



SPECIAL POLICY AND RESOURCES SCRUTINY COMMITTEE – 24TH SEPTEMBER 2014

**SUBJECT: OTHER PROPOSED SAVINGS – CORPORATE SERVICES AND
MISCELLANEOUS FINANCE**

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

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide details of a range of 2015/16 savings proposals within the Directorate of Corporate Services and Miscellaneous Finance to support the Authority's Medium-Term Financial Plan (MTFP).

2. SUMMARY

- 2.1 The report provides details of savings proposals for Members to consider prior to details being presented to Cabinet.

3. LINKS TO STRATEGY

- 3.1 The budget strategy agreed by Council in February 2014 required estimated savings of £6.5m for the 2015/16 financial year and £6.9m for 2016/17. This estimate has since been revised following advice from the Minister for Local Government that Local Authorities should model scenarios based on a cut in Welsh Government funding of up to 4.5%, rather than the previously notified indicative cut of 1.5%. This has the potential to increase the savings requirement to £15.1m for 2015/16 and £15.0m for 2016/17.

4. THE REPORT

- 4.1 Heads of Service within the Directorate of Corporate Services have reviewed budgets in detail to identify a range of savings options to support the support the MTFP. The savings proposals presented in this report relate specifically to the 2015/16 financial year and have been categorised into the following areas: -

- Vacancy Management
- Contract/Service Rationalisation
- Property Costs
- Budget Realignment
- Other

4.2 Vacancy Management

4.2.1 The following have been identified as proposed savings for 2015/16: -

Service Area	Post Title	Saving (£000's)
Corporate Finance	Senior Auditor (post vacant)	46
Human Resources	Group Secretary (post vacant)	25
Human Resources	HR Officer (post vacant)	37
Private Housing	Technical Officer (post vacant)	39
Private Housing	Clerk/Typist (post vacant)	11
IT Services	TBC – Review being undertaken	30
Total: -		188

4.2.2 In addition to the above, 2015/16 savings of £89k will be realised from the full-year impact of a review of the Development Team within IT Services that was agreed as part of the approved package of savings for 2014/15.

4.3 Contract/Service Rationalisation

4.3.1 Following a detailed review of a number of budget headings the following have been identified as proposed savings for 2015/16: -

Service Area	Description	Saving (£000's)
Procurement	Withdrawal from Welsh Purchasing Consortium	18
Procurement	Renegotiated fee for Dun & Bradstreet reports	4
IT Services	Rationalisation of BT line rentals	25
IT Services	Data Network – Migration to PSBA/PSN	65
IT Services	Reduction in Transport costs	6
IT Services	Review of ICT Contract Register	61
IT Services	Recharge for PSBA cabinet hosting	6
IT Services	Removal of Digital TV channel (poor utilisation)	15
IT Services	Reduction in hardware maintenance costs	5
Total: -		205

4.4 Property Costs

4.4.1 A review of property budgets has been undertaken and the following items have been identified as potential savings: -

Service Area	Description	Saving (£000's)
Corporate Property	Reduction in Disability Discrimination Act (DDA) budget (majority of major works now complete)	50
Corporate Property	Reduction in Asset Management Surveys budget	30
Corporate Property	Reduction in Agency costs	35
Corporate Premises	Reduction in Energy Costs to reflect current levels	60
Total: -		175

4.5 Budget Realignment

- 4.5.1 A detailed review of budgets has been undertaken to identify areas where actual expenditure is consistently lower than the budgeted level. Following this exercise budget reductions are proposed for the following areas: -

Service Area	Description	Saving (£000's)
Miscellaneous Finance	Contribution to DSO/DLOs for Pension Costs	47
Miscellaneous Finance	Rent Allowance War Widow Concessions	10
Miscellaneous Finance	Debt Charges	300
Miscellaneous Finance	Subscriptions	20
Miscellaneous Finance	Miscellaneous Items/Budget Pressures	188
Miscellaneous Finance	NNDR – Authority Empty Properties	70
Miscellaneous Finance	IT Replacement Strategy	20
Miscellaneous Finance	Unapplied Growth – Living Wage	43
Total: -		698

4.6 Other

- 4.6.1 The following savings have also been identified for budgets within the Directorate of Corporate Services and Miscellaneous Finance: -
- 4.6.2 **Fire Service Levy** - Following agreement of the budget by Council in February 2014, confirmation has been received that the Fire Service Levy for 2014/15 has reduced, resulting in a saving of £304k per annum.
- 4.6.3 **Welsh Housing Quality Standard (WHQS) Debt Charges** – The approved 2014/15 revenue budget included provision for General Fund borrowing to support the achievement of the WHQS. However, the Welsh Government has since confirmed that the General Fund cannot make such a contribution and the WHQS Business Plan has been updated to reflect this. As a consequence of this determination by the Welsh Government there is a revenue budget saving of £938k, which can be set-aside to support the MTFP.
- 4.7 Heads of Service within the Directorate of Corporate Services are continuing to review budgets to identify further savings proposals for 2015/16 but it is unlikely that these will exceed £200k. Members will receive further reports on additional savings proposals over the coming months.

5. EQUALITIES IMPLICATIONS

- 5.1 No equalities implications have been identified at this time.

6. FINANCIAL IMPLICATIONS

- 6.1 The proposed savings in this report total £2,508k as summarised in the table below: -

Description	Saving (£000's)
Vacancy Management	188
Contract/Service Rationalisation	205
Property Costs	175
Budget Realignment	698
Other	1,242
Total: -	2,508

7. PERSONNEL IMPLICATIONS

- 7.1 The personnel implications of agreed savings will be carefully managed and staff will be fully supported.

8. CONSULTATIONS

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

9. RECOMMENDATIONS

- 9.1 Members of the Scrutiny Committee are asked to consider and comment upon the range of savings proposals outlined in this report.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure that the views of the Scrutiny Committee are considered prior to savings proposals being presented to Cabinet.

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2000.

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