



POLICY AND RESOURCES SCRUTINY COMMITTEE - 4TH DECEMBER 2013

**SUBJECT: PROVISIONAL LOCAL GOVERNMENT SETTLEMENT 2014/15 –
SAVINGS PROPOSALS**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of proposed savings and efficiencies for those areas subject to review by the Policy and Resources Scrutiny Committee.

2. SUMMARY

- 2.1 The report provides an overview of the savings requirement for the Council for the period 2014/15 to 2016/17 along with a range of proposed savings and efficiencies for Members to consider and comment upon. The proposals relate specifically to a number of Authority-wide issues, the Directorate of Corporate Services, General Fund Housing and the Housing Revenue Account (HRA).

3. LINKS TO STRATEGY

- 3.1 The budget setting process encompasses all the resources used by the Council to deliver services and meet priorities.

4. THE REPORT

- 4.1 Members will recall that the 2014/15 Provisional Local Government Settlement announced on 16 October 2013 shows a decrease in Aggregate Exchequer Finance (AEF) of 3% (£8.46m) for Caerphilly CBC after adjusting for "transfers in" of former grant funding. The settlement includes a further indicative reduction of 1.55% (£3.72m) for 2015/16 but there is no indicative figure for 2016/17.
- 4.2 A report was presented to full Council on 23rd October 2013 providing an updated Medium-Term Financial Plan (MTFP). The report is attached as Appendix A and shows a projected three-year savings requirement of £28.13m (£14.53m for 2014/15, £6.54m for 2015/16 and £7.06m for 2016/17).
- 4.3 Since the announcement of the Provisional Settlement, Officers have been preparing a long-list of potential savings and efficiencies for Members to consider. This list was distributed at a Members Seminar on 21st November 2013. A series of special Scrutiny Committee meetings is being held during the first 2 weeks of December for Members to review and comment upon the proposed savings. Further special Scrutiny Committee meetings may be convened if considered necessary.

- 4.4 Appendix B provides details of proposed Authority-wide, Corporate Services, General Fund Housing and Housing Revenue Account (HRA) savings and efficiencies. Members of the Policy and Resources Scrutiny Committee will receive a presentation at its meeting on 4th December 2013 setting out more details of the proposals along with an assessment of options where appropriate. The views of the Scrutiny Committee are sought in order that a balanced budget can be set for 2014/15 and to ensure that a range of indicative savings proposals are prioritised for further work to address financial shortfalls in future years.

5. EQUALITIES IMPLICATIONS

- 5.1 The equalities implications of savings proposals will be fully considered as part of the decision making process.

6. FINANCIAL IMPLICATIONS

- 6.1 As identified throughout the report.

7. PERSONNEL IMPLICATIONS

- 7.1 The personnel implications of agreed savings proposals will be carefully managed and staff will be fully supported to identify redeployment opportunities wherever possible.

8. CONSULTATIONS

- 8.1 Budget proposals will be subject to normal consultation processes.

9. RECOMMENDATION

- 9.1 Members are asked to consider and comment upon the list of proposed efficiencies and savings in Appendix B of this report.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure that a balanced budget can be set for 2014/15 and indicative savings proposals can be identified for future years.

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2000.

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Cllr K. Reynolds, Deputy Leader and Cabinet Member for Corporate Services
Cllr G Jones, Deputy Leader and Cabinet Member for Housing
Cllr C Forehead, Cabinet Member for HR and Governance / Business Manager
Cllr D Hardacre, Cabinet Member for Performance and Asset Management

Appendices:

Appendix A

Special Council – 23rd October 2013 – Provisional Local Government Settlement 2014/15.

Appendix B

Long List of Potential Savings and Efficiencies – Whole-Authority, Corporate Services, General Fund Housing and Housing Revenue Account (HRA).