longer term planning, development of budget options, agreeing consultation arrangements and consideration of feedback and seeking to deliver service models that drive improvement to front-line services whilst offering value for money.
- 1.2 The Council's Medium Term Financial Strategy (MTFS), approved by Cabinet on 19 October 2012 and considered at your last meeting on 30 October indicated that there would be a budget "gap" of £1.627m in respect of 2013/14 and that this would need to be closed in order to produce a balanced budget.
- 1.3 There have been a small number of changes required to the MTFS since its approval in October, totalling an additional £156,000. Particularly, these include reductions in benefits administration subsidy notified for 2013/14, additional requirements in relation to employee health and safety and the need to investigate and remediate possible contaminated land within the Borough.
- 1.4 It is also proposed to create a Revenue Investment Fund with initial funding of £100,000. This means that the "gap" now stands at £1.883m for next year.

2. Proposed Savings and Efficiencies to eliminate the Budget Gap for 2013/14

- 2.1 The Budget Review Group and your officers have been identifying and considering ways of eliminating this gap, largely through a service challenge process conducted with service managers. As a result of this work, a number of savings and efficiencies have been identified and agreed with managers as being feasible and sustainable. The proposed savings, totalling £1.883m, are outlined in the table below and set out in detail in Appendix 1 to enable the Committee to review the proposals and forward any comments it wishes to

make to the Cabinet for further consideration.

Category	Amount	Comments
	£'000	
Procurement	330	Smarter procurement and reductions in the amount of supplies procured.
Additional Income	346	Includes new sources of income and additional income arising from increased activity. This amount is additional to the amount of £105,000 included in the MTFS in respect of a general 2% increase in fees and charges.
Good Housekeeping Efficiencies	328	Various savings arising from more efficient use of budgets.
Staffing Efficiencies	489	No redundancies arise from these proposals.
Better Use of Assets	6	Streetscene plant and equipment efficiencies.
New Homes Bonus funding	204	Contribution to revenue budget from New Homes Bonus funding.
Council Tax Freeze Grant	70	Based on the Government's announcement of 1% for all local authorities who propose a Council Tax freeze.
Full Implementation of Council Tax Reforms	110	Additional income arising largely from changes in respect of empty property and second homes. This is the Council's share of the total additional income which may arise.
Total	1,883	

3. List of Appendices

Appendix 1 - Savings and Efficiencies