

Supplementary Committee Agenda



Epping Forest District Council

Finance and Performance Management Cabinet Committee Thursday, 22nd November, 2012

Place: Committee Room 1,
Civic Offices, High Street, Epping

Time: 7.00 pm

Democratic Services: Gary Woodhall
The Office of the Chief Executive
Tel: 01992 564470
Email: democraticservices@eppingforestdc.gov.uk

11. ANY OTHER BUSINESS

Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs 6 and 25 of the Council Procedure Rules contained in the Constitution require that the permission of the Chairman be obtained, after prior notice to the Chief Executive, before urgent business not specified in the agenda (including a supplementary agenda of which the statutory period of notice has been given) may be transacted.

In accordance with Operational Standing Order 6 (non-executive bodies), any item raised by a non-member shall require the support of a member of the Committee concerned and the Chairman of that Committee. Two weeks' notice of non-urgent items is required.

11.a DRAFT GENERAL FUND LISTS AND SAVINGS UPDATE (Pages 125 - 136)

(Director of Finance & ICT) To consider the attached report (FPM-019-2012/13).

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Report to the Finance and Performance Management Committee



**Epping Forest
District Council**

Report Reference: FPM-019-2012/13

Date of meeting: 22 November 2012

Portfolio: Finance & Technology.

Subject: Draft General Fund CSB and DDF lists and Savings Update.

Responsible Officer: Peter Maddock (01992 564602).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations

(1) To note the draft Continuing Services Budget (CSB) and District Development Fund (DDF) schedules; and

(2) To provide an update on the savings achieved as part of the 2013/14 budget process.

Executive Summary

The report provides the first draft of the Continuing Services Budget (CSB) growth and District Development Fund (DDF) Schedules and also an update on the budget process for 2013/14 and what savings have been achieved so far.

Reasons for proposed action

Members are asked to note the first draft of these schedules and savings achieved and make comments as appropriate.

Other options for action

No other options applicable.

Report

1. The Financial Issues Paper was presented to this committee on 20 September 2012. The report highlighted a number of financial uncertainties and risk facing the Authority including the Localisation of Council Tax Benefit, Retention of Business Rates, Possible Double-Dip recession and the possible effect of Changes to Service delivery as a result of shared services.

2. The Medium Term Financial Strategy (MTFS), which forms part of the Financial Issues Paper, identified that further savings of around £1.25 million were required over the forecast period. The savings required in 2013/14 are £0.25 million after savings of £0.42 million already identified had been taken into account. The lists attached suggest we are not there but savings on vacant posts and Car Leasing are still to be evaluated.

3. As in previous years there was again a saving on the revenue budget in 2011/12. The outturn for 2011/12 was considered by this Committee on 16 June 2012 it was noted that the General Fund budget was underspent by a little under £600,000 much like the previous year. Salary savings made up a greater proportion of overall savings in 2011/12 and therefore the underspend on Supplies and Services was less suggesting the strategy of removing these

underspends from the budget has had a degree of success. However a similar exercise is being carried out during the 2013/14 budget cycle to again reduce budgets where underspends frequently occur. It is likely that the savings identified will be less than the last two years but will still provide a useful contribution to the savings target.

4. Within each directorate a line has been included under CSB with the amount of savings identified so far. During the 2012/13 budget process a number of savings were identified by this approach and the 2013/14 budget process has identified a further £126,000 most of which is effective for the 2012/13 probable outturn and beyond. Much of this will fall on the General Fund but due to the cost allocation process some will benefit the Housing Revenue Account (HRA). The current MTFS in 2012/13 has not taken account of any further savings arising from this exercise however the updated version later in the cycle clearly will. The table below summarises the position with regard to savings achieved so far.

Directorate	Additional Savings identified during budget process
	£'000
Office of the Chief Executive	5
Corporate Support Services	40
Deputy Chief Executive	0
Environment and Street Scene	35
Finance & ICT	15
Housing GF	0
Planning & Economic Development	7
Total	102

5. No savings are listed in the table above for the Deputy Chief Executive or Housing General Fund. The guideline has identified little further scope for savings within the Deputy Chief Executive Directorate and there is very little directly controllable expenditure within the Housing General Fund anyway.

6. There are some CSB budgets that either have a one off element within them or in some cases are budgets where there is a degree of uncertainty around whether they will be spent or not. In both cases treating an appropriate element as DDF rather than CSB should make managing those budgets easier and give a degree of flexibility.

7. The schedules of CSB growth/savings and DDF expenditure are attached and these include entries at directorate level relating to the above exercise. These are at Annexes 1 & 2 and represent best estimates at this time.

8. There are a number of areas where further work is required before figures to be included within the budget can be finalised. Clearly the emphasis in this budget cycle will need to be on CSB savings rather than growth but there are some areas where growth is inevitable, for example the Specific Grant for Housing Benefit Administration Grant, has been cut by £104,000 in 2013/14 compared to the position in 2012/13. There is also still uncertainty over what, if any pay award will be made. The figures generally need to be viewed in the context of this being quite early in the budget preparation process and will clearly need to be revisited over the next two months or so as the budget comes together.

Resource Implications:

The schedules represent potential additions and reductions to the budget depending on decisions made during the budget process.

Legal and Governance Implications:

The preparation of budgets well in advance of the financial year to which they apply, enable sound financial planning to take place. They subsequently provide a basis against which financial monitoring can take place during the year in question.

Safer, Cleaner, Greener Implications:

The Council's budgets contain spending in relation to this initiative.

Consultations Undertaken:

This is the first draft of the CSB and DDF schedules. Consultations with spending officers regarding their budgets are ongoing at the moment but apart from this further consultation will take place later in the budget cycle.

Background Papers:

Various budget working papers held in Accountancy.

Impact Assessments:

Risk Management

The setting of the budget has an impact on all areas of the Council there is a risk that the budget might be set at an unaffordable level, however setting guidelines early in the process means that the level of budget that is acceptable is known in advance.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?
None.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A.

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CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original 2012/13 £000's	Revised 2012/13 £000's	Estimate 2013/14 £000's	Estimate 2014/15 £000's	Estimate 2015/16 £000's	Estimate 2016/17 £000's	
Chief Executive	Internal Audit		(13)	(13)				
	Civic & Member	Consultants Fees- Saving	(13)	(13)				
	Corporate Management	Courses & Conferences, Books, Publs & Postage- Savings	(3)	(3)				
	Democratic services	Chief Executive Post- Salary savings		(23)	(22)			
	Policy Unit Group	LGIU Information unit Subscription Saving	(3)	(3)				
	Members Allowances	Grant Finder subscription discontinued			(4)			
	Subscriptions	Basic Allowance		13				
	Directorate Savings	Local Government Association (LGA) Discontinue Sub General			(13) (5)			
		Total Chief Executive	(19)	(29)	(44)	0	0	0
	Corporate Support Services	Local Land Charges	ECC Charge for highways LLC search		(6)	(9)		
Industrial Estates- Brooker Rd		Increased Rental Income	(7)	(30)	(29)			
Industrial Estates- Oakwood Hill		Increased Rental Income		(10)				
Industrial Estates - O Hill Workshops		Increased Rental Income	(5)	(5)				
Industrial Ests- Lang Road Seed Bed		Increased Rental Income		(6)				
Fleet Operations		MOTs - Reduced Income	40	60				
Civic Offices		Vending Maintenance		3				
Offices & Depots		Gas & Electricity	14	(5)				
Offices & Depots		NNDR Re-assessment	36	48	13			
Offices Waltham Abbey		Area Office Rent			(12)			
Offices Trapps Hill		Area Office Rent		(1)	(4)			
Administration & Secretarial		Messenger -Member Despatch	(3)	(3)				
Administration & Secretarial		Copiers		(4)				
Directorate Savings		General		(40)				
	Total Corporate Support Services	75	1	(41)	0	0	0	
Deputy Chief Executive	All Weather Pitch	Townmead Project	(35)	(3)	(32)			
	DCE directorate	Savings	(23)	(23)				
	Total Deputy Chief Executive	(58)	(26)	(32)	0	0	0	

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2012/13 £000's	Revised 2012/13 £000's	Estimate 2013/14 £000's	Estimate 2014/15 £000's	Estimate 2015/16 £000's	Estimate 2016/17 £000's	
Environment & Street	CCTV Cameras	Transfer replacement cameras to capital			(25)				
	Grounds Maintenance	Leasing costs Ransome Mowers		(13)	(10)				
	Engineering, Drainage & Water	Deletion of Drainage Technician post	(12)	(12)					
	Safer Communities	Reduction in PCSO's	(63)						
	Leisure Facilities	Loughton Leisure management fee reduction		(22)	(66)				
	Leisure Facilities	Epping Sports Centre management fee reduction	(17)	(13)					
	Leisure Facilities	Ongar Leisure Centre management fee reduction	(22)	(19)					
	North Weald Airfield	Decrease in Events Income		12					
	North Weald Airfield	Loss of income Training Room	25	19					
	Off Street Parking	Change of contractor	(65)	(35)	(23)				
	Directorate Savings	General	(17)	(52)					
	Naming and Numbering	Introduction of charging	(2)	(5)					
	Waste Management	Contract savings	(637)	(637)					
	Waste Management	Additional Recycling Credits		(41)					
		Total Environment & Street Scene		(810)	(818)	(124)	0	0	0
	Finance & ICT	Finance Miscellaneous	Decrease in Employers Pension Conts (Act Val 2010)						
		Housing Benefits	Housing Benefit Admin Subsidy settlement reductions	41	41	104			
Housing Benefits		Documents on line Savings		(10)					
Housing Benefits		Limes Farm Area Office	7	7					
NNDR		Fees re Enforcement action on Bad Debts			25				
ICT		Equipment - inflation on maintenance contracts			14				
External Audit		PKF fees		(26)					
Directorate Savings		General		(12)	(3)				
	Total Finance and ICT		48	0	140	0	0	0	
Housing	Private Sector Housing	Technical Officer Post (HPS/13)	7	33					
	Directorate Savings	General	(3)	(3)					
	Total Housing		4	30	0	0	0	0	

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2012/13 £000's	Revised 2012/13 £000's	Estimate 2013/14 £000's	Estimate 2014/15 £000's	Estimate 2015/16 £000's	Estimate 2016/17 £000's	
Planning & Economic Development	Development Control	Addl Fees re Govt proposals	(100)	(20)	(57)				
	Planning Appeals	Professional Fees	(6)	(6)					
	Development Control	Publicity		(10)					
	Building Control Ring Fenced Account	Consultants Saving on Fees	(10)	(7)					
	Building Control Ring Fenced Account	Consultants Saving on Fees	10	7					
	Building Control Ring Fenced Account	Reduction in fees		28					
	Building Control Ring Fenced Account	Reduction in fees		(28)					
	Directorate Savings	General		(7)					
	Total Planning & Economic Development			(106)	(43)	(57)	0	0	0
	Other Items	Investment Interest	Reduction due to shops transfer	2	2	60	109	45	
New Homes Bonus			(420)	(424)	(525)				
Car Leasing		Scheme Changes							
Pensions		Deficit Payments	51	51	53				
Total CSB			(1,233)	(1,256)	(570)	109	45	0	

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DISTRICT DEVELOPMENT FUND

Directorate	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate
		2012/13 £000's	2011/12 2012/13 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
Chief Executive	Elections	148		203				
	Elections	(148)		(203)				
	Elections	18		18				
	Elections				(110)			
	Grants to Voluntary Orgs		20	20				
	Corporate Management			(60)				
	Corporate Management			(15)				
	Corporate Policy Making		31	31				
	Members							
Total Chief Executive		18	51	(6)	(110)	0	0	0
Corporate Support Services	Estates & Valuation	205	32	146	91			
	Estates & Valuation	(13)	(3)	(3)	(13)			
	Human Resources			(8)				
	Local Land Charges			(20)	(20)			
	Local Land Charges							
	Non HRA Building Maintenance	45	74	103	154	39	11	(23)
	Greenyard Waltham Abbey	5		11	8			
	Industrial Estates- Brooker Rd			(44)				
Total Corporate Support Services	242	203	285	220	39	11	(23)	
Deputy Chief Executive	Community & Culture		7	7				
	Public Relations & Information	11		11	11	11	3	
	Public Relations & Information			(14)	(14)	(12)		
	Deputy Chief Executive	38		89	94			
	Deputy Chief Executive	(38)		(89)	(94)			
	Youth Council	12		12	12			
	NWA Strategy Action Plan	20		20				
	NWA Strategy Action Plan			100	50			
Total Deputy Chief Executive	43	7	136	59	(1)	3	0	

DISTRICT DEVELOPMENT FUND

Directorate	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate
		2012/13 £000's	2011/12 2012/13 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
Environment & Street	Food Safety							
	Inspections	4		4	4			
	Inspection of Workplaces							
	Expenditure of government grant			17	10			
	Inspection of Workplaces							
	Government grant			(27)				
	Inspection of Workplaces							
	Eton Manor Prosecution costs			40				
	Safer Communities							
	Analysts post			13	14			
	Safer Communities							
	Analysts contributions to post			(29)				
	Waste Management							
	Avoided Disposal Payment	(184)		(194)	(176)			
	Leisure Facilities							
	Olympic Officer Post	5		5				
	Leisure Facilities							
	"Look and Feel"	2	(2)					
	Leisure Facilities							
	Ticket Allocation	3						
	Leisure Facilities							
	Torch Relay Security			15				
	Parks & Grounds							
Roding Valley Lake - Disabled Projects	10		10	10				
Parks & Grounds								
Roding Valley Lake - Disabled Projects	(10)		(10)	(10)				
North Weald Airfield								
Loss of Income - Hangar 5	24		24	14	4			
North Weald Airfield								
Loss of Income - Market Rents	72		79					
North Weald Airfield								
Safety of Bund	3		4	2				
Off Street Parking								
On-street deficit	21						5	
Contaminated Land & Water Quality								
Contaminated land investigations	25	24	35	14				
Waste Management								
Wheeled bin replacements	10	5	6	9				
Waste Management								
Publicity	10	10	10					
Waste Management								
Advertising	3	3	3		3			
Abandoned Vehicles								
Abandoned vehicles contract	4	4	4	4				
Total Environment & Street Scene	2	44	9	(105)	7	5	0	
Finance & ICT	Concessionary Fares							
	New National Scheme - Costs	5	10	15				
	Concessionary Fares							
	Contribution from ECC re admin costs of issuing passes			(23)				
	Insurance Services							
	Additional income re Uttlesford Insurance work	(6)		(6)	(3)			
	ICT							
	GCSX connection	(2)		(3)				
	Council Tax Collection							
	Legal Fees re Bailiffs in Liquidation		5	5				
	Housing Benefits							
	Staff restructuring not funded by specific grant	20		20				
	Housing Benefits							
	Atlas Project Funding	(3)		(3)				
Housing Benefits								
Atlas Project Expenditure	3	4	7					
Housing Benefits								
Local Council Tax Support			40	44				
Housing Benefits								
Localisation of Council Tax Support - Grant			(84)					
Housing Benefits								
Housing Benefit Admin - Additional Admin Subsidy				(30)				
NNDR								
New Burdens Small Business Rate Relief Costs	9		6	3				
Procurement								
Essex Procurement Hub	(9)		(6)					
Total Finance & ICT	17	19	(32)	14	0	0	0	

DISTRICT DEVELOPMENT FUND

Directorate	Description	Original	B/J from	Revised	Estimate	Estimate	Estimate	Estimate
		2012/13 £000's	2011/12 2012/13 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
Housing	Homelessness							
		DCLG - Rental Loan Scheme	26		26	52		
	Homelessness	DCLG - Rental Loan Scheme	(26)		(26)	(52)		
	Homelessness	DCLG - Epping Forest Housing Aid Scheme	26		26			
	Homelessness	DCLG - Epping Forest Housing Aid Scheme	(26)		(26)			
	Private Sector Housing	House Condition Survey	28	(13)	10			
	Private Sector Housing	Backscanning			5			
	Private Sector Housing	Technical Officer (HPS/13)	27					
	Handy Person Scheme	Additional funding		6	6			
	Handy Person Scheme	ECC re. Mobile Homes/Sites Improvements	15	4	5	14		
Total Housing		70	(3)	26	14	0	0	0
Planning & Economic Development	Building Control Group	Salary saving re vacant posts (net of Consultants)	(63)		(106)	(65)		
	Building Control Group	Salary saving re vacant posts Ring Fenced Element	42		68	43		
	Conservation Policy	Historic Building Grant		3	0			
	Countrycare	BRIE - SLA	4	1	5	5	5	0
	Countrycare	Protected species/habitat related consultation	9		9	9	9	
	Development Control	Contingency for Appeals	25		66	50		
	Development Control	Fees & Charges-additional large applications			(40)			
	Development Control	Pre Application Consultants Fees - saving			(10)	(10)		
	Development Control	Pre Application Fees(Increase)/Reduction			(19)	(4)		
	Economic Development	Economic Development Strategy	3	3	6			
	Economic Development	Business Promotion & Support			(7)			
	Economic Development	LABGI regeneration	12		12			
	Forward Planning	Admin Assistant	21		21			
	Forward Planning	Local Plan	586	93	610	282	64	
	Forward Planning	Senior Planner	22		38			
	Planning Services	Planning Delivery Grant 4	17		24			
Planning Services	Records Scanning		25	25				
Town Centre Regeneration	Waltham Abbey Regeneration Projects	46		46				
Total Planning & Economic Development		724	125	748	310	78	0	0
Total Service Specific District Development Fund		1,116	446	1,166	402	123	19	(23)
Other Items	Capital Expenditure Funded from Revenue	13		13				
	Lost Investment Interest	267		245	201	151	115	78
	Second Homes Discount Allowance	(75)		(60)	(60)			
	Interest on M25 land compensation			(237)				
	Council Tax Freeze	(204)		(204)	(80)	(80)		
Total District Development Fund		1,117	446	923	463	274	134	55

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