



POLICY AND RESOURCES SCRUTINY COMMITTEE – 3RD JUNE 2014

**SUBJECT: CORPORATE SERVICES & MISCELLANEOUS FINANCE REVENUE
BUDGETS 2014/2015**

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

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of the 2014/15 revenue budgets for Corporate Services and Miscellaneous Finance.

2. SUMMARY

- 2.1 The report provides details of the 2014/15 revenue budgets for Corporate Services and Miscellaneous Finance and briefly outlines the next steps to progress the budget strategy for 2015/16 and 2016/17.

3. LINKS TO STRATEGY

- 3.1 The contents of this report reflect the budget strategy agreed by Council at its meeting on the 26th February 2014.

4. THE REPORT

4.1 2014/15 Revenue Budget

- 4.1.1 The Welsh Government's Revenue Support Grant (RSG) for Caerphilly CBC for the 2014/15 financial year is a reduction of 2.91% after adjusting for new responsibilities and transfers in i.e. a RSG decrease of £8.13m.
- 4.1.2 Members will recall that as a consequence of the financial settlement a package of savings totalling £14.20m was agreed to enable the Council to deliver a balanced budget for the 2014/15 financial year. Savings for Corporate Services and Miscellaneous Finance amount to £6.01m.
- 4.1.3 The approved 2014/15 budgets for Corporate Services and Miscellaneous Finance total £79.18m and full details are provided in Appendix 1.

4.2 Corporate Services

- 4.2.1 The 2014/15 budget for Corporate Services is £24.25m, which is net of agreed savings totalling £2.81m.

4.2.2 In line with the budget strategy agreed at Council on the 26th February 2014 the Corporate Services base budget has been uplifted for inflation. An allowance of 1% has been made for pay (£212k) and 1.5% for non-pay (£103k).

4.2.3 The most significant other budget movements are £328k in relation to the Council Tax Reduction Scheme Administration Subsidy, £246k for the Council Tax Pensioners Grant and £216k Pavilion Maintenance.

4.3 Miscellaneous Finance

4.3.1 The 2014/15 budget for Miscellaneous Finance is £54.93m.

4.3.2 In line with the Council's budget strategy an uplift of 1% has been allocated to Miscellaneous Finance in respect of pay (£6k) and 1.5% has been applied to non-pay budgets (£188k).

4.3.3 The 2014/15 Miscellaneous Finance budget includes agreed net savings totalling £3.196m.

4.3.4 A total of £567k has been transferred from Miscellaneous Finance to other service areas within the Authority. The most significant transfer is £460k to Social Services in respect of care home fees.

4.3.5 There are a number of other adjustments totalling £1.1m, the largest of which relates to the Council Tax Reduction Scheme. This budget head has been increased by £533k in line with the increase in the Council Tax for 2014-15.

4.4 Budget Strategy for 2015/16 and 2016/17

4.4.1 The indicative RSG settlement for 2015/16 is a further cut of 1.34%. In the absence of indicative figures from the Welsh Government for 2016/17 a further reduction of 1.34% is currently assumed. This will result in further estimated Council-wide savings of £6.5m for 2015/16 and £6.9m in 2016/17.

4.4.2 Members will recall that the budget strategy agreed by Council in February 2014 aims to deliver these savings through two main strands. The first of these is further proposals for Members to consider in respect of up to 3% efficiency savings, which will deliver approximately £5m. The second strand involves a review of discretionary services, with a view to identifying savings proposals totalling over £8m.

4.4.3 To ensure that full and proper consideration is given to savings proposals, a series of Special Scrutiny Committee meetings will be held over the coming months. For the Policy and Resources Scrutiny Committee these meetings will take place on the 17th June 2014 and the 24th September 2014. If necessary further meetings will be arranged.

5. EQUALITIES IMPLICATIONS

5.1 This report is for information purposes so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

6. FINANCIAL IMPLICATIONS

6.1 As identified throughout the report.

7. PERSONNEL IMPLICATIONS

7.1 The personnel implications of agreed savings will be carefully managed and where relevant staff will be fully supported to identify appropriate redeployment opportunities.

8. CONSULTATIONS

8.1 There are no consultation responses that have not been reflected in this report.

9. RECOMMENDATIONS

9.1 That Scrutiny Committee notes the content of this report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure that the Scrutiny Committee is provided with full details of the 2014/15 revenue budgets for Corporate Services and Miscellaneous Finance.

11. STATUTORY POWER

11.1 Local Government Acts 1972 and 2000.

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Background Papers:

Budget working papers – Accountancy Section

Appendices:

Appendix 1 – 2014/15 Revenue Budgets (Corporate Services and Miscellaneous Finance)