

Budget Strategy for Resources & Finance

Summary

	Budget 2011/12 £'000	Propose d Budget 2012/13 £'000	% change	Indicati ve Budget 2013/14 £'000	% chang e
Delivery Unit - City Services (excl Libraries)	7,629	6,600	-13.5	6,079	-7.9
Resources & Strategic Leadership Board	19,403	18,618	-4.0	17,699	-4.9
Finance	5,539	5,178	-6.5	5,097	-1.8
Total	32,571	30,396	-6.7	28,875	-5.0

Strategic Financial Context

- There are major changes arising to the Benefits service as a result of the introduction of Universal Credit and the proposals for localisation of support for council tax
- The council taxbase is being adversely affected by increases in student numbers and single person discounts with limited growth in new homes, however collection performance overall is good
- Proposed changes to the system for funding local government will mean the risks in relation to business rates collection and financial planning will be very different from 2013/14
- The Localism Act will significantly change the working arrangements of some Resources teams notably Legal and Democratic Services, Property and Design.
- Key elements of the council's transformation programme including Value for Money, Working Smarter and Improving the Customer Experience are driven corporately by Resources and Finance staff and are complex to deliver
- The scale of organisational change driven by the whole of the budget strategy will place significant demands on all of our support services
- Savings in support services can at times simply push work and costs to other parts of the organisation or result in increased reliance on potentially more expensive external advisors and consultants

Key Changes arising from this Budget Strategy

In 2012/13

- Better procurement from our Value for Money Programme will deliver savings both across the organisation and within central services, particularly ICT and property.
- There will be further implementation of the Workstyles programme to facilitate staff mobility to improve front-line services, and reduce our office accommodation, ICT equipment and carbon emissions
- We will rationalise ICT applications to reduce overall costs
- We will consolidate all of our property asset management into a single centralised corporate landlord function and deliver efficiency savings through economies of scale and better planning and coordination
- There will continued efficiency savings across corporate support services including further centralisation while retaining the capacity to support transformation across the council
- There will be reductions in the benefits service to compensate for the loss of Housing Benefit Administration grant from central government
- We will increase our income in the Life Events area by increasing charges and developing new paid for services
- We will increase our income through the provision of shared services, particularly by finance
- Ongoing development of our core finance and HR systems will lead to efficiency savings within central services from lower transaction costs and more employee and manager self-service

In 2013/14

- We will continue with the strategies from 2012/13 which will deliver further savings in the subsequent year, in particular further and faster property rationalisation
- We will improve our business rates collection performance when this is localised
- We will look at consolidating all our debt collection activities to achieve efficiencies and marginal improvements in performance
- We will need to achieve a 10% reduction in spend on council tax benefit (£2.6m) following the localisation of the scheme and national funding reductions. We are required to protect

pensioners and other vulnerable groups and at the same time support incentives to work aligned to Universal Credit.

- We will look at all opportunities to share services with partners across the City and beyond.
- We will look to accelerate the remaining Workstyles programme.