
**Meeting of the Regeneration, Culture and Adult Education Scrutiny Committee –
6th November 2012**

**Joint Report of the Chief Executive, Treasurer, Director of the Urban Environment,
Director of Adult, Community and Housing Services, and Director of Corporate
Resources**

Revenue Budget Strategy 2013/14

Purpose of Report

1. To consult the Scrutiny Committee on the Revenue Budget Strategy for 2013/14 and the Medium Term Financial Strategy.

Background

2. At its meeting on 31st October 2012, the Cabinet will be considering a preliminary budget strategy for further consultation, including consultation with Scrutiny Committees, in accordance with the Constitution. In framing their responses to these budget proposals, Scrutiny Committees are being asked to consider both the spending and funding implications (including the impact on Council Tax) of any observations they may wish to make.
3. When the Revenue Budget and Council Tax for 2012/13 was approved, the Council endorsed a Medium Term Financial Strategy (MTFS) which recognised the following basic assumptions:
 - (a) Income from Business Rates plus Top-Up funding (see para 13 below) for 2013/14 and 2014/15 is in line with the totals announced in the Comprehensive Spending Review, as adjusted following the Autumn 2011 Budget Statement;
 - (b) Single Status and Equal Pay costs are no more than estimated;
 - (c) the impact of general levels of inflation (including the Integrated Transport Authority Levy), pay and interest rates do not vary materially from current forecasts.
 - (d) there will be no other unplanned expenditure (including any resulting from demographic pressures) or shortfalls in income, which cannot be met from reserves.
4. It was also noted that the loss of income from base in 2013/14 onwards resulting from the 2012/13 Council tax Freeze Grant being for one year only could be addressed by means of:
 - Council Tax rises up to the indicative limit above which a referendum would need to be held under the provisions of the Localism Act.

- Exercise of expected local flexibility to vary certain Council Tax discounts for empty properties (subject to government consultation).

It was recognised that in the event that the above were not acceptable, it would be necessary to make further revenue savings beyond those set out in the approved MTFS. In the light of the spending totals announced in the Autumn 2011 Budget Statement, it was also recognised that it would be necessary to find further savings from the base budget (beyond those outlined in the MTFS) in order to ensure that the strategy remains robust from 2015/16 onwards.

5. In order to ensure that the Council could properly manage its financial affairs over the medium term, and ensure resources would be available to deal with new spending pressures and other unforeseen eventualities, the strategy was to:
 - (a) manage spending within approved budget levels;
 - (b) review spending priorities and the allocation of resources in line with Council Plan priorities;
 - (c) seek further efficiency and other savings;
 - (d) maximise opportunities for additional external funding;
 - (e) take action to replenish General Balances;
 - (f) regularly review risks and uncertainties and other relevant factors.

Forecast 2012/13 Position

6. Latest monitoring indicates favourable Treasury variances amounting to £1.8m resulting from better than expected cashflows.
7. Councils provide a number of support services to maintained schools funded through the Formula Grant mechanism rather than Dedicated Schools Grant. If a school converts to an academy, these services are no longer provided by the Council as they become the academy's responsibility. The Government top-sliced Formula Grant nationally in 2011/12 and 2012/13 in an attempt to reflect this transfer of function using a formula that did not reflect the actual number of academy transfers in each area. Potential legal challenge has resulted in Councils who were subject to a disproportionate top slice receiving a refund; while figures have not yet been finalised we are expecting a total refund for Dudley of around £1.1m this year.
8. The proposal to Cabinet is that Council be recommended to amend budgets to reflect these variances.
9. The budget for 2012/13 included a contingency of £1.0m to cover inflationary and other pressures in excess of those assumed when the budget was set. There are a number of service pressures that Directors are seeking to manage within existing budgets:

- Children's Services. The Directorate is still experiencing high levels of referrals of children in need. These cases include an increasing number of children with complex needs and difficulties. This risk together with the associated budget pressures are currently being monitored on a monthly basis in order to remain within the Directorate's allocated resources. National changes are continuing to impact on the Directorate's planned activities resulting in higher costs.
- Urban Environment. Reduction in planning fee income due to recession in property development. Reduced bereavement income due to a new crematorium being opened at Wyre Forest.

The position will be carefully monitored and reported back to Cabinet as necessary. In the light of the issues set out above, the proposal to Cabinet is that the contingency be retained.

General Fund Balances

10. The latest forecast position, compared to the original Approved Budget for 2012/13 and subject to the risks and uncertainties outlined above, is as follows.

	Original Budget £m	Latest Position £m
Forecast balance at 31 st March 2012	11.1	11.1
Effect of 2011/12 outturn	-	1.1
	11.1	12.2
Planned use 2012/13	-0.3	-0.3
Favourable current year treasury variances	-	1.8
Academies refund	-	1.1
Forecast balance at 31st March 2013	10.8	14.8

Budget Strategy 2013/14

11. In formulating the Council's Budget Strategy and tax levels for 2013/14, Members will need to consider carefully:
- (a) the levels of Government support allocated to the Council;
 - (b) spending pressures, opportunities to free up resources (including savings), and Council Plan priorities;
 - (c) the implications of spending levels in later years as part of the Council's medium term financial plan;
 - (d) the views of consultees;
 - (e) the external factors and risks inherent in the Strategy;
 - (f) the impact on Council Tax payers.

Government Funding

12. The Government has undertaken a major review of Local Government funding from 2013/14 onwards, in particular the “localisation” of Business Rates and Council Tax Support.
13. From 2013/14, Formula Grant will be replaced by a new system, the basic elements of which are as follows:
 - Councils will retain 50% of Business Rate income, rather than it being pooled nationally. The risks and rewards relating to retained Business Rate income being more or less than expected will therefore be shared between the Government and individual Councils.¹
 - The 50% pooled Business Rates will be used, along with resources from national taxation, to fund Revenue Support Grant and continuing Specific Grants.
 - Councils will receive a Top-Up or pay a Tariff to, in principle, bring total resources initially into line with what would have been received in Formula Grant.²
 - There will be a system of levies to restrict gains from disproportionate growth in rate income, and safety nets to restrict losses.³
 - The main parameters of the new system, in particular the underlying needs and resource estimates will be fixed for 7 years.
14. There has been a series of consultations concerning the operation of the new system, and the Council has responded as appropriate. We have in particular raised the following issues:
 - Under current “damping” arrangements Dudley receives less Formula Grant than it would otherwise be entitled to (£5.8m less in 2012/13). We have argued that this should be fully unwound on transition to the new system, over no more than say 5 years, to ensure it has a stable and fair starting point.
 - The assessment of a council’s ability to generate business rate income at the start of the new system should reflect its current circumstances. The latest proposals are based on historic 5 year averages, and do not take into account recent trends.

¹ Of the 50% retained overall, in Metropolitan areas 1% will be passed to Fire Authorities and 49% retained by Districts. Police Authorities will be fully funded by Specific Grants outside the Business Rate Retention system.

² Tariffs and Top-Ups will thereafter rise in line with inflation. Dudley will be a recipient of Top-Up funding as our current share of national business rates income is lower than our share of the total national spending need assessment.

³ On the basis of current proposals, we do not expect Dudley as a Top-Up authority to be subject to a levy. The Government has proposed that safety nets will limit losses to between 7.5% and 10% of the initial level of retained business rates +Top-Up/-Tariff.

15. We are not expecting final details of the new system, or figures for Revenue Support Grant, Specific Grants and Top-Up funding until early December. However, the Government has indicated that the new system will operate for 2013/14 and 2014/15 within the national control totals set out in Comprehensive Spending Review (CSR) 2010, as amended in the 2011 Autumn Budget Statement. At present our best estimate of available funding from the new system for 2013/14 and 2014/15 is therefore a broadly proportionate reduction in line with the CSR figures, taking into account the latest government proposals on the allocation of resources between authorities. Likewise, we have assumed funding for 2015/16 will reduce further in line with the Autumn Statement although this was less detailed in terms of how Local Government funding will reduce compared with public spending as a whole.
16. We have at this stage assumed that income from Business Rates will be in line with current receipts. However, this could vary significantly depending on national and local economic factors, including the impact of appeals, and will need to be reviewed on an ongoing basis.
17. A number of specific grants are being rolled into the Business Rate Retention funding mechanism from 2013/14 as follows:
- Early Intervention Grant (Children's Services)
 - Learning Disability and Health Reform (Adult, Community and Housing)
 - Homelessness (Adult, Community and Housing)
 - Lead Local Flood Authority (Urban Environment – part transfer only)

Latest figures indicate that the roll in of Early Intervention Grant (EIG) will be combined with an effective reduction in funding of £2.8m for the Directorate of Children's Services once the ring-fencing of resources to cover the introduction of nursery provision for 2 year olds has been taken into account (see para 28).

18. In order to resolve the outstanding issues relating to the funding of support services provided to schools which become the responsibility of academies after conversion (see para 7 above), from 2013/14 these services will be funded by specific grant in respect of all schools. This Local Authority Central Spend Equivalent Grant (LACSEG) will be paid directly to academies, or to councils for maintained schools. This will be matched by a transfer of resources from the Business Rate Retention Mechanism. Concerns have been expressed nationally that, on the basis of the proposed methodology, this may result in a resource shortfall for many Councils – around £0.3m - £0.35m for Dudley.
19. As reported to Cabinet in June, the Government is localising council tax benefit from April 2013, alongside reducing the subsidy it pays to Councils by 10%. This will involve the abolition of the current national council tax benefit scheme and the introduction of new localised 'council tax support' schemes designed and administered by individual councils. It was proposed to absorb the impact of the reduction in government grant (approx £2.4m), as the basis for consultation, the results of which are considered in a separate report on this agenda. In addition, the subsidy will be rolled into the new Business Rate Retention funding mechanism and will no longer change in line with actual claims. Therefore, the Council will also be exposed to the impact of any increases (or benefit from any reductions) in the number of eligible claimants and the value of their claims. We have currently assumed that the underlying value of benefit/support will continue at current levels.

20. The Government has recently indicated that:

- Council Tax Freeze Grant will be offered to Councils who freeze their Council Tax in 2013/14, equivalent to a 1% increase in Council Tax. The funding would continue into 2014/15.
- The maximum Council tax increase for 2013/14, above which a referendum would need to be held, will be 2% (not 3.5% as in the current year).

21. Under the provisions of the Health and Social Care Act 2012, Public Health functions will transfer from the Primary Care Trust to Dudley Council from 1st April 2013. It is anticipated that final funding allocations will be known by mid-December, and further details will be reported back to Cabinet in February. We are currently assuming that the transfer of the function will be matched by an equivalent allocation of resources.

Base Budget Forecasts

22. The following key assumptions have been made (and are also referred to in the risk analysis in paragraph 33):

- (a) We are expecting pay awards for local government to be frozen or settled at very low levels in the next few years consistent with Government announcements about public sector pay. The budget provision for prices assumes that competitive contract management and tendering will continue to minimise the impact of price rises on Council budgets. We are therefore proposing a provision of 1% for pay and 2% for prices each year for the duration of the MTFS;
- (b) Interest rates will continue to have a relatively low impact in the medium term;
- (c) Whilst the final costs of Single Status and Equal Pay Back Pay (EPBP) still remain uncertain, new pay and grading structures have now been introduced. Some provision has been included in the Base Budget forecasts and reserves previously set aside. It has been assumed that any costs relating to schools will be funded from school resources.

23. Details of Base Budget Forecasts for the next three years are set out below.

	2013/14 £m	2014/15 £m	2015/16 £m
2012/13 Base	236.8	236.8	236.8
Pay & Prices	4.0	7.9	11.7
Capital Programme	1.4	1.9	2.1
Funding transfers (see paras 17-18)	15.1	15.1	15.1
Other Adjustments (*)	-1.2	-3.0	-2.0
Base Budget Forecast	256.1	258.7	263.7
% change year-on-year (like for like)	1.7%	1.0%	1.9%

(*) Major items contained within "Other Adjustments" are the beneficial impact of repaying debt relating to past capital spend, and favourable cashflow movements. It also includes the building into base budgets of the £550,000 allocated from New Homes Bonus funding in each of 2011/12 and 2012/13 for private sector housing grants.

Spending Pressures

24. Having reviewed existing budgets in the light of Council Priorities, additional legislative requirements and service pressures, the following package of additional spending to target key service areas for investment over the next three years is proposed:

	2013/14	2014/15	2015/16
	£'000	£'000	£'000
Adult, Community and Housing			
Increased numbers of adults with learning disabilities	400	400	400
Increased number of clients with dementia	367	367	367
Increased numbers of people with a physical disability and some transfers of people from children's services	415	415	415
	1182	1182	1182
Children's Services			
The demand for placements of looked after children (LAC) exceeds the 2012/13 base budget of £9.7m by £2m (at worst case which assumes that the children will remain in place for the remainder of the year and no other placements are made). There is a growing number of families experiencing financial difficulties leading to greater family need and breakdowns which gives rise to more children needing higher levels of support and care from the local authority.	2000	2000	2000
	2000	2000	2000
Urban Environment			
Waste that goes to landfill is subject to a Landfill Tax set nationally	105	242	379
Domestic waste entering the incinerator is subject to an inflationary contractual 'gate fee'	54	110	167
Car parks have a shortfall in budgeted income and in addition there is no contribution from reserves towards parking enforcement activity as there has been historically	325	325	325
Green waste vehicles need to be replaced which were previously grant funded	244	244	244
	728	921	1115
Total	3910	4103	4297

Savings

25. Following a detailed budget review process, which considered the need to redirect resources to the spending pressures and priorities set out in paragraph 24, a range of savings has been identified from existing budgets as follows.

	2013/14 £'000	2014/15 £'000	2015/16 £'000
Adult, Community and Housing	3988	6138	7938
Urban Environment	2460	3850	5642
Children's Services	2991	3491	4991
Corporate Resources	1089	1723	2691
Chief Executive's	229	329	530
Total	10757	15531	21792

26. The Local Government Finance Bill includes a number of options that will enable the Council to reduce council tax discounts and exemptions given in respect of unoccupied properties, as well as the power, in the form of the Empty Homes Premium, to increase the council tax payable on properties that have been empty for more than two years. It is proposed that these flexibilities are used with effect from 1st April 2013 as follows:
- For furnished but unoccupied properties (except where the liable person resides at another property which is job related), e.g. second homes, the current council tax discount of 10% of the applicable charge is removed, resulting in full council tax being payable in these circumstances.
 - For properties which have been empty (i.e. unoccupied and unfurnished) for less than six months, the current exemption from council tax is removed completely, resulting in full council tax being payable in these circumstances, as is currently the case with most properties that have been empty for more than six months.
 - For properties which have been empty and require or are undergoing major repair work to make them habitable, the current exemption from council tax (up to a maximum of 12 months) is removed completely, resulting in full council tax being payable in these circumstances.
 - For properties which have been empty for more than two years, an Empty Homes Premium of 50% is applied, resulting in a 150% council tax charge being payable in these circumstances.

These proposals assume that the Local Government Finance Bill will be granted royal assent shortly and the relevant powers will then be enacted as the Government currently intends. They will all help to incentivise the bringing back into use of some of the Borough's housing stock in line with the Council's Empty Homes Strategy, which should in turn help the local economy. It is anticipated that around £1.5m per annum of extra income will be generated.

27. It is also proposed to remove the 20% discretionary rates relief currently awarded by the Council to Voluntary Aided (VA) schools from 2014/15. This will be funded from Dedicated Schools Grant rather than impact on individual schools. The 80% mandatory relief for VA schools will continue. This will save £84,000 of which half will be retained by the Council under the Business Rates Retention proposals.

28. It is proposed that the impact of the reduction in EIG (see para 17 above) be addressed as follows:

- Savings of £0.5m already identified from 1st April 2013 as set out in Appendix A.
- Further savings of £2.3m per annum are likely to be required. Detailed proposals will be reported back to Cabinet in February, and be subject to subsequent consultation for implementation in 2013/14.

Human Resource Implications

29. Details are set out in the separate report on this agenda. Redundancy costs are dependent on the age and length of service of the individuals being made redundant and therefore cannot be precisely calculated at this stage. However, it is anticipated that they can be met from use of resources earmarked for committed capital expenditure (which in turn could be funded from prudential borrowing) and general balances.

Use of Balances

30. The table in paragraph 10 shows that we forecast to have available around £14.8m at 31st March 2013.

31. Resource forecasts for 2013/14 and the period of the MTFs as a whole remain uncertain, particularly in the context of the many radical and simultaneous changes to Local Government finance. Based on current forecasts:

- If the Council were to decide to freeze Council Tax in April 2013 and accept Council Tax Freeze Grant (see paragraph 20), it would be necessary to identify around a further £9m from savings over and above those set out in this report in order to ensure that the strategy remains robust over three years.⁴
- If the Council were to decide to increase Council Tax by 2% in April 2013 (the maximum amount that would not require a referendum), then it would be necessary to identify around a further £5m over and above those set out in this report.⁵
- If the Council were to decide to increase Council Tax by more than 2%, this would require a referendum to be held by the first week in May. If the increase were upheld by the referendum, then the requirement for budgetary savings would be reduced (the extent to which this would be the case would depend on the level of the increase). However, if the increase were overturned, then a 2% increase would have to be applied⁶, necessitating a further £5m from savings over and above those set out in this report.

The forecasts set out above address the strategy over 3 years. On the basis of government budget announcements it is likely that further savings would be required from 2016/17 onwards.

⁴ This option assumes that Council Tax would then increase by 2% in each of the following years.

⁵ This option also assumes that Council Tax would then increase by 2% in each of the following years.

⁶ Either by a refund in year or a retrospective adjustment in the following year.

The position could be better or worse than the forecasts set out above, dependent on the final Local Government finance settlement. It will be necessary over the coming months to closely monitor announcements about that settlement, to consider potential savings over and above those set out in this report and to consult on the options for Council Tax. Final proposals on savings and Council Tax will be brought back to Cabinet in February.

Summary

32. The following table summarises the budget proposals:

	2013/14	2014/15	2015/16
	£m	£m	£m
Base Budget Forecast	256.1	258.7	263.7
Spending Pressures	3.9	4.1	4.3
Savings	-10.7	-15.5	-21.8
To address reduction in EIG	-1.7	-2.8	-2.8
Net Budget	247.6	244.5	243.4
% change year-on-year (like for like)	-1.7%	-1.3%	-0.4%

Estimates, Assumptions & Risk Analysis

33. The proposals in this report are based on a number of estimates, assumptions and professional judgements, which may need to be reviewed and amended either before the budget and Council Tax for 2013/14 is set, during the course of that year, or indeed over the term of the MTFS. These may lead to further increases in expenditure and, therefore, the need to identify alternative funding sources, and include:

- (a) Revenue Support Grant and Top-Up Funding is in line with the national totals announced in the 2010 Comprehensive Spending Review, and 2011 Autumn Statement;
- (b) income from Business Rates will be in line with current receipts;
- (c) the introduction of LACSEG funding for all schools will not lead to a reduction in resources;
- (d) the underlying value of Council Tax Benefit/Support awarded will continue at current levels.
- (e) the transfer of Public Health functions to the Council from 1st April 2013 is matched by an equivalent allocation of resources;
- (f) there is no overall increase in employer pension contributions. The new Local Government pension scheme comes into operation from April 2014, which is also the commencement of a new valuation period. The impact of both is uncertain at this stage, but potentially significant.
- (g) Single Status and Equal Pay costs are no more than estimated;
- (h) general levels of inflation (including the Integrated Transport Authority Levy), pay and interest rates do not vary materially from current forecasts;

- (i) there will be no other unplanned expenditure (including any resulting from demographic pressures) or shortfalls in income, which cannot be met from reserves;
- (j) Council Tax rises are in line with indicated referendum limits. Given the complexity of the detailed calculation, there is also uncertainty around how the headline 2% will translate to actual limits.

Medium Term Financial Strategy 2014/15 Onwards

- 34. Decisions about spending, funding and council tax levels in any one year need to be made in the context of the Medium Term Financial Strategy (MTFS), recognising that medium term projections need to be reviewed and revised on a regular basis.
- 35. In order to ensure that the Council can properly manage its financial affairs over the medium term, and ensure resources are available to deal with new spending pressures and other unforeseen eventualities, the strategy must therefore be to:
 - (a) manage spending within approved budget levels;
 - (b) review spending priorities and the allocation of resources in line with Council Plan priorities;
 - (c) seek further savings;
 - (d) maximise opportunities for additional external funding;
 - (e) take action to replenish General Balances;
 - (f) regularly review risks and uncertainties and any other relevant factors.

Consultation

- 36. Public consultation will be undertaken via the internet to seek views on the savings proposals detailed in this report and options for Council Tax levels. Detailed consultation is also being undertaken with groups identified as being potentially affected by the specific savings proposals, with a particular emphasis on equalities issues. Further information is set out in the Equality Impact section below. Unions will be consulted in the context of the redundancy process considered in a separate report elsewhere on this agenda.
- 37. The Best Value Statutory Guidance issued by Government in September 2011 has set out the expectations for councils considering changing funding to local voluntary and community groups and small businesses. This includes observing a duty to consult, making sure that disproportionate savings are not passed on to voluntary and community organisations, considering the wider 'social' value of procurement decisions and engaging with and giving adequate notice to any such organisations who's funding is to be reduced or ended.

38. The Council is required by law to consult with representatives of Business Ratepayers before the final budget and Council Tax are agreed. A consultation meeting will be held to consider the issues set out in this report. Further detailed information (as required by law) will be distributed in February for comment before the Council Tax setting meeting.
39. In accordance with the Council's Constitution, the Scrutiny Committees are being asked to consider the issues set out in this report and any related specific issues relevant to their Council Plan and service responsibilities in the November cycle. In framing their responses, the Scrutiny Committees are being asked to consider both the spending and funding implications (including the impact on Council Tax) of any observations they may wish to make.

Implications for services covered by the Terms of Reference of this Scrutiny Committee

40. The proposed efficiencies and other savings falling wholly or partly within the terms of reference of this committee are set out at Appendix A, summarised as follows:

	2013/14 £'000	2014/15 £'000	2015/16 £'000
Adult, Community and Housing	447	447	447
Urban Environment	987	1414	2102
Corporate Resources	1089	1723	2691
Chief Executive's	229	329	530
Total	2752	3913	5770
Proposals falling wholly within the terms of reference of other Scrutiny Committees (*)	8005	11618	16022
Total as per paragraph 25 above	10757	15531	21792

(*) Note that some proposals falls within the terms of reference of, and will be considered by, more than one scrutiny committee

Finance

41. This report is financial in nature and relevant information is contained within the body of the report.
42. The cost of a council tax referendum could be met from the local elections budget, given that there are no local elections in 2013.

Law

43. The Council's budget setting process is governed by the Local Government Finance Acts 1988 and 1992 and the Local Government Act 2003.

44. The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of estimates made for the purpose of final budget calculations, and the adequacy of the proposed financial reserves and this will be included in the final budget report.
45. The Localism Act 2011 introduced a new chapter into the Local Government Finance Act 1992 making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.
46. The Equalities Act 2010 created a new public sector equality duty. This has three objectives, namely to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act.
 - advance equality of opportunity between people who share a characteristic and those who don't.
 - foster good relations between people who share a characteristic and those who don't.

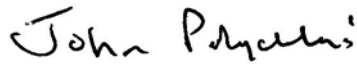
The Equality Duty covers the following protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Equality Impact

47. An initial assessment of the budget proposals has been made. Where proposals are likely to have a significant equality impact, they will undergo an equality impact assessment informed by consultation with the protected groups who may be adversely affected, during the autumn. The results of this process and any steps which emerge that might help to mitigate any potential impact of the budget proposals on the protected groups (and other groups, e.g. looked after children) will be reported to Members so that they can pay due regard to the Public Sector Equality Duty in making decisions on the budget. In making decisions on budget proposals, Members will need to weigh the Public Sector Equality Duty against the forecast financial position, risks and uncertainties set out in this report.
48. With regard to Children and Young People, the proposed budget for the Directorate of Children's Services will be spent wholly on maintaining and improving services for children and young people. The expenditure of other Directorates' budgets will also have a significant impact on this group.

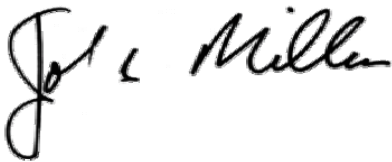
Recommendations

49. That, subject to the recommendations to Cabinet being approved, the Committee considers the Cabinet's Revenue Budget Strategy proposals for 2013/14 and the Medium Term Financial Strategy, taking into account the considerations set out in paragraph 39.



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List of Background Papers

Comprehensive Spending Review 2010
Autumn 2011 Budget Statement

Proposed Savings

Adult, Community and Housing	2013/ 14	2014/ 15	2015/ 16
	£'000	£'000	£'000
Library and Archive Service - Management restructure to deliver £75,000 efficiency savings. The method of achieving the balance of the savings target is currently being developed. The proposals to date will not impact on the service delivered to the public.	347	347	347
Review Racial Equality and Communications Service - This proposal would involve the loss of just under 3.5fte of which 2.5fte posts are already vacant. A review of services is planned in conjunction with the wider development work undertaken across the Directorate with a view to consolidation, value for money and more targeted use of resources	100	100	100
Total	447	447	447

Urban Environment	2013/ 14	2014/ 15	2015/ 16
	£'000	£'000	£'000
Office staff related savings			
Staff related savings across all Divisions of the Directorate	832	1049	1697
Income generation			
Extra income generation from Himley Hall and other Hall venues, plus a review of management	55	55	55
Other efficiency and contractual savings			
Gym equipment contract negotiated savings	100	140	180
Broadfield House - explore the potential for an Asset Transfer to a third party	0	170	170
Total	987	1,414	2,102

Corporate Resources	2013/ 14	2014/ 15	2015/ 16
	£'000	£'000	£'000
Restructure of management team in Customer Services and Support section in ICT Services	28	28	28
Further reduction of service provision in Information Systems in ICT services	46	46	46
Restructure the management of the Information Systems and Customer Services teams within ICT Services	50	50	50
Rationalise KERN (automated enveloping) in ICT Services	30	30	30
Consolidation of corporate and directorate-based ICT Services	0	200	350

Corporate Resources	2013/ 14	2014/ 15	2015/ 16
	£'000	£'000	£'000
Value for Money (VFM) work (efficiency studies to be carried out by the Internal Audit section)	48	48	48
Internal Audit - management restructure	0	0	60
External Audit fee savings	100	100	100
Training - reduce training budget for Members	5	5	5
Relocation of Register office	35	35	35
Registrars' fees	10	10	10
CCTV - increase income streams and reorganisation of staff responsibilities	25	25	25
Health and Safety - efficiencies within staffing following restructure	20	20	20
Transforming Our Workplace office accommodation project	0	0	400
Procurement, Contract Management and Creditor Services - service redesign	50	50	50
Accountancy - further efficiencies from improved working practices	27	120	120
Reduced internal insurance premiums	100	300	300
Increase the charges for Council Tax and National Non Domestic Rates summons costs	50	50	50
A reduction in third party transactions charges - Paypoint / Pay Pal transactions	15	15	15
Pass on credit card charges (average 1.2%) to customers	35	35	35
Dudley Council Plus efficiencies	10	10	10
Reductions in Benefits staffing	0	0	100
4 temporary (2 years) principal HR officers.	160	160	160
Restructure of Human Resources and Organisation Development division including vacant posts and non pay savings.	178	247	432
Administration buildings - reduction in running costs	50	50	50
Review of leases including Cranham House	17	17	40
Divisional restructure and efficiency savings within Law and Governance	0	72	122
Total	1,089	1,723	2,691

Chief Executive's	2013/ 14	2014/ 15	2015/ 16
	£'000	£'000	£'000
Withdrawal of grant to the Black Country Living Museum	70	70	70
Rationalise and review communications and public affairs	52	52	52
Reduce contribution to Black Country Consortium (BCC)	20	20	20
Restructure within Chief Executives Directorate	60	160	260
Reduction in grants to Dudley Council for Voluntary Services and Centre for Equality and Diversity	0	0	40
Reduce general running expenses across the Directorate	27	27	88
Total	229	329	530