

HOMES & COMMUNITIES COMMITTEE

14 JANUARY 2019

HOMES & COMMUNITIES COMMITTEE REVENUE BUDGET 2019/20

1.0 Purpose of Report

- 1.1 To inform the Committee of the budget and scales of fees and charges for those areas falling under the remit of the Homes & Communities Committee for 2019/20.

2.0 Background Information

- 2.1 Business Managers and Service Budget Officers have been working with Officers from Financial Services to determine a first draft general fund budget and medium term financial plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 20 September 2018.
- 2.2 The budget and Medium Term Financial Plan have been developed to reflect, in financial form, the corporate priorities of the Council. Where further targeted areas of focus have been identified, additional resources have been directed to these business units.
- 2.3 A summary of the Committee by Service Team is provided at **Appendix A**, together with a summary at subjective level for the whole Committee at **Appendix B**. To aid comparison, capital charges and central support recharges have been omitted from the reports to show just controllable budgets.

3.0 Revenue Budget Proposals

- 3.1 The current draft budget shows an increase in 2019/20. Direct service expenditure and income excluding deferred and capital charges, and all central services recharges currently shows an overall increase of £141,680 against 2018/19 budget. This is an increase of 6.68%.
- 3.2 Staffing costs of £2.127m account for approximately 60% of the gross service budget (excluding housing benefits, capital and central recharges) and significant budget savings cannot be achieved without affecting staffing levels.
- 3.3 Major variances between 2018/19 and 2019/20 are shown below:
- 3.3.1 Housing Options: An increase of £0.010m – The increase relates to the regrade of officers within the Business Unit together with the impact of the new pay and grading structure.
- 3.3.2 Strategic Housing: An increase of £0.012m – The commission of a District wide Housing Needs study, subject to Committee approval, estimated at £0.032m partly funded by contributions from the HRA £0.008m and Planning Policy £0.010m.
- 3.3.3 ICT: An increase of £0.033m – The increase mainly relates to a temporary 12 month resource being requested due to a number of long term absences within the Business Unit.

- 3.3.4 Payment & Receipts: A decrease of £0.004m – The Council signed a contract with Civica for the provision of an Income Management System for a 7 year period in late 2017. This has reduced the budget required by £0.004m.
- 3.3.5 Customer Services: An increase of £0.014m – Additional 2 days per week increase in staff, together with the impact of the new pay and grading structure.
- 3.3.6 Licensing Admin: A decrease of £0.008m – The increase in various fees and charges (detailed at Appendix C) have contributed to the reduction in required budget.
- 3.3.7 Community Safety, Anti-Social Behaviour, Domestic Violence and Emergency Planning – When the individual variances in these codes are amalgamated there is no overall increase in budget requirement. This is a re-apportionment of staff time over the various functions.
- 3.3.8 CCTV: An increase of £0.037m – The increase in budget relates to the accounting treatment of inter-departmental income. This increase has been offset by a reduction in expenditure in the Business Units that use this service.
- 3.3.9 Energy and Home Support: An increase of £0.041m – The increase in budget relates to the accounting treatment of income. Income has been correctly recognised in the year of receipt rather than being rolled forward as a creditor at year end. This has meant this income has been transferred into reserves, hence this increase has been offset within the financing part of the Councils' budget by a reduction in reserves.
- 3.3.10 Grants & Concessions: An increase of £0.012m – A £0.015m increase in grant to the Town Council in relation to the Devolution arrangements due to the Council Tax base growth being lower than anticipated offset by the expiry of loans to Parish Councils for capital schemes.

4.0 Fees & Charges

- 4.1 The level of fees and charges has been considered by Officers within the framework set out in the Corporate Charging Policy. Proposals for increases in fees and charges are attached at **Appendix C** for consideration and recommendation to Policy & Finance Committee on 21 February 2019 and Council on 7 March 2019.

5.0 Conclusions

- 5.1 It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years at a time when the Council is facing reducing government grants and other financial pressures.

6.0 RECOMMENDATIONS that:

- (a) the final Committee budget as shown at Appendix A be recommended to Policy & Finance Committee at its meeting on 21 February 2019 for inclusion in the overall council budget; and**
- (b) the scales of fees and charges as shown at Appendix C be recommended to Policy & Finance Committee at its meeting on 21 February 2019 and Council on 7 March 2019.**

Reason for Recommendations

To ensure that the final budget proposals and the level of fees and charges for 2019/20 are recommended to Policy & Finance Committee on 21 February 2019.

Background Papers

None

For further information please contact Nick Wilson.

Nick Wilson
Business Manager - Financial Services