West Area
Budget 2012/13
02 February 2012

Councillor Ruth Cadbury
Deputy Leader of the Council
Why are we consulting?

• Duty to consult
• Transparency, accountability, participation
• Current challenges for public sector finances – being open about the choices to be made
• Involving people in the budget process
• Making community priorities Council priorities
• Making better decisions
The Council has adopted seven corporate priorities

1. A safer borough
2. Brighter futures for the borough’s children and young people
3. A thriving economy with more affordable homes
4. A cleaner, greener borough
5. An active, healthy borough
6. Help and support for our residents who need it most
7. Ambitious council which improves the lives of residents and works in a transparent and efficient way
Financial challenges

• Government is significantly reducing levels of public spending
• Spending Review 2010 announced a 26% reduction in support to local authorities over 4 years
• Savings target of £18m for 2012/13
• Changing demand for services
• New priorities
Gross expenditure 2011/12

£729.7 million

- Chief Executive £8.6m
- Corporate resources £59.7m
- CS&LL £303.9m
- Community Services £241.3m
- Environment £116.2m
Budget requirement 2011/12

- Community Services £67.8m
- Chief Executive £2.5m
- Corporate Resources £9.2m
- Childrens Services & Lifelong Learning £55.1m
- Environment £51m

27.5% Community Services
36.5% Others
29.7% Environment
5.0% Corporate Resources
1.4% Childrens Services & Lifelong Learning
Meeting the budget requirement 2011/12

Council Tax
£94.7m
51%

Revenue Support Grant
£21.4m
12%

Redistributed Business Rates
£69.3m
37%
10 Transformational workstreams

1. Property assets
2. Procurement
3. Fees and charges
4. Customer access and service innovation
5. Back office support
6. Commissioning
7. Social enterprises
8. Corporate offer to schools
9. Partnership working
10. Service specific remodelling
## Budget setting timetable 2012/13

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>September / November Cabinet</td>
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2012/13 Savings summary

- Tranche 1 of savings, £3.83m
- Tranche 2 savings to be approved, £7.05m
- Further options out for consultation, £3.00m
- Additional ideas being progressed through workstreams, £3.62m
- Other savings work being progressed, £0.50m

Total savings: £15.40m
### Tranche 1 and 2 savings summary

<table>
<thead>
<tr>
<th>Area of Saving</th>
<th>Tranche 1 and 2 saving £k</th>
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</thead>
<tbody>
<tr>
<td>HRA self-financing housing reforms implications</td>
<td>2,500.0</td>
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<tr>
<td>Improved contract terms</td>
<td>2,180.7</td>
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<tr>
<td>Service delivery efficiencies</td>
<td>1,230.0</td>
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<tr>
<td>Council tax income increases</td>
<td>942.0</td>
</tr>
<tr>
<td>Increased fees and charges</td>
<td>910.8</td>
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<tr>
<td>Non-salary costs spending constraints</td>
<td>840.8</td>
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<tr>
<td>Impact of staff reorganisations</td>
<td>840.0</td>
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<tr>
<td>Asset workstream</td>
<td>261.0</td>
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<tr>
<td>Pay and conditions</td>
<td>150.0</td>
</tr>
<tr>
<td>Other changes</td>
<td>1,029.5</td>
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<tr>
<td><strong>TOTAL TRANCHE 1 AND 2</strong></td>
<td><strong>10,884.8</strong></td>
</tr>
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## Business rate multipliers

New multipliers – increased inline with inflation

<table>
<thead>
<tr>
<th></th>
<th>2011/12 (pence)</th>
<th>2012/13 (pence)</th>
<th>% Change</th>
</tr>
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<tbody>
<tr>
<td>Large business</td>
<td>43.3</td>
<td>45.8</td>
<td>+ 5.8</td>
</tr>
<tr>
<td>Small business</td>
<td>42.6</td>
<td>45.0</td>
<td>+ 5.6</td>
</tr>
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Business rate changes

• Small Business Rate Temporary Increase extended to March 2013
• Automatic entitlement to Small Business Relief for all properties under £25,499 RV
• Deferral Scheme for 2012/13 Increases
• Local Government Resource Review
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