

Budget Proposals 2014/15 and 2015/16: Finance

Name:	Paul Looby	Position:	Executive Head Finance
Business Unit:	Finance	Directorate:	Operations and Finance
Executive Lead(s):	Mayor	Date:	6th February 2014

*Type of Decision

- **Internal** - Efficiency / internal re-structure
- **Minor** – Low community impact/interest
- **Major** - High community impact/interest

Proposals – Outline details <i>Please outline which financial years income / savings will be realised AND identify which service area (activity area) within your service review document the saving / income relates to.</i>	Savings for 2014/15 & 2015/16		Implementation Cost <i>Include brief outline + year incurred</i>	Delivery Date <i>When will this proposal realise income / savings</i>	Risks / impact of proposals <ul style="list-style-type: none"> • <i>Potential risks</i> • <i>Impact on community</i> • <i>Knock on impact to other agencies</i> 	Type of decision*		
	Income £	Budget reduction £				Internal	Minor	Major
1. Restructure savings already delivered in 2013/14: Restructure Within Children's Finance team. Deletion of 2 posts 1.1 fte (completed July 2013.) Deletion of Principal, Accountant post Housing (completed September 13)	0 0	24,000 39,000	NIL	July 2013 September 2013	<ul style="list-style-type: none"> • Potential for reduction in financial support and advice across the Children's Services and Housing Services due to reduced capacity. • Due to reduced capacity service departments will be required to take greater responsibility for financial management. • Key risk is response times to requests for information may be slower and there may be limited capacity to support financial advice for new projects and initiatives. 	X		

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2. Internal staffing savings	0	101,000		April 2014	<ul style="list-style-type: none"> Service departments may be required to take greater responsibility for financial management. Key risk is response times to requests for information may be slower and there may be limited capacity to support financial advice for new projects and initiatives. Reduction in performance levels for key performance indicators. 	X		
3. Reduction to Devon Audit Partnership (DAP) Budget Torbay, Devon and Plymouth have agreed future arrangements for the internal audit contract and have provisionally agreed a 30% reduction to the contract over the next three years. These proposals outline savings for the next 2 years with a further saving in 2016/17.	0	54,000	NIL	£27,000 April 2014 £27,000 April 2015	<ul style="list-style-type: none"> Requires agreement of the Devon Audit Partnership Committee. Due to reduced audit coverage there is a risk that DAP will not be able to provide assurance that there are adequate systems in place for internal control across the council. 	X		

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	Income £	Budget reduction £				Internal	Minor	Major
4. Reduction in non pay budgets I.e. printing, stationery, publications across the entire business unit.	0	15,000	NIL	April 2014	<ul style="list-style-type: none"> No impact. Achieved through use of IT and electronic delivery of data. 	X		
5. Additional income for provision of services.	15,000	0	NIL	April 2014	<ul style="list-style-type: none"> No impact. 	X		
6. Charge all hardship claims, arising from the introduction of the local council tax scheme, directly to the collection fund. This proposals enables the council to transfer the existing hardship budget to the Collection Fund which will attract a contribution to any write offs from the Police and Fire Authority.	0	15,000	NIL	April 2014	<ul style="list-style-type: none"> No Impact 	X		
7. Remove budget for discretionary council tax which now forms part of the council tax support scheme (CTSS). This will have no impact on payments for discretionary council tax as the CTSS makes provision for these payments.	0	56,000	NIL	September 2013	<ul style="list-style-type: none"> No Impact 	X		

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8. Review of working arrangements Proposals to be developed during 2014/15.	0	144,000	Associated redundancy costs	April 2015	<ul style="list-style-type: none"> There is the potential for a reduction in the range and level of financial support and advice to all services, a reduction in the quality of support provided for the budget process and final accounts. Response times to queries may be considerably slower and capacity to support major projects through financial advice may be impacted upon. Processing times for housing and council tax may increase with adverse impact upon customers. Increased workload with respect to the collection of income and impact upon the collection of outstanding debt. Ongoing pressures with workloads arising from ongoing welfare changes. If performance declines and housing benefit service fails to meet their target for reducing errors in processing claims no additional subsidy will be achieved. 	X		
Total income / saving 2014/15	15,000	277,000						
Total income / saving 2015/16	0	171,000						
Overall Income / Saving	£15,000	£448,000						
TOTAL	£463,000							