

# ***Budget Update 2013/14 – 2015/16***

## ***APPENDIX A***

**REDDITCH** BOROUGH COUNCIL



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difference*

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# **Budget Update 2013/14 – 2015/16**

Settlement 2012/13  
– £4.212m

Anticipated Settlement 2013/14  
– 5% Reduction £4.001m

Actual Settlement 2013/14  
– 7.19% Reduction £3.919m

Additional £82k reduction  
Plus additional £68k re Council Tax benefit  
reduction  
Total additional £150k less than anticipated

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# ***Assumptions***

- Vacancy Management 4% - not on key services £200k
- Outturn Savings £150k
- Pay Award 1%
- Current calculated shortfall includes no increase in Council Tax (1% grant from Government)
- New Homes Bonus £380k
- No bids for financial plan
- Estimated reductions in future years settlements

# ***Current Position***

## **Unavoidables:**

- Shortfalls in Income £60k
- Pay Rise 1% £100k
- Other pressures £44k

## **Savings:**

Savings proposed by Heads of Service to deliver through transformation / additional income and service reviews  
- £610k

Staff have been asked if they would wish to be considered for voluntary redundancy

# Current Summary 2013/14

Net Cost of Services	10,764
Add	
Unavoidable Pressures	354
Less:	
Savings identified	-610
Council Tax	-4,984
Council Tax Grant (1% 2013/14)	-58
Gov Grant	-3,919
Homelessness Grant	-99
Council Tax Support Scheme Grant ( replaces Council Tax benefit)	-806
Use of Reserve	-255
Shortfall	387

# **2014/15-2015/16**

## Shortfalls :

- 2014/15 £684k
- 2015/16 £200k

## Issues to consider :

- Income realised from an increase in Council Tax (£40k)
- Additional transformation savings

# ***Timeline***

Jan – HoS to review all service areas to identify waste in the system and potential to redesign processes

Jan – Further updates to Committees and Board meetings. Group briefings arranged

Feb – Council Tax set 18<sup>th</sup> February

