

Report of: Strategic Director, Finance & Corporate Services

To: Executive Board

Date: 18th December 2006

Item No: 21

Title of Report : Indicative Budget for Consultation 2007-08

Summary and Recommendations

Purpose of report: To present the indicative budget for approval by Executive Board for public consultation.

Key decision: No

Portfolio Holder: Cllr. Stephen Tall, Better Finances

Scrutiny Responsibility: Finance

Ward(s) affected: All

Report Approved by:

Councillor Stephen Tall

Councillor John Goddard

Jeremy Thomas, Head of Legal & Democratic Services

Policy Framework: Financial Stability

Recommendation(s): That the Executive Board :

- a) agrees to submit the following documents as the basis for public consultation on the indicative budget for 2007-08 – the detailed budget book incorporating the budget summaries and the capital programme.
- b) Notes that following consultation the Administration will prepare and recommend to the Executive Board and Council a budget for adoption in February 2007.

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Summary

1. This is the second of three reports that inform the budget process for 2007-08. This report sets out detailed budgets and savings plans for 2007-08.
2. The first report presented to Executive Board on 6th November gave an overview of the financial prospects for 2007-08 and future years. That report included the Medium Term Financial Strategy (MTFS), which detailed the key financial assumptions for the budget and identified areas of concern that Members should be aware of. We have assumed that Members would take into consideration the factors in the earlier report and have focussed this report on highlighting changes that have taken place and new information.
3. The third report in the series will include details of feedback from consultation and enable the budgets to be finalised in January & February 2007 prior to setting Council Tax for 2007-08. The MTFS will be updated at that point.
4. Attached to this report as an appendix is the budget book incorporating:
 - Section 1 General Fund -summary report, Directorate details, 3 year impact of savings proposals, 3 year summary and impact on projected balances
 - Section 2 Housing Revenue Account – summary report and savings proposals
 - Section 3 Capital programme and funding including holding list
 - Section 4 Fees and Charges

Progress since November

5. Since November 6th Directors have worked through budget proposals in weekly meetings with their Business Managers. These were presented to Special Scrutiny meetings on November 15 and 17. Proposals have since been reviewed by Portfolio Holders to arrive at the list proposed in the Budget Book section 1.
6. The budget book gives detail for 2007/08 only. A high level summary of three year projections is provided in section 1
7. The Budget Book shows information in a different way this year. Savings are listed on separate pages whilst savings are referenced from Directorate & Business Unit pages so that they can be easily tracked.

General Fund

Summary position

8. At 1st April 2006 our General Fund balances stood at £5.7 million. The Council budgeted to use £1.9 million in this year to meet some budget pressures and has approved use of further balances for costs associated with the single HRA unit, members allowances & priorities and the costs of Unitary authority preliminary work.
9. The outstanding Housing Benefit claim from DWP has now been resolved and the balance of the provision not required, £756,000, has been returned to balances.
10. Although the 2nd quarter monitoring was showing an overspend of £800,000, Directors have now produced action plans to deliver an overspend of just £77,000.
11. The net effect of these changes is to leave balances at £4.1m, considerably above the recommended £3m minimum level. Further discussion will take place before budgets are finalised in February to assess the minimum level of balances.

Directorate pressures & changes in figures

12. Some calculations reported on 6th November were provisional and have been updated for this second report. The two main changes are a review of inflation identifying £223k of additional cost, offset by the budgeted contribution from reserves of £313,471 in 2007/08. The net effect of this was £90k and because this was relatively small, Directorate savings targets were not altered during the process for this.
13. The Revenue Support Grant has been confirmed at the level anticipated in the 2 year settlement.
14. The increase for Council Tax is now proposed to be 3% in 2007-08 and 2% for the following two years.
15. The report in November highlighted the additional cost the Council faced from inflation, unavoidable costs and Policy Space amounting to £2.2m. In addition to these corporate costs Directors identified a further £2.6m of pressures.
16. The summary in the budget book section 1 shows that of a savings target of £4.5m, Directorates have identified £3.8m of savings It is proposed to use the £0.5m of Policy Space leaving further savings of £251k to be identified before the budget is finalised in February 2007.

Housing Revenue Account

Summary position

17. At 1st April 2006 working balances stood at £2.4 million. The Council planned to use the excess over its agreed minimum level of balance of £2.0 million to fund capital spending in 2006-7, leaving balances going into 2007-08 at agreed prudent minimum levels.
18. Housing Advisory Board considered the HRA budget at their meeting on 28th November and recommended to the Strategic Director, Housing and Community Services that the budget should be approved.
19. The HRA budget for 2007-08 approved as part of the 2006-09 three-year budget and adjusted for the impact of creating a single HRA business unit showed a surplus of £1,266,000 which was earmarked as a contribution to capital expenditure. The proposed base budget for 2007-08 maintains this position.

Progress since November

20. Since the draft figures were published, officers have worked up savings ideas, discussed them with the Portfolio Holder and been through a Scrutiny review.
21. Although the proposed surplus has not changed there is uncertainty over the level of Subsidy the authority can be required to pay to Central Government.

Draft Subsidy Determination

22. The draft subsidy determination has been received from DCLG. On first reading, the implications of the determination are an increase in payment to central government of £1m. We have consulted with Housing experts, who advise that the determination is affecting all authorities and the general consensus of opinion is that DCLG have got the subsidy determination wrong. Their advice is to write to DCLG detailing the errors we have noticed.
23. The consultation budget figures do not include the £1m estimated payment to central government because of the advice we have been given that it is an error. If the final subsidy determination is not revised the loss of £1m will wipe out the budgeted revenue contribution to capital.
24. There are two areas of concern around rent restructuring. The first is an adjustment made in 2006/07 in the guideline rent following a national review of rent restructuring. This has been omitted in the 2007-

08 draft. We have written to DCLG requesting a special determination reinstating the adjustment.

25. The second area of concern is the Rent constraint allowance. This allowance compensates authorities for not being to increase rents enough to converge as there is a 5% ceiling on rent increases. The allowance has been calculated differently in the 2007/08 determination and this means that the cumulative effect over the years of rent restructuring has not been allowed for. We have written to DCLG as part of the response to Subsidy consultation.

Capital strategy, programme and funding

General Fund

26. The original capital programme, approved by Council in February 2006 agreed a budget capital programme of £10.1 million for 2006-7. The capital programme is mainly funded by capital receipts. In the current year, receipts have been slow to come in leading to real concerns that spending would exceed funding (if that were to happen, funding would need to be taken from reserves). In 2006-07 expenditure has slipped into later years and funding is on course to match spend.
27. Deliverability of the capital programme and associated funding was identified as a key risk in the MTFs published in November 2006. The Portfolio Holder for Better Finances has requested a full prioritisation of the capital programme and officers have begun that process
28. The Capital monitoring group have met to prioritise existing schemes and new schemes. The consultation process will pick up capital schemes and these will need to also be included. The priority list will be collated and taken through Scrutiny committees ahead of determination of the Budget in February. Some of the savings put forward are dependent on capital expenditure.
29. The intention of the priority list is that schemes (unless 100% externally funded) will be held until funding is available. The implication of this is that although some schemes may have been approved in the budget process, they will not be able to proceed until funding becomes available.

HRA

30. The HRA capital programme is shown in the budget book in section 3. As long as the contribution from revenue remains at £1.2m the HRA programme is funded for 2007/08. This gives time for disposal considerations for funding in later years.

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Next Steps

31. Once the indicative budget for consultation has been approved by the Executive Board, the budget will go through a series of Area committee meetings in January. Budget proposals have been prepared taking account of the Council's commitments within the Oxford Plan, the Council's third annual corporate plan that was adopted by full Council in November 2006.
32. On 29 January 2007 the Executive Board will consider a budget to be recommended for adoption by Council in February

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Background papers:

Budget overview and Medium Term Financial Strategy 2007-8 to 2011-12
Executive Board November 6th

Oxford

City Council

Budget Book

2007 – 2008

BUDGET BOOK 2007-08

Section 1 – General Fund

Budget Summary 2007-08

Detailed analysis by Business Unit

Proposed Three Year Savings

Three year budget projection

Section 2 – Housing Revenue Account

Budget Summary 2007-08

Proposed Savings

Section 3 – Capital Programme

Capital Programme

Capital Funding

Section 4 – Fees and Charges

General Fund

2007 - 2008

GENERAL FUND BUDGET 2007-08

	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £
<u>Business Units</u>					
Chief Executive	662,509	0	662,509	(622,921)	39,588
Corporate & Democratic Core	555,424	0	555,424	2,954,359	3,509,783
Chief Executive	1,217,933	0	1,217,933	2,331,438	3,549,371
Strategy and Review	1,961,365	(205,192)	1,756,173	(500,083)	1,256,090
Human Resources	2,118,210	0	2,118,210	(1,312,585)	805,625
Financial & Asset Management	3,145,455	(5,447,830)	(2,302,375)	(1,738,464)	(4,040,839)
Legal & Democratic Services	1,989,917	(382,318)	1,607,599	(1,382,176)	225,423
Business Systems	1,482,972	0	1,482,972	(1,464,738)	18,234
Facilities Management	1,444,818	(535,620)	909,198	(169,511)	739,687
Revenues & Benefits	2,870,346	(1,720,386)	1,149,960	1,714,276	2,864,236
Finance & Corporate Services	(443,000)	0	(443,000)	0	(443,000)
Finance & Corporate Services	14,570,083	(8,291,346)	6,278,737	(4,853,281)	1,425,456
Area Co-Ordinators	496,438	0	496,438	(212,496)	283,942
Community Housing	6,262,431	(2,358,828)	3,903,603	445,446	4,349,049
Customer Services	1,194,033	0	1,194,033	(1,040,534)	153,499
Neighbourhood Renewal	5,001,448	(987,752)	4,013,696	1,036,980	5,050,676
Environmental Health	2,470,759	(484,295)	1,986,464	404,336	2,390,800
Housing Health & Community	(317,000)	0	(317,000)	0	(317,000)
Housing, Health & Community	15,108,109	(3,830,875)	11,277,234	633,732	11,910,966
Built Environment	2,885,206	(876,478)	2,008,728	(1,747,149)	261,579
City Works	13,894,775	(11,374,038)	2,520,737	2,534,905	5,055,642
Planning	2,138,948	(919,909)	1,219,039	583,815	1,802,854
Transport & Parking	4,985,034	(6,408,157)	(1,423,123)	748,015	(675,108)
Leisure And Cultural Services	10,574,481	(4,734,898)	5,839,583	1,558,778	7,398,361
Physical Environment	(299,000)	0	(299,000)	0	(299,000)
Physical Environment	34,179,444	(24,313,480)	9,865,964	3,678,364	13,544,328
Total Business Unit Expenditure	65,075,569	(36,435,701)	28,639,868	1,790,253	30,430,121
Policy Space					0
<u>Corporate Accounts</u>					
Local Cost Of Benefits					200,000
Asset Management Revenue Account					(1,468,928)
Transfer To Capital Reserve					(1,260,417)
Investment Income					(2,167,450)
Interest Payable					1,231,690
Pension Increase (2.3%)					550,000
Total Expenditure					27,515,016
<u>Funding</u>					
External Funding (2% per annum)					16,021,464
Council Tax (3% per annum)					11,096,370
Less assumed parish precept (4% per annum)					(168,064)
Assumed movement in balances in base budget					313,471
Collection Fund surplus					
Total Funding Available					27,263,241
(Surplus)/Deficit for year					251,775

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GENERAL FUND BUDGET 2007-08

Business Units	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £	Savings Reference
Chief Executive						
Chief Executive, Directors & Corpora	662,509	0	662,509	(622,921)	39,588	
Total Chief Executive	662,509	0	662,509	(622,921)	39,588	
Corporate & Democratic Core						
Corporate & Democratic Core	555,424	0	555,424	2,954,359	3,509,783	
Total Corporate & Democratic Cor	555,424	0	555,424	2,954,359	3,509,783	
Total Chief Executive	1,217,933	0	1,217,933	2,331,438	3,549,371	

GENERAL FUND BUDGET 2007-08

	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £	Savings Reference
Business Units						
Strategy and Review						
Strategic Policy	609,584	(100,376)	509,208	76,577	585,785	1
Partnerships	450,332	(23,050)	427,282	42,143	469,425	2
Review	137,468	0	137,468	(128,010)	9,458	
Team Management	245,395	(34,406)	210,989	(341,804)	(130,815)	
Crime Strategy	210,644	(32,000)	178,644	14,349	192,993	3
Media & Communications	307,942	(15,360)	292,582	(163,338)	129,244	
Total Strategy and Review	1,961,365	(205,192)	1,756,173	(500,083)	1,256,090	
Human Resources						
Employee Services	683,074	0	683,074	(698,978)	(15,904)	4
Occupational Health	43,193	0	43,193	(42,181)	1,012	
Learning & Development	568,943	0	568,943	(592,417)	(23,474)	5
Job Evaluation	823,000	0	823,000	20,991	843,991	
Total Human Resources	2,118,210	0	2,118,210	(1,312,585)	805,625	
Financial & Asset Management						
Business Manager	163,308	0	163,308	(202,610)	(39,302)	
Accountancy	1,200,230	(120,451)	1,079,779	(1,083,064)	(3,285)	6
Payroll	91,582	(11,764)	79,818	(74,447)	5,371	
Commercial Properties	689,236	(5,296,860)	(4,607,624)	580,096	(4,027,528)	
Corporate Finance	353,346	(5,955)	347,391	(337,003)	10,388	
Audit & Risk	182,895	(12,800)	170,095	(171,680)	(1,585)	7
Asset Management	464,858	0	464,858	(449,756)	15,102	
Total Financial & Asset Management	3,145,455	(5,447,830)	(2,302,375)	(1,738,464)	(4,040,839)	
Legal & Democratic Services						
Legal	851,127	(40,216)	810,911	(785,977)	24,934	8
Land Charges	101,394	(331,118)	(229,724)	124,514	(105,210)	
Committees (incl. Area Committees)	357,802	(4,711)	353,091	(376,813)	(23,722)	9
Member Services	488,350	(202)	488,148	(383,652)	104,496	
Election Services	191,244	(6,071)	185,173	39,752	224,925	
Total Legal & Democratic Services	1,989,917	(382,318)	1,607,599	(1,382,176)	225,423	
Business Systems						
Core Systems	132,427	0	132,427	(130,080)	2,347	
Servers & Networks	171,121	0	171,121	(132,997)	38,124	
Staff/Running Costs	1,127,785	0	1,127,785	(1,151,588)	(23,803)	10
E-Government	51,639	0	51,639	(50,073)	1,566	
Total Business Systems	1,482,972	0	1,482,972	(1,464,738)	18,234	
Facilities Management						
Administrative Support	478,308	(170,192)	308,116	(342,070)	(33,954)	
Caretaking & Cleaning	383,850	0	383,850	(370,172)	13,678	11
Town Hall Management	413,842	(362,395)	51,447	700,840	752,287	12
Switchboard	168,818	(3,033)	165,785	(158,109)	7,676	
Total Facilities Management	1,444,818	(535,620)	909,198	(169,511)	739,687	
Revenues & Benefits						
Income & Collection	908,232	(430,790)	477,442	610,339	1,087,781	13
Housing Benefit Administration	1,754,184	(1,192,358)	561,826	1,064,506	1,626,332	14
Benefit Investigation	207,930	(97,238)	110,692	39,431	150,123	15
Total Revenues & Benefits	2,870,346	(1,720,386)	1,149,960	1,714,276	2,864,236	
Finance & Corporate Services						
Finance & Corporate Services	(443,000)	0	(443,000)	0	(443,000)	16
Total Finance & Corporate Service	(443,000)	0	(443,000)	0	(443,000)	
Total Finance & Corporate Service	14,570,083	(8,291,346)	6,278,737	(4,853,281)	1,425,456	

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GENERAL FUND BUDGET 2007-08

	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £	Savings Reference
Business Units						
Area Co-Ordinators						
Area Co-Ordinators	258,509	0	258,509	(235,091)	23,418	
Area Committee Budgets	237,929	0	237,929	22,595	260,524	17
Total Area Co-Ordinators	496,438	0	496,438	(212,496)	283,942	
Community Housing						
Community Housing Management	304,529	0	304,529	38,261	342,790	
Temporary Accommodation Manager	229,192	(81,961)	147,231	4,656	151,887	18
Housing Options & Allocations	1,031,096	0	1,031,096	292,686	1,323,782	
Homelessness Accommodation Costs	3,050,489	(1,582,947)	1,467,542	95,879	1,563,421	19
Home Choice	439,066	0	439,066	41,359	480,425	
Housing Advice	186,553	0	186,553	335	186,888	
Choice Based Lettings	110,862	0	110,862	(12,324)	98,538	
Elderly Services	910,644	(693,920)	216,724	(15,406)	201,318	20
Total Community Housing	6,262,431	(2,358,828)	3,903,603	445,446	4,349,049	
Customer Services						
Customer Services	1,194,033	0	1,194,033	(1,040,534)	153,499	
Total Customer Services	1,194,033	0	1,194,033	(1,040,534)	153,499	
Neighbourhood Renewal						
Community Development	290,949	(23,484)	267,465	9,999	277,464	
Community Centres	392,916	(60,152)	332,764	655,922	988,686	21
Community Recreation	39,320	(22,751)	16,569	45,808	62,377	22
Grants	1,199,198	0	1,199,198	19,471	1,218,669	23
Street Wardens	540,285	0	540,285	62,581	602,866	
Housing Development	61,061	0	61,061	3,702	64,763	
Anti-social Behaviour Order	335,399	(82,944)	252,455	70,406	322,861	
Housing	604,975	(76,800)	528,175	1,785	529,960	
International Exchange	52,487	(5,273)	47,214	4,174	51,388	24
Neighbourhood Renewal Services	389,312	0	389,312	84,043	473,355	25
Rough Sleepers	576,851	(534,528)	42,323	5,116	47,439	
Social Inclusion	177,274	(20,029)	157,245	24,795	182,040	26
Funded Schemes	173,737	(159,876)	13,861	41,110	54,971	
City Centre / CCTV	167,684	(1,915)	165,769	8,068	173,837	
Total Neighbourhood Renewal	5,001,448	(987,752)	4,013,696	1,036,980	5,050,676	
Environmental Health						
General Management	154,164	0	154,164	136,962	291,126	27
Occupational & Residential Health &	502,177	(66,565)	435,612	51,251	486,863	28
Food Safety	291,798	(142,621)	149,177	37,901	187,078	29
Environmental Protection	445,243	(24,256)	420,987	55,732	476,719	30
Public Health	658,406	(50,853)	607,553	61,195	668,748	31
Support & Development	418,971	(200,000)	218,971	61,295	280,266	32
Total Environmental Health	2,470,759	(484,295)	1,986,464	404,336	2,390,800	
Housing Health & Community						
Housing Health & Community	(317,000)	0	(317,000)	0	(317,000)	33
Total Housing Health & Community	(317,000)	0	(317,000)	0	(317,000)	
Total Housing, Health & Community	15,108,109	(3,830,875)	11,277,234	633,732	11,910,966	

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GENERAL FUND BUDGET 2007-08

	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £	Savings Reference
Business Units						
Built Environment						
Building Control (Ring-fenced)	644,031	(774,484)	(130,453)	133,790	3,337	
Building Control (Other)	145,248	0	145,248	(33,448)	111,800	
Design Team	256,424	(25,981)	230,443	(58,083)	172,360	34
Highways Residual	28,672	0	28,672	24,768	53,440	
Shopmobility & Disability Access	139,570	(40,151)	99,419	36,125	135,544	35
Admin Buildings	1,116,181	(6,894)	1,109,287	(1,714,721)	(605,434)	36
Building Design & Construction	360,008	(28,968)	331,040	(252,530)	78,510	
Property Maintenance (Part)	195,072	0	195,072	116,950	312,022	
Total Built Environment	2,885,206	(876,478)	2,008,728	(1,747,149)	261,579	
City Works						
Engineering	1,391,727	(1,735,346)	(343,619)	255,252	(88,367)	
Street Cleaning	2,276,576	(273,238)	2,003,338	591,566	2,594,904	37
Street Furniture	156,383	0	156,383	19,195	175,578	
Public Conveniences	436,968	(7,168)	429,800	81,568	511,368	
Recycling	2,034,017	(1,073,768)	960,249	303,839	1,264,088	38
Refuse	3,268,553	(1,764,370)	1,504,183	493,076	1,997,259	39
Markets	364,802	(1,111,224)	(746,422)	128,303	(618,119)	
Motor Transport	1,916,905	(3,378,517)	(1,461,612)	545,591	(916,021)	40
City Works Management & Depot Cc	2,048,844	(2,030,407)	18,437	116,515	134,952	
Total City Works	13,894,775	(11,374,038)	2,520,737	2,534,905	5,055,642	
Planning						
Production Of Local Plan/LDF	(10,000)	(1,000)	(11,000)	11,515	515	41
Planning Policy	670,161	(80,000)	590,161	135,419	725,580	42
Planning Control	1,005,906	(736,272)	269,634	381,888	651,522	43
Planning Management & Technical £	472,881	(102,637)	370,244	54,993	425,237	44
Total Planning	2,138,948	(919,909)	1,219,039	583,815	1,802,854	
Transport & Parking						
Off Street Parking	2,169,925	(5,609,595)	(3,439,670)	506,451	(2,933,219)	45
Park & Ride	650,431	(539,601)	110,830	162,929	273,759	46
Taxis	116,680	(173,681)	(57,001)	53,847	(3,154)	
Concessionary Fares	1,958,865	0	1,958,865	19,360	1,978,225	
Public Transport	32,462	0	32,462	807	33,269	
Gloucester Green Bus Station	56,671	(85,280)	(28,609)	4,621	(23,988)	
Total Transport & Parking	4,985,034	(6,408,157)	(1,423,123)	748,015	(675,108)	
Leisure And Cultural Services						
Leisure & Culture Business Support	216,967	(640,000)	(423,033)	25,179	(397,854)	47
Culture Management	57,343	0	57,343	0	57,343	
Arts, Dance & Events	282,175	(120,238)	161,937	19,651	181,588	48
Museum & Carfax Tower	847,506	(559,128)	288,378	292,689	581,067	49
Former Leisure Management	0	0	0	0	0	
Leisure Central Management & Supp	497,742	0	497,742	105,367	603,109	50
Pool Facilities	924,818	(203,787)	721,031	202,199	923,230	
Leisure Centres	2,671,218	(1,114,663)	1,556,555	588,057	2,144,612	51
Ice Rink	724,597	(787,453)	(62,856)	67,391	4,535	
Sports Development	54,743	(3,755)	50,988	2,031	53,019	
Externally Funded/Partnerships	403,207	(402,945)	262	(4,121)	(3,859)	
Parks Management & Administration	561,566	(194,160)	367,406	104,738	472,144	
Parks	2,948,183	(468,229)	2,479,954	119,295	2,599,249	52
Countryside	185,751	(9,647)	176,104	18,780	194,884	
Allotments	105,522	(18,250)	87,272	9,591	96,863	53
Burial Services	93,143	(212,643)	(119,500)	7,931	(111,569)	
Total Leisure And Cultural Service	10,574,481	(4,734,898)	5,839,583	1,558,778	7,398,361	
Physical Environment						
Physical Environment	(299,000)	0	(299,000)	0	(299,000)	54
Total Physical Environment	(299,000)	0	(299,000)	0	(299,000)	
Total Physical Environment	34,179,444	(24,313,480)	9,865,964	3,678,364	13,544,328	

21.14

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08 £	2008/09 £	2009/10 £
<u>Finance & Corporate Services Directorate</u>				
Strategy and Review Business Unit				
1	Strategic Policy			
SFSR03	Vacant Post Not Filled	(20,000)	-	-
	Total Strategic Policy	(20,000)	-	-
2	Partnerships			
SFSR01	Oxford Inspires bid overstated 2007-2008	(50,000)	-	-
SFSR02	Simplify S&R Mgmt	(60,000)	(110,000)	(110,000)
	Total Partnerships	(110,000)	(110,000)	(110,000)
3	Crime Strategy			
SFSR04	Phased (and more realistic) Implementation of PCSO Budget	(145,000)	120,000	120,000
	Total Crime Strategy	(145,000)	120,000	120,000
	Totals Strategy and Review	(275,000)	10,000	10,000
Human Resources Business Unit				
4	Employee Services			
SFHR02	Complete e-recruitment	(20,000)	(20,000)	(20,000)
SFHR03	Use of CD to reduce paper/postage	(20,000)	(20,000)	(20,000)
	Total Employee Services	(40,000)	(40,000)	(40,000)
5	Learning & Development			
SFHR01	Review Admin & training - self service arrangement	(40,000)	(40,000)	(40,000)
	Total Learning & Development	(40,000)	(40,000)	(40,000)
	Totals Human Resources	(80,000)	(80,000)	(80,000)
Financial & Asset Management Business Unit				
6	Accountancy			
SFFA01	Simplify Monitoring of Staff Budgets	(50,000)	(75,000)	(75,000)
SFFA03	Cash Office - additional savings	(27,000)	(33,000)	(33,000)
	Total Accountancy	(77,000)	(108,000)	(108,000)
7	Audit & Risk			
SFFA02	Reduce KPMG programme by 20 days (as audit process now better embedded)	(10,000)	(10,000)	(10,000)
	Total Audit & Risk	(10,000)	(10,000)	(10,000)
	Totals Financial & Asset Management	(87,000)	(118,000)	(118,000)

21.15

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08 £	2008/09 £	2009/10 £
Legal & Democratic Services Business Unit				
8	Legal			
SFLD01	Review management structure, vacancies & admin	(26,000)	(26,000)	(26,000)
	Total Legal	(26,000)	(26,000)	(26,000)
9	Committees (incl. Area Committees)			
SFLD01	Review management structure, vacancies & admin	(27,000)	(47,000)	(47,000)
	Total Committees (incl. Area Committees)	(27,000)	(47,000)	(47,000)
	Totals Legal & Democratic Services	(53,000)	(73,000)	(73,000)
Business Systems Business Unit				
10	Staff/Running Costs			
SFBS01	Vacant post removed - web / egov post	(45,000)	(45,000)	(45,000)
SFBS02	Delete 2 posts through natural wastage	(25,000)	(50,000)	(50,000)
	Total Staff/Running Costs	(70,000)	(95,000)	(95,000)
	Totals Business Systems	(70,000)	(95,000)	(95,000)
Facilities Management Business Unit				
11	Caretaking & Cleaning			
SFFM02	Change Cleaning Rotas In St Aldate's Chambers	(10,000)	(10,000)	(10,000)
	Total Caretaking & Cleaning	(10,000)	(10,000)	(10,000)
12	Town Hall Management			
SFFM01	Increased Town Hall income through tours etc	(5,000)	(5,000)	(5,000)
	Total Town Hall Management	(5,000)	(5,000)	(5,000)
	Totals Facilities Management	(15,000)	(15,000)	(15,000)
Revenues & Benefits Business Unit				
13	Income & Collection			
SFRB02	Greater use of on line training	(20,300)	(20,300)	(20,300)
SFRB03	Reduce staff in Ctax/inspection of CTax discounts	(45,000)	(45,000)	(45,000)
	Total Income & Collection	(65,300)	(65,300)	(65,300)
14	Housing Benefit Administration			
SFRB01	Collection Fund est surplus -	(55,000)	-	-
SFRB02	Greater use of on line training	(40,300)	(40,300)	(40,300)
	Total Housing Benefit Administration	(95,300)	(40,300)	(40,300)

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	<u>2007/08</u> £	<u>2008/09</u> £	<u>2009/10</u> £
15	Benefit Investigation			
SFRB02	Greater use of on line training	(4,400)	(4,400)	(4,400)
	Total Benefit Investigation	(4,400)	(4,400)	(4,400)
	Totals Revenues & Benefits	(165,000)	(110,000)	(110,000)
	Local Cost of Benefits Business Unit			
See GF Summary	Local Cost Of Benefits			
SFACSD01	Targetted work on overpayments & collection rates	(200,000)	(200,000)	(200,000)
	Total Local Cost Of Benefits	(200,000)	(200,000)	(200,000)
	Totals Local Cost of Benefits	(200,000)	(200,000)	(200,000)
	Finance & Corporate Services Business Unit			
16	Finance & Corporate Services			
SFACSD02	Selective look at supplies budgets	(40,000)	(40,000)	(40,000)
SFACSD03	Saving From Negotiating Supplies & Services	(60,000)	(60,000)	(60,000)
SFACSD04	Joint project lean thinking with Customer Services	(150,000)	(150,000)	(150,000)
	Total Finance & Corporate Services	(250,000)	(250,000)	(250,000)
	Totals Finance & Corporate Services	(250,000)	(250,000)	(250,000)
	Total Finance & Corporate Services	(1,195,000)	(931,000)	(931,000)

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08	2008/09	2009/10
		£	£	£
Housing, Health & Community Directorate				
Area Co-Ordinators Business Unit				
17	Area Committee Budgets			
SHAC01	Use of discretionary budget	(15,000)	(15,000)	(15,000)
	Total Area Committee Budgets	(15,000)	(15,000)	(15,000)
	Totals Area Co-Ordinators	(15,000)	(15,000)	(15,000)
Community Housing Business Unit				
18	Temporary Accommodation Managers			
SHCH08	TAM staff move to Centre - Computer Link not req'd	(5,000)	(5,000)	(5,000)
SHCH11	Reduce Temp Accom Manager Estab - Natural Wastage	(20,000)	(20,000)	(20,000)
	Total Temporary Accommodation Managers	(25,000)	(25,000)	(25,000)
19	Homelessness Accomodation Costs			
SHCH02	Reduction In Cost Pressure	(51,000)	(51,000)	(51,000)
SHCH03	VfM Proposal	(81,000)	(81,000)	(81,000)
SHCH04	Additional Rent Income from Nightly Charges	(25,000)	(25,000)	(25,000)
SHCH05	Better Mgt Current Arrears - Nightly Charges	(51,000)	(51,000)	(51,000)
SHCH06	New Lease agreements PSL props work now in House	(10,000)	(10,000)	(10,000)
SHCH07	Better Mgt Current Arrears Private Lease Clients	(51,000)	(51,000)	(51,000)
SHCH09	Non-Renewal Of Leases on PSL Properties - June	(100,000)	(100,000)	(100,000)
SHCH10	Transfer/Sub Leasing Props To Specialist Hsg Prov	(90,000)	(90,000)	(90,000)
SHCH13	VfM Proposal	(60,000)	(60,000)	(60,000)
	Total Homelessness Accomodation Costs	(519,000)	(519,000)	(519,000)
20	Elderly Services			
SHCH12	VfM Proposal	(15,000)	(15,000)	(15,000)
	Total Elderly Services	(15,000)	(15,000)	(15,000)
	Totals Community Housing	(559,000)	(559,000)	(559,000)
Neighbourhood Renewal Business Unit				
21	Community Centres			
SHNR02	Reduce SLA Cost to Chinese Adv Centre (Princes St)	(13,000)	(13,000)	(13,000)
SHNR06	BRates saved re trans BBL CommCntrs to CommAss Mgt	(10,000)	(10,000)	(10,000)
	Total Community Centres	(23,000)	(23,000)	(23,000)
23	Grants			
SHNR08	NR to work more closely with voluntary sector on grant work	(20,000)	(20,000)	(20,000)
	Total Grants	(20,000)	(20,000)	(20,000)
24	International Exchange			
SHNR04	Better Management of International Links Work Review (VFM)	(5,000)	(5,000)	(5,000)
	Total International Exchange	(5,000)	(5,000)	(5,000)

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08	2008/09	2009/10
		£	£	£
25	Neighbourhood Renewal Services			
SHNR03	More Efficient Administration of Support Functions	(5,000)	(5,000)	(5,000)
	Total Neighbourhood Renewal Services	(5,000)	(5,000)	(5,000)
26	Social Inclusion			
SHNR01	Reduce Sure Start Income Pressure (PHNR04)	(20,000)	(20,000)	(20,000)
	Total Social Inclusion	(20,000)	(20,000)	(20,000)
	Totals Neighbourhood Renewal	(73,000)	(73,000)	(73,000)
	Environmental Health Business Unit			
27	General Management			
SHEH03	Reduce Use of Contractors	(10,000)	(10,000)	(10,000)
SHEH04	Further Reduction In Reliance on Contractors	(5,000)	(5,000)	(5,000)
SHEH05	VfM Proposal	(10,000)	(10,000)	(10,000)
SHEH06	Management Restructure	(20,000)	(20,000)	(20,000)
	Total General Management	(45,000)	(45,000)	(45,000)
28	Occupational & Residential Health & Safety			
SHEH01	Income budget adjustments	(50,279)	(50,279)	(50,279)
	Total Occupational & Residential Health & Safety	(50,279)	(50,279)	(50,279)
29	Food Safety			
SHEH01	Income budget adjustments	(24,250)	(24,250)	(24,250)
	Total Food Safety	(24,250)	(24,250)	(24,250)
30	Environmental Protection			
SHEH01	Income budget adjustments	(14,698)	(14,698)	(14,698)
SHEH02	Loft Insulation Grants - Treat Remaining Spend As Capital	(85,000)	(85,000)	(85,000)
	Total Environmental Protection	(99,698)	(99,698)	(99,698)
31	Public Health			
SHEH01	Income budget adjustments	(21,310)	(21,310)	(21,310)
	Total Public Health	(21,310)	(21,310)	(21,310)
32	Support & Development			
SHEH01	Income budget adjustments	16,537	16,537	16,537
	Total Support & Development	16,537	16,537	16,537
	Totals Environmental Health	(224,000)	(224,000)	(224,000)
	Housing Health & Community Business Unit			
33	Housing Health & Community			
SHHCD01	Systems Thinking	(180,000)	(300,000)	(300,000)
	Total Housing Health & Community	(180,000)	(300,000)	(300,000)
	Customer Services Business Unit			
33A	Customer Services			
SHCS02	Reduction In Cost Pressure (PHCS01)	(28,000)	(28,000)	(28,000)
SHCS03	VfM Proposal	(30,000)	(30,000)	(30,000)
	Total Housing Health & Community	(28,000)	(28,000)	(28,000)
	Totals Housing Health & Community	(58,000)	(58,000)	(58,000)
	Total Housing, Health & Community	(1,109,000)	(1,229,000)	(1,229,000)

21.19

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08	2008/09	2009/10
		£	£	£
Physical Environment Directorate				
Built Environment Business Unit				
34	Design Team			
SPBE04	Ditching (DLO work)	(10,000)	(10,000)	(10,000)
SPBE06	Reduce establishment	(44,000)	(44,000)	(44,000)
	Total Design Team	(54,000)	(54,000)	(54,000)
35	Shopmobility & Disability Access			
SPBE02	Shopmobility	(3,000)	(3,000)	(3,000)
	Total Shopmobility & Disability Access	(3,000)	(3,000)	(3,000)
36	Admin Buildings			
SPBE01	Albert Street Car Park rates	(15,000)	(15,000)	(15,000)
SPBE03	St Aldates Rent	(12,000)	(12,000)	(12,000)
SPBE05	Admin buildings - various	(35,000)	(35,000)	(35,000)
	Total Admin Buildings	(62,000)	(62,000)	(62,000)
	Totals Built Environment	(119,000)	(119,000)	(119,000)
City Works Business Unit				
37	Street Cleaning			
SPCW04	Street Cleansing - reduce fleet by 1 large road sweeper via better use of equipment	(41,909)	(41,909)	(41,909)
SPCW06	Reorganise litter bins, with replacements o/s city centre provided by 3rd party	(39,000)	(39,000)	(39,000)
	Total Street Cleaning	(80,909)	(80,909)	(80,909)
38	Recycling			
SPCW03	Refuse & Recycling scheme	(75,000)	(150,000)	(150,000)
	Total Recycling	(75,000)	(150,000)	(150,000)
39	Refuse			
SPCW01	Generate additional income from Trade Waste operations	(125,000)	(125,000)	(125,000)
	Total Refuse	(125,000)	(125,000)	(125,000)
40	Motor Transport			
SPCW02	Motor transport	(30,000)	(30,000)	(30,000)
SPCW04	Street Cleansing - reduce fleet by 1 large road sweeper via better use of equipment	21,909	21,909	21,909
	Total Motor Transport	(8,091)	(8,091)	(8,091)
	Totals City Works	(289,000)	(364,000)	(364,000)
Planning Business Unit				
41	Production Of Local Plan/LDF			
SPPL06	Consult More Efficiently	(10,000)	(10,000)	(10,000)
	Total Production Of Local Plan/LDF	(10,000)	(10,000)	(10,000)

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08	2008/09	2009/10
		£	£	£
42	Planning Policy			
SPPL02	West End Project Partner	(40,000)	(40,000)	(40,000)
SPPL05	Reduce LDF Consultant budget	(50,000)	(50,000)	(50,000)
SPPL06	Consult More Efficiently	(3,000)	(3,000)	(3,000)
	Total Planning Policy	(93,000)	(93,000)	(93,000)
43	Planning Control			
SPPL03	Planning Fee Income	(20,000)	(20,000)	(20,000)
SPPL04	Charge for parts of Planning	(18,000)	(18,000)	(18,000)
SPPL06	Consult More Efficiently	(3,000)	(3,000)	(3,000)
SPPL08	Change SPG topslice S106 contribution	(15,000)	(15,000)	(15,000)
	Total Planning Control	(56,000)	(56,000)	(56,000)
44	Planning Management & Technical Support			
SPPL01	PDG - excluding for staff	(100,000)	-	-
SPPL06	Consult More Efficiently	(14,000)	(14,000)	(14,000)
SPPL09	Change way prepare LDF	(25,000)	(25,000)	(25,000)
	Total Planning Management & Technical Support	(139,000)	(39,000)	(39,000)
	Totals Planning	(298,000)	(198,000)	(198,000)
	Transport & Parking Business Unit			
45	Off Street Parking			
SPTP03	Introduce higher Saturday tariff	(212,000)	(212,000)	(212,000)
SPTP06	Contract Parking	(25,000)	(25,000)	(25,000)
SPTP07	RPI Increase Future Years		(150,000)	(150,000)
	Total Off Street Parking	(237,000)	(387,000)	(387,000)
46	Park & Ride			
SPTP01	Remove vacant posts at the Park & Ride	(100,000)	(100,000)	(100,000)
SPTP05	Revenue generation at Redbridge	(10,000)	(10,000)	(10,000)
	Total Park & Ride	(110,000)	(110,000)	(110,000)
	Totals Transport & Parking	(347,000)	(497,000)	(497,000)
	Leisure And Cultural Services Business Unit			
47	Leisure & Culture Business Support			
SPLC08	Review Direct Debit arrangements	(50,000)	(50,000)	(50,000)
	Total Leisure & Culture Business Support	(50,000)	(50,000)	(50,000)
48	Arts, Dance & Events			
SPLC03	Extra Income By Better Marketing Of Tourist Information Centre	(30,000)	(30,000)	(30,000)
	Total Arts, Dance & Events	(30,000)	(30,000)	(30,000)
49	Museum & Carfax Tower			
SFSR02	Simplify S&R Mgmt - TIC transfer & other functions	(40,000)	(40,000)	(40,000)
	Total Museum & Carfax Tower	(40,000)	(40,000)	(40,000)
50	Leisure Central Management & Support			
SPLC01	Restructure & Contractual review	(70,000)	(80,000)	(80,000)
	Total Leisure Central Management & Support	(70,000)	(80,000)	(80,000)

GENERAL FUND

Proposed Savings For Inclusion In 2007/08 Budget

Reference	Description	2007/08	2008/09	2009/10
		£	£	£
51	Leisure Centres			
SPLC02	Rationalisation of Facilities	(100,000)	(300,000)	(300,000)
SPLC09	New Leisure Flex Marketing	(100,000)	(100,000)	(100,000)
SPLC14	NPDO Leisure Trust	-	(300,000)	(300,000)
	Total Leisure Centres	(200,000)	(700,000)	(700,000)
52	Sports Development			
SPLC13	Sports Development Efficiencies	(25,000)	(25,000)	(25,000)
	Total Sports Development	(25,000)	(25,000)	(25,000)
53	Allotments			
SPLC12	Phased spending on allotments	(150,000)	(24,000)	87,000
	Total Allotments	(150,000)	(24,000)	87,000
	Totals Leisure And Cultural Services	(565,000)	(949,000)	(838,000)
	Physical Environment Business Unit			
54	Physical Environment			
SPENV01	Systems Thinking	(30,000)	(100,000)	(100,000)
	Total Physical Environment	(30,000)	(100,000)	(100,000)
	Totals Physical Environment	(30,000)	(100,000)	(100,000)
	Total Physical Environment	(1,648,000)	(2,227,000)	(2,116,000)
	Grand Total	(3,952,000)	(4,387,000)	(4,276,000)

Draft General Fund Projection 2007-08 to 2009-10

	2007-08 £'000	2008-09 £'000	2009-10 £'000
Inflated net spending	31,402	31,079	30,618
add: Unavoidable Costs	414		
add: Directorate Pressures	2,366		
	34,182	31,079	30,618
Corporate Accounts			
less: Asset Management Revenue Account	(1,469)	(1,469)	(1,469)
less: Transfer to capital reserve	(1,261)	(1,199)	(1,199)
add: Revenue Contribution to capital		900	900
Local Cost of Benefits	200	200	200
Investment Income	(2,167)	(1,815)	(1,600)
Interest Payable	1,232	1,128	1,123
Pensions increase	550	550	550
	31,267	29,374	29,123
Anticipated changes			
Budget savings proposals <i>incremental effect only shown for 2008-09 onwards</i>			
Finance and Corporate Services	(995)	264	
Physical Environment	(1,648)	(579)	111
Housing, Health and Community	(1,109)	(120)	
add Policy Space	-	500	500
less: Net Savings Requirement	(251)	(2,026)	(1,694)
Total Net Spending Requirement	27,264	27,413	28,040
less: External Support	(16,022)	(16,343)	(16,687)
less: Income from Council Tax	(10,929)	(11,070)	(11,353)
less: Collection Fund surplus			
Contribution (to)/from balances	313	-	-

Memorandum:

Council Tax			
- Taxbase	46,133	46,363	46,595
- Council Tax at Band D	£240.53	£245.34	£250.25
- Council Tax increase	3%	2%	2%

21.23

Housing Revenue Account

2007 - 2008

Oxford City Homes
Budget 2007/08

Service Description	Budget for 2007/08
INCOME	
Dwellings - Rent	(28,708,400)
Service Charges	(672,169)
Shops/Garages/Furn./Other Rent	(1,575,081)
Interest on Balances	(320,000)
Contracting	(14,021,792)
Fees/Other	(1,097,838)
National Subsidy Payment	12,520,006
Item 8 Interest payable	1,441,100
Net Income	<u>(32,434,174)</u>
EXPENDITURE	
Tenancy Services	
Local Housing Management	993,417
Rent/Income Collection	918,864
Tenants' Participation	262,305
Tower Blocks and Flats	745,316
Caretaking Services	576,217
Furnished Tenancies	440,035
Contact Centre	531,241
Contracting Prime Costs	11,401,414
Repairs Service	
Day to day responsive repairs	2,916,133
Planned Maintenance	3,837,002
Operational Management	2,167,906
Overheads	
Management/Infrastructure	4,747,640
Major Project/Policy/Technical	1,131,785
Depreciation	17,015,873
Total OCH Expenditure	<u>47,685,148</u>
NET COST - OCH	15,250,974
Other Business unit Recharges and Appropriations	
AMRA	(17,015,873)
Neighbourhood Renewal	231,724
Pension/Retirement Provision/Charge	267,175
Other Business Units	<u>(16,516,974)</u>
Total HRA (Surplus) / Deficit for 2007/08	<u><u>(1,266,000)</u></u>

21.25