

CHIEF EXECUTIVE'S OFFICE

DEPARTMENTAL REVENUE STRATEGY: 2006/07 – 2008/09

Inside Cover:	Structure of Services
Section 1:	Context
Section 2:	Main Financial Issues
Section 3:	Growth and reductions proposals
Section 4:	Implications for staffing & other departments
Appendix A:	Spending and Resources Forecast
Appendix B:	Budget Reduction proposal details

Chief Executive's Office

Chief Executive
Rodney Green

Assistant Chief Executive

Communications

Policy and Performance

Performance & Best Value

Media Relations

Public Relations

Publications

SECTION 1: CONTEXT

1.1 A summary of the staffing of the Chief Executive's Office is shown above. The Office has 33 staff (FTE) organised into 3 functional teams (Figure 1). In addition the Office funds an annual grant to Leicester Promotions. The total controllable budget for the Chief Executive's Office for 2005/06 is £2.4m. The analysis of this figure is also shown in figure 1 below

Figure 1: Staff (FTE) and total budgets as at April 1 2005

SECTION	Staffing: FTE	TOTAL BUDGET £'000
Chief Executive's Management Team	4	441.8
Policy and Performance Team	20	953.0
Communications Unit	9	489.7
Leicester Promotions	0.0	546.5
TOTAL	33	2,431.0

SECTION 2: MAIN FINANCIAL ISSUES

2.1 The Chief Executive's Office budget is facing some pressures from external and internal factors:

(1) **External factors**

- *Generic Volunteer Centre.*
The draft Local Area Agreement, due to take effect from April 1 2006, relies on the Volunteer Centre to provide an element of infrastructure support for the delivery of the agreement. It is therefore proposed that the costs of maintaining the current level of volunteer Centre activity are met from within the partnership/Council budget for infrastructure support.
- *AFCAB Forum*
This project is currently funded by the Education and Lifelong Learning Department at £30k pa under a 3 year agreement. The budget for this was previously managed by the Chief Executive's Office, but was transferred to Education and Lifelong Learning for operational reasons. The funding is fixed term and due to cease but a request for a continuation and increase in the funding has been received. Due to the sensitivity of the grant, members should be aware of the potential pressure.

(2) **Internal Factors**

- *Scrutiny Committee investigations*
There has been an increase in the number of investigations requested by Scrutiny Committees, each one of which has to be resourced properly in order to produce work of the quality required.
- *Local Area Agreement (LAA)*
The central government drive for the development of Local Area Agreements is a priority and is putting pressure on the current staff, and capacity is stretched.

- *Communications*

There is a growing number of high profile projects within the City which require considerable input to ensure the consistency and quality of the communications and publicity.

SECTION 3. GROWTH & REDUCTION PROPOSALS

3.1 Attached as appendices to this report are schedules which give details of the approach proposed for addressing the growth items and the reduction targets.

- Appendix A: Growth & reductions summary
- Appendix B: Budget Reductions- details

SECTION 4: IMPLICATIONS FOR STAFFING & OTHER DEPARTMENTS

4.1 The idea of merging the Chief Executive's Office and RAD was put forward during the early stages of the budget process. There are a number of areas where this proposal would have significance for the budget – some of which would affect 2006/07 and others where the effects would not be felt until future years.

4.2 The possible merger could entail a review of some functions, such as Communications, which are currently delivered through all Departments. A comprehensive rationalisation of this function could therefore have some implications beyond the Chief Executive's Office and RAD and will need to be co-ordinated with the Support Services Review.

SECTION 5: DEPARTMENTAL EFFICIENCY PLAN

5.1 A joint efficiency plan has been prepared for the Chief Executive's Office and the RAD department. The joint plan is attached as an Appendix to the RAD Departmental Revenue Strategy.

SECTION 6: EARMARKED RESERVES

6.1 The Chief Executive's Office is forecasting no earmarked reserves, as at April 1 2006.

Appendix A

Chief Executive's Office

Revenue Budget 2006/07 to 2008/09 - Spending & Resources Forecast

	2006/07	2007/08	2008/09	REF
	£000	£000	£000	
2006/07 Cash Target	2,495.8	2,495.8	2,495.8	
Add Total Service Enhancements	0.0	0.0	0.0	
Add Total Decisions already taken	0.0	0.0	0.0	
Add Total Other Growth pressures	0.0	0.0	0.0	
Sub Total - Growth pressures	0.0	0.0	0.0	
Less Total Service Reductions	0.0	0.0	0.0	
Less Total of Decisions already taken	0.0	0.0	0.0	
Management rationalisation following merger with RAD	90	120	120	CHEX 1
Less Total Efficiency/Restructuring Savings	90.0	120.0	120.0	
Leicester Promotions grant frozen at 05/06 level	10	20	30	CHEX 2
Less Total Other	10.0	20.0	30.0	
Sub Total - Reductions	100.0	140.0	150.0	
Planning Total (2006/07 Price Base)	2,395.8	2,355.8	2,345.8	

CHIEF EXECUTIVE'S OFFICE
BASE BUDGET REDUCTION PROPOSAL 2006-07

Appendix B

SERVICE AREA Chief Executive's Office	Proposal No: CHEX 1		
<u>Purpose of Service</u> To provide strategic management of the authority.			
<u>Details of Proposed Reduction:</u> To deliver efficiency savings by rationalising staffing, following a possible merger with the RAD department.			
<u>Service Implications (including delivery of service plan)</u>			
Related Service Plan and Reference:			
Objective (including reference):			
There are no direct service implications to this proposal.			
<u>Date of earliest implication/ date of proposed implication</u>		Date: During 06/07	
One-Off Costs of Change			
Staff			
Non Staff costs			
Income			
Effects of Changes on budget			
	Existing Budget		
Staff	1,487.7	(90.0)	(120.0)
Non Staff Costs	1,025.4		
Income	(82.1)		
Net Total	2,431.0		
Staffing Implications		2006-07	2007-08
Current service staffing (FTE)		33.35	33.35
Post(s) deleted (FTE)		Not yet known	
Current Vacancies (FTE)		N/A	N/A
Individuals at risk (FTE)		Not yet known	

CHIEF EXECUTIVE'S OFFICE
BASE BUDGET REDUCTION PROPOSAL 2006-07

SERVICE AREA Leicester Promotions		Proposal No: CHEX 2		
<u>Purpose of Service</u>				
To provide financial support to the Leicester Promotions Ltd company.				
<u>Details of Proposed Reduction:</u>				
To provide no inflationary increase to the financial support currently offered to the company.				
<u>Type of Reduction (delete as appropriate)</u>				
Decisions already taken, Efficiency/Restructuring, Service Reduction, Other				
<u>Service Implications (including delivery of service plan)</u>				
Related Service Plan and Reference:				
Objective (including reference):				
It is anticipated that there should be no impact on service delivery as a result of this proposal.				
<u>Date of earliest implication/ date of proposed implication</u>			Date: 1/4/06	
One-Off Costs of Change				
Staff				
Non Staff costs				
Income				
Effects of Changes on budget Existing Budget				
Staff				
Non Staff Costs	546.5			
Income				
Net Total	546.5	(10.0)	(20.0)	(30.0)
Staffing Implications		2006-07	2007-08	2008-09
Current service staffing (FTE)				
Post(s) deleted (FTE)				
Current Vacancies (FTE)				
Individuals at risk (FTE)				