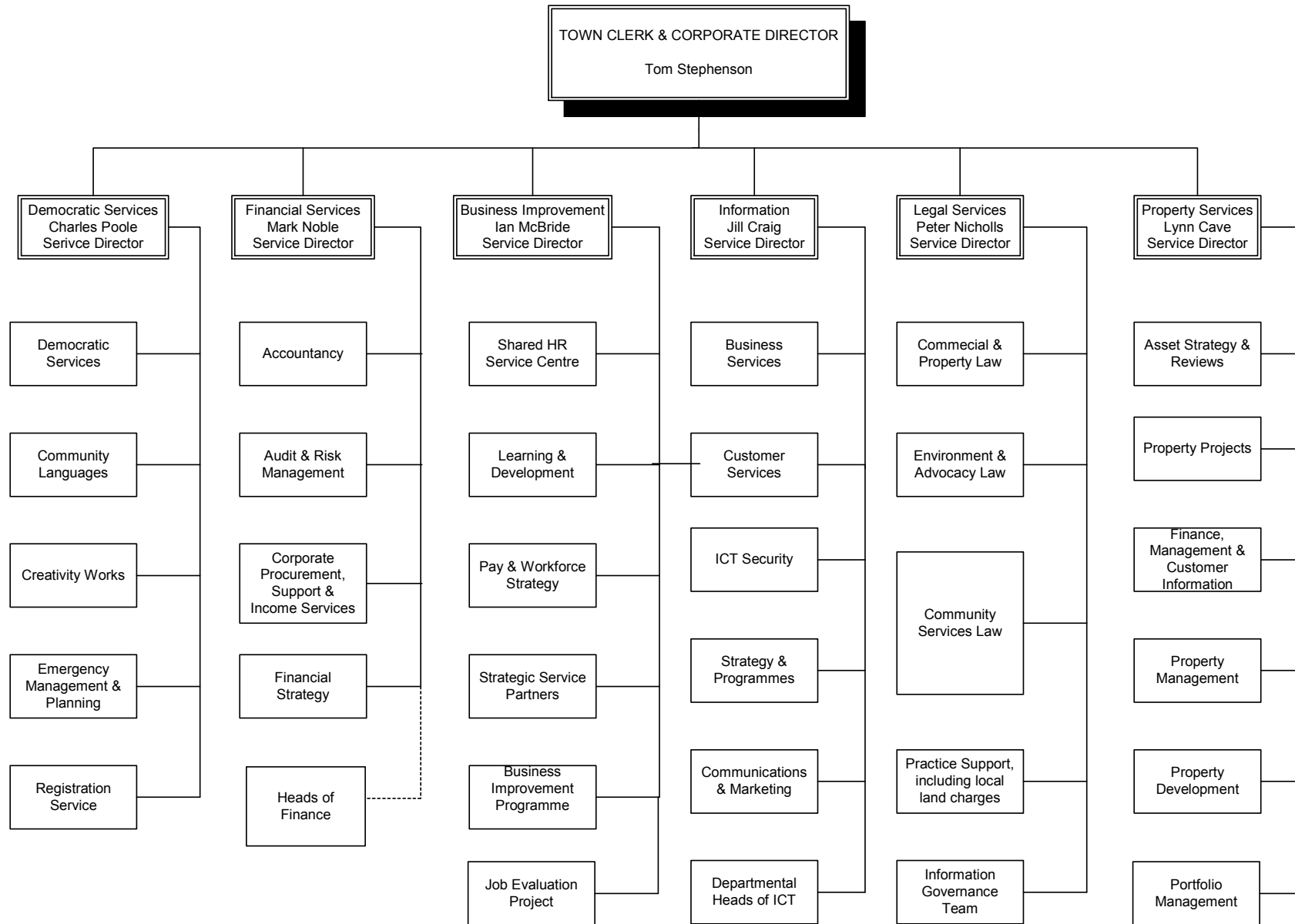


# **RESOURCES, incorporating the Partnership Team**

## **DRAFT DEPARTMENTAL REVENUE STRATEGY: 2008/09**

|                      |  |
|----------------------|--|
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## **SECTION 1: OVERALL OBJECTIVES**

### **Changing Priorities**

- 1.1 For the past few years the Department has had the role of: making the best use of Corporate resources; guarding the Council's integrity; and ensuring fair, inclusive, convenient access to services. We supported all Council Services in delivering Council priorities and led the improvement of the Council-wide procedures and resource strategies which provide the framework for all service delivery and decision-making. Our Service Plans and associated Departmental Revenue Strategies have reflected this.
- 1.2 Since the May 2007 local elections, a new set of strategic priorities have been developed. With the 25 year aim of making Leicester Britain's most sustainable city, these focus on:
- People: a caring city where people feel safe and at home.
  - Prosperity: a prosperous city where everyone meets their potential.
  - Place: a beautiful, quiet, clean and green city.
  - Quality Services which promote equality and accessibility.
- 1.3 The Council's Corporate Plan for the next three to four years will make a measured start towards these goals. The Department's Service Plans and Departmental Revenue Strategy (DRS) will support that. To some extent, it is routine business for the Resources Department to adapt to supporting new and evolving priorities. This DRS also reflects significant changes in priorities and a substantial investment in transformational change and new ways of working, key planks of the "quality services" theme. Our Service Plans will be updated accordingly once the DRS has been formally approved.
- 1.4 These developments represent another shift in the Department's role. We have moved a long way from being a relatively reactive set of support services. We now aim to consolidate our role as:
- The internal strategic partner, supporting the delivery of all priorities from outset to outcome.
  - The driver of Transformational Change to create efficient, inclusive service delivery, from customer to back office.
  - The guardian of sound, transparent governance and decision-making.
- 1.5 The DRS takes its key priorities from the draft 3 year financial strategy, which itself makes commitments to deliver the 25 year vision. The DRS addresses the following themes of the financial strategy:
- Great People: development of community meetings at ward level, and the devolution of resources. The DRS includes proposals to provide for ward budgets in RG02, which can be found in appendix B.

Quality Services: a substantial service transformation programme is envisaged, although the resources for this priority remain as corporate rather than departmental budgets;

equipping elected members and community meetings – the DRS includes proposals for an enhancement to the existing level of policy, administrative and secretariat support to members (RG01) and officer support to the servicing of community meetings (RG03).

### Achievements & Challenges

1.6 Our six Services have achieved much and recognise that there is always more to do. These examples give a flavour:

| Financial Services   |   |
|--|---|
| <p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>▪ Effective financial management &amp; control maintained in a period of significant change.</li> <li>▪ Accountable body for the LAA</li> <li>▪ Use of Resources 3-star score.</li> <li>▪ Substantial savings from better procurement.</li> <li>▪ Transformation of the payroll service.</li> </ul>   | <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>▪ Work towards 4 star “Use of Resources” score.</li> <li>▪ Consequences of the Comprehensive Spending Review.</li> <li>▪ Implementation of new Resources Management System.</li> <li>▪ Continuing improvement of the Internal Audit service.</li> <li>▪ Further improvement of Procurement and joint commissioning.</li> </ul> |
| Democratic Services  |   |
| <p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>▪ Setting up new Council structures following the May 2007 elections.</li> <li>▪ Learning and development programme for Members.</li> <li>▪ Developing support for Members in their Executive, Scrutiny and Ward functions.</li> <li>▪ More emphasis on standards of conduct through the Standards and Audit Committees.</li> <li>▪ Establishment of dedicated Emergency Control Room.</li> </ul> | <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>▪ Delivering the objectives of the 22 new Community Committees.</li> <li>▪ Making the new Scrutiny arrangements work even more effectively.</li> <li>▪ Improved take up of Member learning and development opportunities.</li> </ul>   |

| <b>Business Improvement</b>   |  |
|---|--|
| <p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>▪ New Council-wide HR function established.</li> <li>▪ Important components of the new service falling into place (e.g. City Learning, Employment Support Centre).</li> <li>▪ Action plan in place for improving sickness absence.</li> <li>▪ Work underway to achieve level 4 Equality Standard.</li> </ul> | <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>▪ Implementing the new Pay and Grading Scheme.</li> <li>▪ Workforce Strategy to ensure the workforce is right to support the new agenda.</li> <li>▪ Staff Survey leading to better staff engagement.</li> <li>▪ Working towards level 5 Equality Standard.</li> </ul>   |
| <b>Information Services</b>   |  |
| <p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>▪ New Council-wide ICT service in place.</li> <li>▪ High customer satisfaction for Customer Services.</li> <li>▪ Building blocks in place for e-Transforming Leicester.</li> </ul>   | <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>▪ Ensuring there is easy joined-up access to public services through effective customer interface.</li> <li>▪ E-Transforming and integrating the Council's service delivery and customer access.</li> </ul>   |
| <b>Legal Services</b>   |  |
| <p><b>Achievements:</b></p> <ul style="list-style-type: none"> <li>▪ Ensuring that the Council has an effective legality and corporate governance framework.</li> <li>▪ Continuing LEXCEL accreditation.</li> </ul>   | <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>▪ Leading the Council's contract management and procurement improvement plan.</li> <li>▪ New business direction for Land Charges, responding to down-turn in Housing market, Home Improvement Packs and the challenge from personal search companies.</li> <li>▪ Further opportunities for sharing legal services across other public bodies.</li> <li>▪ Ensuring probity in high risk projects.</li> <li>▪ Upgrading the Council's corporate governance framework to meet the current national best practice.</li> </ul> |

## Property Services

### Achievements:

- Supporting regeneration activity across the City.
- Asset Strategy received the top assessment during inspection.
- Substantial improvements in project management and assurance.

### Challenges:

- Developing Portfolio Management methodology across the Council to complete improvements in project management and assurance.
- Rationalisation of CLABs and Community premises across the public estate.

1.7 The Department has learnt to respond to its challenges in an integrated fashion. This puts us in a strong position to respond to all three elements of our new role and to support the Council's strategic objectives. This DRS represents a substantial investment in transformational change towards the new agenda. A major challenge for the Department will be to restructure its services to support the new agenda in the most effective way, whilst making substantial savings by disinvesting in old approaches.

1.8 The Resources Department comprises six services. A summary of the departmental structure is on page 2 of this DRS. The Department has some 888 staff (FTE) which is a significant increase on previous years reflecting the service transformation of Human Resources and Information Technology (Figure 1).

**Figure 1: Resources Dept Staff as at 1 April 2007 (FTE)**

|                        |     |
|------------------------|-----|
| Management & Corporate | 14  |
| Democratic Services    | 96  |
| Financial Services     | 182 |
| Business Improvement   | 158 |
| Information Services   | 189 |
| Legal Services         | 110 |
| Property Services      | 139 |
| Total                  | 888 |

1.9 The Department's direct controllable revenue budget for 2007/08 is £27,044.3m plus trading account turnover of £17,167.2m (Figure 2). This gives an overall turnover of £44,211.5m.

**Figure 2: Budget 2007/08 Resources Department**

|   | £'000           | £'000           |
|---|-----------------|-----------------|
| Management & Corporate                            | 749.8           | 0.0             |
| Information Services                              | 7,702.8         | 408.7           |
| Legal Services                                    | (445.2)         | 4,506.1         |
| Financial Services                                | 3,904.7         | 1,193.6         |
| Democratic Services                               | 3,130.4         | 1,833.0         |
| Business Improvement                              | 4,623.5         | 4,408.3         |
| Property Services (Inc CMF & Investment property) | 5,523.9         | 4,817.5         |
| Traders' budgeted surplus                         | (234.0)         |                 |
| <b>Departmental Total (Excl net recharges)</b>    | <b>27,044.3</b> | <b>17,167.2</b> |

#### Partnership Team

- 1.10 This Team, under the Director of Partnership Policy and Performance, is not part of the Resources Department but its DRS is included in this one. The arrangement retains the necessary firewall between the financial and performance elements of the Council's Accountable Body Function with the former delivered by the Resources Department and the latter by this Team.
- 1.11 The team is responsible for support and development of the Leicester Partnership and more specifically the drawing up and monitoring of the Sustainable Community Strategy and the Local Area Agreement (LAA). The LAA is an agreement between Government and the City Council with its partners setting out the three year priorities and targets for the city, based on the Sustainable Community Strategy, supported by the Area Based Grant of £27m in 2008/09 rising to £45m in 2009/10 and 2010/11. It is planned that the LAA will be signed by the Leader of the Council and the Minister in June 2008 and will be subject to a full report to Cabinet and Council prior to that signing.
- 1.12 It is also responsible for the Council's Community Cohesion Strategy, Performance Management Framework, strategic approach to the Voluntary and Community Sector and Consultation Framework.
- 1.13 The team comprises 27 posts (FTE), of which a number are funded by a top slice of the Area Based Grant. Its current budget is shown in Figure 3.

**Figure 3: Budget 2007/08: Partnership, Policy & Performance Team**

| <b>SECTION</b>             | <b>Direct Budget</b> |
|----------------------------|----------------------|
|                            | <b>£'000</b>         |
| Directorate                | 355.0                |
| Partnership Executive Team | 626.4                |
| <b>TOTAL</b>               | <b>981.4</b>         |



## SECTION 2: LINKS TO KEY RESOURCE STRATEGIES AND OTHER DEPARTMENTAL PLANS

- 2.1 The Department's DRS links closely with key resource strategies including the Asset Management Plan, ICT and Human Resources.

### Asset Management Plan

- 2.2 The Corporate Asset Management Plan (AMP) enables the Council to manage its assets more effectively and thereby drive forward improvements in service delivery. It does this by linking service planning to the capital strategy and measuring performance, thereby enabling the Council to programme property reviews and target resources.
- 2.3 Whilst the asset management plan has more obvious links to the capital programme, it also informs the revenue budget strategy through assessments of need and prioritisation of repairs via the Central Maintenance Fund (CMF). This fund is managed by the Resources Department but is, however, considered outside of the Department's revenue strategy (see 7.1).
- 2.4 The AMP also links with the Department's revenue strategy in achieving savings and efficiencies through improved resource management including property.

### ICT

- 2.5 Until April 2007, ICT Services was a largely traded service. In April 2007, most core operational ICT budgets were centralised as part of the Business Improvement Programme (further detailed in 4.3). This will enable the development of departmental ICT strategies, which was recognised as a weakness under previous arrangements.
- 2.6 The council's vision for ICT is captured in its e-transforming Leicester framework (endorsed by Cabinet in December 2007) which sets four priorities for the ICT work programme:
- (a) 24/7 self service for staff and citizens where relevant;
  - (b) personalisation and choice;
  - (c) anywhere, anytime working;
  - (d) seamless working through effective partnerships.
- 2.7 e-transforming Leicester is supported by seven complementary strategies which are at various stages of development:
- (a) Information management;
  - (b) Web;
  - (c) Communications;
  - (d) Customer Access;
  - (e) Departmental ICT strategies;
  - (f) Core systems;
  - (g) Technical infrastructure.

2.8 The proposals in this DRS supports these strategies as follows:

- (a) £100,000 per annum has been provided for 2 years to enable a strategic view of our management of information and develop a corporately owned information management strategy (see RG10);
- (b) the customer access strategy is supported by £50,000 in 2008/09 to develop corporate complaints handling. This will be significantly enhanced by the customer transformation fund of £1m pa held corporately (see RG08);
- (c) providing one-off resources to facilitate a thorough review of the Council's approach to communications and marketing (see RG09);
- (d) monies to put licensing arrangements on a proper footing, to sustain the corporate network, to improve data storage capability and to comply with new national standards for payment card security (see RG11, RG12, RG19, RG20, RG21).

### Human Resources

2.9 The HR strategy is presently evolving, and has 5 strands of:

- organisational development;
- leadership development;
- skill development;
- recruitment and retention;
- pay and rewards.

2.10 The Department's revenue strategy supports the HR strategy in the following ways by providing funding for engaging with staff through a routine staff survey.

2.11 More detailed links are made in the individual proformas supporting growth and reduction proposals which are referred to above and can be found at Appendix B and Appendix C.

2.12 The department is also responsible for delivering the following key strategies:

- the procurement strategy, which will feature strongly in the service transformation programme. Key elements will be:
  - (a) the development of procurement capability in the new Resource Management System (RMS);
  - (b) development of e-procurement;
  - (c) category management for the most effective procurement of different types of supplies;
  - (d) partnership working to develop ever more effective framework

It is anticipated savings generated will contribute resources to help deliver the new 25 year vision, and to deliver the new efficiency targets.

- the risk management strategy, which aims to ensure all the Council's risks are effectively identified and controlled. The strategy is supported by a fund of £0.2m pa which is used to fund preventative measures, for example CCTV cameras and staff training. The self-insurance fund covers large elements of our insurance exposure and currently stands at approximately £10m.
- the treasury management strategy, which is being submitted to Council for approval with the budget report.

2.13 The effect of the proposals within this DRS will follow through to service plans in due course as the proposals are implemented.

### **SECTION 3: MAIN FINANCIAL ISSUES**

- 3.1 In preparing the 2008/09 – 2010/11 DRS the department has reprioritised its resources to support the Council's new agenda and in particular transformational change. A number of pressures that have been recurrent over the past few years have been carefully managed by the Department to achieve a balanced outturn. This is no longer sustainable and resources must be reprofiled.
- 3.2 The problem areas include the inability to generate previous levels of income from Land Charges due to legislative changes and the state of the housing market. Significant shortfalls in the Coroner's budget have become entrenched due to rising pathology costs and a high level of referrals and inquests in Leicester. The Coroner is a servant of the Crown and cannot be directed in these matters.
- 3.3 The 2002/03 DRS has left the legacy of a much delayed saving arising from the disposal of part of the Greyfriars complex, and the subsequent rationalisation of administrative buildings. Due to subsequent events outside the Resources Department's control, this disposal has not yet occurred. The Department is funding £100,000 a year to meet this previous savings commitment but is anticipating a compensating saving when Greyfriars is ultimately sold.
- 3.4 The Department therefore proposes a restructuring exercise to tackle these persistent budget pressures and to put in place a structure that better supports its role in the new Council agenda.
- 3.5 The Department is responsible for monitoring and updating a sound resources infrastructure. It also leads various aspects of the transformation agenda, such as e-Transforming Leicester and Transforming the Customer Experience. These all require proper investment and proposals are included in the revenue strategy
- 3.6 Details of the resulting growth and reduction proposals are in sections 4 and 5.

## **SECTION 4: DEPARTMENTAL EFFICIENCY PLAN**

### **RESOURCES DEPARTMENT EFFICIENCY PLAN**

- 4.1 The Department has prepared an efficiency plan, covering the period 2006/07 – 2008/09 in accordance with corporate guidelines. The majority of the initiatives included in this plan have been completed and the relevant savings achieved.
- 4.2 The plan itself will be refreshed once the service transformation programme has determined its key areas for change and review, and therefore proposed savings are provisional until this time. The service transformation programme will set out the Council's approach for the delivery of the £25m efficiencies expected by the Comprehensive Spending Review (we are on course to achieve the existing savings target for CSR 06/07 to 08/09).

### **CORPORATE EFFICIENCY PLAN**

- 4.3 As a Council we have made great strides in improving services as well as driving out efficiencies. Since becoming a unitary authority in 1997 the Council has pursued an agenda of service improvement and modernisation within the context of reducing resources. Securing efficiencies to facilitate service improvement and lessen the impact of growth pressures on Council taxpayers has therefore been a year on year feature of service management. In 2006 we launched the Business Improvement Programme to deliver improvements to back office support functions and assist the Council in achieving national efficiency targets. Both HR and ICT have been redesigned to provide a "one Council" approach to service delivery; the Employment Service Centre is now operational and brings all HR employment transactional activities together (recruitment, payroll, employment checks/CRB administration).
- 4.4 That said we are not complacent about our achievements and the Council's new Community Strategy and Corporate Plan will contain ambitious new targets for modernising and improving services. In addition the White Paper "Strong and Prosperous Communities" poses particular challenges for authorities, including tougher efficiency targets, a drive for shared services, the potential for increased competition in service delivery, changes in the operation of Local Area Agreements and a new performance management regime.
- 4.5 The Council therefore needs a radical and co-ordinated approach to delivering its vision and emerging corporate priorities, building on both the successes and lessons learnt from the Business Improvement Programme. The Transformation Programme will focus on key themes over the next three years to bring about both organisational and cultural change and release resources to contribute to the delivery of the new corporate plan. It will bring together existing projects (such as the work being led by Property Services and supported by Consultants DEGW on the Office Accommodation Strategy, projects under the Council's customer access strategy, projects currently ongoing under the Business Improvement Programme and departmental efficiency planning) as well as new initiatives such as transforming adult care services.

4.6 A Cabinet (Service Transformation) Sub Group has been established and will become the driving force for change in the Council. The Sub Group will oversee the programme and ensure that the Council, with its partners, is able to deliver both service improvements and efficiency savings. On behalf of the Council the Cabinet Sub Group will carry out the following tasks:

- (a) Annually, to consider a Transformation Plan consisting of both corporate and departmental reviews, recommending it to Cabinet for approval
- (b) Oversee delivery of the Transformation Plan, and ensure it meets its objectives, delivering savings for reinvestment
- (c) Oversee a programme of reviews of the Council infrastructure, including existing property holdings and in particular its use of office accommodation, giving guidance on the future of New Walk Centre
- (d) Provide member guidance on the authority's engagement with the East Midlands Centre of Excellence and its specific projects and initiatives
- (e) As part of the above to consider and develop proposals for decommissioning services where appropriate, and for sharing services with other organisations

4.7 Below is a summary of BIP Projects/Reviews and their progress to date:

|   |                  |
|---|------------------|
| <b>(1) Resource Management Strategy Project</b> | <b>Ongoing</b>   |
| <b>(2) Procurement Change Project</b>           | <b>Ongoing</b>   |
| <b>(3) Information Management Project</b>       | <b>Ongoing</b>   |
| <b>(4) Support Services Review</b>              | <b>See below</b> |

4.8 The review of Support Services was to provide the Council with redesigned strategic functions to support the delivery of the Council's business transformation and efficiency agenda. The reviews were initially put into three phases, with key functions placed in phase 1 to support the delivery of further change across the organisation and within the rest of the review schedule. Whilst each phase had a different start date all reviews were due to be completed April 2008. After assessment, some functions were addressed through mainstream activities and the three phases reduced to two:

| <b>First Phase</b>               | <b>Current Status</b> |
|----------------------------------|-----------------------|
| HR                               | Completed             |
| Finance & RMS                    | Ongoing               |
| ICT                              | Completed             |
| Legal Services (Shared Services) | Ongoing               |
| Creative Services*               | Completed             |
| <b>Second Phase</b>              |                       |
| Property Services **             | Not Started           |
| Management of Procurement        | Not Started           |
| Marketing and Communications     | Ongoing               |

\* The design functions of Creative Services have been transferred to and will be reviewed in the Communications and Marketing Review.

\*\* There has been a recent (16<sup>th</sup> October 2007) decision by CDR to undertake preparatory work with a view to

## **SECTION 5. GROWTH PROPOSALS**

5.1 Attached at appendix A to this report are schedules which give details of the approach proposed for addressing the growth items. These can be summarised as follows:

### **A) Resources Department items**

#### **Scrutiny and Member support**

5.2 This proposal enhances the present level of policy, administrative and secretariat support to elected Members in their role in delivering an effective executive, scrutiny and ward function. The support is aimed at more effective scrutiny and stronger community leadership by Members.

#### **Community Meetings – Ward budgets**

5.3 The existing scheme of 10 Area Committees is to be replaced by 22 Community Meetings in electoral Wards. This is a key element of the Council's strategy for Leicester and, although there are some existing resources, additional funds will be required in year three.

#### **Community Meetings – officer support**

5.4 The increased number of Community Meetings and the support that is required to develop and deliver effective Community leadership will inevitably require an enhancement to the existing number of officers providing support.

#### **Regional working and democratic initiatives**

5.5 The proposal is for a pilot year in order to establish and develop relationships with key partners and stakeholders within the City, nationally and internationally. During the year the effectiveness of the additional investment can be assessed.

#### **Local Resilience Forum**

5.6 The Local Resilience Forum is a strategic multi-level agency partnership for Leicester, Leicestershire and Rutland, established under the Civil Contingencies Act 2004. The support unit currently comprises 2 staff, funded by contributions from each of the partner agencies. The workload has now increased, capacity is at its maximum and without the proposed increase there would be difficulties in servicing the requirements for training & exercise co-ordination, project support and communications with the public.

#### **Coroner's Service**

5.7 There are two growth proposals relating to the Coroner's service. Firstly, there is likely to be a reorganisation of Coroner's services in Leicestershire taking effect from December 2008. This will affect both the City, County and Police (who provide the Coroner's Officers). This first proposal transfers budgets for some operational aspects of the Coroner's service from the Police to the City Council.



- 5.8 Secondly, for some years the Coroner's budget has been under severe pressure from rising pathology costs and a high level of referrals and inquests. The Coroner is servant of the Crown, and the Council has no power to direct the Coroner's decisions. This proposal rectifies the existing imbalance and increases the budget to a sufficient level to meet the likely costs incurred.

### **Corporate complaints handling**

- 5.9 Residents surveys tell us that the Council does not handle non-statutory complaints well. Complaints handling is not currently co-ordinated across the Council. It is proposed to use one-off resources to develop corporate procedures to include a new corporate complaints and Members' enquiry system, promote the new system and provide appropriate training.

### **Communications and Marketing**

- 5.10 Communications has been identified, by the IdeA and MORI as one of the main priorities for action and investment in order to improve staff and residents awareness of, and satisfaction with, the Council. Additional staffing is required to conduct the necessary review, while continuing to provide the communications and marketing services. It is anticipated that the restructured services will be capable of being delivered within the existing budget provision.

### **Information Management - data/ document retention**

- 5.11 The proposal is for two full time equivalent posts to form a small central team to take a Council-wide, strategic view of our management of information as a strategic resource. Audits have shown this to be fragmented and very inefficient. Improvements will include the development of a corporately owned information management strategy and its implementation alongside the implementation of EDRMS.

### **Software licences**

- 5.12 This proposal will enable a centrally managed maintenance agreement to be established, which will offer significantly better value for money, rather than the current ad-hoc approach.

### **Network maintenance**

- 5.13 The Council invested £2m in structured cabling in 1995 and a sum for maintenance has been included in the capital programme each year since then. The expense should, however, be treated as revenue.

### **Staff survey**

- 5.14 A staff survey has not been undertaken for some time. It is a key component to improving staff engagement. The proposal envisages a larger survey in year 1, with supplementary follow up surveys thereafter to judge the effectiveness of any responsive action taken. For budget purposes, the sum required has been equalised over the 3 years although, in practice, the profile of spend may be weighted more towards year 1.



## **Local land charges**

- 5.15 For some years the Local Land Charge function has had difficulties in achieving its' budgeted income target. This is in part due to slow down in the housing market (and therefore fewer searches being undertaken) but also to legislative changes that introduced Home Improvement Packs and that allow private companies to compete in this market. This proposal realigns the income budget for the service.

## **Corporate re-branding**

- 5.16 The council has not reviewed its corporate branding since 1996 and it has become outdated. This proposal will fund the development of a new brand and some of the initial roll-out costs.

## **Historic budget pressures**

- 5.17 The department has experienced an increasing number of budget pressures in recent years. These have occurred in most of the Department's services and, while some of them have been resolved or offset by compensating savings, there remain several areas where the budget pressure has not been eased. This proposal restores the equilibrium to those areas. There is, however, a budget reduction proposal to re-structure the department with a view to realising sufficient savings to ensure that these pressures are funded, in effect, from existing resources (see para 5.2).

## **PCI standards - credit/debit card transactions**

- 5.18 The payment card industry (PCI) requires compliance with recently defined rigorous security standards. The Council must be fully certified by July 2008 and therefore the proposal is to fund the implementation of a suitable system and a technical officer to maintain it.

## **Business continuity – Housing Revenues and Benefits system**

- 5.19 The objective of the capital scheme is to implement improvements to the ICT infrastructure of the IBS/IHS system used by Housing Revenues and Benefits, removing the risks of failure from the system to ensure reliable operation for 800 users. This proposal relates to the associated revenue costs of the scheme.

## **Data storage**

- 5.20 The Council anticipates an annual data storage increase of 15-20%. Effective management arrangements are crucial to the Council's business continuity. This funding is necessary to maintain the modern hardware, software and backup devices that the capital moneys will fund.

## **B) Partnership Team items**

### **Community Cohesion**

- 5.21 Currently the Community Cohesion fund provides £100k for projects that enhance cohesion within the city by bringing communities together in shared activities or achievements to further the Community Cohesion Strategy. This

## **Grant to LUCA**

- 5.22 It is proposed to provide £35k for next financial year only to the Leicester United Caribbean Association. This funding will enable the organisation to stabilise their financial position for a period providing the opportunity for them to secure long term funding.

## **SECTION 6. REDUCTION PROPOSALS**

- 6.1 Attached at appendix B to this report are schedules which give details of the approach proposed for addressing reduction items. These can be summarised as follows:

### **Departmental re-structure**

- 6.2 The Department has experienced significant changes in all of its services in recent years. Some of these have resulted in persistent budget pressures (see growth items RG07, 16 and 18), which can best be tackled by a thorough review of the department's structure. This should ensure that the recent service changes and budget pressures are addressed within a structure that also makes the Department well placed to respond to other developments in the medium-term future.

### **Ward committees – use of existing resources**

- 6.3 There is a recurrent budget of £250k per annum for allocation to the Area Committees. In addition, the Council has already allocated the sum of £300k from its capital resources for the purpose of furthering the objectives of Area Committees and there is also an earmarked reserve for unspent funds from the allocation to Area Committees. The present proposal re-directs all of these funding sources to Community Meetings. The capital funding and the earmarked reserve will, however, be exhausted by the end of year 3 (2010/11) so the funding of Community Meetings will need to be reviewed at that time.

## **SECTION 7. FUNCTIONS OUTSIDE THIS REVENUE STRATEGY**

7.1 In addition to the trading and non-trading services outlined above, the Department has responsibility for some service areas which are managed outside the DRS framework, viz:

- The Central Maintenance Fund (£5.5m)

This fund is provided for “landlord” maintenance of the Council’s operational buildings. In addition, the introduction of the Prudential Framework for capital expenditure has provided an opportunity to fund further significant investment in maintaining the Council’s buildings stock. Whilst this will alleviate the decline in the condition of many premises, there is a very substantial maintenance backlog still to be funded and tackled.

- Investment Property Portfolio (£2.7m credit)

This is regarded as a corporate portfolio, although managed by this Department. 50% of any balances at the year end are normally returned to corporate reserves, although a greater proportion may be carried forward if this is in support of the achievement of an agreed corporate goal or objective.

## **SECTION 8. EQUALITY IMPACT ASSESSMENT**

- 8.1 The Council has a general duty under the Race Relations (Amendment) Act 2000 to promote race equality. This means the Council must have due regard to the need to eliminate unlawful racial discrimination, promote equality of opportunity and promote good relations between people of different racial groups. The Council has a policy of fully integrating equalities into all aspects of its business and services. It also has a commitment towards the Equality Standard for Local Government, which requires new and reviewed policies to undergo an Equality Impact Assessment at all key stages in the decision making process.
- 8.2 This budget strategy has been assessed for equalities implications. The growth proposals are unlikely to lead to new policies or policy changes such that an Equality Impact Assessment would be required. Furthermore, the proposals are not expected to have any adverse impacts on equalities.
- 8.3 However, reduction proposal RR01 detailed in paragraph 5.2 above will require an Equality Impact Assessment to be undertaken once the departmental restructuring exercise gets underway.

## **SECTION 9: DEPARTMENTAL RESERVES**

- 9.1. The Department's forecast reserves as at 31 March 2008 are shown at Figure 4 below. We manage other reserves for corporate purposes but these are outside this Strategy.

Figure 4: Forecast Departmental reserves as at 31 March 2008

| <b>Earmarked Reserve</b>           | <b>Forecast closing balance @ 31 March 2008<br/>£'000</b> |
|------------------------------------|---|
| <b>Departmental Reserves</b>       |   |
| IT Reserves – Financial Services   | 142   |
| VAT & taxation reserve             | 34  |
| Local elections reserve            | 0   |
| Area Committees – delegated funds  | 501   |
| Dept Investment reserve            | 0   |
|                                    |   |
|                                    |   |
| <b>Held for Corporate purposes</b> |   |
| CMF                                | 0   |
| Property rationalisation fund      | 123   |
| Schools buy back fund              | 140   |
| IT reserves                        | 268   |
|                                    |   |

- 9.2 Reserves held for departmental purposes are as follows:

### **IT Reserves – Financial Services**

- 9.3 Held for various divisional purposes, principally (a) to fund a rolling programme of replacement of PCs through charging depreciation charges across the division; (b) to facilitate the automation of procedures, in line with Government initiatives; and (c) to assist in the funding of the current Resource Management Strategy project which will see the replacement of the Council's main financial systems.

### **VAT and taxation reserve**

- 9.4 This reserve facilitates the commissioning for (one-off) specialist advice and research on VAT and taxation matters, including claims against Revenues and Customs. Where claims are successful, any reimbursement is used to fund the Council's costs, but this reserve funds any abortive or unsuccessful claims.

### **Local elections reserve**

- 9.5 This reserve was built up following the Local elections 2003. The reserve was needed in its entirety to fund the cost of the Local Elections 2007.

## **Area Committees – delegated funds**

- 9.6 Any of the money available for Area Committees which is unspent at the year-end is transferred to this reserve. Proposals RG02, RG03 and RR02 attached to this DRS envisage drawing down this reserve over the next few years to support Community Meetings.

## **Departmental Investment reserve**

- 9.7 Originally set aside to meet future one-off pressures or to fund specific initiatives. This has now been fully used to meet the Departments budget pressures identified elsewhere in the report.

- 9.8 Reserves held for corporate purposes are as follows:

### **Central Maintenance Fund (CMF)**

- 9.9 The Central Maintenance Fund is a corporate fund managed by this Department. See paragraph 6.1 above. The objective is to ensure that the fund is at least £0 at the end of each year although, in practice there will usually be a small balance.

### **Property rationalisation fund**

- 9.10 A reserve originally set aside to meet the initial costs of re-location moves.

### **Schools buy back fund**

- 9.11 A balance arising from trading with schools. Any balances are available for use in future years when actual costs may exceed the funds available.

### **IT reserves**

- 9.12 The IT reserve represents, broadly, the outstanding cost of corporate IT developments that are incomplete at the year end. Any underspends arising in this way are transferred to this corporate IT reserve.

## Resources

## Appendix A

### Revenue Budget 2008/09 to 2010/11 - Spending & Resources Forecast

|   | 2008/09         | 2009/10          | 2010/11          | REF: |
|---|-----------------|------------------|------------------|------|
|   | £000            | £000             | £000             |      |
| <b>2008/09 Cash Target</b>                            | <b>24,619.8</b> | <b>24,619.8</b>  | <b>24,619.8</b>  |      |
| Democratic Services                                   |                 |                  |                  |      |
| Scrutiny and member support                           | 100.0           | 100.0            | 100.0            | RG01 |
| Community meetings – ward budgets                     | 220.0           | 330.0            | 330.0            | RG02 |
| Community meetings – officer support                  | 208.0           | 200.0            | 200.0            | RG03 |
| Local resilience forum                                | 20.0            | 20.0             | 20.0             | RG05 |
| Coroners service transfer                             | 7.4             | 57.5             | 82.7             | RG06 |
| Coroners service funding                              | 400.0           | 400.0            | 400.0            | RG07 |
| Information Services                                  |                 |                  |                  |      |
| Corporate complaints handling                         | 50.0            | 0.0              | 0.0              | RG08 |
| Communications and marketing                          | 200.0           | 0.0              | 0.0              | RG09 |
| Information management – data/document retention      | 100.0           | 100.0            | 0.0              | RG10 |
| Software licences                                     | 100.0           | 100.0            | 100.0            | RG11 |
| Network maintenance                                   | 0.0             | 100.0            | 100.0            | RG12 |
| Partnership Team                                      |                 |                  |                  |      |
| Community cohesion                                    | 100.0           | 100.0            | 100.0            | RG13 |
| Grant to LUCA   | 35.0            | 0.0              | 0.0              | RG14 |
| Regional working and democratic initiatives           | 100.0           | 0.0              | 0.0              | RG04 |
| Business Improvement                                  |                 |                  |                  |      |
| Staff survey  | 52.0            | 52.0             | 52.0             | RG15 |
| Legal Services  |                 |                  |                  |      |
| Local land charges                                    | 100.0           | 100.0            | 100.0            | RG16 |
| Directorate   |                 |                  |                  |      |
| Corporate rebranding                                  | 75.0            | 0.0              | 0.0              | RG17 |
| Other   |                 |                  |                  |      |
| Various existing historic budget pressures            | 750.0           | 750.0            | 750.0            | RG18 |
| Capital bid related                                   |                 |                  |                  |      |
| PCI standards – credit/debit card transactions        | 55.0            | 55.0             | 55.0             | RG19 |
| Business continuity – Revenues and Benefits           | 20.0            | 20.0             | 20.0             | RG20 |
| Data storage  | 50.0            | 50.0             | 50.0             | RG21 |
| <b>Add Total Service Enhancements</b>                 | <b>2,742.4</b>  | <b>2,534.5</b>   | <b>2,459.7</b>   |      |
|   |                 |                  |                  |      |
| Add Total Decisions already taken                     | 0.0             | 0.0              | 0.0              |      |
|   |                 |                  |                  |      |
| Add Total Other Growth pressures                      |                 |                  |                  |      |
|   |                 |                  |                  |      |
| <b>Sub Total - Growth pressures</b>                   | <b>2,742.4</b>  | <b>2,534.5</b>   | <b>2,459.7</b>   |      |
|   |                 |                  |                  |      |
| Less Total Service Reductions                         | 0.0             | 0.0              | 0.0              |      |
|   |                 |                  |                  |      |
| Less Total of Decisions already taken                 | 0.0             | 0.0              | 0.0              |      |
| Departmental re-structure                             | (500.0)         | (1,000.0)        | (1,000.0)        | RR01 |
| Less Total Efficiency/Restructuring Savings           | (500.0)         | (1,000.0)        | (1,000.0)        |      |
| Ward committees – use of current budgets and balances | (428.0)         | (530.0)          | (503.0)          | RR02 |
| Less Total Other                                      | (428.0)         | (530.0)          | (503.0)          |      |
|   |                 |                  |                  |      |
| <b>Sub Total – Reductions</b>                         | <b>(928.0)</b>  | <b>(1,530.0)</b> | <b>(1,503.0)</b> |      |
|   |                 |                  |                  |      |
| <b>Planning Total (2007/08 Price Base)</b>            | <b>26,434.2</b> | <b>25,624.3</b>  | <b>25,576.5</b>  |      |



| SERVICE AREA   | Democratic Services                          |                  | Proposal No: RG01                            |  |              |
|--|--|------------------|--|--|--------------|
| <b><u>Details of Proposed Project(s) Growth:</u></b>   |  |                  |  |  |              |
| To enhance the policy, administrative and secretariat support to elected members.  |  |                  |  |  |              |
| <b><u>Type of Growth (delete as appropriate)</u></b>   |  |                  |  |  |              |
| <del>Decisions already taken</del> /Service Improvement/ <del>Other</del>  |  |                  |  |  |              |
| <b><u>Justification for Proposal (including service implications)</u></b>  |  |                  |  |  |              |
| Related Service Plan & Reference:  |  |                  |  |  |              |
| Objective (including reference):   |  |                  |  |  |              |
| Elected members need to have adequate support to enable them to fulfil their duties, and to ensure that the various member functions, including those of the of the executive, scrutiny and local ward/community leadership role are carried out effectively. The present proposal enhances the present level of support to facilitate these objectives. |  |                  |  |  |              |
| <b><u>Date of earliest implication/ date of proposed implication</u></b>   |  |                  |  |  |              |
|  |  |                  |  | Date:  | April 1 2008 |
| <b><u>Financial Implications of Proposal</u></b>   | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | 2008-09<br>£000s | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |              |
| <b>One-Off Costs of Change</b>   |  |                  |  |  |              |
| Staff  |  | 100.0            | 100.0  | 100.0  |              |
| Non Staff Costs  |  |                  |  |  |              |
| Income   |  |                  |  |  |              |
| <b>Effects of Changes on budget</b>  |  |                  |  |  |              |
|  | Budget                                       | Existing         |  |  |              |
| Staff  | 754.6  | 854.6            | 854.6  | 854.6  |              |
| Non Staff Costs  | 91.4   | 91.4             | 91.4   | 91.4   |              |
| Income   |  |                  |  |  |              |
| <b>Net Total</b>   | <b>846.0</b>                                 | <b>946.0</b>     | <b>946.0</b>                                 | <b>946.0</b>                                 |              |
| <b>Staffing Implications</b>   |  | <b>2008-09</b>   | <b>2009-10</b>                               | <b>2010-11</b>                               |              |
| Current service staffing (FTE)   |  | 26.0             | 26.0   | 26.0   |              |
| Extra post(s) (FTE)  |  |                  |  |  |              |

|   |                            |                          |                          |                          |
|---|----------------------------|--------------------------|--------------------------|--------------------------|
| <b>SERVICE AREA</b>   | <b>Democratic Services</b> | <b>Proposal No: RG02</b> |                          |                          |
| <p><b>Details of Proposed Project(s) Growth:</b> Community meetings – Ward budgets</p> <p>To support the development of Community meetings across the City</p>  |                            |                          |                          |                          |
| <p><b>Type of Growth (delete as appropriate)</b><br/> <del>Decisions already taken</del>/Service Improvement/<del>Other</del></p>   |                            |                          |                          |                          |
| <p><b>Justification for Proposal (including service implications)</b></p> <p><b>Related Service Plan &amp; Reference:</b></p> <p><b>Objective (including reference):</b></p> <p>The proposal to set up Community meetings in each electoral ward of the city is a key element of the Council's Strategy for Leicester, which emphasises the role of neighbourhood working and envisages people having more say in running local services. Funding for the first 3 years can largely be met from existing resources, including the use of some (one-off) earmarked reserves and approved capital resources. There is a need for a small amount of additional funding in year 3, after which the funding arrangements will need to be reviewed.</p> |                            |                          |                          |                          |
| <p><b>Date of earliest implication/ date of proposed implication</b></p> <p style="text-align: right;"><b>Date:</b> April 1 2008</p>  |                            |                          |                          |                          |
| <b>Financial Implications of Proposal</b>   | <b>2007-08<br/>£000s</b>   | 2008-09<br>£000s         | <b>2009-10<br/>£000s</b> | <b>2010-11<br/>£000s</b> |
| <b>One-Off Costs of Change</b>  |                            |                          |                          |                          |
| <b>Staff</b>  |                            |                          |                          |                          |
| Non Staff Costs   |                            | 220.0                    | 330.0                    | 330.0                    |
| Contribution from capital programme   |                            |                          |                          |                          |
| Contribution from reserves  |                            |                          |                          |                          |
| <b>Effects of Changes on budget</b>   |                            |                          |                          |                          |
|   | Budget                     |                          | Existing                 |                          |
| Staff   |                            |                          |                          |                          |
| Non Staff Costs   |                            |                          |                          |                          |
| Contributions   |                            |                          |                          |                          |
| <b>Net Total</b>  | 0.0                        | 220.0                    | 330.0                    | 330.0                    |
| <b>Staffing Implications</b>  |                            | <b>2008-09</b>           | <b>2009-10</b>           | <b>2010-11</b>           |
| Current service staffing (FTE)  |                            | N/A                      | N/A                      | N/A                      |
| Extra post(s) (FTE)   |                            | N/A                      | N/A                      | N/A                      |
| See also budget reduction item RR2  |                            |                          |                          |                          |

|  |  |  |  |  |
|--|--|--|--|--|
| <b>SERVICE AREA</b>  | <i>Democratic Services</i>                   |  |  | <b>Proposal No: RG03</b>                     |
| <p><b><u>Details of Proposed Project(s) Growth:</u></b> Community meetings – Officer support</p> <p>To support the development of Community meetings across the City</p>   |  |  |  |  |
| <p><b><u>Type of Growth (delete as appropriate)</u></b><br/> <del>Decisions already taken</del>/Service Improvement/<del>Other</del></p>   |  |  |  |  |
| <p><b><u>Justification for Proposal (including service implications)</u></b></p> <p><b>Related Service Plan &amp; Reference:</b></p> <p><b>Objective (including reference):</b></p> <p>The proposal to set up Community meetings in each electoral ward of the city is a key element of the Council's Strategy for Leicester, which emphasises the role of neighbourhood working and envisages people having more say in running local services.<br/> The growth item RG02 sets out the proposed funding to be allocated for the Community meetings' determination. This proposal (RG03) is to enhance the officer support to the servicing of the Community meetings.</p> |  |  |  |  |
| <p><b><u>Date of earliest implication/ date of proposed implication</u></b></p> <p style="text-align: right;"><b>Date:</b> <input type="text" value="April 1 2008"/></p>   |  |  |  |  |
| <b><u>Financial Implications of Proposal</u></b>   | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | 2008-09<br>£000s   | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
| <b>One-Off Costs of Change</b>   |  |  |  |  |
| <b>Staff</b>   |  | 200.0  | 200.0  | 200.0  |
| Non Staff Costs  |  | 8.0  | 0.0  | 0.0  |
| Contribution from capital programme  |  |  |  |  |
| Contribution from reserves   |  |  |  |  |
| <b>Effects of Changes on budget</b>  |  |  |  |  |
|  | Budget                                       | Existing   |  |  |
| Staff  |  |  |  |  |
| Non Staff Costs  |  |  |  |  |
| Contributions  |  |  |  |  |
| <b>Net Total</b>   |  | 208.0  | 200.0  | 200.0  |
| <b>Staffing Implications</b>   |  | <b>2008-09</b>   | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)   |  | Staffing requirements to be determined. (See also budget reduction item RR2) |  |  |
| Extra post(s) (FTE)  |  |  |  |  |

**SERVICE AREA** *Democratic Services*

**Proposal No:** RG04

**Details of Proposed Project(s) Growth:** Regional working and democratic initiatives.

To facilitate wider consultation and engagement with a range of Regional and local partners on matters concerning the future development of the City and the implementation of the Council's long-term vision

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The proposal is for some money to be used to develop relationships with key partners and stakeholders within the City, and at national and international levels. This includes the business community, other public sector organisations and voluntary bodies. The provision of suitable forums for consultation, discussions and exchanges of ideas cannot be undertaken within existing budgets, and this proposal provides money for, in effect, a pilot year during which time the effectiveness of the additional investment can be assessed.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08<br/>£000s</u></b> | <b>2008-09<br/>£000s</b> | <b><u>2009-10<br/>£000s</u></b> | <b><u>2010-11<br/>£000s</u></b> |
|--|---------------------------------|--------------------------|---------------------------------|---------------------------------|
|--|---------------------------------|--------------------------|---------------------------------|---------------------------------|

**One-Off Costs of Change**

| <b>Staff</b>    |  |       |     |
|-----------------|--|-------|-----|
| Non Staff Costs |  | 100.0 | 0.0 |
| Income          |  |       |     |

**Effects of Changes on budget**

Existing

Budget

|                  | Budget     | Existing     |            |            |
|------------------|------------|--------------|------------|------------|
| Staff            | 0.0        |              |            |            |
| Non Staff Costs  | 0.0        |              |            |            |
| Income           | 0.0        |              |            |            |
| <b>Net Total</b> | <b>0.0</b> | <b>100.0</b> | <b>0.0</b> | <b>0.0</b> |

**Staffing Implications**

|                                | 2008-09 | 2009-10 | 2010-11 |
|--------------------------------|---------|---------|---------|
| Current service staffing (FTE) | N/A     | N/A     | N/A     |
| Extra post(s) (FTE)            | N/A     | N/A     | N/A     |

|                     |                            |                          |
|---------------------|----------------------------|--------------------------|
| <b>SERVICE AREA</b> | <b>Democratic Services</b> | <b>Proposal No: RG05</b> |
|---------------------|----------------------------|--------------------------|

**Details of Proposed Project(s) Growth:**

To increase the contribution to the Local Resilience forum, the strategic multi-level agency partnership for Leicester, Leicestershire and Rutland, established under the Civil Contingencies Act 2004.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

From its inception the members of the forum agreed that there should be a co-ordinating unit comprising 2 staff, funded by contributions from each of the partner agencies. The workload has now increased, capacity is at its maximum and without the proposed increase there would be difficulties in servicing the requirements for training & exercise co-ordination, project support and communications with the public.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08<br/>£000s</u></b> | <b>2008-09<br/>£000s</b> | <b><u>2009-10<br/>£000s</u></b> | <b><u>2010-11<br/>£000s</u></b> |
|--|---------------------------------|--------------------------|---------------------------------|---------------------------------|
| <b>One-Off Costs of Change</b>                   |                                 |                          |                                 |                                 |
| <b>Staff</b>                                     |                                 |                          |                                 |                                 |
| Non Staff Costs                                  |                                 | 20.0                     | 20.0                            | 20.0                            |
| Income   |                                 |                          |                                 |                                 |
| <b>Effects of Changes on budget</b>              |                                 |                          |                                 |                                 |
|  | Budget                          |                          | Existing                        |                                 |
| Staff  |                                 |                          |                                 |                                 |
| Non Staff Costs                                  | 19.5                            | 39.5                     | 39.5                            | 39.5                            |
| Income   |                                 |                          |                                 |                                 |
| <b>Net Total</b>                                 | 19.5                            | 39.5                     | 39.5                            | 39.5                            |
| <b>Staffing Implications</b>                     |                                 | <b>2008-09</b>           | <b>2009-10</b>                  | <b>2010-11</b>                  |
| Current service staffing (FTE)                   |                                 | N/a                      | N/a                             | N/a                             |
| Extra post(s) (FTE)                              |                                 | N/a                      | N/a                             | N/a                             |

|  |                            |                          |                          |                          |            |
|--|----------------------------|--------------------------|--------------------------|--------------------------|------------|
| <b>SERVICE AREA</b>  | <b>Democratic Services</b> | <b>Proposal No: RG06</b> |                          |                          |            |
| <p><b>Details of Proposed Project(s) Growth:</b><br/> Transfer of budgets for some operational aspects of the coroner's service from the Police to the City Council</p>  |                            |                          |                          |                          |            |
| <b>Type of Growth (delete as appropriate)</b>  |                            |                          |                          |                          |            |
| Decisions already taken/ <del>Service Improvement/Other</del>  |                            |                          |                          |                          |            |
| <b>Justification for Proposal (including service implications)</b>   |                            |                          |                          |                          |            |
| Related Service Plan & Reference:  |                            |                          |                          |                          |            |
| Objective (including reference):   |                            |                          |                          |                          |            |
| <p>The responsibility for the Coroner's services in Leicestershire is currently split between the City and County Councils (who have financial responsibility for the Coroner) and the Leicestershire Constabulary who provide the Coroner's Officers. There is likely to be a reorganisation of Coroner's services in Leicestershire taking effect from December 2008 and there is clear merit, from the organisational point of view, in transferring the responsibility of Coroner's Officers to the local authorities at that time. Funding arrangements remain to be finalised, but the Police have offered "parachute" payments over the next 3 years to cushion the cost of the transfer whilst discussions take place nationally about the funding basis of the service.</p> |                            |                          |                          |                          |            |
| <b>Date of earliest implication/ date of proposed implication</b>  |                            |                          |                          |                          |            |
|  |                            |                          |                          | Date:                    | Jan 1 2009 |
| <b>Financial Implications of Proposal</b>  | <b>2007-08<br/>£000s</b>   | 2008-09<br>£000s         | <b>2009-10<br/>£000s</b> | <b>2010-11<br/>£000s</b> |            |
| <b>One-Off Costs of Change</b>   |                            |                          |                          |                          |            |
| <b>Staff</b>   |                            | 7.4                      | 57.5                     | 82.7                     |            |
| Non Staff Costs  |                            |                          |                          |                          |            |
| Income   |                            |                          |                          |                          |            |
| <b>Effects of Changes on budget</b>  |                            |                          |                          |                          |            |
|  | Budget                     |                          | Existing                 |                          |            |
| Staff  | 54.3                       | 61.7                     | 111.8                    | 137.0                    |            |
| Non Staff Costs  | 174.8                      | 174.8                    | 174.8                    | 174.8                    |            |
| Income   | (75.0)                     | (75.0)                   | (75.0)                   | (75.0)                   |            |
| <b>Net Total</b>   | <b>154.1</b>               | <b>161.5</b>             | <b>211.6</b>             | <b>236.8</b>             |            |
| <b>Staffing Implications</b>   |                            | <b>2008-09</b>           | <b>2009-10</b>           | <b>2010-11</b>           |            |
| Current service staffing (FTE)   |                            | 0.0                      | 0.0                      | 0.0                      |            |
| Extra post(s) (FTE)  |                            | 4.0                      | 4.0                      | 4.0                      |            |

|                     |                            |                          |
|---------------------|----------------------------|--------------------------|
| <b>SERVICE AREA</b> | <b>Democratic Services</b> | <b>Proposal No: RG07</b> |
|---------------------|----------------------------|--------------------------|

**Details of Proposed Project(s) Growth:** To regularise the level of funding to the Coroner's service.

The level of expenditure arising from the coroner's service has created a budget pressure for many years.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The level of activity undertaken by the Coroner in recent years has resulted in costs which have exceeded the budget for the service. The Coroner is servant of the Crown, and the Council has, therefore, no power to influence the Coroner's decisions. This proposal rectifies the existing imbalance and increases the budget to a sufficient level to meet the likely costs incurred.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | <b>2008-09</b><br><b>£000s</b> | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
|--|--|--------------------------------|--|--|
| <b>One-Off Costs of Change</b>                   |  |                                |  |  |
| <b>Staff</b>                                     |  |                                |  |  |
| Non Staff Costs                                  |  | 400.0                          | 400.0  | 400.0  |
| Income   |  |                                |  |  |
| <b>Effects of Changes on budget</b>              |  |                                |  |  |
|  | <small>Budget</small>                        | <small>Existing</small>        |  |  |
| Staff  | 54.3   | 54.3                           | 54.3   | 54.3   |
| Non Staff Costs                                  | 174.8  | 574.8                          | 574.8  | 574.8  |
| Income   | (75.0)                                       | (75.0)                         | (75.0)                                       | (75.0)                                       |
| <b>Net Total</b>                                 | <b>154.1</b>                                 | <b>554.1</b>                   | <b>554.1</b>                                 | <b>554.1</b>                                 |
| <b>Staffing Implications</b>                     |  | <b>2008-09</b>                 | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)                   |  | 2.0                            | 2.0  | 2.0  |
| Extra post(s) (FTE)                              |  | -                              | -  | -  |

|   |                          |
|---|--------------------------|
| <b>SERVICE AREA</b> <i>Information Services</i> | <b>Proposal No: RG08</b> |
|---|--------------------------|

**Details of Proposed Project(s) Growth:** Corporate complaints handling

The proposal is to provide some one-off resource to change the way the function is delivered, leading to improvements in the overall quality and efficiency of the Council's responses to complaints.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

Complaints handling has not been co-ordinated across the Council, and this proposal provides the mechanism for the introduction of such corporate oversight. This will tackle the development of corporate procedures, including a new corporate complaints & members' enquiry system, and the internal promotion of those procedures including appropriate training.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | 2008-09<br>£000s | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
|--|--|------------------|--|--|
| <b>One-Off Costs of Change</b>                   |  |                  |  |  |
| <b>Staff</b>                                     |  | 50.0             | 0.0  | 0.0  |
| Non Staff Costs                                  |  |                  |  |  |
| Income   |  |                  |  |  |
| <b>Effects of Changes on budget</b>              |  |                  |  |  |
|  |  | Budget           | Existing                                     |  |
| Staff  | 0.0  | 50.0             | 0.0  | 0.0  |
| Non Staff Costs                                  |  |                  |  |  |
| Income   |  |                  |  |  |
| <b>Net Total</b>                                 |  | 50.0             | 0.0  | 0.0  |
| <b>Staffing Implications</b>                     |  | <b>2008-09</b>   | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)                   |  | 0.0              | 0.0  | 0.0  |
| Extra post(s) (FTE)                              |  | 1.0              | 0.0  | 0.0  |



**Details of Proposed Project(s) Growth:** Communications & marketing

A thorough review of the Council's approach to communications and marketing is proposed. The proposal provides additional resources to facilitate this, with the service ultimately being re-designed within existing budgets.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

Related Service Plan & Reference:

Objective (including reference):

Communications has been identified, by the IdeA and MORI as one of the main priorities for action and investment by the Council. Additional staffing is required to conduct the necessary review, while continuing to provide the communications and marketing services. It is anticipated that the restructured services will be capable of being delivered within the existing budget provision.

**Date of earliest implication/ date of proposed implication**

Date: April 1 2008

**Financial Implications of Proposal**

|                                     | <u>2007-08</u><br><u>£000s</u> | 2008-09<br>£000s | <u>2009-10</u><br><u>£000s</u> | <u>2010-11</u><br><u>£000s</u> |
|-------------------------------------|--------------------------------|------------------|--------------------------------|--------------------------------|
| <b>One-Off Costs of Change</b>      |                                |                  |                                |                                |
| Staff                               |                                | 75.0             | 0.0                            | 0.0                            |
| Non Staff Costs                     |                                | 125.0            |                                |                                |
| Income                              |                                |                  |                                |                                |
| <b>Effects of Changes on budget</b> |                                |                  |                                |                                |
|                                     | Budget                         |                  | Existing central               |                                |
| Staff                               | 344.0                          | 75.0             | 0.0                            | 0.0                            |
| Non Staff Costs                     |                                | 125.0            |                                |                                |
| Income                              |                                |                  |                                |                                |
| <b>Net Total</b>                    | 344.0                          | 544.0            | 344.0                          | 344.0                          |
| <b>Staffing Implications</b>        |                                |                  |                                |                                |
|                                     |                                | <b>2008-09</b>   | <b>2009-10</b>                 | <b>2010-11</b>                 |
| Current service staffing (FTE)      |                                | 11.0             | 11.0                           | 11.0                           |
| Extra post(s) (FTE)                 |                                | 1.0              | 0.0                            | 0.0                            |

|   |                          |
|---|--------------------------|
| <b>SERVICE AREA</b> <i>Information Services</i> | <b>Proposal No: RG10</b> |
|---|--------------------------|

**Details of Proposed Project(s) Growth:** Information management ; Data/ document retention.  
 A small central team has been established to take a council wide, strategic view of our management of information as a strategic resource.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

Priorities for the team included the development of a corporately owned information management strategy and its implementation alongside the implementation of EDRMS where a business case exists.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | 2008-09<br>£000s | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
|--|--|------------------|--|--|
| <b>One-Off Costs of Change</b>                   |  |                  |  |  |
| <b>Staff</b>                                     |  | 85.0             | 85.0   | 0.0  |
| Non Staff Costs                                  |  | 15.0             | 15.0   | 0.0  |
| Income   |  |                  |  |  |
| <b>Effects of Changes on budget</b>              |  |                  |  |  |
|  | Budget                                       | Existing         |  |  |
| Staff  |  |                  |  |  |
| Non Staff Costs                                  |  |                  |  |  |
| Income   |  |                  |  |  |
| <b>Net Total</b>                                 |  | 100.0            | 100.0  | 0.0  |
| <b>Staffing Implications</b>                     |  | <b>2008-09</b>   | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)                   |  |                  |  |  |
| Extra post(s) (FTE)                              |  | 2.0              | 2.0  |  |

|  |                             |                  |                          |                          |
|--|-----------------------------|------------------|--------------------------|--------------------------|
| <b>SERVICE AREA</b>  | <i>Information Services</i> |                  |                          | <b>Proposal No: RG11</b> |
| <b>Details of Proposed Project(s) Growth:</b> Software Licences – Maintenance agreement.<br>Software licences have been taken out <i>ad hoc</i> in the past. A centrally managed maintenance agreement offers significantly better value for money.  |                             |                  |                          |                          |
| <b>Type of Growth (delete as appropriate)</b><br><del>Decisions already taken</del> /Service Improvement/ <del>Other</del>   |                             |                  |                          |                          |
| <b>Justification for Proposal (including service implications)</b>   |                             |                  |                          |                          |
| Related Service Plan & Reference:  |                             |                  |                          |                          |
| Objective (including reference):   |                             |                  |                          |                          |
| The proposal rationalises a situation which has been addressed ad hoc in the past, through Departments contributing to costs as and when required. A centrally managed maintenance agreement offers significantly better value for money, and removes the anomaly whereby the support of the Council's core network operating system was unbudgeted. |                             |                  |                          |                          |
| <b>Date of earliest implication/ date of proposed implication</b>  |                             |                  |                          |                          |
|  |                             |                  |                          | Date: April 1 2008       |
| <b>Financial Implications of Proposal</b>  | <b>2007-08<br/>£000s</b>    | 2008-09<br>£000s | <b>2009-10<br/>£000s</b> | <b>2010-11<br/>£000s</b> |
| <b>One-Off Costs of Change</b>   |                             |                  |                          |                          |
| <b>Staff</b>   |                             |                  |                          |                          |
| Non Staff Costs  |                             | 100.0            | 100.0                    | 100.0                    |
| Income   |                             |                  |                          |                          |
| <b>Effects of Changes on budget</b>  |                             |                  |                          |                          |
|  | Budget                      | Existing         |                          |                          |
| Staff  |                             |                  |                          |                          |
| Non Staff Costs  | 0.0                         | 100.0            | 100.0                    | 100.0                    |
| Income   |                             |                  |                          |                          |
| <b>Net Total</b>   | 0.0                         | 100.0            | 100.0                    | 100.0                    |
| <b>Staffing Implications</b>   |                             | <b>2008-09</b>   | <b>2009-10</b>           | <b>2010-11</b>           |
| Current service staffing (FTE)   |                             | N/A              | N/A                      | N/A                      |
| Extra post(s) (FTE)  |                             | N/A              | N/A                      | N/A                      |

**SERVICE AREA** *Information Services*

**Proposal No: RG12**

**Details of Proposed Project(s) Growth:** Network maintenance.

The Council invested £2m in structured cabling in 1995 and a sum for maintenance has been included in the capital programme each year since then. The expense should, however, be treated as revenue

**Type of Growth (delete as appropriate)**

~~Decisions already taken/Service Improvement/Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The funding maintains the Council's local area network infrastructure which supports around 7,000 devices.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2009

**Financial Implications of Proposal**

| <u>2007-08</u><br><u>£000s</u> | 2008-09<br>£000s | <u>2009-10</u><br><u>£000s</u> | <u>2010-11</u><br><u>£000s</u> |
|--------------------------------|------------------|--------------------------------|--------------------------------|
|--------------------------------|------------------|--------------------------------|--------------------------------|

**One-Off Costs of Change**

| <b>Staff</b>    |  |       |       |
|-----------------|--|-------|-------|
| Non Staff Costs |  | 100.0 | 100.0 |
| Income          |  |       |       |

**Effects of Changes on budget**

Budget

Existing

|                  | Budget | Existing |       |       |
|------------------|--------|----------|-------|-------|
| Staff            |        |          |       |       |
| Non Staff Costs  |        |          |       |       |
| Income           |        |          |       |       |
| <b>Net Total</b> |        | 0.0      | 100.0 | 100.0 |

**Staffing Implications**

|                                | 2008-09 | 2009-10 | 2010-11 |
|--------------------------------|---------|---------|---------|
| Current service staffing (FTE) | N/A     | N/A     | N/A     |
| Extra post(s) (FTE)            | N/A     | N/A     | N/A     |

|                     |                         |                          |
|---------------------|-------------------------|--------------------------|
| <b>SERVICE AREA</b> | <b>Partnership Team</b> | <b>Proposal No: RG13</b> |
|---------------------|-------------------------|--------------------------|

**Details of Proposed Project(s) Growth:** Community Cohesion

The proposal is to double the funds available for Community Cohesion initiatives from £100k to £200k p.a

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The Community cohesion fund is available for projects that enhance cohesion within the city by bringing communities together in shared activities or achievements to further the Community Cohesion Strategy. As such it focuses on issues facing communities relating to race and ethnicity, inter-generational and the needs of our outer estates.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08<br/>£000s</u></b> | <b>2008-09<br/>£000s</b> | <b><u>2009-10<br/>£000s</u></b> | <b><u>2010-11<br/>£000s</u></b> |
|--|---------------------------------|--------------------------|---------------------------------|---------------------------------|
| <b>One-Off Costs of Change</b>                   |                                 |                          |                                 |                                 |
| <b>Staff</b>                                     |                                 |                          |                                 |                                 |
| Non Staff Costs                                  |                                 | 100.0                    | 100.0                           | 100.0                           |
| Income   |                                 |                          |                                 |                                 |
| <b>Effects of Changes on budget</b>              |                                 |                          |                                 |                                 |
|  | Budget                          |                          | Existing                        |                                 |
| Staff  |                                 |                          |                                 |                                 |
| Non Staff Costs                                  | 100.0                           | 200.0                    | 200.0                           | 200.0                           |
| Income   |                                 |                          |                                 |                                 |
| <b>Net Total</b>                                 |                                 | 200.0                    | 200.0                           | 200.0                           |
| <b>Staffing Implications</b>                     |                                 | <b>2008-09</b>           | <b>2009-10</b>                  | <b>2010-11</b>                  |
| Current service staffing (FTE)                   |                                 | N/a                      | N/a                             | N/a                             |
| Extra post(s) (FTE)                              |                                 | N/a                      | N/a                             | N/a                             |

|                     |                         |                          |
|---------------------|-------------------------|--------------------------|
| <b>SERVICE AREA</b> | <i>Partnership Team</i> | <b>Proposal No: RG14</b> |
|---------------------|-------------------------|--------------------------|

**Details of Proposed Project(s) Growth:** Grant to LUCA

This is for a one-off grant to the Leicester United Caribbean Association.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

It is proposed to provide £35k for next financial year only to the Leicester United Caribbean Association. This funding will enable the organisation to stabilise their financial position for a period providing the opportunity for them to secure long term funding. This grant will support learning and community opportunities that meet cohesion outcomes by bringing together people from different communities to share and achieve common objectives.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | <b>2008-09</b><br><b>£000s</b> | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
|--|--|--------------------------------|--|--|
| <b>One-Off Costs of Change</b>                   |  |                                |  |  |
| <b>Staff</b>                                     |  |                                |  |  |
| Non Staff Costs                                  |  | 35.0                           | 0.0  | 0.0  |
| Income   |  |                                |  |  |
| <b>Effects of Changes on budget</b>              |  |                                |  |  |
|  | Budget                                       |                                | Existing                                     |  |
| Staff  |  |                                |  |  |
| Non Staff Costs                                  |  |                                |  |  |
| Income   |  |                                |  |  |
| <b>Net Total</b>                                 |  | 35.0                           | 0.0  | 0.0  |
| <b>Staffing Implications</b>                     |  | <b>2008-09</b>                 | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)                   |  | N/a                            | N/a  | N/a  |
| Extra post(s) (FTE)                              |  | N/a                            | N/a  | N/a  |

**SERVICE AREA** *Business Improvement*

**Proposal No: RG15**

**Details of Proposed Project(s) Growth:** To instigate a process for conducting, reviewing and responding to a regular staff survey.

A staff survey has not been carried out for a few years and, in the light of the many changes at the Council since that last survey it is appropriate once again to canvass staff views.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

Staff are a major resource of the Council and it is important to engage with all staff so that the effectiveness of this staffing resource can be maximised. The proposal envisages a larger survey in year 1, with supplementary follow up surveys thereafter to judge the effectiveness of any responsive action taken. For budget purposes, the sum required has been equalised over the 3 years although, in practice, the profile of spend may be weighted more towards year 1.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

**Financial Implications of Proposal**

|                                     | <u>2007-08</u><br><u>£000s</u> | 2008-09<br>£000s | <u>2009-10</u><br><u>£000s</u> | <u>2010-11</u><br><u>£000s</u> |
|-------------------------------------|--------------------------------|------------------|--------------------------------|--------------------------------|
| <b>One-Off Costs of Change</b>      |                                |                  |                                |                                |
| <b>Staff</b>                        |                                |                  |                                |                                |
| Non Staff Costs                     |                                | 52.0             | 52.0                           | 52.0                           |
| Income                              |                                |                  |                                |                                |
| <b>Effects of Changes on budget</b> |                                |                  |                                |                                |
|                                     | Budget                         |                  | Existing                       |                                |
| Staff                               |                                |                  |                                |                                |
| Non Staff Costs                     |                                |                  |                                |                                |
| Income                              |                                |                  |                                |                                |
| <b>Net Total</b>                    |                                | 52.0             | 52.0                           | 52.0                           |
| <b>Staffing Implications</b>        |                                | <b>2008-09</b>   | <b>2009-10</b>                 | <b>2010-11</b>                 |
| Current service staffing (FTE)      |                                | N/A              | N/A                            | N/A                            |
| Extra post(s) (FTE)                 |                                | N/A              | N/A                            | N/A                            |

|   |                          |
|---|--------------------------|
| <b>SERVICE AREA</b> <i>Legal Services</i> | <b>Proposal No: RG16</b> |
|---|--------------------------|

**Details of Proposed Project(s) Growth:**    Local Land charges.

To reduce the level of budgeted income for the service.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The land charges service has experienced increasing difficulties in raising income in recent years. This has been due, in part, to legislative changes that have benefitted the private firms which operate in the same marketplace but also to a persistent slowdown in the housing market which has resulted in fewer searches being requested.

**Date of earliest implication/ date of proposed implication**

**Date:**    April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | <b>2008-09</b><br><b>£000s</b> | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b> |
|--|--|--------------------------------|--|--|
| <b>One-Off Costs of Change</b>                   |  |                                |  |  |
| <b>Staff</b>                                     |  |                                |  |  |
| <b>Non Staff Costs</b>                           |  |                                |  |  |
| <b>Income</b>                                    |  | 100.0                          | 100.0  | 100.0  |
| <b>Effects of Changes on budget</b>              |  |                                |  |  |
|  | Budget                                       |                                | Existing                                     |  |
| <b>Staff</b>                                     | 142.5  | 142.5                          | 142.5  | 142.5  |
| <b>Non Staff Costs</b>                           | 32.2   | 32.2                           | 32.2   | 32.2   |
| <b>Income</b>                                    | (739.1)                                      | (639.1)                        | (639.1)                                      | (639.1)                                      |
| <b>Net Total</b>                                 | (564.4)                                      | (464.4)                        | (464.4)                                      | (464.4)                                      |
| <b>Staffing Implications</b>                     |  | <b>2008-09</b>                 | <b>2009-10</b>                               | <b>2010-11</b>                               |
| Current service staffing (FTE)                   |  | 5.0                            | 5.0  | 5.0  |
| Extra post(s) (FTE)                              |  | -                              | -  | -  |



|  |                          |
|--|--------------------------|
| <b>SERVICE AREA</b> <i>Directorate</i> | <b>Proposal No: RG17</b> |
|--|--------------------------|

**Details of Proposed Project(s) Growth:**     Corporate re-branding

The Council has not reviewed its corporate branding since 1996. It is important that the Council presents a modern, professional image that will align with the new corporate plan and the 25 year vision for the city.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The £75k will fund development of the brand and some initial roll-out. It is anticipated that the new brand will be adopted within current budgets over a number of years as existing materials, signage etc are replaced.

**Date of earliest implication/ date of proposed implication**

**Date:**     April 1 2008

| <b><u>Financial Implications of Proposal</u></b> | <b><u>2007-08<br/>£000s</u></b> | <b>2008-09<br/>£000s</b> | <b><u>2009-10<br/>£000s</u></b> | <b><u>2010-11<br/>£000s</u></b> |
|--|---------------------------------|--------------------------|---------------------------------|---------------------------------|
| <b>One-Off Costs of Change</b>                   |                                 |                          |                                 |                                 |
| <b>Staff</b>                                     |                                 |                          |                                 |                                 |
| Non Staff Costs                                  |                                 | 75.0                     | 0.0                             | 0.0                             |
| Income   |                                 |                          |                                 |                                 |
| <b>Effects of Changes on budget</b>              |                                 |                          |                                 |                                 |
|  | Budget                          |                          | Existing                        |                                 |
| Staff  |                                 |                          |                                 |                                 |
| Non Staff Costs                                  |                                 |                          |                                 |                                 |
| Income   |                                 |                          |                                 |                                 |
| <b>Net Total</b>                                 |                                 | 75.0                     |                                 |                                 |
| <b>Staffing Implications</b>                     |                                 | <b>2008-09</b>           | <b>2009-10</b>                  | <b>2010-11</b>                  |
| Current service staffing (FTE)                   |                                 | N/A                      | N/A                             | N/A                             |
| Extra post(s) (FTE)                              |                                 | N/A                      | N/A                             | N/A                             |

|   |                          |                  |                          |                          |
|---|--------------------------|------------------|--------------------------|--------------------------|
| <b>SERVICE AREA</b>   | <b>Department-wide</b>   |                  |                          | <b>Proposal No: RG18</b> |
| <p><b>Details of Proposed Project(s) Growth:</b> To regularise the budget position in respect of some historic budget pressures.</p>  |                          |                  |                          |                          |
| <b>Type of Growth (delete as appropriate)</b>   |                          |                  |                          |                          |
| <del>Decisions already taken</del> /Service Improvement/ <del>Other</del>   |                          |                  |                          |                          |
| <b>Justification for Proposal (including service implications)</b>  |                          |                  |                          |                          |
| Related Service Plan & Reference:   |                          |                  |                          |                          |
| Objective (including reference):  |                          |                  |                          |                          |
| <p>The department has experienced an increasing number of budget pressures in recent years. These have occurred in most of the Department's services and, while some of them have been resolved or offset by compensating savings, there remain several areas where the budget pressure has not been eased. This proposal restores the equilibrium to those areas. There is, however, a budget reduction proposal to re-structure the department with a view to realising sufficient savings to ensure that these pressures are funded, in effect, from existing resources.</p> |                          |                  |                          |                          |
| <b>Date of earliest implication/ date of proposed implication</b>   |                          |                  |                          |                          |
|   |                          |                  |                          | Date: April 1 2008       |
| <b>Financial Implications of Proposal</b>   | <b>2007-08<br/>£000s</b> | 2008-09<br>£000s | <b>2009-10<br/>£000s</b> | <b>2010-11<br/>£000s</b> |
| <b>One-Off Costs of Change</b>  |                          |                  |                          |                          |
| Staff   |                          | N/A              | N/A                      | N/A                      |
| Non Staff Costs   |                          | N/A              | N/A                      | N/A                      |
| TOTAL   |                          | 750.0            | 750.0                    | 750.0                    |
| <b>Effects of Changes on budget</b>   |                          |                  |                          |                          |
|   | Budget                   | Existing         |                          |                          |
| Staff   | N/A                      |                  |                          |                          |
| Non Staff Costs   | N/A                      |                  |                          |                          |
| Income  | N/A                      |                  |                          |                          |
| <b>Net Total</b>  | N/A                      | 750.0            | 750.0                    | 750.0                    |
| <b>Staffing Implications</b>  |                          | <b>2008-09</b>   | <b>2009-10</b>           | <b>2010-11</b>           |
| Current service staffing (FTE)  |                          | N/A              | N/A                      | N/A                      |
| Extra post(s) (FTE)   |                          | N/A              | N/A                      | N/A                      |

**Details of Proposed Project(s) Growth:** PCI standards; credit/ debit card transactions.

The credit card industry requires compliance with recently defined rigorous security standards. The proposal is to fund the implementation of a suitable system and a technical officer to maintain it.

**Type of Growth (delete as appropriate)**

~~Decisions already taken/Service Improvement/Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The Payment card industry (PCI) data security standard is a major initiative that has significant impact on all areas where card payments are handled and affects all areas of the Council's business, finance income collection, ICT and Human Resources. The banks have given a deadline of JULY 2008 for the Council to be fully certified. Without this certification the Council will be unable to continue to accept debit and credit cards as methods of payment.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

**Financial Implications of Proposal**

|                                     | <u>2007-08</u><br><u>£000s</u> | 2008-09<br>£000s | <u>2009-10</u><br><u>£000s</u> | <u>2010-11</u><br><u>£000s</u> |
|-------------------------------------|--------------------------------|------------------|--------------------------------|--------------------------------|
| <b>One-Off Costs of Change</b>      |                                |                  |                                |                                |
| <b>Staff</b>                        |                                | 40.0             | 40.0                           | 40.0                           |
| <b>Non Staff Costs</b>              |                                | 15.0             | 15.0                           | 15.0                           |
| <b>Income</b>                       |                                |                  |                                |                                |
| <b>Effects of Changes on budget</b> |                                |                  |                                |                                |
|                                     | Budget                         |                  | Existing                       |                                |
| <b>Staff</b>                        | 0.0                            | 40.0             | 40.0                           | 40.0                           |
| <b>Non Staff Costs</b>              | 0.0                            | 15.0             | 15.0                           | 15.0                           |
| <b>Income</b>                       |                                |                  |                                |                                |
| <b>Net Total</b>                    |                                | 55.0             | 55.0                           | 55.0                           |
| <b>Staffing Implications</b>        |                                |                  |                                |                                |
|                                     |                                | <b>2008-09</b>   | <b>2009-10</b>                 | <b>2010-11</b>                 |
| Current service staffing (FTE)      |                                |                  |                                |                                |
| Extra post(s) (FTE)                 |                                | 1.0              | 1.0                            | 1.0                            |

**SERVICE AREA** *Information Services*

**Proposal No: RG20**

**Details of Proposed Project(s) Growth:** Business continuity of the Housing and Revenues and Benefits system.  
The bid is for the revenue costs of a capital scheme.

**Type of Growth (delete as appropriate)**

~~Decisions already taken~~/Service Improvement/~~Other~~

**Justification for Proposal (including service implications)**

**Related Service Plan & Reference:**

**Objective (including reference):**

The objective of the capital scheme is to implement improvements to the ICT infrastructure of the IBS/IHS system used by Housing and Revenues and Benefits, removing the risks of failure from the system to ensure reliable operation for 800 users.

**Date of earliest implication/ date of proposed implication**

**Date:** April 1 2008

**Financial Implications of Proposal**

| <u>2007-08</u><br><u>£000s</u> | 2008-09<br>£000s | <u>2009-10</u><br><u>£000s</u> | <u>2010-11</u><br><u>£000s</u> |
|--------------------------------|------------------|--------------------------------|--------------------------------|
|--------------------------------|------------------|--------------------------------|--------------------------------|

**One-Off Costs of Change**

| <b>Staff</b>    |      |      |      |
|-----------------|------|------|------|
| Non Staff Costs | 20.0 | 20.0 | 20.0 |
| Income          |      |      |      |

**Effects of Changes on budget**

Existing

Budget

|                  | Budget | Existing |      |      |
|------------------|--------|----------|------|------|
| Staff            |        |          |      |      |
| Non Staff Costs  |        |          |      |      |
| Income           |        |          |      |      |
| <b>Net Total</b> |        | 20.0     | 20.0 | 20.0 |

**Staffing Implications**

|                                | 2008-09 | 2009-10 | 2010-11 |
|--------------------------------|---------|---------|---------|
| Current service staffing (FTE) | N/A     | N/A     | N/A     |
| Extra post(s) (FTE)            | N/A     | N/A     | N/A     |

|   |  |                  |  |  |
|---|--|------------------|--|--|
| <b>SERVICE AREA</b> <i>Information Services</i>   | <b>Proposal No: RG21</b>                     |                  |  |  |
| <b>Details of Proposed Project(s) Growth:</b> Data storage<br><br>The bid is for the revenue costs of a capital scheme. |  |                  |  |  |
| <b><u>Type of Growth (delete as appropriate)</u></b>  |  |                  |  |  |
| <del>Decisions already taken</del> /Service Improvement/ <del>Other</del>   |  |                  |  |  |
| <b><u>Justification for Proposal (including service implications)</u></b>   |  |                  |  |  |
| Related Service Plan & Reference:   |  |                  |  |  |
| Objective (including reference):  |  |                  |  |  |
|   |  |                  |  |  |
| <b><u>Date of earliest implication/ date of proposed implication</u></b>  |  |                  |  |  |
|   |  |                  |  | <b>Date:</b> <input type="text" value="April 1 2008"/> |
| <b><u>Financial Implications of Proposal</u></b>  | <b><u>2007-08</u></b><br><b><u>£000s</u></b> | 2008-09<br>£000s | <b><u>2009-10</u></b><br><b><u>£000s</u></b> | <b><u>2010-11</u></b><br><b><u>£000s</u></b>           |
| <b>One-Off Costs of Change</b>  |  |                  |  |  |
| <b>Staff</b>  |  |                  |  |  |
| Non Staff Costs   |  |                  |  |  |
| Income  |  |                  |  |  |
| <b>Effects of Changes on budget</b>   |  |                  |  |  |
|   | Budget                                       | Existing         |  |  |
| Staff   |  |                  |  |  |
| Non Staff Costs   |  |                  |  |  |
| Income  |  |                  |  |  |
| <b>Net Total</b>  |  |                  |  |  |
| <b>Staffing Implications</b>  |  | <b>2008-09</b>   | <b>2009-10</b>                               | <b>2010-11</b>   |
| Current service staffing (FTE)  |  |                  |  |  |
| Extra post(s) (FTE)   |  |                  |  |  |

|  |                         |                         |                         |                         |                          |
|--|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| <b>SERVICE AREA</b>  | <i>Department-wide</i>  |                         |                         |                         | <b>Proposal No: RR01</b> |
| <b>Purpose of Service.</b> The department provides a range of services which support other department's service objectives, elected members and the corporate body.  |                         |                         |                         |                         |                          |
| <b>Details of Proposed Reduction:</b> The proposal is to conduct a thorough review of the Department's structure, with the objectives of making sufficient savings to meet existing cost-pressures through maximising the potential for efficiency gains.  |                         |                         |                         |                         |                          |
| <b>Type of Reduction (delete as appropriate)</b><br><del>Decisions already taken</del> , Efficiency/Restructuring, <del>Service Reduction</del> , Other  |                         |                         |                         |                         |                          |
| <b>Service Implications (including delivery of service plan)</b>   |                         |                         |                         |                         |                          |
| Related Service Plan & Reference:  |                         |                         |                         |                         |                          |
| Objective (including reference):   |                         |                         |                         |                         |                          |
| The Department has experienced significant changes in all of its services in recent years. Some of these have resulted in persistent budget pressures (see growth items RG07, 16 and 18) which can best be tackled by a thorough review of the department's structure. This should ensure that the recent service changes and budget pressures are addressed within a structure that also makes the Department well placed to respond to other developments in the medium-term future. |                         |                         |                         |                         |                          |
| <b>Date of earliest implication/ date of proposed implication</b>  |                         |                         |                         |                         |                          |
|  |                         |                         |                         |                         | Date: 1 October 2008     |
| <b>Financial Implications of Proposal</b>  |                         |                         |                         |                         |                          |
|  | <u>2007-08</u><br>£000s | <u>2008-09</u><br>£000s | <u>2009-10</u><br>£000s | <u>2010-11</u><br>£000s |                          |
| <b>One-Off Costs of Change</b>   |                         |                         |                         |                         |                          |
|  |                         |                         |                         |                         |                          |
|  |                         |                         |                         |                         |                          |
| <b>TOTAL</b>   |                         | (500.0)                 | (1,000.0)               | (1,000.0)               |                          |
| <b>Effects of Changes on budget</b>  |                         |                         |                         |                         |                          |
|  | Budget                  | Existing                |                         |                         |                          |
| Staff  |                         | N/a                     | N/a                     | N/a                     |                          |
| Non Staff Costs  |                         | N/a                     | N/a                     | N/a                     |                          |
| Income   |                         | N/a                     | N/a                     | N/a                     |                          |
| <b>Net Total</b>   |                         | (500.0)                 | (1,000.0)               | (1,000.0)               |                          |
| <b>Staffing Implications</b>   |                         | <b>2008-09</b>          | <b>2009-10</b>          | <b>2010-11</b>          |                          |
| Current service staffing (FTE)   |                         | 875.0                   | 875.0                   | 875.0                   |                          |
| Post(s) deleted (FTE)  |                         | Not yet known           |                         |                         |                          |
| Current vacancies (FTE)  |                         | N/a                     | N/a                     | N/a                     |                          |
| Individuals at risk (FTE)  |                         | Not yet known           |                         |                         |                          |

|  |                                |                                |                                |                                |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>SERVICE AREA</b> <i>Democratic Services</i>   |                                | <b>Proposal No: RR02</b>       |                                |                                |
| <b>Purpose of Service</b><br>To provide support, including some policy support, to elected members, the Committees of the Council and other democratic forums.   |                                |                                |                                |                                |
| <b>Details of Proposed Reduction:</b><br>The proposal to set up Community meetings in each electoral ward of the city is reflected in growth items RG02, and 03. Funding for the first 3 years can largely be met from existing resources, including the use of some (one-off) earmarked reserves and approved capital resources. This proposal reflects the allocation of the existing resources to meet the costs of the proposed Community meetings.  |                                |                                |                                |                                |
| <b>Type of Reduction (delete as appropriate)</b><br><del>Decisions already taken, Efficiency/Restructuring, Service Reduction, Other</del>   |                                |                                |                                |                                |
| <b>Service Implications (including delivery of service plan)</b>   |                                |                                |                                |                                |
| Related Service Plan & Reference:  |                                |                                |                                |                                |
| Objective (including reference):   |                                |                                |                                |                                |
| There is a recurrent budget of £250k p.a for allocation to the Area Committees. In addition, the Council has already allocated the sum of £300k from its capital resources for the purpose of furthering the objectives of Area Committees and there is also an earmarked reserve for unspent funds from the allocation to Area Committees. The present proposal re-directs all of these funding sources to Community Meetings. The capital funding and the earmarked reserve will, however, be exhausted by the end of year 3 (2010/11) so the funding of Community meetings will need to be reviewed at that time. |                                |                                |                                |                                |
| <b>Date of earliest implication/ date of proposed implication:</b>   |                                |                                |                                | April 1 2008                   |
| <b>Financial Implications of Proposal</b>  | <b>2007-08</b><br><b>£000s</b> | <b>2008-09</b><br><b>£000s</b> | <b>2009-10</b><br><b>£000s</b> | <b>2010-11</b><br><b>£000s</b> |
| <b>One-Off Costs of Change</b>   |                                |                                |                                |                                |
| <b>Staff</b>   |                                |                                |                                |                                |
| Non Staff Costs  |                                | (428.0)                        | (530.0)                        | (503.0)                        |
| Income   |                                |                                |                                |                                |
| <b>Effects of Changes on budget</b>  |                                |                                |                                |                                |
|  | Budget                         | Existing                       |                                |                                |
| Staff  |                                |                                |                                |                                |
| Non Staff Costs  |                                | 428.0                          | 530.0                          | 503.0                          |
| Income   |                                |                                |                                |                                |
| <b>Net Total</b>   |                                | 0.0                            | 0.0                            | 0.0                            |
| <b>Staffing Implications</b>   |                                | <b>2008-09</b>                 | <b>2009-10</b>                 | <b>2010-11</b>                 |
| Current service staffing (FTE)   |                                | N/a                            | N/a                            | N/a                            |
| Post(s) deleted (FTE)  |                                | N/a                            | N/a                            | N/a                            |
| Current vacancies (FTE)  |                                | N/a                            | N/a                            | N/a                            |
| Individuals at risk (FTE)  |                                | N/a                            | N/a                            | N/a                            |





DEPARTMENTAL EFFICIENCY PLAN

APPENDIX D

| Contact/<br>Lead<br>Officer           | Initiative   | Start<br>date | Original<br>end<br>date | How will<br>efficiency be<br>measured      | Measurement<br>source | Resources  | 2006/07                            | 2007/08                                 | 2008/09                  |                                    |                                      |                                   |                              |
|---------------------------------------|--|---------------|-------------------------|--|-----------------------|--|------------------------------------|---|--------------------------|------------------------------------|--------------------------------------|-----------------------------------|------------------------------|
|                                       |  |               |                         |  |                       |  | Est.<br>efficiency<br>gain<br>£000 | of which<br>cashable<br>to date<br>£000 | Achieved<br>gain<br>£000 | Est.<br>efficiency<br>gain<br>£000 | of which<br>cashable<br>gain<br>£000 | Est<br>efficiency<br>gain<br>£000 | of which<br>cashable<br>£000 |
| Mark Noble                            | FMIS replacement   | 1/4/06        | 31/3/13                 | New system implemented & operational       | Budget preparation    | Est £2.5m capital  |                                    |   |                          |                                    |                                      |                                   |                              |
| Ian McBride                           | Increased efficiency: review recruitment policy and operational practice | 1/4/06        | 31/3/08                 | Part of the Support Services (HR) review   | Budget Preparation    | Project Management resources   |                                    |   |                          |                                    |                                      |                                   |                              |
| Peter Nicholls                        | Increased efficiency: Legal services (Trading)                           | 1/4/06        | 31/3/09                 | Trading surplus generated                  | Budget monitoring     | None   | 100                                | 100                                     |                          | 120                                | 120                                  | 140                               | 140                          |
| Lynn Cave                             | Increased efficiency: Contracts  | 1/4/06        | 31/3/09                 | Budget monitoring Unified, authority wide- | Budget monitoring     | £30k project resource  | 70                                 | 70                                      |                          | 100                                | 100                                  | 100                               | 100                          |
| Jill Craig (originally Keith Murdoch) | Consolidate communications   | 1/4/06        | 31/3/08                 | communications arrangements in place.      | budget preparation    | A growth bid for has been included in the 2008/09 - 2010/11 DRS for "Communications and marketing". This is for one-off money (£200k) with the expectation that equivalent savings for future years can be identified from a cross-departmental review of all departments' expenditure on communications |                                    |   |                          |                                    |                                      |                                   |                              |
| Lynn Cave                             | Increased efficiency: Centralise property management                     | 1/4/06        | 31/3/07                 | separate Property review                   | Budget preparation    | Not known  | 60                                 | 60                                      |                          | 60                                 | 60                                   | 60                                | 60                           |
| Charles Poole                         | Review of Creative Services  | 1/4/06        | 31/3/07                 | Reduction in costs                         | Budget monitoring     |  |                                    |   |                          |                                    |                                      | 200                               | 200                          |
| Lynn Cave                             | Framework contracts for repairs & maintenance                            | 1/4/06        | 31/3/07                 | Reduction in contract prices               | Budget monitoring     |  |                                    |   |                          | 300                                | 300                                  | 300                               | 300                          |
| All service directors                 | Non provision of non-pay inflation                                       | 1/4/07        | 31/3/08                 | Budget monitoring                          | Budget monitoring     |  |                                    |   |                          |                                    |                                      | 454                               | 454                          |
| Tom Stephenson                        | Departmental restructuring   | 1/4/08        | 31/3/09                 | Budget monitoring                          | Budget monitoring     |  |                                    |   |                          |                                    |                                      | 500                               | 500                          |