

**BUSINESS SUPPORT  
OVERVIEW AND SCRUTINY COMMITTEE  
4 FEBRUARY 2014  
CAPITAL & REVENUE BUDGET 2014/2015**

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**Summary**

In accordance with the constitution, Cabinet is required to develop 'initial budget proposals' approximately three months before finalising the budget and setting council tax levels at the end of February 2014. This report considers proposals specific to services within the remit of this committee, feedback from other overview and scrutiny committees is reported later in this agenda.

The draft budget is based on the principles contained in the Medium Term Financial Plan (MTFP) 2014/17 approved by Cabinet in October 2013 and reflects formula grant assumptions announced as part of Local Government Finance Settlement 2014/15 and 2015/16 Technical Consultation in July and September.

**1. Budget and Policy Framework**

- 1.1 It is the responsibility of Cabinet, supported by the management team, to develop draft capital and revenue budgets.

**2. Constitutional rules**

- 2.1 The budget and policy framework rules contained in the constitution specify that Cabinet should produce the initial budget proposals. These should be produced and submitted to overview and scrutiny committee three months before the Council meeting that is scheduled to determine the budget and council tax. The overview and scrutiny committees have a period of six weeks to consider these initial proposals. Any proposals for change will be referred back to Cabinet for consideration.
- 2.2 On 26 November, Cabinet considered the draft capital and revenue budgets for 2014/2015 and forwarded them to Overview and Scrutiny as work in progress, inviting comments on the proposals outlined. This Committee, at its meeting on 6 December, duly referred consideration onto respective overview and scrutiny committees. Under the constitution Cabinet has complete discretion to either accept or reject the proposals emanating from the overview and scrutiny committees. Ultimately it is Cabinet's responsibility, via its meeting on 11 February 2014, to present a budget to Council on 20 February 2014. The adoption of the budget and the setting of council tax are matters

reserved for Council. The statutory deadline for approving council tax is 11 March 2014.

- 2.3 This report considers proposals specific to services within the remit of this Committee including those relating to housing matters.

### **3. Budget monitoring 2013/14**

- 3.1 The Quarter 2 revenue monitoring report, as considered by Cabinet on 29 October 2013, forecast a net revenue overspending for the Council of some £4.369 million. However, services within the Business Support Department were forecast to achieve an underspend of £84,000 against its net budget of £9.7m.

- 3.2 For the capital programme the forecast, based on the first half-year expenditure, was that the Business Support Department would spend to budget on its remaining programme of £5.5m.

### **4. Budget Preparation Assumptions**

- 4.1 The draft budget presented by Cabinet builds upon the resource projections and principles set out in the Medium Term Financial Plan (MTFP) considered by Cabinet on 1 October 2013. The budget to be approved by Council in February 2014 will need to adhere to the MTFP underlying aims of:

- Ensuring a sustainable budget, without recourse to the use of reserves;
- Generating efficiencies, in partnership with others where appropriate, for reinvestment in priority spending;
- Assessing the revenue impact of funding streams supporting capital investment decisions, whether that be from grants, prudential borrowing, use of reserves, or capital receipts; and
- Avoiding the sanction of central government controls, for example capping now in the guise of a local referendum requirement

- 4.2 The MTFP considered by Cabinet on 1 October 2013 presented a high level summary of the budget requirement for the next three years and identified a £16.29m gap for 2014/15 rising to a £46.6 million deficit for 2016/17 to be addressed through the budget preparation process. This report is part of that process and, whilst acknowledging the issues overall, focusses on those issues pertinent to Business Support services.

- 4.3 Resource assumptions for Revenue Support Grant, Business Rate share, Council Tax and New Homes Bonus are critical in the development of a balanced budget and the cabinet report set out the latest view of these. There is an inevitable risk that these assumptions could change prior to budget setting in February, not least with the Finance settlement to be confirmed in January 2014 (provisional release in December). The latest forecast also utilises our latest NNDR projection for 2013/14 as a base but it should be stressed that this is a forecast and could be subject to variation that could be of significance as was seen with the closure of Kingsnorth power station and a loss of rate share for the Council of almost £2 million. It also remains an assumption that Council will approve a 1.999% increase in Council Tax, which even so will still see Medway firmly in the lower quartile of council tax levied

nationally. However new rules introduced in 2013/14 mean that any proposed increase above the Government 'excessive' level of 2% is subject to a local referendum. The report to Cabinet on 14 January 2014 identified a number of grant changes arising from the Provisional Settlement announced on 18 December 2013, albeit these are subject to confirmation, and these are certain to change the Draft Budget assumptions.

- 4.4 The aggregate reduction in Government grant support (now expressed as SFA) since CSR 2010, for which 2014/15 is the last funding year, is 33.6% compared to an original target declaration of 28%. However there is no sign of a reduction in the pace of change for Government support and the 14.3% additional cut in the July technical consultation takes this total to almost 48% by 2015/16 and climbing.
- 4.5 The taxbase upon which the current council tax is set was agreed as 76,712 Band D equivalents which is significantly lower than previous years because of the discount effect of the Council Tax Reduction Scheme that replaced Council tax Benefit for 2013/14. As at the end of September the taxbase is calculated at 77,296 reflecting an increase in the rate of new properties being added against that expected when the taxbase was set in January. Original predictions were that 746 new properties would be completed this year and 699 have already been added since the taxbase calculation was performed – almost double that anticipated. Growth for the next few years is predicted to be in the order of 0.5% (560 properties a year). However banding and discounts are unpredictable, not least because of the new Council Tax Support scheme. Accordingly assumptions underpinning the revenue receipts are a taxbase of 77,683 and 78,071 respectively for 2014/15 and 2015/16 with a 2% council tax increase in each year. This increases the revenue assumption by £0.683 million compared to that in the MTFP.
- 4.6 SR 2013 included provision to create a Single Local Growth Fund of £2.8 billion to be funded in part by a £400 million cut in the level of New Homes Bonus paid in 2015/16 and beyond. This equates to a 35% reduction in grant payable (£400m/£1.1bn originally planned). For Medway this will mean a reduction of £2.3 million for 2015/16. However in comparison to the MTFP assumptions the data for 2014/15 New Homes Bonus (calculated on returns to Government at 1 October 2013) has shown that efforts to reduce 'voids' in respect of unoccupied properties, together with the enhanced numbers referred to in 6.9, have increased the bonus payable in 2014/15 by £0.883 million compared to the MTFP but for 2015/16 the £1.9 million loss predicted in the MTFP rises to £2.3 million with 35% of the £0.883 million gain being lost through the top slice. The Provisional Settlement announcement reversed the 'top-slice' proposal and therefore the reduction in resource for 2015/16 will not now occur. However the release of the latest figures for New Homes Bonus revealed a shortfall of £119,000 as a consequence of a reduction in the number of affordable homes completed in 2012/13.

4.7 The key assumptions underpinning the budget requirement for 2014/15 and future years include:

- Zero uplift for general inflation, although some specific inflation assumptions have been applied where there is a contractual or unavoidable commitment;
- For the MTFP there was a 1% assumption for pay awards and 2% for the re-introduction of increments. This is now revised to a zero increase for pay but there are potential costs associated with proposals now before Employment Matters Committee in respect of the review of Pay and Grade provision;
- The MTFP reflected demographic projections for Adult Social Care based on population data but these are now revised to Government guidance at a 3% provision for growth in adult social care, offset by a funding assumption of more S256 NHS income; and
- Some provision for demographic growth in children's social care budgets;

## 5. Summary of draft revenue budget

5.1 The MTFP built upon the more detailed work that had been the feature of the previous plan. As such it represented a very real projection of spending demand and resource expectation for the period. As section 4 has identified, a number of the resource assumptions have now varied, and clearly work has been progressing on also addressing the spending demands and identifying areas where savings can be made. Table 1 below summarises the change in these spending pressures set against the MTFP for 2014/15 and 2015/16 and whilst this gives an 'at a glance' impression that the pressures have simply been removed the position is more complex than that with some removal, some reduction and additional savings. The analysis of this movement for BSD is set out in Appendix 1b with the directorate summary Appendix 1a. Table 2 below summarises the overall impact with BSD highlighted.

**Table 1: Summary of additional resource requirement against 2013/2014 base**

	2014/15		2015/16	
	MTFP	Revisions	MTFP	Revisions
	£000's	£000's	£000's	£000's
Children and Adults	6,660	(4,728)	2,916	(2,841)
Regeneration, Community and Culture	3,222	(3,009)	1,858	(1,563)
Business Support/Corporate Issues	147	(2,099)	1,738	(2,098)
Better for Less	0	0	(500)	0
<b>Total – General Fund</b>	<b>10,029</b>	<b>(9,836)</b>	<b>6,012</b>	<b>(6,502)</b>

**Table 2: Draft Revenue Budget 2014/2016**

	Q2 Adj. Original	Q2 Forecast Var.	MTFP Forecast	Base Adj.	Savings	Forecast Req.	MTFP Forecast	Savings	Forecast Req.
Directorate	2013/14	2013/14	2014/15	2013/14	2014/15	2014/15	2015/16	2015/16	2015/16
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Children and Adult Services (C&A):									
DSG and School Specific Expenditure	136,718	620	135,673	(1075)		134,598	(6,817)		127,781
Public Health	140		140			140			140
General Fund Services	111,763	3,290	119,232	(821)	(4,728)	113,683	2,916	(2,841)	113,758
Regeneration, Community and Culture (RCC)									
General Fund Services	49,414	484	55,771	(3,135)	(3,009)	49,627	1,858	(1,563)	49,922
Public Health	155		155			155			155
Business Support (BS):									
General Fund Services	25,525	(84)	21,769	3,903	(2,099)	23,573	1,738	(2,098)	23,213
DSG	1,496		1,496			1,496			1,496
Public Health	303		303			303			303
Public Health	12,572		13,682			13,682			13,682
Interest & Financing	14,892		14,892			14,892			14,892
Levies	879	8	879			879			879
Projected savings from 'Better for Less'	(596)	671	(1,542)	316		(1,226)	(500)		(1,726)
Norse JVC	(263)		0	(263)		(263)			(263)
<b>Budget Requirement</b>	<b>352,998</b>	<b>4,989</b>	<b>362,450</b>	<b>(1,075)</b>	<b>(9,836)</b>	<b>351,539</b>	<b>(805)</b>	<b>(6,502)</b>	<b>344,232</b>
<b>Estimated Funding</b>									
Dedicated Schools Grant	(131,149)	(620)	(130,567)	1,075		(129,492)	6,141		(123,351)
Other School Specific Grants	(7,079)		(6,602)			(6,602)	676		(5,926)
Council Tax	(87,565)		(89,763)		(683)	(90,446)	(2,253)	(17)	(92,716)
Revenue Support Grant	(63,311)		(51,845)			(51,845)	14,002		(37,843)
Business Rate share	(42,119)		(44,586)			(44,586)	(1,204)		(45,790)
New Homes Bonus	(3,613)		(4,698)		(883)	(5,581)	1,080	309	(4,192)
Specific Grants	(4,022)		(3,895)			(3,895)	814		(3,081)
Public Health Grant	(13,170)		(14,280)			(14,280)			(14,280)
Use of Reserves	(970)	(4,369)	0			0			0
<b>Estimated Available Funding</b>	<b>(352,998)</b>	<b>(4,989)</b>	<b>(346,236)</b>	<b>1,075</b>	<b>(1,566)</b>	<b>(346,727)</b>	<b>19,256</b>	<b>292</b>	<b>(327,179)</b>
<b>Budget Gap</b>									
- DSG	0	0	0	0	0	0	0	0	0
- General Fund	0	0	16,214	0	(11,402)	4,812	18,451	(6,210)	17,053

- 5.2 The forecast budget gap for 2014/15 now stands at £4.812 million for General Fund services and increases to £17.053 million for 2015/16 so clearly whilst this is a significant improvement on the MTFP position of a cumulative 2015/16 deficit of £34.664 million, there remains a lot of work to do particularly to address the 2015/16 position.
- 5.3 In achieving this revised position, savings in respect of Business Support totalling £2.1m have been identified as set out in Appendix 1b. Specific proposals were as follows:
- 5.3.1 Corporate Services
- Savings against monitoring officer and agency costs within Legal Services;
  - Restructure of Category Management section;
  - Reduced costs following vacation of Kingsley House.
- 5.3.2 Finance
- Funding of discretionary relief (on non-domestic rates) no longer chargeable to General Fund;
  - Removal of provisions for one-off staff payments and other contingencies;
  - Restructure of Financial Management function.
- 5.3.3 Organisational Services
- Review of Employee Relations service;
  - Maximising income from external training
  - Efficiencies within ICT including extension of server hosting.
- 5.3.4 Department wide
- Pay and increments funding requirement removed.
- 5.4 There are no proposals in the draft budget in respect of changes to General Fund housing activities (RCC Directorate) apart from additional funding already provided in respect of homelessness.

## **6. Meeting the funding gap**

- 6.1 Table 2, above, highlights a funding gap of £4.812 million in relation to General Fund services for 2014/15 rising to £17.053 million in 2015/16. This is a greatly improved position compared to that forecast in the MTFP as a consequence, in part, of the measures outlined in section 5 above.
- 6.2 There has to be some caution over the resource projections as they are based on exemplifications of possible funding scenarios and assumptions for taxbase and business rates that are likely to change. The Council will not know the definitive position in regard to Government support until the final settlement in January 2014 albeit the provisional settlement announced on 18 December 2013 revealed slightly more optimistic grant scenarios.

6.3 Officers and Portfolio Holders will be targeting specific areas where there are potential efficiencies to be gained or short-term advantage to be had pending delivery of longer-term savings. These include:

- Continuing to progress the 'Better for Less' programme to improve service delivery and drive out efficiencies in customer contact, administration and procurement;
- Considering opportunities for outsourcing services and shared service arrangements with other councils and public agencies;
- Ensuring that maximum gain is made from the recently established Category Management team;
- Property rationalisation; and
- Review of fees and charges across a whole range of service areas.

## 7. Draft capital budget proposals 2014/15

7.1 The Council has enjoyed a high level of capital investment in recent years with significant investment supported by Government grants for both regeneration and the establishment of three new academies together with ongoing support for the Local Transport Plan, Schools, Social Care and Disabled Facilities Grants. The Capital programme currently stands at £87.1 million. It is currently forecast that £53.8 million of this programme will spend in 2013/14 with a further £33.3 million in the years beyond, to which will be added the further funding streams in table 3 as they are confirmed (BSD O&S components highlighted).

7.2 Whilst the financial settlement no longer includes any revenue support for capital, local authorities still have access to 'unsupported' borrowing through the prudential regime for capital, providing that these capital investment plans are affordable, prudent and sustainable. Developer contributions and capital receipts might also become available for capital investment, as well as HRA balances, but at this stage of the budget setting process, it is assumed that future investment will be restricted to the current programme, supplemented by the Council's expectations in relation to Government grant that are set out in table 3 below.

**Table 3. 2014/15 Government grant assumptions**

	C & A	BSD	RCC	Total
	£000's	£000's	£000's	£000's
Disabled Facilities Grant	0	0	739	739
Education Basic Needs Grant	0	0	0	0
2013/14 Targeted Basic Needs Grant	10,050	0	0	10,050
Schools Capital Maintenance Grant (est.)	2,670	0	0	2,670
Schools Devolved Formula Capital (est.)	480	0	0	480
Contribution from DSG Reserve	2,000	0	0	2,000
Adult Social Care Transformation Grant	547	0	0	547
LTP - Integrated Transport element	0	0	2,216	2,216
LTP - Highways Maintenance element	0	0	2,122	2,122
<b>Total Forecast</b>	<b>15,747</b>	<b>0</b>	<b>5,077</b>	<b>20,824</b>

- 7.3 The current capital programme reflects slippage from previous years, together with the 2013/14 grant allocations, other additional approvals such as the 'Growing Places' funds and the HRA development programme. This programme will continue to be delivered throughout 2014/15 and beyond and Table 4 below summarises planned expenditure and provides an analysis of how it is funded.

**Table 4. Funding the current capital programme**

	<b>C &amp; A</b>	<b>BSD</b>	<b>RCC</b>	<b>Member Priorities</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Forecast Programme</b>					
2013/14	24,677	2,659	26,154	330	53,820
2014/15	6,996	1,222	15,886	295	24,399
2015/16	107	983	6,072	0	7,162
2016/17 & future year's	27	630	1,090	0	1,747
<b>Total</b>	<b>31,807</b>	<b>5,494</b>	<b>49,202</b>	<b>625</b>	<b>87,128</b>
<b>Funding Source</b>					
Grants	25,857	0	20,156	0	46,013
Developer & other contributions	2,399	0	2,015	0	4,414
Capital Receipts	2,437	2,598	3,109	625	8,769
Reserves & revenue	1,114	0	4,905	0	6,019
HRA reserves & revenue	0	0	5,286	0	5,286
Borrowing	0	2,896	13,731	0	16,627
<b>Total Funding</b>	<b>31,807</b>	<b>5,494</b>	<b>49,202</b>	<b>625</b>	<b>87,128</b>

- 7.4 Confirmation of the Provisional Settlement announced on 18 December 2013 is expected in late January and whilst capital grants are anticipated to be in line with the assumptions in Table 3, the capital programme for 2014/15 can only be considered as provisional at this stage.

## **8. Housing Revenue Account – Draft Budget 2014/15**

- 8.1 The Housing Revenue Account (HRA) must be operated for all local authorities with a retained housing stock and is "ring-fenced" from the General Fund. The account details the costs associated with the management and maintenance of the Council's housing stock. As at 1 April 2013, the Council owned 3,023 properties, 287 of which were homes for independent living. There are a further 198 leasehold flats, for which the Council owns the freehold and collects service charges. The stock numbers reduce year on year as a result of tenants exercising their right to buy the home they live in although in recent years this has been a minimal number.
- 8.2 The current monitoring projects the HRA will make a surplus for the 2013/14 financial year of just over £1.3 million. There was also a bought forward accumulated balance on the account as at 1 April 2013 of £4.3 million although Council recently determined that £2 million of this balance be transferred to general fund reserves. Existing commitments of £1.6 million to finance the 2013/14 HRA capital planned maintenance programme included in Table 4, together with the need to maintain a contingency balance of circa £0.75 million; will leave an



estimated accumulated balance on the account of £1.2 million available for reinvestment in the HRA.

- 8.3 No significant changes are expected to the Government's rent re-structuring policy in 2014/15 which seeks to move actual rents towards a target rent by increasing rents, where required, by inflation plus 0.5% plus £2 per week whilst only increasing the target rents by the Retail Price Index (RPI) plus 0.5% (September 2013 RPI was 3.2%). The 2014/2015 budget build and rent calculation will assume that Cabinet will continue to follow this policy. Rent charges relating to garages would normally increase by inflation but further options may be brought forward in light of current void levels. The Government is currently consulting on social housing rents from 2015 whereupon changes to the rent setting policy are anticipated.
- 8.4 Service charges have in the past been calculated using estimated costs based upon actual charges for previous years. Guidance states that the cost of providing services to tenants should be fair and fully recovered and Members previously agreed that some of the charges could be increased at a level in excess of inflation where costs are not currently being recovered.
- 8.5 Generally, all expenditure will remain at 2013/2014 levels for 2014/2015 to reflect the current economic climate. The only exceptions to this will be contracts that are subject to annual inflationary increases or contracts subject to increases or decreases as a result of retendering.

## **9. Conclusions**

- 9.1 These initial budget proposals represent a considerable step towards developing the 2014/15 revenue budget in comparison to the MTFP and that is reflected in the more than halving of the 2015/16 cumulative deficit. However the budget agreed by Council for 2014/15 and indeed for 2015/16 will have to have a zero deficit so there is clearly much still to do, particularly to identify and implement the measures to close the 2015/16 gap and be deliverable that year. Experience has shown that savings measures of the scale that the predicted deficit demands will have a significant lead time to delivery.
- 9.2 However as the report also indicates, the available resources for the Council are still subject to some uncertainty and this will not be resolved until late January. At this stage it is expected that Government funding will improve marginally but the risk of change will remain until the final allocations are announced.
- 9.3 There remains considerable work required in order to both present a balanced budget for 2014/15 and identify a strategy to meet the further deficit for 2015/16 in time to be deliverable. This will be undertaken during the period leading up to the Cabinet meeting on 11 February 2014. Overview and Scrutiny committees have a vital role assisting in this process – both to review existing proposals and also to suggest new ones.

## **10. Risk Management**

- 10.1 The risks exposed by a failure to effectively manage the resource planning and allocation process to achieve priorities and maintain effective service delivery are great. The uncertainty caused by the current economic climate and the consequences in terms of future financial assistance and targets imposed by Government will make this process difficult.

## **11. Diversity Impact Assessment**

11.1 The council has legal duties to give due regard to race, gender and disability equality in carrying out its functions. This includes the need to assess whether any proposed changes have a disproportionately negative effect on people from different ethnic groups, disabled people and men and women, which as a result may be contrary to these statutory obligations. These draft budget proposals predict the resources available, against which to determine the service priorities within the Council Plan. Diversity Impact Assessments will be undertaken and reported to Members as part of the budget and service planning process as the impact of the financial settlement on Council services becomes clearer.

## **12. Financial and legal implications**

12.1 The financial implications are fully detailed in the report. There are no direct legal implications.

## **13. Recommendations**

13.1 Members are requested to:

- Consider the draft capital and revenue budget for 2014/2015, proposed by Cabinet on 26 November 2013, insofar as they affect this overview and scrutiny committee;
- Consider the opportunities and implications of any other efficiencies or revenue generating measures for this committee;
- Incorporate any feedback to Cabinet with that from other overview and scrutiny committees as reported later in this agenda.

### **Background papers:**

Medium Term Financial Plan 2014/17 – Cabinet 1 October 2013:

<http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=21413>

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## BUSINESS SUPPORT DEPARTMENT - BUDGET BUILD 2014-2015

General Fund Activities	2013-14 Base (Q2 2013)	Remove Support Services	Adjustments	2013-14 Adjusted Base	Medium Term Financial Plan			2014-15 MTFP Assumptions	2014-15 Further Proposals	2014-15 Draft Budget (Nov 2013)	2014-15 Budget Requirement		
					Inflation	Other Pressures	Savings				Gross Expenditure	Direct Income	Net Expenditure
					£'000	£'000	£'000				£'000	£'000	£'000
Legal Services	0	1,360	0	1,360	0	0	0	1,360	(48)	1,312	1,516	(204)	1,312
Land Charges and Licensing	(35)	(101)	0	(136)	0	0	0	(136)	0	(136)	441	(576)	(136)
Building and Design	(442)	(17)	0	(458)	0	100	0	(358)	(59)	(417)	678	(1,095)	(417)
Category Management	(832)	1,039	0	207	0	0	0	207	(150)	57	57	0	57
Asset and Property Management	(663)	1,661	0	999	0	0	0	999	0	999	3,631	(2,632)	999
Centralised Budgets	38	0	0	38	0	0	0	38	0	38	38	0	38
Facilities Management (Medway NORSE)	645	4,469	0	5,114	0	0	0	5,114	0	5,114	5,114	0	5,114
AD H&CS Vacancy	(88)	0	0	(88)	0	0	0	(88)	0	(88)	(88)	0	(88)
<b>Total for Corporate Services</b>	<b>(1,376)</b>	<b>8,412</b>	<b>0</b>	<b>7,036</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>7,136</b>	<b>(257)</b>	<b>6,879</b>	<b>11,387</b>	<b>(4,508)</b>	<b>6,879</b>
Benefit Payments	1,484	(94)	0	1,391	0	0	0	1,391	0	1,391	104,176	(102,785)	1,391
Revenues and Benefits Admin Total	1,663	(2,903)	0	(1,240)	0	0	0	(1,240)	0	(1,240)	1,763	(3,003)	(1,240)
NNDR Discretionary Relief	251	0	0	251	0	0	0	251	(250)	1	1	0	1
Rural Liaison Grants	110	0	0	110	0	0	0	110	0	110	110	0	110
Ward Improvements	165	0	0	165	0	0	0	165	0	165	165	0	165
Corporate Management	2,995	(2,688)	0	307	0	0	0	307	0	307	307	0	307
Non Distributed Costs	1,553	0	0	1,553	0	0	0	1,553	0	1,553	1,553	0	1,553
Corporate Provisions	1,526	(115)	0	1,411	0	0	(720)	691	0	691	691	0	691
Business Support Management Team	24	847	0	870	0	0	0	870	0	870	952	(81)	870
Financial Management	6	1,168	0	1,174	0	0	0	1,174	(275)	899	1,022	(123)	899
Financial Systems	0	124	0	124	0	0	0	124	0	124	133	(8)	124
Financial Support	(0)	476	0	476	0	0	0	476	0	476	516	(40)	476
Creditors and Income Services	0	394	0	394	0	0	0	394	0	394	418	(24)	394
Audit Services	0	544	0	544	0	0	0	544	0	544	550	(7)	544
FS Vacancy Saving Target	(106)	0	0	(106)	0	0	0	(106)	0	(106)	(106)	0	(106)
<b>Total for Finance</b>	<b>9,672</b>	<b>(2,247)</b>	<b>0</b>	<b>7,425</b>	<b>0</b>	<b>0</b>	<b>(720)</b>	<b>6,705</b>	<b>(525)</b>	<b>6,180</b>	<b>112,251</b>	<b>(106,071)</b>	<b>6,180</b>
Democratic Services	823	(239)	0	584	0	0	0	584	0	584	634	(50)	584
Members and Mayoral Services	1,056	(30)	0	1,026	0	0	0	1,026	0	1,026	1,074	(48)	1,026
Electoral Services	455	(15)	0	440	0	0	0	440	0	440	443	(4)	440
Community Interpreters	(103)	(2)	0	(105)	0	0	0	(105)	0	(105)	186	(291)	(105)
Registration Services	89	(87)	0	2	0	0	0	2	0	2	508	(506)	2
Bereavement Services	(222)	(123)	0	(346)	0	0	0	(346)	0	(346)	1,550	(1,896)	(346)
Customer Contact	123	3,799	0	3,922	0	0	0	3,922	0	3,922	4,112	(190)	3,922
Customer First	0	758	0	758	0	0	0	758	0	758	810	(52)	758
CF Vacancy Saving Target	(150)	0	0	(150)	0	0	0	(150)	0	(150)	(150)	0	(150)
<b>Total for Democracy &amp; Customer First</b>	<b>2,072</b>	<b>4,060</b>	<b>0</b>	<b>6,131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,131</b>	<b>0</b>	<b>6,131</b>	<b>9,167</b>	<b>(3,035)</b>	<b>6,131</b>
Performance and Intelligence	26	545	0	570	0	0	0	570	0	570	589	(18)	570
Communications and Improvement	(47)	742	0	695	0	0	0	695	0	695	1,068	(373)	695
Administration Hub	(189)	2,092	0	1,903	0	0	0	1,903	0	1,903	2,287	(384)	1,903
CPP Vacancy Saving Target	(99)	0	0	(99)	0	0	0	(99)	0	(99)	(99)	0	(99)
<b>Total for Communications, Performance &amp; Partnerships</b>	<b>(309)</b>	<b>3,379</b>	<b>0</b>	<b>3,069</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,069</b>	<b>0</b>	<b>3,069</b>	<b>3,844</b>	<b>(775)</b>	<b>3,069</b>
Human Resource Services	(231)	1,691	0	1,461	0	0	0	1,461	(300)	1,161	5,028	(3,867)	1,161
Adult Education	(204)	(611)	0	(815)	0	0	0	(815)	0	(815)	2,058	(2,873)	(815)
ICT	(0)	3,080	0	3,080	0	56	0	3,136	(306)	2,830	3,565	(734)	2,830
AD OS Vacancy	(107)	0	0	(107)	0	0	0	(107)	0	(107)	(107)	0	(107)
<b>Organisational Services Total</b>	<b>(541)</b>	<b>4,161</b>	<b>0</b>	<b>3,619</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>3,675</b>	<b>(606)</b>	<b>3,069</b>	<b>10,543</b>	<b>(7,474)</b>	<b>3,069</b>
BFL - Community Hubs	43	0	0	43	0	0	0	43	0	43	43	0	43
Better for Less - Project	101	(101)	0	0	0	0	0	0	0	0	0	0	0
<b>Better for Less Total</b>	<b>144</b>	<b>(101)</b>	<b>0</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43</b>	<b>0</b>	<b>43</b>	<b>43</b>	<b>0</b>	<b>43</b>
Pay award	0	0	0	0	237	0	0	237	(237)	0	0	0	0
Increments	0	0	0	0	0	474	0	474	(474)	0	0	0	0
<b>Total for Business Support Department</b>	<b>9,661</b>	<b>17,663</b>	<b>0</b>	<b>27,324</b>	<b>237</b>	<b>630</b>	<b>(720)</b>	<b>27,471</b>	<b>(2,099)</b>	<b>25,372</b>	<b>147,236</b>	<b>(121,864)</b>	<b>25,372</b>



## Business Support Department

## BUDGET BUILD 2014/15 - BASE BUDGET ADJUSTMENTS

	MTFP 14/15 £000s	Further proposals 14/15 £000s	MTFP 15/16 £000s	Further proposals 15/16 £000s
<b>Legal &amp; Corporate Services</b>				
Legal Services				
- monitoring officer / agency costs		(48)		
Land Charges & Licensing				
Building & Design				
- Reduce design fee surplus	100		100	
Category Management				
- Restructure		(150)		
Category Management Workstreams				
Asset and Property Management				
- Vacation of Compass Centre (March 2015)			(385)	
- Compass Centre dilapidations			385	(385)
- Vacation of Kingsley House (June 2012)		(59)	(59)	59
- Structural repairs Riverside			800	(800)
- Reduced rental from property holdings			25	(25)
Centralised Budgets				
Corp Services Vacancy Target				
<b>Total for Finance</b>				
Benefit Payments				
Revenues and Benefits Admin Total				
NNDR Discretionary Relief				
- changes to way funded		(250)		
Rural Liaison Grants				
Ward Improvements				
Corporate Management				
Non Distributed Costs				
Corporate Provisions				
- Removal of one-off staff payments April 2013	(375)			
- Removal of contingency budget	(345)			
BSD Management Team				
Financial Management				
- Restructure		(275)		(75)
Financial Systems				
Financial Support				
Creditors and Income Services				
Audit Services				
FS Vacancy Saving Target				
<b>Total for Democracy &amp; Customer First</b>				
Democratic Services				
Members and Mayoral Services				
Electoral Services				
Community Interpreters				
Registration Services				
Bereavement Services				
Customer Contact				
Customer First				
CF Vacancy Saving Target				
<b>Total for Communications, Performance &amp; Partnerships</b>				
Performance & Intelligence				
Communications and Improvement				
Better for Less				
Administration Hub				
CPP Vacancy Saving Target				
<b>Organisational Services Total</b>				
Human Resource Services				
- Employee relations restructure		(200)		
- Charging for external courses		(100)		
Adult Education				
ICT				
- Impact of BfL telephony & system maintenance	56	(56)		
- NHS hosting contract			41	(41)
- Extend server facility		(200)		
- Contract management efficiencies		(50)		
- Healthy Living Centre income			108	(108)
OS Vacancy Saving Target				
<b>Pay Award</b>	237	(237)	239	(239)
<b>Increments</b>	474	(474)	484	(484)
<b>Total for Business Support</b>	<b>147</b>	<b>(2,099)</b>	<b>1,738</b>	<b>(2,098)</b>