

Revenue and Capital Budget Proposals 2015-18

SUMMARY

- 1.1 The Council Cabinet published budget proposals for 2015/16 to 2017/18 for consultation on 3 December 2014. These are in line with the Medium Term Financial Strategy agreed by Council Cabinet at its 22 October 2014 meeting. This sets out the strategic approach to management of Council's finances and identifies £96m savings already been achieved between 2010 and 2014 and further £69m to be delivered between 2015 and 2018.
- 1.2 It is clear that these levels of savings will have huge impact on services and that the Council will no longer be able to deliver the same level of services as in the past. Many of these services will have to stop unless they are provided externally and at no cost to the Council
- 1.3 The consultation document can be accessed from the Council Website using the following link:

<http://www.derby.gov.uk/media/derbycitycouncil/contentassets/documents/consultationpapers/consultationdocuments/Revenue-Budget-Proposals-document.pdf>

RECOMMENDATION

- 2.1 To consider and comment on the budget proposals.

REASONS FOR RECOMMENDATION

- 3.1 To ensure members are aware of the Revenue and Capital Budget Proposals for 2015/16 to 2017/18, and to give scrutiny members an opportunity to respond to the budget consultation and make recommendations on the proposals.

SUPPORTING INFORMATION

- 4.1 The budget proposals seek to protect front line services for the most vulnerable people in city. This is reflected in the financial savings and FTE reduction for each department as presented below:

Directorate	Budget Savings 2015/16 £000	FTE Reductions	Budget Pressures 2015/16 £000
Adults, Health and Housing	1,952	10.6	9,768
Chief Executive's Office	1,003	16.5	40
CYP	552	1.0	6,718
Neighbourhoods	5,674	105.2	1,418
Resources	3,787	113.5	323
Corporate Budget	9,060	9.0	1,805
Total	22,028	255.3	20,072

- 4.2 The budgetary pressures result from number of factors including demographic changes and central Government austerity measures. These total £20.072m for 2015/16.

OTHER OPTIONS CONSIDERED

- 5.1 None.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Janie Berry, Director of Legal and Democratic Services Martin Marples, Director of Finance and Procurement Philip O'Brien, Statutory Scrutiny Officer
For more information contact: Background papers: List of appendices:	Mahroof Hussain 01332 643647 mahroof.hussain@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The Council is expected to find £69m over the next three years of which £22m are required in 2015/16 and £24m in 2016/17.

Legal

- 2.1 Part 4 of the Council's Constitution (Rules of Procedure) set out a series of Budget and Policy Framework Procedure Rules which require the Council Cabinet's initial budget proposals to be referred to the relevant overview and scrutiny board for further advice and consideration.
- 2.2 There are a number of legal risks associated with the proposed savings and these will be considered on a case by case basis as the circumstances arise.

Personnel

- 3.1 Around 255 fte posts are at risk resulting from the budget proposals.

IT

- 4.1 The implications on the IT service are included in the budget consultation and in the background papers provided as part of the budget setting process.
- 4.2 The impact will affect services across the council with reduced resilience, cancelled or downgrading support contracts and fewer staff to support existing systems and to implement upgrades or new systems.

Equalities Impact

- 5.1 None arising directly from this report.

Health and Safety

- 6.1 None arising directly from this report.

Environmental Sustainability

- 7.1 There are no direct implications arising at this stage as a consultation report but there will potentially be significant environmental sustainability implications when the

saving proposals are implemented.

Property and Asset Management

8.1 None arising directly from this report.

Risk Management

9.1 The risks associated with the budget proposals are outlined in the Consultation document (Pages 31 -32).

Corporate objectives and priorities for change

10.1 Our aim is to work together with our partners and through strong leadership to deliver good quality services by having more efficient and effective process and improved value for money for our customers.