

Report of: Financial & Asset Management Business Managers

To: Executive Board

Date: 8th October 2007

Item No:

Title of Report : Budget for Consultation 2008-09

Summary and Recommendations

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

Key decision: Yes

Portfolio Holder: Councillor Jim Campbell

Scrutiny Responsibility: Finance

Ward(s) affected: All

Report Approved by:

Councillor Jim Campbell

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 savings proposals for public consultation on the indicative budget for 2008-09
- b) Notes that following consultation the Administration will prepare and recommend to the Executive Board and Council a budget for adoption in February 2008.
- c) Instructs the Head of Paid Service to implement the efficiency savings (marked I in the attached schedules) as soon as possible

Summary

1. The budget position for 2008-09 is more uncertain than in previous years, in part due to external factors – including the Comprehensive Spending Review, introduction of the national scheme for Concessionary Bus Fares, and the implementation of single status. We are therefore presenting a budget report that sets out the context of the budget and introduces savings proposals for 2008-9, significantly ahead of previous years when the budget was generally submitted for consultation in December. These plans will go forward for consultation although Executive Board will instruct officers to prepare for immediate implementation of those savings to be achieved through service efficiencies.
2. The report covers the following:
 - Sets the context and describes the proposed process
 - Describes current spending
 - Looks at what drives our current costs
 - Shows how savings have been calculated and allocated
 - Highlights some of the issues in the coming budget
 - Lists savings proposals
3. Against a General Fund savings target of £5.2m, the Council has identified £3.7m. The HRA budget proposals meet its savings target of £0.5m.
4. Attached to this report are appendices listing:
 - Section 1 General Fund – summary report, Directorate details, 3 year impact of savings proposals, 3 year summary
 - Section 2 Housing Revenue Account – summary report and savings proposals

Budget context - what do we spend?

5. Before getting into detail of next year's budget it is worth noting what our current year revenue spending is and how we pay for it¹.

2007-8 General Fund budget

General fund "gross" spending (i.e. not including the £50m we pay and reclaim on housing benefits, or on council housing - see below)

£67.0m

Less income from fees and charges charged by services

(£35.4m)

Equals net controllable spending

£31.6m

¹ To keep this report short I've not gone into capital spending - it comes from separate sources and there are severe pressures on this area also.

Less a set of corporate adjustments (interest on our cash balances, local cost of benefits, depreciation and SLA adjustments)

(£3.1m)

Equals the amount we have to raise (often called the "net" budget)

£28.5m

We fund this net budget by:

Revenue Support Grant and our share of Business Rates (from Government based on a formula)

£16.1m

Plus Council tax

£10.9m

Drawing on reserves (one off)

£1.5m

Total

£28.5m

2007-8 Housing Revenue Account

6. We are not allowed to cross-subsidise between council housing and other budgets. These figures are not included in the ones above.

Income from rents and service charges (after paying back money into a central housing subsidy pool and including income from our SOHA contract)

£32.1m

This income pays for:

Costs of management, (including collecting rent, running a telephone contact centre and other day-to-day costs and the SOHA contract)²

£21.6m

Costs of repairs and planned maintenance on our properties

£8.8m

Balance - put towards pension contributions, job evaluation and decent homes capital costs

£1.7m

£32.1m

² I've excluded the £7.3m depreciation from all HRA costs - because it is not real money.

Budget context

General Fund

7. Nearly every local authority faces similar pressures at budget setting. Inflation adds much more to our costs than we get from increases in council tax and government grant.
8. However Oxford should be well placed to balance its budgets because:
 - We are very unusual in having a £107m portfolio of investment properties. The £6.3m annual income from this portfolio helps offset our general fund costs.
 - We generate a further £6.6m from our car parks.
 - We charge the 10th highest council tax of English Districts.
9. However, as our comparative cost analysis 2006 showed, our costs are also higher than the average district council and these more than offsets our extra income. There are three main drivers for these higher costs:
 - We are in an economically buoyant, high cost region of the UK. Our status as a major visitor destination and student centre increases some costs. At the same time we have pockets of deprivation, which drives some other areas of spending.
 - We have taken choices to fund some areas, for example concessionary fares, improved recycling and by funding the third sector through grant funding.
 - Some other costs remain high and we have been reviewing the reasons for these - for example via the leisure best value review.

The HRA

10. At present the HRA generates a surplus, which is put towards paying for improvements to meet the national decent homes standard.
11. The original budget calculations, at the time we decided to retain our housing stock, were challenging ones. Despite the sale of the Slade Barracks the HRA still faces a challenge to meet decent homes standards because of considerable work required on Tower Blocks and sheltered blocks. The HRA team are working on an Asset strategy that will inform the Decent Homes spend programme and asset disposals.
12. The HRA budgets have risks within them. The key risk is around the national Housing Subsidy rules. Subsidy (not known until December) could increase or reduce the amount of income the fund has available. Central Government are consulting on changes to the rules that cover

compensation paid when actual rent increases are restricted below the levels that national formula suggests. This could impact adversely by up to £0.5m.

Reducing staffing

13. At about £40 million, staff salaries are one of our largest single costs. At 1st April 2007 we had 1,034 (in full time equivalents) working on general fund (and a further 389 in the HRA).
14. We have been taking action to control our staff numbers. The Chief Executive has proposed units make percentage reductions in staff running up to 31st March 2009 equivalent to:
 - 7% of staff numbers for "support" units and
 - 4% of staff for "front line" units
15. The impact of this headcount reduction will be in the region of £1.5m each year – so although it contributes to savings target, managers have to generate other efficiencies to meet the budget challenge.

National efficiency targets

16. The government will shortly announce national (sometimes called "Gershon") efficiency targets for local government. We understand these will be significantly more challenging than in previous years. Our budget should deliver sufficient savings to meet these new targets.

The 2008-9 General Fund budget

17. The 2007-8 General Fund budget planned for £4.4m of savings, £0.7m of new spending and that £1.5m would be drawn from balances.

Risks

18. The Council faces more risks with its 2008-9 budget than for several years:
 - The Government will introduce a new system of allocating revenue support grants, but we will not know what this is until December 2007.
 - We are assuming we manage the costs of single status and job evaluation within the sums we put aside.
 - We do not know the outcome of the national changes to concessionary fares scheme (the results may help or hinder us) or the outcome of the bus company appeals.

- The budget depends on £35m of fees and charges. Some of this (eg the £6.3m in commercial rents) is relatively stable - but other parts of this are more susceptible to downturns in the economy.

The 2008-9 budget savings target has been drawn up as follows:

	£k
Inflation (pay 3.5%, other costs 3%, less income increases)	1,572
Council Tax increase and RSG (both 2%)	(747)
Movements in budget base and interest income	(169)
Add back use of balances in 2007-08 budget to achieve balance	1,514
Subtotal	2,170
Policy decisions and Corporate items	
Reduce Local cost of Benefits to 0	(200)
Charge General Fund with share of iWorld costs	157
Westgate Car Park	347
Revenue Contribution to Maintenance Backlog	900
Estimated budget pressures and risks	626
First budget savings target	4,000
Add turnover savings now included as part of headcount reduction	620
Add savings included in 2007-08 plan for 2008-09 to ensure included in 2008-09 savings totals	640
Revised savings target for Directorates	5,260

19. Officers have been working to an earlier timetable for the 2008-9 budget. Each Directorate spent the period up to end August working on:
- Identifying high cost areas
 - Working up proposals for savings areas.

The Directorates have drafted saving proposals in the same format as last year (drawn in part from the Cambridge model). These have been summarised in the following sheets.

Each Directorate has had to find the same 7.9% saving (worked out as a percentage of their "controllable" costs - i.e. ignoring overheads).

Directorate	Controllable spend	Saving target
Corporate services	£15.4m	£1.22m
Housing (General fund)	£15.8m	£1.25m
Physical Environment	£35.2m	£2.79m
Total savings		£5.26m

Savings

20. The attached sheets show that £3.1 million of savings have been identified. The proposed Revenue Contribution to the Maintenance backlog has been reduced from £900k to £200k in the light of the budget challenge for 2008-09. There is therefore a further £1.5 million of savings to be identified.
21. Officers have split savings into three general types.
 - Efficiency savings - doing the same for less, by reorganising services.
 - Generating extra income by: increasing take-up, raising charges or extending user charges to new users.
 - Stopping or reducing some optional activities
22. Directors have said whether they judge their proposed savings to be low, medium or high-risk in terms of delivery. Higher risk savings include proposals that involve outsourcing activities, or making changes to staffing levels.

Three year perspective

23. The budget realignment in 2008-09 results in an unusually high savings target. However, savings to meet inflationary and other pressures will be needed each and every year. Projecting forward, the Council will need to make permanent savings of £7.8m over the next three years. The savings proposals have been drawn up looking at potential over a 3 year period and would deliver £3.1m in 2008-09 rising to £4.1m in 2009-10 and £4.4m in 2010-11.

24. Achieving more from initiatives started in 2008-09 will enable more positive spending choices to be made in later years.

The 2008-9 Housing Revenue Account budget

25. The target budget for 2008/09 and the following two years is for a surplus of £830k. The surplus is used for direct revenue financing of the decent homes programme.

The 2008-9 budget challenge in summary is:

	£k
Base Budget 2008/09	(836)
Inflation (pay 3.5%, other costs 3%, less income increases)	842
Estimated Increase in Subsidy	740
Increased Rental Income (Dwellings)	(870)
Increased Rental Income (Garages)	(400)
Subtotal	(524)
Budget pressures and risks	240
Subtotal	(284)
Budget Target	(830)
Budget savings target	546

26. The attached sheet shows the savings proposals. These proposals follow a thorough review of current vacancies and increased efficiency within Oxford City Homes.

Capital

27. The capital programme will be presented to Executive Board in December after the Housing Stock asset strategy and the Council's capital strategy have been more widely considered.

Timetable and next steps

28. This is the first report in the budget cycle and presents an interim budget for consultation. Over the next two months the Medium Term Financial Strategy will be presented to Executive Board and further information will be available on the key unknowns in the Budget. The Council will receive announcements on RSG and Housing Subsidy before Christmas and will have more information on pensions, concessionary fares and single status.
29. Taking this updated information and using the results of consultation, the Executive board will be in a more informed position to make final decisions on the budget in either December or January for final Council agreement in February.
30. The £1.5m gap will need to be closed for the final budget report to February Council. Implementing the savings identified in this report early will contribute towards reducing this gap. In the meantime we will work and consult on further savings options.
31. The Council has Budget Risk Assessment Group meetings on 19th and 30th October for scrutiny and review of budget proposals (including the HRA) in further detail. These meetings will consider the deliverability of each saving.
32. In the period from October to December the Council will consult with stakeholders.

Lead in Times

33. Some budget proposals have a longer lead-in time. The earlier that officers can be instructed to implement savings the sooner savings can be achieved. This report recommends Executive Board to instruct officers to implement efficiency savings now. Although the savings are subject to consultation, as many savings are efficiency only and have no impact on levels of service, it is hoped that these savings can be implemented immediately

Consultation

34. In previous years the Council has consulted just on the savings proposals within the budget and understood stakeholders priorities through consultation on the Oxford Plan. This year, the Council will undertake budget consultation beyond the proposals in the savings schedules.
35. The Council will consult with the NNDR payers on October 16th, consult through Area committees, hold a Citizens Jury and consider running a consultative budget game on the internet.

36. Council consults with Tenants and Leaseholders on October 17th and in November (date yet to be confirmed).

Timetable of future Budget Reports

November/December	MTFS
January 2008	Results of consultation and revised budget proposals including the capital programme

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Background papers: None

GENERAL FUND BUDGET 2008-09

	Gross Expenditure £	Gross Income £	Net Controllable Expenditure £	SLAs And Capital Charges £	Total Budget £
Business Units					
Chief Executive Business Unit	687,361	-	687,361	(662,472)	24,889
Corporate & Democratic Core	673,053	-	673,053	2,966,038	3,639,091
Chief Executive	595,000	-	595,000	-	595,000
Chief Executive	1,955,414	-	1,955,414	2,303,566	4,258,980
Strategy and Review	2,343,237	(755,368)	1,587,869	(57,620)	1,530,249
Human Resources	2,053,507	-	2,053,507	(1,265,014)	788,493
Financial & Asset Management	3,052,026	(6,316,877)	(3,264,851)	(1,825,671)	(5,090,522)
Legal & Democratic Services	2,035,330	(62,700)	1,972,630	(1,737,934)	234,696
Business Systems	1,431,804	-	1,431,804	(1,498,544)	(66,740)
Facilities Management	1,378,627	(572,272)	806,355	(412,047)	394,308
Revenues & Benefits	3,045,473	(1,640,441)	1,405,032	1,697,467	3,102,499
Finance & Corporate Services	(165,000)	-	(165,000)	-	(165,000)
Finance & Corporate Services	15,175,004	(9,347,658)	5,827,346	(5,099,363)	727,983
Area Co-Ordinators	532,249	-	532,249	(234,479)	297,770
Community Housing	6,344,208	(2,376,010)	3,968,198	605,525	4,573,723
Customer Services	1,293,627	-	1,293,627	(1,148,796)	144,831
Neighbourhood Renewal	4,189,733	(435,385)	3,754,348	1,472,057	5,226,405
Environmental Health	2,687,985	(703,373)	1,984,612	359,275	2,343,887
Housing Health & Community	(294,000)	-	(294,000)	-	(294,000)
Housing, Health & Community	14,753,802	(3,514,768)	11,239,034	1,053,582	12,292,616
Built Environment	3,077,336	(879,951)	2,197,385	(1,204,368)	993,017
City Works	14,876,520	(9,016,303)	5,860,217	977,329	6,837,546
Planning	2,343,523	(1,250,027)	1,093,496	562,571	1,656,067
Transport & Parking	5,465,109	(6,927,767)	(1,462,658)	717,989	(744,669)
Leisure And Cultural Services	9,692,641	(4,234,076)	5,458,565	2,170,574	7,629,139
Physical Environment	35,455,129	(22,308,124)	13,147,005	3,224,095	16,371,100
Total Business Unit Expenditure	67,339,349	(35,170,550)	32,168,799	1,481,880	33,650,679
Corporate Accounts					
Local Cost Of Benefits					(94,000)
Asset Management Revenue Account					(1,206,508)
Transfer To Capital Reserve					(3,203,357)
Investment Income					(1,978,922)
Interest Payable					1,441,690
Pension Increase (2.3%)					550,000
Total Expenditure					29,159,582
Funding					
External Funding (2% per annum)					16,342,893
Council Tax (2% per annum)					11,536,954
Less assumed parish precept (4% per annum)					(173,265)
Assumed movement in balances in base budget					-
Collection Fund surplus (£86K saving shown in Revenues & Benefits Business Unit)					-
Total Funding Available					27,706,582
Current (Surplus)/Deficit for year					1,453,000
Balance Left To Find					(1,453,000)
(Surplus)/Deficit for year					-

General Fund Projection 2008-09 to 2010-11

	2008-09 £'000	2009-10 £'000	2010-11 £'000
Total Business Unit budget from 2007-08 (adding back turnover)	32,879	33,947	35,502
Changes to base	(498)	(62)	
Updated base	32,381	33,885	35,502
Inflation	1,566	1,617	1,670
Inflated net spending	33,947	35,502	37,172
Policy changes and Corporate pressures			
Revenue contribution to maintenance backlog	200	400	400
Estimated pressures and risks	626	626	626
Contribution to HRA for iWorld	157	157	157
Westgate agreement	347	416	416
Rent review St Aldates Chambers		225	225
Revised net spending	35,277	37,326	38,996
Corporate Accounts			
Capital charges and SLAs	1,324	1,324	1,324
less: Asset Management Revenue Account	(1,168)	(1,168)	(1,168)
less: Transfer to capital reserve	(3,197)	(3,197)	(3,197)
Local Cost of Benefits	-	-	-
Investment Income	(1,915)	(1,700)	(1,700)
Interest Payable	1,378	1,373	1,373
Pensions increase	550	550	550
	32,249	34,508	36,178
less: 2008-09 budget proposals	(3,107)	(4,172)	(4,418)
less: 2008-09 budget - balance of target	(1,453)	(1,453)	(1,453)
target for new savings for 2009-10		(500)	(500)
target for new savings for 2010-11			(700)
Total Net Spending Requirement	27,689	28,383	29,107
less: External Support	(16,343)	(16,670)	(17,003)
less: Income from Council Tax	(11,364)	(11,803)	(12,259)
less: Collection Fund surplus			
Contribution (to)/from balances	(18)	(90)	(156)

**OXFORD CITY COUNCIL GENERAL FUND
BUDGET 2008-09 SAVINGS & PRESSURES SUMMARY**

	Physical Environment	Finance & Corporate Services	Housing, Health & Community	Total General Fund
	£'000	£'000	£'000	£'000
	FTE	FTE	FTE	FTE
SAVINGS TARGET ALLOCATED:	2,789	1,220	1,251	5,260
	20.0	17.0	9.0	46.0
DIRECTORATE LEVEL				
Pressures	10	200	42	252
Savings	(1,449)	(958)	(952)	(3,359)
	(21.0)	(17.4)	(12.5)	(50.9)
NET DIRECTORATE POSITION:	(1,439)	(758)	(910)	(3,107)
	(21.0)	(17.4)	(12.5)	(50.9)
REVISED SHORTFALL:	1,350	462	341	2,153
	(1.0)	(0.4)	(3.5)	(4.9)
Administration Proposal To Reduce Revenue Contribution To Maintenance Backlog:				(700)
				0.0
GAP REMAINING				1,453
				(4.9)

GENERAL FUND

Proposed Savings & Pressures For Inclusion In 2008/09 Budget

Savings Ref:		2008-09 £	2009-10 £	2010-11 £	Consult / Implemt
Finance & Corporate Services Directorate					
1 Strategy and Review Business Unit					
9SFSR01	Absorption of Business Manager Post	(60,000)	(60,000)	(60,000)	Imp
9SFSR02	Increased TIC Income	(30,000)	(30,000)	(30,000)	Cons
9SFSR03	Merge IT Web Support under Web Co-ordinator	(55,000)	(55,000)	(55,000)	Imp
9SFSR04	Tourism Management	(15,000)	(15,000)	(15,000)	Imp
	Totals Strategy and Review	(160,000)	(160,000)	(160,000)	
2 Human Resources Business Unit					
9SFHR01	Restructure HR & Training Administration	(100,000)	(100,000)	(100,000)	Imp
9SFHR02	Efficiencies in Payroll / HR	-	(40,000)	(40,000)	Imp
	Totals Human Resources	(100,000)	(140,000)	(140,000)	
3 Financial & Asset Management Business Unit					
9SFFA01	Additional Property Income	(50,000)	(50,000)	(50,000)	Cons
9SFFA02	Strategic Support to Services	(40,000)	(40,000)	(40,000)	Imp
9SFFA03	Revise Cash Van Contract	(15,000)	(15,000)	(15,000)	Imp
9SFFA04	Reorganise Management of Lease Renewals	(40,000)	(40,000)	(40,000)	Imp
	Totals Financial & Asset Management	(145,000)	(145,000)	(145,000)	
4 Legal & Democratic Services Business Unit					
9SFLO01	More Focused and Strategic Scrutiny Service	(40,000)	(40,000)	(40,000)	Imp
9SFLO02	Legal - Reduction in FTE through Retirement	(20,000)	(20,000)	(20,000)	Imp
9SFLO03	Printing Committee Agendas - Fewer hard copies	(3,000)	(7,000)	(8,000)	Imp
9SFLO04	Rationalise Support within LDS and Corporate Secretariat	(35,000)	(35,000)	(35,000)	Imp
9SFLO05	Use of On-Line Debt Recovery - preferential Court Fees	(10,000)	(10,000)	(10,000)	Imp
	Totals Legal & Democratic Services	(108,000)	(112,000)	(113,000)	
5 Business Systems Business Unit					
9SFBS01	Shared Service provision (Net Figures)	25,000	(100,000)	(250,000)	Imp
	Totals Business Systems	25,000	(100,000)	(250,000)	
6 Facilities Management Business Unit					
9SFFM01	Copier/Post Room Savings	(25,000)	(25,000)	(25,000)	Imp
9SFFM02	Procurement efficiencies / shared working arrangements	(12,000)	(12,000)	(12,000)	Imp
9SFFM03	Town Hall increased charges & additional bookings	(8,000)	(8,000)	(8,000)	Cons
9SFFM04	Clean offices once a week	(20,000)	(20,000)	(20,000)	Imp
	Totals Facilities Management	(65,000)	(65,000)	(65,000)	
7 Revenues & Benefits Business Unit					
9PFRB01	Reduction in Administration Grant	125,000	125,000	125,000	Imp
9PFRB02	Error in Base Budget	75,000	75,000	75,000	Imp
9SFRB01	Absorption of 5 (currently vacant) Assessor Posts	(140,000)	(140,000)	(140,000)	Imp
9SFRB02	Improved Revs & Bens productivity beyond "nil" in base budget	(100,000)	(50,000)	(50,000)	Imp
	Totals Revenues & Benefits	(40,000)	10,000	10,000	
	Finance & Corporate Services Business Unit	(593,000)	(712,000)	(863,000)	
8 Finance & Corporate Services					
9SFACS01	Establish T Government Unit - merging with other Business Manager	(50,000)	(50,000)	(50,000)	Imp
9SFACS02	Reduce Bad Debt provision to reflect improved debt recovery by R&B	(40,000)	(40,000)	(40,000)	Imp
9SFACS03	Merge procurement functions currently split between IT & Facilities Management	(20,000)	(20,000)	(20,000)	Imp
9SFACS04	Merge FOI roles currently split between IT & Legal	(55,000)	(55,000)	(55,000)	Imp
	Total Finance & Corporate Services	(165,000)	(165,000)	(165,000)	
	Total Finance & Corporate Services	(758,000)	(877,000)	(1,028,000)	

GENERAL FUND

Proposed Savings & Pressures For Inclusion In 2008/09 Budget

Savings Ref:		2008-09 £	2009-10 £	2010-11 £	Consult / Implemt
	Housing, Health & Community Directorate				
9	Area Co-Ordinators Business Unit				
9SHAC1	Greater devolution to Areas leading to efficiencies in project budget	(25,000)	(25,000)	(25,000)	Imp
	Totals Area Co-Ordinators	(25,000)	(25,000)	(25,000)	
10	Community Housing Business Unit				
9SHCH2	Supplies & Services Review	(187,000)	(187,000)	(187,000)	Imp
9SHCH3	Reduction In Temporary Accommodation	(20,000)	(40,000)	(60,000)	Cons
9SHCH4	Convert some Home Choice to Bonds	(50,000)	(100,000)	(150,000)	Cons
9SHCH5	New arrangements for Housing Advice	(80,000)	(80,000)	(80,000)	Cons
9SHCH6	Elderly Services new contracts	(20,000)	(20,000)	(20,000)	Imp
9SHCH7	Recovery of Home Choice Deposits	(20,000)	(20,000)	(20,000)	Cons
9SHCH8	Further reductions in temporary accommodation costs	(20,000)	(20,000)	(20,000)	Cons
	Totals Community Housing	(397,000)	(467,000)	(537,000)	
11	Customer Services Business Unit				
9SHCS1	Review Opening hours in One Stop Shops	(10,000)	(10,000)	(10,000)	Cons
9SHCS2	Efficiency through sharing cost of new One Stop Shops with Partners	-	(30,000)	(30,000)	Imp
	Totals Customer Services	(10,000)	(40,000)	(40,000)	
12	Neighbourhood Renewal Business Unit				
9PHNR1	CCTV Running Costs	42,000	42,000	42,000	Imp
9SHNR2	Rationalise Sports facilities in Neighbourhood Renewal	(20,000)	(20,000)	(20,000)	Cons
9SHNR3	Obtain External Funding for Street Wardens	(15,000)	(25,000)	(30,000)	Imp
9SHNR4	Absorb Community Development Vacancy	(33,000)	(33,000)	(33,000)	Imp
9SHNR5	Absorb Housing Advisor Vacancy	(27,000)	(27,000)	(27,000)	Imp
9SHNR6	Street Warden / CANACT reorganisation	(30,000)	(30,000)	(30,000)	Imp
9SHNR7	CCTV efficiencies in costs and share with partners	(20,000)	(20,000)	(20,000)	Imp
9SHNR8	Reduce Community Centre Support Staffing	(10,000)	(20,000)	(20,000)	Imp
	Totals Neighbourhood Renewal	(113,000)	(133,000)	(138,000)	
13	Environmental Health Business Unit				
9SHEH1	Review Supplies & Services	(10,000)	(10,000)	(10,000)	Imp
9SHEH2	Review fees & charges for Occ & Residential Health and Food Safety Services	(10,000)	(20,000)	(30,000)	Cons
9SHEH3	Additional Income - HMO scheme	(70,000)	(30,000)	(30,000)	Cons
9SHEH4	Reduce contractor costs	(10,000)	(10,000)	(10,000)	Imp
9SHEH5	Additional Income - Liquor & Entertainment Licencing	(35,000)	(35,000)	(35,000)	Cons
9SHEH6	Additional Income - SEL	(5,000)	(5,000)	(5,000)	Cons
9SHEH7	Additional Income - Street Traders	(5,000)	(5,000)	(5,000)	Cons
9SHEH8	Charge for appointments not kept by customers	(10,000)	(10,000)	(10,000)	Cons
	Totals Environmental Health	(155,000)	(125,000)	(135,000)	
	Housing Health & Community Business Unit	(700,000)	(790,000)	(875,000)	
14	Housing Health & Community				
9SHHAC1	Corporate Policy Staff Reductions	(160,000)	(160,000)	(160,000)	Imp
9SHHAC2	More Grants including Reward Grants	(50,000)	(50,000)	(50,000)	Cons
	Totals Housing Health & Community	(210,000)	(210,000)	(210,000)	
	Total Housing, Health & Community	(910,000)	(1,000,000)	(1,085,000)	

GENERAL FUND

Proposed Savings & Pressures For Inclusion In 2008/09 Budget

Savings Ref.:		2008-09 £	2009-10 £	2010-11 £	Consult / Implemt
Physical Environment Directorate					
15 Built Environment Business Unit					
9SPBE01	Utilities (cash office savings as property let)	(10,000)	(10,000)	(10,000)	Imp
9SPBE02	Shopmobility	(5,000)	-	-	Imp
9SPBE03	Building Design & Construction	(1,000)	(1,000)	(1,000)	Imp
9SPBE04	Development & PRS Team	(5,000)	(5,000)	(5,000)	Imp
9SPBE05	Efficiencies in team	(50,000)	(50,000)	(50,000)	Imp
	Totals Built Environment	(71,000)	(66,000)	(66,000)	
16 City Works Business Unit					
9SPCW03	Efficiencies in Street Cleansing Team	(70,000)	(70,000)	(70,000)	Imp
9SPCW05	Modernise and introduce charging for City Centre Toilets	(20,000)	(100,000)	(100,000)	Cons
9SPCW07	Corporate review staff travel / vehicle arrangements	(25,000)	(25,000)	(25,000)	Imp
9SPCW08	Synergies on management restructure	(50,000)	(50,000)	(50,000)	Imp
9SPCW09	Efficiencies in Car Park Cleansing on handover of Westgate	(50,000)	(50,000)	(50,000)	Imp
9SPCW10	Trade waste increased charges and offering a recycling service	(25,000)	(25,000)	(25,000)	Cons
9SPCW11	Efficiencies and increased automation	(25,000)	(50,000)	(50,000)	Imp
	Totals City Works	(265,000)	(370,000)	(370,000)	
17 Planning Business Unit					
9SPPL01	Remove Decluttering from City Centre budget	(50,000)	(50,000)	(50,000)	Imp
9SPPL02	Remove Sustainability Award budget	(5,000)	(5,000)	(5,000)	Imp
9SPPL03	New Growth Points grant from DCLG	(30,000)	(30,000)	(30,000)	Imp
9SPPL04	Housing and Planning Delivery Grant	(30,000)	(30,000)	(30,000)	Imp
9SPPL06	Efficiencies In Planning Control	(50,000)	(50,000)	(50,000)	Imp
9SPPL07	New Supplementary Planning Guidance To Topslice S106 Contributions	(15,000)	(30,000)	(30,000)	Imp
9SPPL08	Private Sector contribution to Northern Gateway AAP	(30,000)	(30,000)	(30,000)	Imp
9SPPL09	Change Preparation Method For LDF documents -	(25,000)	-	-	Imp
9SPPL10	Synergy From S&R Ref Planning Policy	(50,000)	(50,000)	(50,000)	Imp
9SPPL11	Synergy From S&R Ref Economic Development	(35,000)	(35,000)	(35,000)	Imp
	Totals Planning	(320,000)	(310,000)	(310,000)	
18 Transport & Parking Business Unit					
9SPTP01	RPI increase as per 07/08 (9 months)	(66,000)	(66,000)	(66,000)	Cons
9SPTP02	Rationalise parking operations	(110,000)	(110,000)	(110,000)	Imp
9SPTP03	Bring Barns Road tariff in line with other city car parks (9 months)	(13,000)	(35,000)	(35,000)	Cons
9SPTP04	Synergies on management reorganisation - part year saving in 08/09	(37,000)	(50,000)	(50,000)	Imp
9SPTP05	Improve efficiency on enforcement	(50,000)	(50,000)	(50,000)	Imp
9SPTP07	Staff efficiency	(45,000)	(50,000)	(60,000)	Imp
	Totals Transport & Parking	(321,000)	(361,000)	(371,000)	
19 Leisure And Cultural Services Business Unit					
9SPPLC02	Legionella quarterly testing (Parks buildings)	10,000	10,000	10,000	Imp
9SPPLC01	Increase leisure centre fees from 3% in base budget to 5%	(54,000)	(54,000)	(54,000)	Cons
9SPPLC04	Transfer provision of Christmas lights to partner organisation	-	(41,000)	(41,000)	Cons
9SPPLC05	Change from events promoter to facilitator	(71,000)	(71,000)	(71,000)	Imp
9SPPLC06	Reduce Water Use Through Selective Planting	(45,000)	(45,000)	(45,000)	Imp
9SPPLC08	Review plant and machinery	(5,000)	(5,000)	(5,000)	Imp
9SPPLC10	Merging Street Warden & Park Ranger service	(30,000)	(60,000)	(60,000)	Imp
9SPPLC12	Reduce maintenance on Cutteslowe plant nursery	(10,000)	(10,000)	(10,000)	Imp
9SPPLC13	Increased income from burials - increase fees by 20% in line with average local authority charges	(42,000)	(42,000)	(42,000)	Cons
9SPPLC25	Reform of Slice concessions	(10,000)	(10,000)	(10,000)	Cons
9SPPLC26	Energy efficiency measures at leisure facilities	(40,000)	(40,000)	(40,000)	Imp
9SPPLC27	Increase Museum income (not reintroduction of entrance charge)	(20,000)	(20,000)	(20,000)	Imp
9SPPLC28	Savings on NNDR at leisure facilities	(15,000)	-	-	Imp
9SPPLC29	Introduce Leisure Charitable Trust in 3rd Quarter	(30,000)	(700,000)	(700,000)	Cons
9SPPLC30	Savings Via Leisure Board Work	(100,000)	(100,000)	(100,000)	Imp
	Totals Leisure And Cultural Services	(462,000)	(1,188,000)	(1,188,000)	
	Total Physical Environment	(1,439,000)	(2,295,000)	(2,305,000)	
	Grand Total	(3,107,000)	(4,172,000)	(4,418,000)	

Oxford City Homes
Budget 2008/09 to 2010/11

Revenue Account
Revenue Account

Service Description	Approved Budget for 2008/09	Unapproved Budget for 2008/09	Ref Pressures Savings	Unapproved Budget for 2009/10	Unapproved Budget for 2010/11
INCOME					
Dwellings - Rent	(28,815,112)	(29,685,443)		(31,023,155)	(32,424,657)
Service Charges	(672,169)	(692,333)		(713,102)	(734,494)
Shops/Garages/Furn./Other Rent	(1,466,369)	(1,897,690)		(1,927,690)	(1,958,997)
Interest On Balances	(320,000)	(320,000)		(320,000)	(320,000)
Contracting	(13,021,792)	(13,056,683)		(13,056,683)	(13,106,638)
Fees/Other	(1,220,338)	(1,225,700)		(1,231,223)	(1,236,911)
National Subsidy Payment	13,071,431	13,812,033		14,597,673	15,457,688
Item 8 Interest Payable	1,206,508	1,238,651		1,232,351	1,235,022
Net Income	(31,239,841)	(31,778,664)		(32,442,019)	(33,088,988)
EXPENDITURE					
Tenancy Services					
Local Housing Management	1,021,546	1,102,279	9PHRA4	1,127,263	1,168,330
Rent/Income Collection	898,088	908,455		937,514	967,378
Tenant's Participation	262,299	270,831		280,179	289,791
Tower Blocks And Flats	529,776	594,920	9PHRA1	610,778	627,105
Caretaking Services	624,844	690,594	9PHRA1	713,987	738,020
Furnished Tenancies	439,716	453,319		467,710	482,522
Contact Centre	493,759	510,768		530,627	551,012
Contracting Prime Costs	10,397,837	10,285,258	9SHRA1,2,3	10,806,367	11,373,920
Repairs Service					
Day To Day Responsive Repairs	2,616,133	2,694,635		2,775,492	2,856,775
Planned Maintenance	4,450,342	4,583,852		4,774,234	4,888,240
Operational Management	2,136,171	2,210,752		2,297,220	2,386,993
Overheads					
Management/Infrastructure	4,759,777	4,780,474	PHRA2,3,5	4,894,974	5,012,660
Major Projects/Policy/Technical	934,049	1,005,517	PHRA6	1,041,129	1,077,713
Depreciation	7,232,232	7,232,232		7,232,232	7,232,232
Net Cost - OCH	36,796,569	37,323,886		38,489,707	39,653,690
	5,556,728	5,545,222		6,047,688	6,564,702
Total OCH Expenditure	(31,239,841)	(31,778,664)		(32,442,019)	(33,088,988)
Other Costs and Appropriations					
AMRA	(7,232,232)	(7,232,232)		(7,232,232)	(7,232,232)
CDC, Pension & Retirement Costs	209,501	211,952		214,477	217,077
Appropriations - HRA	204,976	204,976		204,976	204,976
Job Evaluation	205,000	215,280		222,775	230,502
Pension Increase Due	217,200	224,802		232,632	240,697
Other Business Units	(6,392,556)	(6,375,222)		(6,357,369)	(6,338,880)
Total HRA Surplus -/Deficit for 2008/11	(835,827)	(830,000)		(309,681)	225,722
Savings Required 2009/10					
Savings Required 2010/11				(520,319)	(520,319)
Proposed Budget				(830,000)	(830,000)

Portfolio Holder	Reference	Saving Type Efficiency/ Income Increase/ Service Reduction	2008-09			2009-10			2010-11			FTE Impact 2008-09	Risk Level	Portfolio Holder Supported	
			Savings £'000	Costs £'000	Net Saving £'000	Savings £'000	Costs £'000	Net Saving £'000	Savings £'000	Costs £'000	Net Saving £'000				
Housing, Health & Community	TOTAL SAVINGS TO BE FOUND		306		306										
	TOTAL SAVINGS FOUND		(586)	280	(306)										
	(Shortfall)/Exceeding Of Savings Target		-	-	-	-	-	-	-	-	-	-	-	-	
Patrick Murray	Oxford City Homes HRA														
	Identified Pressures														
	Fire Reform Consequences			95	95	95		95		95		95	95	High	
	Respect Agenda			25	25	25		25		25		25	25	High	
	Diversity			40	40	40		40		40		40	40	High	
	Housing Officer			30	30	30		30		30		30	30	Med	
	CDM Compliance			10	10	10		10		10		10	10	Med	
Feasibility Studies			40	40	40		40		40		40	40	High		
Total Oxford City Homes Pressures				240	240	-	240	-	240	-	240	240	240	1.5	
Proposed Savings	Vehicle Management	E	(120)	40	(80)	(140)	13	(127)	(140)	13	(127)	(127)	(127)	4.0	Med
	Sickness Management	E	(90)	-	(90)	(90)	-	(90)	(90)	-	(90)	(90)	(90)	3.0	Med
	2% Staffing Efficiency	E	(376)	-	(376)	(376)	-	(376)	(376)	-	(376)	(376)	(376)	16.0	Low
Total Oxford City Homes Savings			(586)	40	(546)	(606)	13	(593)	(606)	13	(593)	(593)	(593)	23.0	