

Committee: Scrutiny

Agenda Item

Date: 7 February 2013

13

Title: General Fund and Council Tax 2013/14

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Item for decision

Summary

1. This report presents the 2013/14 General Fund budget for consideration by the Cabinet on 19 February ahead of final determination by Full Council on 28 February.
2. This budget must be considered alongside the report made by the Assistant Chief Executive - Finance under Section 25 of the Local Government Act 2003, to be received by the Cabinet earlier in today's agenda. The budget is consistent with the Medium Term Financial Strategy also to be considered earlier on the agenda.
3. There is an opportunity for the Scrutiny Committee to review the report and provide comments in support of the recommendations, or to propose alternatives. Examples of the questions Scrutiny may wish to consider are:
 - Is the proposed budget consistent with the Medium Term Financial Strategy and the CFO's advice on the level of reserves that should be maintained?
 - Is the budget consistent with the Budget Strategy approved by the Cabinet on 20 November?
 - Have consultation responses been properly taken into account?
 - Does the budget support the Corporate Plan?
 - Are proposed budget growth items (service investment) justified with clear outcomes that provide value for money?
 - Are proposed budget reductions (efficiency savings or service reductions) reasonable and consequences properly thought out?
 - Is the Equalities Impact Assessment satisfactory?
 - Is the proposal regarding Council Tax reasonable?

Recommendations

4. The Scrutiny Committee is requested to endorse the following recommendations to Cabinet, or suggest alternatives.
5. The Cabinet is requested to recommend that the Full Council approves the General Fund Council Tax Requirement of £4,646,960, as summarised in paragraph 25 and detailed in Appendices A to C.
6. The Cabinet is recommended to approve the schedule of fees and charges at Appendix E.

Background Papers

7. None.

Impact

Communication/Consultation	Consultation carried out is summarised below.
Community Safety	No specific implications
Equalities	No specific implications
Finance	Detailed in the report
Health and Safety	No specific implications
Human Rights	No specific implications
Legal implications	The recommendations fulfil the legal requirement to set a balanced budget.
Sustainability	No specific implications
Ward-specific impacts	No specific implications
Workforce/Workplace	No specific implications

Introduction

8. This report provides detailed revenue estimates for the General Fund and Council Tax for 2013/14.
9. The estimates, as summarised in Appendix A, show a Council Tax Requirement of £4,646,960, which balances to level of Council Tax income, assuming a 1% cut in Council Tax.
10. The Cabinet is required to determine a recommended budget for consideration by the Council on 28 February.
11. The estimates in this report are based on the recommended Capital Programme, Treasury Management Strategy and Housing Revenue Account budget for 2013/14 that were considered earlier in today's agenda. Any changes may have a marginal effect on the revenue estimates and these will be reflected in the material that is prepared for Full Council.

2013/14 Budget Strategy

12. On 20 November, the Cabinet determined its strategy for the 2013/14 budget. The table below summarises these and indicates that the draft 2013/14 budget fulfils the Cabinet's strategy.

Budget Strategy objective	Achievement of objective
Take account of consultation results	Yes – see below.
Seek views of business community	Yes – see below.
To update the Corporate Plan and align financial resources to support the priorities it sets out.	Yes – the budget supports Corporate Plan priorities and is consistent with the “Low Tax High Quality” theme. The UDC Council Tax will continue to be the lowest in Essex.
Financial discipline to be maintained, and Strategic Solutions efficiency savings workstreams to continue.	Yes – Budget provides for continued work on efficiency savings programme, and makes appropriate and sustainable use of reserves, with a net replenishment. Investment made in areas that will provide benefit to the district consistent with priorities identified by the public.
To plan on the basis that the UDC Council Tax will reduce by 1% in 2013/14.	Yes. A 1% cut has been included in the budget.
To develop a plan for the use of New Homes Bonus funding.	Yes. This is discussed in the Medium Term Financial Strategy.
Maintain and seek opportunities to enhance support for the voluntary sector	Yes. Budget for voluntary sector support increased.
To implement the Local Council Tax Support scheme, and other benefit reforms as they fall due, including Universal Credit.	Yes. LCTS scheme approved by Full Council in December. The budget contains provision for ongoing benefits change project management.
Not to review second homes and empty homes Council Tax discounts for 2013/14, but to plan to review them for 2014/15.	Yes. This was endorsed by Full Council in December. A review will be carried out during 2013.
Continue to implement the HRA Business Plan.	Yes. See separate HRA Budget Report.
Unless there is a significant change in circumstances, not to require any cuts in services to make financial savings, although efficiency savings will continue to be sought.	Substantially achieved. The budget includes £14,000 of savings relating to service reductions at the Museum, in line with the established Medium Term Financial Strategy and previous consultation outcomes. Otherwise, service cuts have been avoided.
Each line in the budget to be scrutinised by the responsible manager and service accountant with subsequent review by the Assistant Chief Executive – Finance and Corporate Management Team.	Yes. This was done.

Consultation.

Residents Consultation

13. In July 2012 consultation on the Council's budget priorities was completed via a questionnaire in Uttlesford Life and a survey of the e-citizens panel. The results were reported in full to the Cabinet on 20 November. The table below sets out the respondents' highest priorities, and how the draft 2013/14 budget relates to them.

	Survey respondents' priority	Consistency with budget
Highest Priority	Continuing with sound financial management to ensure continued stability of the council and its services in difficult times	Yes. A balanced budget has been produced with no significant cuts in services and a net increase in reserves. The budget provides for work to continue on the efficiency savings programme. There is a commitment to review LCTS and Council Tax Discounts to ensure ongoing financial sustainability of these arrangements.
Second Highest	Reducing crime and anti social behaviour in partnership with the police and others.	Yes. The budget maintains funding for the ASBO officer, PCSOs and special constables training. There is an increase in the Community Safety budget.
Third Highest	Keeping our streets and open spaces clean.	Yes. The budget increases funding for street cleaning.
Don't do	Giving responsibility to local communities to run services where appropriate.	Partly. This response is somewhat contradictory with the desire to see continued sound financial management. The budget continues agreed arrangements for devolution of responsibility for asset management with the associated agreed funding. The budget does not assume that new transfers will arise however further opportunities will be explored where appropriate.

Business consultation

14. In lieu of writing to all business rate payers, the following organisations were invited to comment on the council's priorities and the Cabinet's budget strategy:

- Saffron Walden Initiative
- Business Xchange networking group
- Federation of Small Businesses
- Saffron Walden Friends
- Bishops Stortford Breakfast Club
- Dunmow & District Chamber of Trade
- Newport Business Association
- Stansted Airport Chamber of Commerce
- Stansted Airport Regional Business Association

15. As at 31 January no responses have been received, however a 4 February response date was given. A verbal update will be provided to the Scrutiny Committee on 7 February and details of responses included in the reports for Cabinet and Council later in February.

Liberal Democrat Group proposals

16. Members of the Liberal Democrat Group have met with officers to discuss some alternative budget proposals. It is currently intended that these will be brought to Cabinet on 19 February.

2013/14 resources available

17. By law the budget (Council Tax Requirement) has to balance to the expected Council Tax income receivable.
18. The Assistant Chief Executive - Finance, under delegated authority, has approved the Council Taxbase to be used when setting the 2013/14 Council Tax. The Taxbase, expressed in Band D equivalents, is 34,389, an increase of 1.9% on the 2012/13 figure of 33,732. Deducted from the 34,389 figure is a new adjustment requirement to reflect the introduction of Local Council Tax Support Discounts, which replace Council Tax Benefit. The estimate value of these discounts in Band D equivalent terms is 2,549.6. This produces a Taxbase for budget setting purposes of **31,839.4**.
19. The 2012/13 UDC Band D Council Tax was £147.42. In accordance with the approved budget strategy, a 1% cut has been assumed for the purpose of preparing this report, so the 2013/14 is **£145.95**. Multiplied by the taxbase, this would produce a Council Tax yield of **£4,646,960**.
20. The Council is therefore required to balance its net budget to a Council Tax Requirement of £4,646,960.
21. This figure is smaller than the equivalent sum for 2012/13, as explained below:

	£000	£000
2012/13 Council Tax Requirement		4,973
Additional income arising from taxbase increase	97	
Income lost because of 1% cut	-51	
Income lost because of new LCTS discounts	<u>-372</u>	
Net reduction in council tax income		<u>-326</u>
2013/14 Council Tax Requirement		4,647

22. The £4,646,960 figure represents estimated Council Tax income but for budget purposes it is treated as a UDC levy on the Collection Fund and is therefore a reliable figure. Inevitably the actual amount of Council Tax income will differ from the assumed amount. This will give rise to a surplus or deficit on the Collection Fund which will be taken into account as part of next year's budget setting.

Indicative Council Tax for 2013/14

23. Assuming 1% cut in Council Tax, the amount of Uttlesford DC Council Tax, by each Council Tax band, is shown below.

Band	Dwellings		Proportion of Band D	2012/13 UDC Council Tax £	2013/14 UDC Council Tax £	Decrease (1%) £/year
	No.	%				
A	1,098	3.3	6/9ths	98.28	97.30	-0.98
B	3,704	11.1	7/9ths	114.66	113.52	-1.14
C	7,839	23.4	8/9ths	131.04	129.73	-1.31
D	6,486	19.4	9/9ths	147.42	145.95	-1.47
E	5,821	17.4	11/9ths	180.18	178.38	-1.80
F	4,106	12.3	13/9ths	212.94	210.82	-2.12
G	3,986	11.9	15/9ths	245.70	243.25	-2.45
H	414	1.2	18/9ths	294.84	291.90	-2.94
Total	33,454	100.0				

General Fund Budget

24. Appendix A is a summary of the budget for 2013/14, showing a budget requirement of £4,646,960 in line with the resources available detailed above.
25. A summary of the 2013/14 General Fund budget is shown in the table below. Further details are set out in Appendix B.

£000	2012/13	2013/14	Bottom line Increase / decrease (-)
Net Service Expenditure	8,513	8,548	35
Recharge to HRA	-1,254	-1,204	50
LCTS subsidy	0	406	406
Capital programme funding	999	1,525	526
Corporate items (net)	653	482	-171
Sub total - General Fund Expenditure	8,911	9,757	846
LCTS Government funding	0	-526	-526
Formula Grant	-2,766	-2,674	92
New Homes Bonus	-1,208	-2,042	-834
Council Tax Freeze Grant	-248	-173	75
Net Operating Expenditure	4,689	4,342	-347
Transfers to Reserves	778	574	-204
Transfers from Reserves	-383	-481	-98
Transfer to/from(-) Budget Equalization Reserve	-111	212	323
Council Tax Requirement	4,973	4,647	-326
District Council Precept on Collection Fund	-4,973	-4,647	326
	0	0	0

26. A subjective analysis of net service expenditure is below.

£000	2012/13	2013/14	Increase / Decrease (-)
Employees	8,212	8,709	497
Premises	703	743	40
Transport	708	651	-58
Supplies & Services	4,570	4,693	123
Third Party Payments	233	309	76
Transfer Payments (mainly Benefits)	19,515	17,020	-2,495
Sub total - expenditure	33,941	32,125	-1,816
External Funding	-1,218	-1,318	-100
Specific Government Grants (mainly Benefits)	-20,062	-17,534	2,528
Fees & Charges Income	-3,955	-4,253	-298
Other Income	-193	-472	-279
Sub total - income	-25,428	-23,577	1,851
Net service expenditure	8,513	8,548	35

27. The following table is a reconciliation of the movement from the 2012/13 budget to the 2013/14 estimates. Details of all adjustments are given in Appendix C.

2012/13 Council Tax Requirement		4,973
<u>Service budget changes</u>		
Loss of external funding	58	
Inescapable growth	239	
Service investment	716	
Efficiency savings	-463	
Service reductions	-14	
Changes to income	-135	
Removal of one off Jubilee Fund Budget	-500	
Other adjustments	134	
		35
<u>Corporate items</u>		
Capital financing costs increase	526	
Removal of one off Revs & Bens partnership budget	-250	
New budgets for LCTS subsidy	406	
Community budgets contribution	50	
Increase in share of collection fund	-16	
Increase in corporate pension contributions	25	
		741
<u>Funding items</u>		
Increase in New Homes Bonus	-834	
Local Council Tax Support Grant Funding	-526	
Reduction in Formula Grant	92	
Reduction in Council Tax Freeze Grant	75	
		-1,193
Increase in the net transfer to reserves		31
Other net adjustments		60
Net adjustments		-326
2013/14 Council Tax Requirement		4,647

Local Government Finance Settlement

28. On 20 December the Council received provisional notification of the Settlement for 2013/14. Final confirmed figures are expected in early February. Indicative figures for 2014/15 were also provided.

29. The Settlement comprises the following:

Formula Grant

Localised Business Rates

2011/12 Council Tax Freeze Grant (previously separate)

Homelessness Grant (previously separate)

30. The 2013/14 provisional figure is **£2,881,789**, which represents a 3% cut on the 2012/13 figure, and brings the cumulative cut in annual funding since 2010/11 to 31%.

£000	2010/11	2011/12	2012/13	2013/14 provisional	2014/15 provisional
Formula Grant	4,106	3,206	2,767	2,674	2,250
Area Based Grant	39*	-	-	-	-
Homelessness grant (rolled into Formula Funding from 2013/14)	61*	85*	85*	85	85
Council Tax Freeze Grant 2011/12 (Rolled into Formula Funding from 2012/13)	-	123*	123	123	123
Total	4,206	3,414	2,975	2,882	2,458
Cut compared with previous year	-	792 (19%)	439 (13%)	93 (3%)	424 (15%)
Cumulative annual cut since 2010/11	-	792 (19%)	1,231 (29%)	1,324 (31%)	1,748 (42%)
Cumulative loss of funding since 2010/11	-	792	2,023	3,347	5,095

*included to ensure like-for-like comparison.

31. The 2013/14 provisional Formula Grant figure includes £1,356,232 of localised business rates which is a variable figure dependent upon many factors as set out in the preceding report. The downside risk is moderated by the Safety Net which is £1,254,515 (£101,717 reduction).

32. The 2014/15 provisional figures continue the trend of cutting 'core funding' which over four years will reach around 42% or an average of 10.5% per year. There are no indications of what funding councils will receive after April 2015. This is discussed in the Medium Term Financial Strategy.

33. Accompanying the Settlement was a separate funding figure relating to the Local Council Tax Support scheme and the fact that the new LCTS discounts result in a lower level of Council Tax income. The advised figure is £513,000. On top of this will be an additional £13,000, representing the UDC share of Transition Grant, to be confirmed in March. This will bring total LCTS funding to £526,000. The UDC cost of LCTS discounts is estimated at £372,000 plus an element relating to Town & Parish Councils which totals £194,000, giving a total cost of £566,000. The gap of £40,000 will be funded from the LGRR reserve together with the estimated subsidy of £212,000 for County, Police and Fire, giving a total one off cost of £252,000. A review of LCTS will be undertaken during 2013, together with a review of second homes and empty homes discounts, with a view to ensuring ongoing financial stability from 2014/15.

Council Tax Freeze Grant

34. The Government has announced that funding will be made available to Councils who freeze their Council Tax in 2013/14. (A cut will also trigger entitlement to grant.) The funding will be equivalent to a rise of 1% and paid for two years, 2013/14 and 2014/15. The figure for 2013/14 is estimated at £50,000 and is subject to confirmation. Like the one-off funding for the 2012/13 freeze, this sits outside of the main Local Government Finance Settlement. The table below shows the 'extra-Settlement' Freeze Grant receivable since the funding stream was first announced.

£000	2012/13	2013/14	2014/15	2015/16
2012/13 Freeze	124	-	-	-
2013/14 Freeze	-	50	50	-
Total	124	50	50	-

35. The possibility exists that Council Tax Freeze Grant may be "rolled up" into the base from 2015/16, but this cannot be assumed.

New Homes Bonus

36. 2013/14 is the third year of New Homes Bonus. The provisional sum of £2,042,429 has been allocated to UDC (subject to confirmation).

£000	2011/12 Financial Year	2012/13 Financial Year	2013/14 Financial Year
New Homes Bonus Year 1	714	714	714
New Homes Bonus Year 2	-	534	534
New Homes Bonus Year 3	-	-	794
Total	714	1,248*	2,042

*£40,000 allocated to Housing Revenue Account, £1,208,000 to General Fund

37. The total amount of New Homes Bonus over the 3 year period it has existed for is £4 million. This compares with the cumulative loss in 'core' formula funding of £3.35m in the same period. UDC has therefore been a net 'beneficiary' of the shift in the local

government finance system towards rewarding councils where there has been housing growth in their administrative area.

38. This trend will continue: there are strong indications of continuing cuts in formula funding, with councils increasingly dependent upon New Homes Bonus to support core services. UDC shall be no exception to this.

General Fund Reserves

39. The report made by the Assistant Chief Executive - Finance under Section 25 of the Local Government Act 2003, received earlier in today's agenda, recommended that the Working Balance be maintained at a minimum of £1,189,000. The forecast balance on the Working Balance as at 31 March 2013 is £1,214,000, £25,000 above the recommended minimum level. The 2013/14 budget therefore includes no provision to increase the Working Balance, in line with the recommendations in the Section 25 report.

40. Proposed reserves transfers are as follows:

Budget Equalization	Reserve increased by £212,000	To alleviate financial pressures in future years, and smooth impacts of volatile Government funding levels
Change Management	Withdrawal from reserve of £57,000	To meet costs of Corporate Team work on Strategic Solutions efficiency savings programme.
Elections	Reserve increased by £20,000	To spread the costs of the 2015 District Council Election
Homelessness	Reserve increased by £20,000	To meet expected additional demand for homelessness service.
Insurance	New Reserve of £100,000	To settle small value claims and larger excess payments in order to achieve a better balance of risk sharing between the Council and its insurers. The expectation is that this will reduce the cost of insurance contracts when they are retendered later in 2013.
Licensing	Withdrawal from reserve of £55,000	To offset deficit in taxi licensing budgets. The reserve will reduce to a figure close to zero in 2013/14, following which fees will be increased to ensure ongoing balance between costs and income, as agreed with taxi trade representatives and the Cabinet.
Local Government Resource Review	Withdrawal from reserve of £252,000	To meet gap between estimated cost of new LCTS discounts and the available Government funding for the scheme. £212,000 for County, Police and Fire and £40,000 for town & parish councils. Review to be completed in 2013 to ensure ongoing financial sustainability from 2014/15.
New Homes Bonus	Withdrawal from reserve of £40,000	In line with approach agreed by the Council in the 2012/13 budget, to meet the second year's costs of employing an Economic Development Officer. The intention is that this will be funded from the base budget from 2014/15..

Planning	Withdrawal from reserve of £17,000 Reserve increased by £250,000	To fund scanning work necessary for service improvements. Replenishment following loss of appeals in 2012 and to ensure adequate provision for future major planning issues.
Waste Management	Withdrawal from reserve of £50,000 Reserve increased by £184,000	To fund the contribution to the capital cost of installing in-cab technology. To replenish reserve back up to the £200,000 level in order to provide contingency against volatile expenditure and income budgets (see preceding report).

Fees and Charges review

41. Service managers have reviewed fees & charges in line with the Council's Pricing and Concessions policy and Cabinet decisions where relevant (e.g. car parks, trade waste). A schedule of proposed charges is included at Appendix E.

Outstanding Issues

42. As at 31 January, the following issues were outstanding; the updated position will be reported verbally.
- Confirmation of the Local Government Finance Settlement, Council Tax Freeze Grant and New Homes Bonus.
 - Final formal notifications of the formal precept figures from Essex County Council, Essex Police and Essex Fire, and town and parish councils.
 - Production of formal council tax resolution.
43. A final budget report, based upon the Cabinet's recommendations decided at its meeting on 19 February, will be presented to the Council on 28 February, together with the formal Council Tax Resolution.

Risk Analysis

44. The formal risk analysis of the budget is set out in the report earlier on today's agenda, "Robustness of Estimates and Adequacy of Reserves".

Risk	Likelihood	Impact	Mitigating actions
Actual events may differ from the assumptions and estimates used to produce the draft budget, which will lead to variances from the budget.	3 (some risk that variances will occur requiring action to be taken)	3 (potential impact which could adversely affect the council's financial position if not managed)	Budget monitoring and corrective action taken as necessary.

List of Appendices

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- APPENDIX B Portfolio budgets
- APPENDIX C Schedule of budget adjustments
- APPENDIX D General Fund Reserves
- APPENDIX E Fees and Charges review*
- APPENDIX F Equalities Impact Assessment (Cabinet and Full Council only)
- APPENDIX G Council Tax Resolution (Full Council only)

APPENDIX A

GENERAL FUND SUMMARY

£000	2012/13 Original Budget	2012/13 Restated Budget	2013/14 Original Budget	Increase / (Decrease)
Community Partnerships & Engagement - Cllr H Rolfe	1,609	2,264	2,028	-236
Community Safety - Cllr A Walters	316	311	378	67
Environmental Services - Cllr S Barker	1,796	1,744	1,554	-190
Finance & Administration - Cllr R Chambers	4,372	4,313	4,653	340
Housing (General Fund) - Cllr J Redfern	-56	-119	-65	54
Sub-total – Portfolio and Committee budgets	8,037	8,513	8,548	35
Pension Fund	463	463	488	25
Capital Financing Costs	999	999	1,525	526
New Homes Bonus - Community Projects 12/13	708	0	0	0
Revenues & Benefits Implementation	250	250	0	-250
Collection Fund Balance	10	10	-6	-16
Contribution to Community Budgets	0	0	50	50
Local Council Tax Support - UDC Subsidy of Preceptors	0	0	212	212
Local Council Tax Support - UDC LCTS Parishes Grant	0	0	194	194
Recharge to HRA	-1,121	-1,054	-995	59
HRA share of corporate core	-200	-200	-209	-9
Investment Income	-70	-70	-50	20
Council Tax Freeze Grant - 11/12 (year 3 of 4)	-123	-123	-123	0
Council Tax Freeze Grant - 12/13	-125	-125	0	125
Council Tax Freeze Grant - 13/14 (year 1 of 2)	0	0	-50	-50
Formula Grant	-2,766	-2,766	-2,674	92
New Homes Bonus - Grant	-1,248	-1,208	-2,042	-834
Local Council Tax Support Funding	0	0	-513	-513
Local Council Tax Support - LCTS Transition Grant	0	0	-13	-13
Sub-total – Net Operating Expenditure	4,814	4,689	4,342	-347
Transfer to (+) / from (-) Change Management Reserve	-250	-250	-57	193
Transfer to (+) / from (-) Council Tax Freeze Reserve	125	125	0	-125
Transfer to (+) / from (-) Elections Reserve	20	20	20	0
Transfer to (+) / from (-) Homelessness Reserve	20	20	20	0
Transfer to (+) / from (-) Insurance Reserve	0	0	100	100
Transfer to (+) / from (-) LGRR Contingency Reserve	0	0	-252	-252
Transfer to (+) / from (-) Licensing Reserve	-51	-51	-55	-4
Transfer to (+) / from (-) NHB Contingency Reserve	540	580	-40	-620
Transfer to (+) / from (-) Planning Reserve	-29	-12	233	245
Transfer to (+) / from (-) Waste Reserve	-70	-70	134	204
Transfer to (+) / from (-) Working Balance	33	33	0	-33
Draw down from Section 106 Reserve	0	0	-10	-10
Sub-total - Net Expenditure	5,152	5,084	4,435	-649
Transfer to (+) / from (-) Budget Equalisation Reserve	-179	-111	212	323
BOTTOM LINE	4,973	4,973	4,647	-326
Funding Available				
Council Tax	-4,973	-4,973	-4,647	326
Total Funding Available	-4,973	-4,973	-4,647	326
OVERALL NET POSITION				0

APPENDIX B

COMMUNITY PARTNERSHIPS AND ENGAGEMENT PORTFOLIO						
£000	2011/12 Actual	2012/13 Original Budget	2012/13 Original (Restated) Budget	2013/14 Original Budget	Increase / (Decrease)	Comments
Assisted Travel	3	3	3	0	-3	
Committee Administration	159	143	143	174	31	Additional capacity
Communications	128	137	179	177	-2	
Community Information Centres	56	69	69	66	-3	
Community & Leisure Management	47	47	47	45	-2	
Customer Services Centre	273	286	286	288	2	
Democratic Representation	333	350	350	351	1	
Economic Development	29	30	75	153	78	Investment in economic development projects and rate relief
Grants & Contributions	208	227	227	368	141	Includes £150k growth item
Leisure & Administration	37	98	98	97	-1	
Leisure PFI	-108	-30	-30	-26	4	
Museum Saffron Walden	244	197	197	190	-7	Includes service reductions
New Homes Bonus 12/13 - Jubilee Fund	0	0	500	0	-500	One off scheme in 2012/13
New Homes Bonus 12/13 - Other	0	0	88	88	0	£2,000 per Member retained for 2013/14
Sports Development & Health	25	52	32	57	25	Including £25k re health & wellbeing commitments
Portfolio Total	1,434	1,609	2,264	2,028	-236	

APPENDIX B (continued)

COMMUNITY SAFETY PORTFOLIO						
£000	2011/12 Actual	2012/13 Original Budget	2012/13 Original (Restated) Budget	2013/14 Original Budget	Increase / (Decrease)	Comments
Community Safety	111	172	162	197	35	Includes £10k special constables, £25k for new projects
Emergency Planning	42	42	42	42	0	
Enforcement	162	172	172	216	44	£40k for additional planning enforcement
Highways	0	0	5	-10	-15	Adjustment to ensure overheads covered. No service reduction.
Licensing	-87	-70	-70	-67	3	
Portfolio Total	228	316	311	378	67	

APPENDIX B (continued)

ENVIRONMENTAL SERVICES PORTFOLIO						
£000	2011/12 Actual	2012/13 Original Budget	2012/13 Original (Restated) Budget	2013/14 Original Budget	Increase / (Decrease)	Comments
Animal Warden	30	30	30	30	0	
Car Parking	-494	-566	-566	-566	0	
Conservation & Enhancement	88	79	99	101	2	
Depots	55	54	54	50	-4	
Development Control	47	-229	-191	-252	-61	More income due to higher statutory fees
Environmental Management & Admin	85	97	89	98	9	
Grounds Maintenance	206	179	179	168	-11	
Housing Strategy	75	103	103	101	-2	
Land Drainage	70	47	47	0	-47	Deletion of redundant post
Local Amenities	10	46	16	16	0	
Pest Control	25	22	22	23	1	
Planning Access	15	28	28	29	1	
Planning Grants	5	5	0	0	0	
Planning Management & Admin	400	542	475	466	-9	
Planning Policy	318	271	271	247	-24	
Planning Research	12	38	38	38	0	
Public Health	381	358	358	406	48	Investment in capacity to deal with empty homes
Street Cleansing	283	288	288	320	32	Additional post
Street Services Management & Admin	280	292	292	338	46	New Operations Manager post
Vehicle Management	362	313	313	295	-18	
Waste Management - Expenditure	2,206	1,714	1,714	1,871	157	Full year effect of service changes
Waste Management - Income	-1,993	-1,915	-1,915	-2,225	-310	Full year effect of service changes
Portfolio Total	2,466	1,796	1,744	1,554	-190	

APPENDIX B (continued)

FINANCE & ADMINISTRATION PORTFOLIO						
£000	2011/12 Actual	2012/13 Original Budget	2012/13 Original (Restated) Budget	2013/14 Original Budget	Increase / (Decrease)	Comments
Benefit Administration	-337	-328	-328	-293	35	Cut in DWP funding
Business Improvement & Performance Team	142	176	155	155	0	
Central Services	335	321	329	400	71	Increase to ensure budget realistic
Conducting Elections	53	4	4	1	-3	
Conveniences	40	39	39	48	9	
Corporate Management	866	908	942	1,010	68	Includes assumed 1% staff pay award
Electoral Registration	23	23	23	22	-1	
Financial Services	851	898	873	822	-51	Transfer of costs to HR
Housing Benefits	-170	261	261	194	-67	
Human Resources	168	190	190	244	54	Transfer of costs from Finance
Information Technology	904	952	968	974	6	
Internal Audit	93	104	104	109	5	
Leased Cars	0	0	0	0	0	
Legal Services	104	105	105	103	-2	
Local Council Tax Support	-29	-58	-58	3	61	Reflects transition from CTB to LCTS
Local Tax Collection	-101	-145	-145	-73	72	Bad debt provisions for court costs write off
Non Domestic Rates	-39	-74	-74	-67	7	
Offices	286	314	314	326	12	£20k growth for cleaning costs
Resources Miscellaneous	-62	-50	-50	-27	23	Reflects revised income sharing deal with ECC
Revenues Administration	845	732	661	702	41	Includes benefits changes project management
Portfolio Total	3,972	4,372	4,313	4,653	340	

APPENDIX B (continued)

HOUSING GENERAL FUND PORTFOLIO						
£000	2011/12 Actual	2012/13 Original Budget	2012/13 Original (Restated) Budget	2013/14 Original Budget	Increase / (Decrease)	Comments
Building Surveying	83	-99	-95	-67	28	Reflects expected income trends
Day Centres	41	52	52	59	7	
Energy Efficiency	44	49	49	48	-1	
Homelessness	78	80	38	85	47	Includes investment in Domestic Violence Outreach
Housing Grants	11	10	10	10	0	
Land Charges	-85	-52	-52	-65	-13	
Life Line	-94	-96	-121	-135	-14	
Portfolio Total	78	-56	-119	-65	54	

APPENDIX C

SCHEDULE OF BUDGET ADJUSTMENTS

INESCAPABLE GROWTH				
Portfolio	Service	Description	£000	One off or Ongoing
Finance & Admin	Corporate Management	Staff Pay Award	70	Ongoing
Finance & Admin	Revenues Admin	Establishment increase arising from Revenues & Benefits restructure	57	Ongoing
Environmental	Vehicle Maintenance	Shire Hill workshop running costs	27	Ongoing
Finance & Admin	Offices	Costs of bringing cleaning in-house	20	Ongoing
Finance & Admin	Conveniences	Margaret Street Public Conveniences - Tapered Grant to Thaxted Town Council for transfer of asset	14	One-off
Environmental	Public Health	Net cost to UDC for employment of H&S co-ordinator	13	Ongoing
Finance & Admin	Information Technology	Contractual inflation on support costs	8	Ongoing
Community Safety	Economic Development	Increase in payments to Greater Cambridge & Greater Peterborough LEP	7	Ongoing
All portfolios	Various services	Business rates increases	6	Ongoing
Community Partnerships & Engagement	Leisure PFI	Leisure PFI contractual inflation (net rise for unitary payments/rental income)	4	Ongoing
Finance & Admin	Human Resources	Contractual inflation on ECC HR contract	4	Ongoing
Community Partnerships & Engagement	Grants & Contributions	Grants payable increase	3	Ongoing
Finance & Admin	Financial Services	Consultancy increase	3	Ongoing
Environment	Car Parks	Inflation on fees payable	1	Ongoing
Environment	Development Management	Consultancy increase	1	Ongoing
Community Safety	Community Safety	Community Support Officers	1	Ongoing
Total			239	

LOSS OF EXTERNAL FUNDING				
Portfolio	Service	Description	£000	One off or Ongoing
Finance & Admin	Benefits Admin	Reduction in DWP funding	35	Ongoing
Finance & Admin	Second Homes Discount	Decrease in ECC funding	23	Ongoing
Total			58	

APPENDIX C (CONTINUED)

SERVICE INVESTMENT				
Portfolio	Service	Description	£000	One off or Ongoing
Community Partnerships & Engagement	Grants & Contributions	Additional support for voluntary sector subject to VFM and service level agreements	150	Ongoing
Community Safety	Economic Development	Additional budget resource including car parking capacity review etc	70	Ongoing
Various	Various	Training budget increase to address staff developmental needs	61	Various
Finance & Admin	Corporate Project Team	Temporary capacity to progress Strategic Solutions & efficiency savings projects	57	One Off
Environmental	Street Services	Waste Management Capacity	47	Ongoing
Finance & Admin	Revenues Admin	LCTS Scheme - Revenues Officer – support & recovery	40	Ongoing
Community Safety	Enforcement	Temporary resource to increase capacity available to deal with planning enforcement cases	40	One Off
Environmental	Public Health	Empty Homes post to target problematic long term empty properties	31	One Off (2 years)
Community Partnerships & Engagement	Committee Administration	Additional full time officer required to cope with volume of meetings	27	Ongoing
Finance & Admin	Financial Services	Accountancy capacity to cope with business rates and council tax changes	25	Ongoing
Community Safety	Community Safety	Community Safety Budget increase	25	One Off
Community Partnerships & Engagement	Sports Development	New Health & Wellbeing commitments	25	Ongoing
Environmental	Street Cleansing	Additional capacity to respond to demand	23	Ongoing
Housing	Homelessness	Domestic Violence Outreach Service (grant)	18	Ongoing
Finance & Admin	Mailroom	Planning scanning – to be funded from Planning Reserve	17	One Off
Environmental	Waste Management	Green Waste weekend scheme - 25% subsidy from UDC	14	One Off
Environmental	Environmental Management	Budget for Environmental Health Admin Support	11	One Off
Finance & Admin	Revenues Admin	Benefits changes project management costs	10	One Off
Finance & Admin	Local Council Tax Support	LCTS Scheme - Exceptional circumstances hardship relief	10	Ongoing
Community Safety	Community Support Officers	Constables training	10	One Off
Community Safety	Licensing	Licensing officer post increased to 37 hours (extra 5 hours)	4	Ongoing
Environmental	Public Health	Annual retainer fee for drug & alcohol tester	1	Ongoing
Total			716	

APPENDIX C (continued)

EFFICIENCY SAVINGS				
Portfolio	Service	Description	£000	One off or Ongoing
Environment	Waste Management	Net efficiency saving arising from service changes	-167	Ongoing
Finance & Admin	Corporate Management	External audit fees saving	-50	Ongoing
Environment	Land Drainage	Land Drainage manager saving	-47	Ongoing
Environment	Vehicle Maintenance	Reduction in maintenance costs arising from newer fleet	-35	Ongoing
All portfolios	Various services	Lease cars withdrawn	-29	Ongoing
Finance & Admin	Revenues Admin	Cancellation of subsidy support service from Anglia Revenues Partnership	-25	Ongoing
Finance & Admin	Financial Services	Insurance contract	-23	Ongoing
Environment	Planning Policy	Temporary post no longer required	-21	Ongoing
Finance & Admin	Financial Services/Human Resources	Net decrease arising from establishment changes	-15	Ongoing
Finance & Admin	Financial Services/Human Resources	Net saving for new payroll contract	-14	Ongoing
Housing	Land Charges	Reduction in search fees payable	-12	Ongoing
Community Partnerships & Engagement	Grants & Contributions	SWTC amenity areas tapered funding	-10	Ongoing
Finance & Admin	Revenues Admin	Reduction in agency cost requirement	-10	Ongoing
Finance & Admin	Corporate Management	Less requirement for consultancy	-5	Ongoing
		Total	-463	

APPENDIX C (continued)

SERVICE REDUCTIONS				
Portfolio	Service	Description	£000	One off or Ongoing
Community Partnerships & Engagement	Museum	Reduction to Museum Service	-14	Ongoing
Total			-14	

CHANGES TO INCOME				
Portfolio	Service	Description	£000	One off or Ongoing
Increases				
Environment	Development Control	Increase in income arising from changes to statutory fees	-50	Ongoing
Finance & Admin	Revenues Admin	Additional government funding attributable to statutory changes in Revenues & Benefits	-46	One off
Finance & Admin	Revenues Admin	Preceptors contribution towards LCTS recovery costs	-34	One off (up to 3 years)
Environment	Public Health	Increase in border inspection fees (rise in throughput at BIP)	-20	Ongoing
Housing	Lifeline	Increase in income arising from fee changes	-13	Ongoing
Finance & Admin	Local Council Tax Support	Preceptors contribution towards LCTS hardship fund	-7	One off (up to 3 years)
Finance & Admin	Local Council Tax Support	ECC contribution towards administration of LCTS hardship fund	-5	One off (up to 3 years)
			-175	
Decreases				
Housing	Building Control	Reduced level of income based on current trends	40	Ongoing
Total			40	

APPENDIX C (continued)

OTHER ADJUSTMENTS - MATERIAL ITEMS				
Portfolio	Service	Description	£000	One off or Ongoing
Increases				
Finance & Admin	Local Taxation	Creation of bad debt provision	73	Ongoing
Finance & Admin	Local Council Tax Support	Net adjustment to base budget arising from statutory changes	63	Ongoing
Finance & Admin	Mailroom	Adjustment to correct historic understatement of postage budget	46	Ongoing
Finance & Admin	Revenues Admin	Harlow partnership saving removed from budget	30	Ongoing
Housing	Homelessness	Transfer of establishment post from HRA	28	Ongoing
			240	
Decreases				
Finance & Admin	Housing Benefits	Net decrease in Housing Benefit expenditure (after subsidy)	-23	Ongoing
Finance & Admin	Housing Benefits	Net increase in Housing Benefit overpayment recovery	-45	Ongoing
Various	Various	Minor budget adjustments (net)	-38	Various
Community Partnerships & Engagements	New Homes Bonus	Removal of one-off Jubilee Fund budget	-500	Ongoing
			-606	

APPENDIX D

GENERAL FUND RESERVES

	Estimated	Forecast	Transfers	Forecast	Forecast
Reserve	Balance	Transfer from	between	Transfer to	Balance
£000	01-Apr-13	General Fund	Reserves	General Fund	31-Mar-14
Budget Equalisation	1,251	212			1,463
Business Development	17				17
Change Management	596			-57	539
Council Tax Freeze Grant Reserve	124				124
Elections	47	20			67
Emergency Response	90				90
Hardship Fund	100				100
Homelessness	65	20			85
Insurance	0	100			100
Landsbanki Contingency	121				121
Local Government Resource Review	887			-252	635
Licensing	56			-55	1
New Homes Bonus - Contingency	769			-40	729
Planning Development	216	250		-17	449
Waste Management	66	184		-50	200
Working Balance	1,214				1,214
Total	5,619	786	0	-471	5,934