

OVERVIEW & SCRUTINY
Corporate Services - Initial Budget Proposals 2014/15

No.	Comments and Questions:	Responses:
PART ONE - Corporate Services		
1.0	<u>Corporate Comments / Issues</u>	
1.1	<ul style="list-style-type: none"> No split shown of how Aggregate External Funding is made up which has always been made in the past. 	<ul style="list-style-type: none"> The Local Government Final Settlement received from Welsh Government only includes the total amount of £192.942m.
1.2	<ul style="list-style-type: none"> Earmarked Reserves should not be under heading “unhypothecated grants” 	<ul style="list-style-type: none"> This has already been identified and the presentation format will be changed for the final budget report.
1.3	<ul style="list-style-type: none"> Previous items dropping out show investment costs out in 2014/15 but back in 2015/16 and 2016/17 – why? 	<ul style="list-style-type: none"> The Investment Strategy is providing for investment costs in 2014/15 which provides sufficient resources to meet estimated costs to achieve the 2014/15 budget proposals without the need for a further contribution as this would have increased the budget gap. . The amounts remain in for future years but this will be reviewed as part of our ongoing considerations of future years.
1.4	<ul style="list-style-type: none"> Leisure Services Para 6.17 of the Cabinet report. Will a part capital payment be made in future years as well? 	<ul style="list-style-type: none"> Because of previous concerns about the Leisure Services budget, the costs are now being met corporately. In response to the overall Leisure position, the economy has suffered a downturn and so income and Leisure attendance had not been as projected. The Council is investing almost £1m to support the service in the short term, but this is not a sustainable position and the service will be subject to review as part of future service considerations for 2015/16 and beyond.

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No.	Comments and Questions:	Responses:
1.5	<ul style="list-style-type: none"> Pensioners Grant Scheme – why is this not in transfer to final settlement appendix? 	<ul style="list-style-type: none"> This is due to a technicality of the way it was shown within the Local Government Settlement. This was not shown in the Local Government Settlement as a “transfer in” but it appeared as an increase in the amount of our Revenue Support Grant (RSG) by the amount of the previous Pensioner Grant Scheme. This is therefore now included in the RSG but not on a hypothecated basis. The budget proposals provide for the continuation of the scheme for 2014/15.
1.6	<ul style="list-style-type: none"> Out of County Placements. There has been an underspend in previous years. Do we now have less control? 	<ul style="list-style-type: none"> Procurement of placements has improved significantly over the years. There had also been a reduced demand until recently when it as seen an increase. This has always been recognised as a volatile budget.
1.7	<ul style="list-style-type: none"> Council Tax collection rate of 99% is an increase of 1.5% on the amount set in the 2013/14 budget. Is this a reflection that the impact of Welfare Reform has not been as great as previously anticipated? 	<ul style="list-style-type: none"> At the time the 2013/14 Council Tax collection rate was set, there had been no confirmation of the Council Tax Reduction Scheme (CTRS). For 2014/15, the scheme and the level of funding is known and so the collection rate can confidently be set at 99% which is in line with the current years performance. The collection rate should be recognised as a positive achievement. Welfare Reform impacts still need to be monitored and there is a pilot of the new Universal Credit starting in Shotton in June which will need to be monitored.

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No.	Comments and Questions:	Responses:
1.8	<ul style="list-style-type: none"> Referring to a previous letter from the Leader to Robert Hay at Welsh Government, did we apply for any collaboration fund grants? 	<ul style="list-style-type: none"> Authorities had been asked to bid individually. Details to be provided at the CROSC meeting on 3/2/14. The final decision from WG had only been received the previous week for sums that needed to be spent before the end of the financial year.
1.9	<ul style="list-style-type: none"> Query raised on food inflation within Legal & Democratic Services 	<ul style="list-style-type: none"> This was wrongly classified as food and should have referred to an inflationary increase of £1k for increased postal costs for Electoral Services.
1.10	<ul style="list-style-type: none"> Software Licensing – Use of “Good” Software 	<ul style="list-style-type: none"> Purchased as part of a Public Sector Framework agreement. Limited usage for Ipads only.
1.11	<ul style="list-style-type: none"> Use of reserves for organisational change of £3.7m contingency and £3.7m from Equal Pay/Single Status capitalisation. As this is greater than the amount to be utilised for one off costs, will the remainder be used to balance the budget? 	<ul style="list-style-type: none"> No. The budget would not be balanced in this way as this would be contrary to the principles of the financial strategy which requires the base budget to be funded from recurrent savings and not one off monies
2.0	<p><u>Corporate Services Comments / Issues</u></p> <p><u>Pressures</u></p>	
2.1	<ul style="list-style-type: none"> Why has this section not been split into the categories as per previous years? 	<ul style="list-style-type: none"> This will be done as part of final budget report.
2.2	<ul style="list-style-type: none"> Increase pensions costs – can we cover this from existing 	<ul style="list-style-type: none"> This reflects the Actuarial valuation which shows that in

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No.	Comments and Questions:	Responses:
2.3	<p>reserves?</p> <ul style="list-style-type: none"> Single Status impact from 206/17, is that based on current staffing levels? Is reserve available for buffering for 2 years? 	<p>three years time, we will need to step up our funding of the pension scheme by an additional £4.2m. This is a recurrent cost that will continue to rise after 2016/17 also, but will be subject to review through the next Actuarial valuation</p> <ul style="list-style-type: none"> The Single Status impact on the workforce budget is based on existing staffing levels. The reserve is available for buffering increased cost for the paybill for two years, 2014/15 and 2015/16.
2.4	<ul style="list-style-type: none"> Could there be a comparison of the amounts from 2013/14? 	<ul style="list-style-type: none"> Further detail on individual lines can be provided on request.

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No.	Comments and Questions:	Responses:
3.0	<u>Corporate Resources Comments / Issues</u>	
3.0	<u>Efficiencies</u>	
3.1	<ul style="list-style-type: none"> In the improvement plan, we refer to an achievement of 85% of our overall efficiencies by 2017. Does that mean that of the £8.1m of VFM efficiencies, we will only expect to get 85%? 	<ul style="list-style-type: none"> All efficiencies are put forward on the assumption that they can be achieved in full. The reference to 85% is to achieve at least 85% of the efficiencies, but recognises that the other 15% must be replaced by other efficiencies.
3.2	<ul style="list-style-type: none"> “Your Community your Council” what is the cost of producing this digitally? 	<ul style="list-style-type: none"> This is being finalised but is likely to be in the region of £10k which has been recognised in the efficiency amount.
3.3	<ul style="list-style-type: none"> Organisational Change Efficiencies from administrative savings, why is this shown here as opposed to within Directorates? 	<ul style="list-style-type: none"> The Administration Review is a significant cross organisational review being undertaken as corporate piece of work.
3.4	<ul style="list-style-type: none"> Increased income from Occupational Health, what is the detail behind this? 	<ul style="list-style-type: none"> The Occupational Health Department has provided a partnership service to Wrexham CBC for nearly two years. We are seeking to build on this by offering the service to a wider range of organisations.