

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

## CABINET – 11 FEBRUARY 2014

Title of report	<b>GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGETS 2014/15</b>
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 <a href="mailto:nicholas.rushton@nwleicestershire.gov.uk">nicholas.rushton@nwleicestershire.gov.uk</a>  Chief Executive 01530 454500 <a href="mailto:christine.fisher@nwleicestershire.gov.uk">christine.fisher@nwleicestershire.gov.uk</a>  Head of Finance 01530 454520 <a href="mailto:ray.bowmer@nwleicestershire.gov.uk">ray.bowmer@nwleicestershire.gov.uk</a>
Purpose of report	To agree final 2014/15 General Fund and Special Expenses revenue budget proposals for recommendation to Council on 25 February 2014.
Reason for Decision	To enable the Council to set a balanced budget for 2014/15 as required by statute.
Council Priorities	The budget assists the Council to achieve all its priorities.
Implications:	
Financial/Staff	As contained in the report.
Link to relevant CAT	The budget is relevant to all Corporate Action teams (CATs).
Risk Management	The budget will be managed and monitored throughout the year to ensure savings are achieved and services delivered as planned.
Equalities Impact Assessment	No impact identified stage.
Human Rights	None identified.
Transformational Government	Not applicable.
Comments of Head of Paid Service	The report is satisfactory

Comments of Section 151 Officer	As report author the report is satisfactory.
Comments of Monitoring Officer	The report is satisfactory
Consultees	Business organisations and partnerships, Town and Parish Councils, National Forest Company, Further Education Colleges, staff, Trade Unions, General Public through the Council's website.
Background papers	<p><u>Cabinet Reports:</u>  Medium Term Financial Strategy 2014/15 to 2017/18 – 11 June 2013  General Fund Revenue Budget – Draft Proposals 2014/15 and 2015/16 – 24 September 2013  General Fund and Special Expenses Revenue Budgets 2014/15 and 2015/16 – 10 December 2013</p> <p><a href="http://prod-modgov:9070/ieListMeetings.aspx?CId=126&amp;Year=0">http://prod-modgov:9070/ieListMeetings.aspx?CId=126&amp;Year=0</a></p>
Recommendations	<p><b>A. THAT THE LEVEL OF RESERVES AND ASSURANCE STATEMENT BY THE SECTION 151 OFFICER IN SECTION 7 OF THE REPORT BE NOTED.</b></p> <p><b>B. THAT COUNCIL BE RECOMMENDED:</b></p> <ol style="list-style-type: none"> <li><b>1. TO APPROVE THE TRANSFER OF THE SURPLUS INCOME OVER EXPENDITURE IN 2014/15 TO THE GENERAL FUND RESERVE AT 31<sup>ST</sup> MARCH 2015.</b></li> <li><b>2. TO APPROVE THE IMPLEMENTATION OF THE BUDGET SAVINGS FOR 2014/15 SET OUT IN APPENDIX 2.</b></li> <li><b>3. TO APPROVE THE GENERAL FUND BUDGET FOR 2014/15.</b></li> <li><b>4. TO APPROVE THE COALVILLE SPECIAL EXPENSES BUDGET FOR 2014/15.</b></li> <li><b>5. TO APPROVE THE OTHER SPECIAL EXPENSES PRECEPTS FOR 2014/15.</b></li> </ol>

## 1.0 INTRODUCTION

- 1.1 General Fund budget proposals for 2014/15 were considered and approved by Cabinet, with some amendments, on 10 December 2013 following a period of consultation with staff, Trade Unions, business ratepayers, general public and Parish/Town Councils.
- 1.2 This report summarises progress made since the last Cabinet report was prepared so that appropriate recommendations can be made to the Council on 25 February 2014 for the Budget and Council Tax for 2014/15.
- 1.3 The revenue budgets have been drawn up on the service expenditure analysis as recommended in the Accounting Code of Practice. This is a statutory accounting

framework which sets out “proper practice” with regard to financial reporting and aims to provide consistency in the comparison of service costs between authorities.

1.4 The Medium Term Financial Strategy (MTFS) approved by Cabinet in June 2013 projected a budget shortfall of £1m by 2015/16. This savings target was increased to £1.5m in September in light of the Government’s proposals to top-slice New Homes Bonus funding from 2015/16 to provide resources for the Local Enterprise Partnerships.

1.5 Since the Cabinet agreed its recommendations for savings in December 2013 the Council’s financial position has improved overall due to changes in Central Government funding and improvements in income and efficiency at a local level as explained below. The budget shortfall is now projected to be nearer £700k rather than £1.5m.

1.6 Government Funding Changes

Following consultation with local authorities, the Government has announced that the top-slicing of New Homes Bonus from 2015/16 will not now go ahead. We had previously planned for a reduction in resources of £490k from 2015/16 because of this.

The Government has announced the Provisional Finance Settlement for 2014/15 and Draft Finance Settlement for 2015/16. The 2014/15 level of funding was in line with our plans but the 2015/16 settlement was about £200k worse.

1.7 Local Income and Increased Efficiencies

Our 2014/15 New Homes Bonus has been confirmed as £1.395m. This is £272k higher than assumed in the MTFS and reflects the work the Council’s officers have done to bring empty homes back into use and ensure that new homes qualify for New Homes Bonus at the earliest opportunity.

The Council’s Collection Fund has performed better than expected following the changes to Council Tax Discounts on Empty Properties and an increased Council Tax Base.

Managers have worked hard to keep service budgets down and absorb the effects of inflation.

1.8 The changes to our two year savings target are summarised in the table below:

	2014/15	2015/16
	£000	£000
Shortfall Projected in September	500	1,000
<u>Changes in Government Funding:</u>		
Reversal of Proposed New Homes Bonus Top-slicing		(500)
Less Favourable Finance Settlement for 2015/16		200
<u>Local Income and Increased Efficiencies</u>		
Absorption of inflation pressures/reductions in Service Budgets	(105)	
Additional New Homes Bonus in 2014/15	(272)	
Improved Council Tax Surplus (Collection Fund)	(122)	
Revised Projection	1	700

## 2.0 2014/15 GENERAL FUND REVENUE BUDGET

### 2.1 Pay and Prices Inflation

The price base is November 2013 plus known increases. Provision has been included within the budget for the anticipated 1% cost of living pay increase to staff. Although the Government has assumed such an increase as part of the Finance Settlement announcement this has still to be negotiated. There is also provision for an increase of 1% in employer's superannuation contributions, contributions on overtime payments and auto-enrolment included in the budget. Inflation has been included where there is a contractual obligation for increases in costs. A contingency has been made for the possible advance introduction of the "Living Wage" within the Council.

### 2.2 Collection Fund

The Council is required to estimate the 31st March 2014 position on the Collection Fund (which is the account to which all the Council Tax receipts are credited, and from which all precepts are paid). There will be an estimated one-off surplus of £1,012k on the Fund at 31<sup>st</sup> March 2014. Of this there is £147k relating to this Council (the remainder relates to the County Council, Police and Fire services) and is available to support the 2014/15 budget. The MTFS made a prudent assumption of £25k. The introduction of Council Tax Support Discounts and changes to Empty Property Discounts have increased the Council Tax Base more than expected and the number of new properties has increased more than expected during the year. These factors have been taken into account when revising the LCTSS for 2014/15.

### 2.3 Central Government Funding

Funding from the Government in respect of Revenue Support Grant and National Non Domestic Rates (NNDR) has a significant influence on the Council's spending plans. The allocations for 2014/15 are compared with the MTFS in the table below:

	<b>MTFS</b>	<b>Provisional Settlement</b>	<b>Change</b>
	£000	£000	£000
Revenue Support Grant	2395	2396	1
Baseline Funding/Business Rates	2142	2141	-1
Council Tax Freeze Grant 13/14	57	56	-1
New Homes Bonus	1123	1395	272
<b>Total</b>	<b>5717</b>	<b>5988</b>	<b>271</b>

At the time of writing this report, these allocations are still provisional, but are not expected to change significantly in the Final Settlement.

The Grant assumes £2.141m locally retained Business Rates. This figure will vary depending on actual yields but cannot fall by more than 7.5% because of safety net arrangements. The minimum income assumed is therefore £1.980m.

- 2.4 In 2013/14 the Council has participated in Business Rate "pooling" arrangements. Business rates pooling is a mechanism which the Government introduced which allowed groups of local authorities to join together to have their assessments of levies and safety

net eligibility calculated overall rather than at individual authority level. Originally the benefits to the individual members of the Pool outweighed the perceived risks.

2.5 On 13 January 2014 the Chief Executive gave the Council's agreement under delegated powers, in consultation with the Leader and Portfolioholder, to dissolving the Leicester and Leicestershire Business Rates Pool from 2014/15. A unanimous decision of all the pool members (Leicester City, Leicestershire County and the Leicestershire Districts) was required by 14 January 2014 to meet a statutory deadline and it would have been too late to wait until the Cabinet meeting on the evening of 14 January 2014. This is explained further in paragraph 3.4.

## 2.6 New Homes Bonus

The Government has indicated that the Council will receive £1.394m in New Homes Bonus in 2014/15. This is £272k more than was assumed in the report to Cabinet on 10 December 2013. This reflects the targeted work by the Council to return long term voids back into use and ensuring that new properties are listed as early possible. New Homes Bonus payments are made for six years and there is also no guarantee that the scheme will continue.

## 2.7 Council Tax

Government Grant is again available to help Councils which freeze or reduce their Council Tax for 2014/15. The sum of £56k grant income has been included in the revenue budget on the basis that the Council will not increase its Council Tax for 2014/15. This is the equivalent of a 1% increase in the District's Council Tax.

The Government's announcement that freeze grants will be included in ongoing Revenue Support Grant funding has allowed the Council to continue with the policy adopted five years ago into 2014/15 and that the rate of Council Tax will be frozen.

The income expected to be generated from the Council Tax will increase from £4.509m in the current year to £4.611m in 2014/15 as a result of a combination of increases in the tax base resulting from changes to the Council Tax Support Scheme agreed by Council on 21 January 2014 and increases in the tax base from new properties. Cabinet have considered the debate at Council (on 21 January) and recognised the importance of the role of Council in agreeing the Local Council Tax Support Scheme. Any future amendments to the scheme will be considered by Council.

## 2.8 Revenues and Benefits Partnership

Under our partnership agreement the Council needs to agree its contribution to the Leicestershire Revenues and Benefits Partnership for the next financial year. The Joint Committee held on 15 January 2014 approved an increase of £19770 or 1.7% which is attributable to unavoidable contractual inflation and service costs. This has been built into the budgets summarised in Appendix 1. The contribution may be reduced in-year as an external review of the operation is currently underway and it is anticipated that cost savings can be made from 2014/15.

## 2.9 Savings Proposals

At its meeting on 24 September 2013 the Cabinet approved savings proposals of £540,500. This was updated for changes agreed by Cabinet at its meeting on 10 December 2013 following the budget consultation.

- 2.10 In light of the Council's improved financial position detailed above the Cabinet is also recommending to Council that a number of proposals are not implemented in 2014/15. These proposals will continue to be investigated as future circumstances may dictate that there may be a need to reintroduce them. The services will also be considered for improvements during 2014/15.

	<b>2014/15</b>	<b>2015/16</b>
	£000	£000
No charging for Green Waste Collection	14	112
No Increases in Car Parking Charges	100	
Retain existing free services for people on means tested benefits for bulky domestic collections, pest control services and swimming	9	

- 2.11 The Cabinet's final budget proposals are detailed in Appendices 2(a) and 2(b). Minor changes have been made to reflect actual savings, recharges etc. These proposals will save the Council just over £400k in 2014/15. The budget summary shows that there will be budgeted surplus of income over expenditure of £403k which the Cabinet is advised to add to the General Fund balance at the end of 2014/15.

- 2.12 The vast majority (75%) of savings in 2014/15 again represent internal efficiencies and will not impact on service delivery.

- 2.13 Approximately £300k of further savings will be required by 2015/16. A number of these are likely to include further internal efficiencies stemming from the Planning for the Future Programme which the Chief Executive will put in place under delegated powers. As part of the report to Cabinet on 10 December members were advised that in view of the scale of the remaining savings target for 2015/16 it might be necessary to seek early approval of 2015/16 savings to ensure their implementation by 1 April 2015. It is now envisaged that making the remaining savings can be achieved within the normal revenue budget process without advance approval from Council. This position will continue to be monitored during 2014/15 and reported back to members as appropriate.

2.14 General Fund Reserve

The balance on the General Fund Reserve is estimated to be £1m at 31<sup>st</sup> March 2014. The budgeted surplus at the end of 2014/15 will increase the reserve and it is prudent to increase it in light of the volatility in projecting levels of local business rates income and New Homes Bonus in particular. These resources would only be called upon in the most exceptional circumstances and would need to be replenished as soon as possible from revenue budget savings.

2.15 Earmarked Reserves and Provisions (Excluding Value for Money (VFM) Reserve)

The Council's earmarked General Fund revenue reserves and provisions (excluding the General Fund Reserve and the VFM Reserve) stood at £1.705m at 1<sup>st</sup> April 2013. A review of the committed expenditure against these reserves has been undertaken and it is estimated that around £1.5m will remain at 31st March 2014. All of this is either held on behalf of partnerships the Council is involved with, or is earmarked for a particular use in the future It is therefore not available for the Council's general use.

## 2.16 Value for Money (VFM) Reserve

The Cabinet was provided with updates on the Value For Money Reserve when it approved the MTFS in June and published its budget proposals in September. The fund stands at £2.5m, which has been allocated to Planning for the Future, Improving the Customer Experience (ICE) and other Invest to Save projects. There are no plans to make further contributions to this reserve in 2014/15.

## 2.17 Revenue Budget Contingency

This has been set at the lower level of £100,000 compared to £250,000 in the current year. These resources would normally be called upon if there were unexpected increases in costs or loss of income. This contingency has not been called upon in the last two years. It is best practice to include a contingency in the budget. Service Managers are always encouraged to fund financial pressures from their own budgets in the first instance. The level of the contingency will continue to be reviewed as part of the updating of the Medium Term Financial Strategy to ensure it remains appropriate.

## 3.0 **GENERAL FUND 2013/14 – PROJECTED OUTTURN**

3.1 The summary budget shown at Appendix 1 shows the 2013/14 budget, projected outturn and 2014/15 budget.

3.2 The main reasons for the underspend are as follows:

### (A) Additional Local Income:

Planning and Development Fees	£350k	
Recycling income	£ 55k	£405k

### (B) Internal Efficiencies:

Salaries/Vacancy Management	£235k	
Unused Revenue Budget Contingency	£100k	
Reduced Homelessness Costs	£ 70k	
Other more minor variances	£ 66k	£471kk

**Total** **£876k**

3.3 From 1 April 2013 local authorities are sharing the benefit of additional business rates with Central Government. Any reductions in business rates including closures and rating appeals are also shared locally. The difficulties in projecting business rates income are highlighted later in this report and currently the Projected Outturn assumes no increase or decrease in business rates.

3.4 Over the last 12 months the risks inherent in pooling business rates have become greater for the following reasons:

- (a) lack of certainty over the number and outcome of rating assessment appeals compounded by Valuation Office delays;
- (b) continued uncertainty about the operation of various aspects of the business rates retention system, due to the lateness of Government decisions and recent changes.

- (c) the burden of business rates has become a contentious issue nationally, it is not unrealistic to expect further changes to reduce the cost to targeted businesses.
- (d) Continuing volatility in projections of business rates income at both individual authority and Pool level.

3.5 The Council's Section 151 officer, the Head of Finance is satisfied that the Council has adequate revenue reserves and that plans are in place to make the budget savings required by the Council's MTFS. The underspend in 2013/14 can be used to fund areas of investment which further the Council's priorities.

3.6 These resources will provide a fund to enable building much-needed affordable homes, create new jobs and improve town centres and local communities

- As the housing market picks up, we'll support housing associations to build new homes. Not only will this help to house people in need – it will also support local businesses and jobs.
- We will create a fund to encourage businesses to move to the district – and ones that are already here to expand – creating new jobs for local people.
- We'll help to spruce up Coalville and other shopping centres, to encourage more people to buy local and support our small businesses.
- And we'll empower community groups to develop a series of small projects that make a difference to the quality of life of local people and the environment.

#### 4.0 REVENUE BUDGET 2014/15 – PROPOSALS IN SUMMARY

##### 4.1 Summary

The following table summarises the headline figures for 2014/15 as contained in Appendix 1.

	<b>Expenditure</b>	<b>2014/15</b>
		£000
	Net cost of Services after Recharges	8,791
	Net Financing Costs	1,148
	Investment Income	-43
	Corporate Contingency	100
	Pension Contingency	50
	Living Wage Contingency	10
	Grants to Town and Parish Councils	87
	<b>Net Revenue Expenditure</b>	<b>10,143</b>
	Contribution to Reserves	403
	<b>2014/15 Budget Requirement</b>	<b>10,546</b>



<b>Funding Sources</b>	
Revenue Support Grant	1,528
Homelessness Prevention	49
Council Tax Freeze Grant 11/12	141
Council Tax Freeze Grant 13/14	56
Council Tax Freeze Grant 14/15	56
New Homes Bonus	1,395
Transfer from Collection Fund	147
Localisation of Council Tax Support Grant	660
Council Tax	4,611
National Non Domestic Rates Baseline	2,063
National Non Domestic Rates Safety Net	-161
<b>Total Funding Available</b>	<b>10,546</b>

## **5.0 FINANCIAL STANDING AND GOVERNANCE**

5.1 Members will be fully aware of the steps the Council has had to take in recent years and months to make economies and set balanced budgets in line with reductions in resources, and it is to the credit of both Members and officers that early action was taken in anticipation of the reductions in Government funding.

5.2 The Council has a track record of strong financial management, with regular monitoring reports being presented to Members and budget holders. Efficiencies which have been implemented during the course of this year will continue and in many cases savings will be delivered in advance of financial targets.

5.3 The Council however cannot afford to be complacent as it is facing further challenges, not least from more reductions in Government funding from 2015/16 onwards and drive for further economies and efficiency savings must continue through to 2017/18 at least.

5.4 Briefings/consultation on the Council's revenue spending plans and savings schedules have been held as follows:

- Trade Unions
- Staff, via the Chief Executive's road shows and the intranet
- Town and Parish Councils
- Business organisations and partnerships
- National Forest Company
- Further Education Colleges
- General Public

## **6.0 SPECIAL EXPENSES**

### **6.1 Coalville Special Expenses**

As with the Council's own revenue budget, the special expenses budget for Coalville has been prepared on the basis of a nil increase in Council Tax and is shown in the table below. It incorporates the information agreed by the Coalville Special Expenses Working Party: on 17 December 2013.

## 6.2 Other Special Expenses

The Council also levies special expense precepts in some of the parished areas of the District. In the main these relate to grounds maintenance works that the Parish Councils have chosen for the District to perform. A schedule showing the estimated level of expenditure and proposed precepts is attached as Appendix 3.

## **7.0 ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

- 7.1 The Local Government Act 2003 requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves. Members must have regard to these comments when making a decision on the budget proposals for the forthcoming year.
- 7.2 Taking into account identified risks, the Section 151 Officer considers that the estimates which form the General Fund budget are robust; the proposals are deliverable and will produce a balanced budget for 2014/15 as required by Section 25 of the Local Government Act 2003.
- 7.3 Details of the Council's reserves are set out from paragraph 2.14 and again the Section 151 Officer is satisfied that these remain adequate.
- 7.4 The Special Expenses estimates are similarly considered to be robust.
- 7.5 The budget process for the 2014/15 year concludes with the approval of all the revenue budgets and the capital programmes by the full Council on 25 February 2014, following which the Council will also determine the level of Council Tax for the 2014/15 year.

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL SUMMARY BUDGET 2014/15

## APPENDIX 1

2013/14 Budget £	2013/14 F'cast Outturn £	Service	2014/15 Base Budget £	Cabinet Savings	2014/15 Budget £
245,280	248,870	Chief Executive	249,390	-2,250	247,140
296,930	291,130	Human Resources	294,000	-2,210	291,790
2,297,670	2,185,250	Legal & Support Services	2,325,750	-36,380	2,289,370
1,770,730	1,755,360	Finance	1,827,520	-10,910	1,816,610
<b>4,610,610</b>	<b>4,480,610</b>	<b>Total Chief Executive's Department</b>	<b>4,696,660</b>	<b>(51,750)</b>	<b>4,644,910</b>
376,940	365,994	Director of Services	386,410	0	386,410
3,994,650	3,671,983	Community Services	3,961,130	-159,270	3,801,860
430,080	425,090	Strategic Housing	433,300	0	433,300
583,640	249,500	Regeneration & Planning	769,350	-7,190	762,160
<b>5,385,310</b>	<b>4,712,567</b>	<b>Total Director of Services</b>	<b>5,550,190</b>	<b>(166,460)</b>	<b>5,383,730</b>
52,630	52,550	Corporate & Democratic Core	54,160	0	54,160
116,400	114,600	Non Distributed	114,860	0	114,860
<b>10,164,950</b>	<b>9,360,327</b>	<b>NET COST OF SERVICES</b>	<b>10,415,870</b>	<b>(218,210)</b>	<b>10,197,660</b>
(1,343,080)	(1,307,320)	Net Recharges from General Fund	(1,370,481)	-36,259	(1,406,740)
<b>8,821,870</b>	<b>8,053,007</b>	<b>NET COST OF SERVICES AFTER RECHARGES</b>	<b>9,045,389</b>	<b>(254,469)</b>	<b>8,790,920</b>
		<b>Corporate Items and Financing</b>			
		<b>Corporate Income and Expenditure</b>			
1,175,510	1,175,510	Net Financing Costs	1,148,480	0	1,148,480
(43,000)	(50,000)	Investment Income	(43,000)	0	(43,000)
360,000	260,000	Corporate Contingency	250,000	-150,000	100,000
		Living wage Contingency	10,000	0	10,000
0	0	Pension Contingency	50,000	0	50,000
118,191	118,191	Localisation of Council Tax Support Grant - Parish	86,672	0	86,672
<b>10,432,571</b>	<b>9,556,708</b>	<b>NET REVENUE EXPENDITURE</b>	<b>10,547,541</b>	<b>(404,469)</b>	<b>10,143,072</b>
91,896	967,559	Contribution to (from) General Fund Balance	-1,044	404,469	403,425
<b>10,524,467</b>	<b>10,524,267</b>	<b>AMOUNT TO BE MET FROM GOVERNMENT GRANT AND COUNCIL TAX (Budget Requirement)</b>	<b>10,546,497</b>	<b>(0)</b>	<b>10,546,497</b>
		<b>Financed By</b>			
2,587,392	2,587,392	Revenue Support Grant	1,528,397		1,528,397
20,428	20,428	Council Tax Transitional Grant	0		0
50,000	50,000	Homelessness Prevention	49,252		49,252
141,602	141,602	Council Tax Freeze Grant 11/12	140,969		140,969
56,570	56,570	Council Tax Freeze Grant 13/14	56,056		56,056
0	0	Council Tax Freeze Grant 14/15	55,953		55,953
923,055	923,055	New Homes Bonus	1,395,484		1,395,484
16,679	16,679	Transfer from Collection Fund	147,136		147,136
655,720	655,720	Localisation of Council Tax Support Grant	660,614		660,614
4,509,000	4,509,000	Council Tax	4,610,555		4,610,555
1,721,321	1,721,321	National Non Domestic Rates Baseline	2,062,631		2,062,631
(157,500)	(157,500)	National Non Domestic Rates Safety Net	(160,550)		(160,550)
<b>10,524,267</b>	<b>10,524,267</b>	<b>TOTAL FUNDING AVAILABLE</b>	<b>10,546,497</b>	<b>0</b>	<b>10,546,497</b>
		<b>SPECIAL EXPENSES</b>			
755,480		Community Services			792,730
(80,820)		Net Financing Costs			(107,040)
0		Capital Schemes			0
<b>674,660</b>		<b>NET COST OF SERVICES AFTER RECHARGES</b>			<b>685,690</b>
		<b>Financed By</b>			
0		Use of Reserves			6,167
574,382		Council Tax			584,139
100,278		Localisation of Council Tax Support Grant			95,384
<b>674,660</b>					<b>685,690</b>

	<b>Lead Member</b>	<b>Service &amp; category i.e.</b> Key Frontline/Statutory– non frontline/Support Services/Discretionary	<b>Savings Proposal</b>	<b>Estimated Savings 2014/15</b>  £'000	<b>Budget Savings 2014/15</b>  £'000	<b>Potential Staffing Implications</b> – yes/no?	<b>Key Points Summary</b>
1	<b>Cllr Nick Rushton</b>	<b>Finance</b> <ul style="list-style-type: none"> <li><b>Support</b></li> </ul>	<b>General Fund Contingency:</b> Reduce level to £100k with effect from April 2014	150	150	No	This revised level of contingency has been calculated based upon historic spend and future estimates and is possible because of best management practice and contingency control. If the Council needs to respond to more significant issues then reserves could be used and replenished as soon as possible.
2	<b>Cllr Nick Rushton</b>	<b>All Services</b>	<b>Staffing Vacancy Rates:</b> Adjusting the level of vacancy rates in line with historical trends in agreed services. This allows the amount calculated to be taken out of those services' base budgets with effect from April 2014.	50	94.5	No	Adjusting staff vacancy rates, in line with historic spend, enables cost effective reductions to be made in the overall staffing budget.
3	<b>Cllr Roger Bayliss</b>	<b>Housing</b> <ul style="list-style-type: none"> <li><b>Key Frontline</b></li> </ul>	<b>HRA Costs:</b> Re-assessment of the charges made to the HRA for General Fund services.	50	36	No	The re-assessment of allocations has now been validated by Accountancy.

4	Cllr Alison Smith MBE	<ul style="list-style-type: none"> <li>Leisure and Cultural Services Discretionary</li> </ul>	<b>Coalville Special Expenses:</b>  Re-assessment of General Fund expenditure spent on Coalville Special Expense area activity	25	23	No	The current budget for Coalville Special Expenses will remain broadly unchanged at £417k. However, justifiable General Fund expenses will be re-allocated and the Coalville Special Expenses budget will need to adjust to compensate for this change. Discussions are taking place with the Coalville Special Expenses Working Group which is re-shaping the programme to be delivered in 2014/15, e.g. by reducing current spend on some activities and seeking additional external funding/sponsorship for others.
	<b>TOTALS</b>			<b>£275</b>	<b>£303.5</b>		

	<b>Lead Member</b>	<b>Service &amp; category i.e.</b> Key Frontline/Statutory– non frontline/Support Services/Discretionary	<b>Savings Proposal</b>	<b>Estimated Savings 2014/15</b>  £'000	<b>Budget Savings 2014/15</b>  £'000	<b>Potential Staffing Implications</b> – yes/no?	<b>Key Points Summary</b>
1	<b>Cllr Nick Rushton</b>	<b>Finance</b>  • <b>Support</b>	<b>General Fund Contingency:</b> Reduce level to £100k with effect from April 2014	<b>150</b>	<b>150</b>	<b>No</b>	This revised level of contingency has been calculated based upon historic spend and future estimates and is possible because of best management practice and contingency control. If the Council needs to respond to more significant issues then reserves could be used and replenished as soon as possible.
2	<b>Cllr Nick Rushton</b>	<b>All Services</b>	<b>Staffing Vacancy Rates:</b> Adjusting the level of vacancy rates in line with historical trends in agreed services. This allows the amount calculated to be taken out of those services' base budgets with effect from April 2014.	<b>50</b>	<b>94.5</b>	<b>No</b>	Adjusting staff vacancy rates, in line with historic spend, enables cost effective reductions to be made in the overall staffing budget.
3	<b>Cllr Roger Bayliss</b>	<b>Housing</b>  • <b>Key Frontline</b>	<b>HRA Costs:</b> Re-assessment of the charges made to the HRA for General Fund services.	<b>50</b>	<b>36</b>	<b>No</b>	The re-assessment of allocations has now been validated by Accountancy.

4	Cllr Alison Smith MBE	<ul style="list-style-type: none"> <li>Leisure and Cultural Services Discretionary</li> </ul>	<b>Coalville Special Expenses:</b>  Re-assessment of General Fund expenditure spent on Coalville Special Expense area activity	25	23	No	The current budget for Coalville Special Expenses will remain broadly unchanged at £417k. However, justifiable General Fund expenses will be re-allocated and the Coalville Special Expenses budget will need to adjust to compensate for this change. Discussions are taking place with the Coalville Special Expenses Working Group which is re-shaping the programme to be delivered in 2014/15, e.g. by reducing current spend on some activities and seeking additional external funding/sponsorship for others.
	<b>TOTALS</b>			<b>£275</b>	<b>£303.5</b>		

SPECIAL EXPENSES	2013/14		2014/15
	ORIGINAL ESTIMATE	PROJECTED OUTTURN	ESTIMATE
	£	£	£
<b>COALVILLE</b>			
Parks, Recreation Grounds & Open Spaces	247,430	242,300	253,860
Broomley's Cemetery	26,350	20,500	22,960
C/V War Memorials/Hanging Baskets/Grass Verge Cutting	20,260	20,700	20,640
One Off Grants	3,000	3,000	3,000
Coalville Events	36,500	37,200	40,700
	<b>333,540</b>	<b>323,700</b>	<b>341,160</b>
<b>WHITWICK</b>			
Parks, Recreation Grounds & Open Spaces	118,450	115,090	120,500
Cemetery	15,550	12,120	16,930
Grass Verge Cutting	4,370	4,370	4,410
Asset Protection	12,500	12,500	12,500
	<b>150,870</b>	<b>144,080</b>	<b>154,340</b>
<b>HUGGLESCOTE</b>			
Parks, Recreation Grounds & Open Spaces	34,040	33,240	34,250
Cemetery	17,070	14,020	17,240
Grass Verge Cutting	3,270	3,270	3,300
One Off Grants	750	750	750
Asset Protection	3,500	3,500	3,500
	<b>58,630</b>	<b>54,780</b>	<b>59,040</b>
<b>PLAY AREAS/CLOSED CHURCHYARDS</b>			
<b>GROUND MAINTENANCE:</b>			
OSGATHORPE	340	340	340
COLEORTON	3,160	3,310	3,190
KEGWORTH	400	400	400
RAVENSTONE	340	340	340
MEASHAM	1,800	1,800	1,820
LOCKINGTON-CUM-HEMINGTON	2,780	3,620	1,790
OAKTHORPE & DONISTHORPE	3,670	3,670	3,710
STRETTON	1,290	1,290	1,300
APPLEBY MAGNA	1,550	1,550	1,570
<b>OTHER SPECIAL EXPENSES</b>	<b>15,330</b>	<b>16,320</b>	<b>14,460</b>
<b>SPECIAL EXPENSES (NET COST OF SERVICE)</b>	<b>558,370</b>	<b>538,880</b>	<b>569,000</b>
Service Management recharges	116,290	116,290	116,690
<b>ANNUAL RECURRING EXPENDITURE</b>	<b>674,660</b>	<b>655,170</b>	<b>685,690</b>
<b>FUNDED BY:</b>			
Use of Reserves	0	-19,490	6,167
Precept	574,382	574,382	584,139
Localisation of Council Tax Support Grant	100,278	100,278	95,384
	<b>674,660</b>	<b>655,170</b>	<b>685,690</b>