

## Budget Pressures

Detail of pressure	Category Note 1	Priority Note 2	Impact Note 3	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m
<b>BUSINESS TRANSFORMATION</b>								
<b>Comms &amp; PP&amp;P:</b> Staff costs - arising from Budgeted grade for posts not aligning with the actual grade, and not fully costed car allowances (Comms £33k, PP&P £56k)	D	1	Base budget overspend	0.089				
<b>CS,R&amp;B:</b> Increased enquiries and caseload due to economic climate (Cust Accounts £355k, Customer Services £20k). 20% growth in benefits caseload in 09/10	S	1	If not resourced the service will remain in the bottom quartile of performance for the processing of benefit claims. NI180 from 22 days to 35 days. 10 people to replace the 14 contractors.	0.375				
<b>CS,R&amp;B:</b> Harmonisation of pay (Cust Accounts £150k, Cust services £150k, Revenues £50k)	D	1	Part of creating Central Bedfordshire that has to be completed.	0.350				
<b>PP&amp;P:</b> Freedom of Information / Data Protection compliance officer post and Cllrs Data Protection Act registration ( <u>Corporate</u> pressure)	S	2	CBC failure to comply with statutory requests and failure to comply with Data Protection Act. Possible CBC reputational damage.	0.022				

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<b>R&amp;B:</b> Child Benefit changes October 09 causing a 10% increase in case load	S	2	If not resourced the service will remain in the bottom quartile of performance for the processing of benefit claims. NI180 from 22 days to 35 days.	0.040				
<b>R&amp;B:</b> Demographic and growth effect. (Cust Accounts £9k, Revenues £4k in 2010/11)	S	3	If not resourced the service will remain in the bottom quartile of performance for the processing of benefit claims. NI180 from 22 days to 35 days.	0.013	0.018	0.031	0.025	0.031
<b>CS:</b> Increased demand on Registration Service:- Nationality Checking requirement, Population increase, Weekend weddings	D	3	Whilst these service generate income, there will be additional registration resource required.	0.041	0.015	0.015	0.015	0.015
<b>Sub total Business Transformation</b>				<b>0.930</b>	<b>0.033</b>	<b>0.046</b>	<b>0.040</b>	<b>0.046</b>
<b>CHILDREN FAMILIES &amp; LEARNING</b>								

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<b>Policy, Planning &amp; Commissioning</b> - Schools and SEN transport - historic BCC written policy adopted by CBC is affecting costs and clearer needs analysis has increased projected demand. Transport policy review initiated by CFL and wider transport review initiated by Sustainability Communities directorate, findings and timing of actions may reduce pressures.	S	1	Reducing service is not viable in the short term. Need to await outcome of Transport policy review initiated by CFL and wider transport review initiated by Sustainability Communities directorate. Any change to transportation could have an effect on the reputation of the council so soon after creation of CBC.	0.761				
<b>Integrated Services</b> - Under one Roof initiative - Pilot refurbishment of Dukeminster House - Grant £180k costs £210k (dependant on timing of lease payments). Lease Costs	D	3	The under one Roof initiative is the innovative pilot which will help inform the learning and roll-out for local delivery of services across Central Bedfordshire. This is a priority contained in the children and young peoples plan, arranged of staff including voluntary sectors colleagues are due to move into the building in January 2010.	0.030				
<b>Leisure &amp; Culture</b> - School Organisation - Uncertainty over accuracy of current salary budget.	S	2		0.020				
<b>Specialist Services</b> - Increased cost of placements for Looked After Children in line with financial risk identified by CFL Director in October 2008.	S	1	Continued overspend against a demand led statutory function.	0.500				

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<b>Specialist Services</b> - Structural underfunding of the disabled children's residential service.	S	1	Failure to comply with regulatory requirements and high profile service delivery compromised.	0.300				
<b>Specialist Services</b> - Increased number of Social workers to meet increased case load demand. Children in need increased by 160 net since 31st March 2009.	S	1	Allocation of child protection and looked after children. Serious regulatory risk and safeguarding service compromised.	0.200				
<b>Specialist Services</b> - 5% vacancy factor established in budgets for Safeguarding Social workers and regulated services.	S	1	Where vacancies occur cover must be provided to comply with registration standards for regulated services, or to maintain safe caseloads in safeguarding teams. Agency staff sometimes required for cover.	0.020				
<b>Specialist Services</b> - Recruitment and retention of social workers allowances not in budget	S	1	Current recruitment and retention scheme not factored in to establishment budgets. Very difficult recruitment environment in Children's Social Work, scheme needs reviewing but loss would be very likely to lead to increased demand for agency staff to cover essential posts.	0.074				
<b>Specialist Services</b> - If Social workers leave (through above) then 30% cost to replace with agency staff.	S	1	Agency costs increase pressure on staffing budgets	0.147				

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<b>Specialist Services</b> - LSCB chair - Maggie Blyth payments managed through Carlisle recruitment cost not in budget	S	1	Independent Chair required for LSCB agreed by Shadow Executive 17/03/09. Not currently funded in base budget.	0.015				
<b>Specialist Services</b> - Asylum support grant being capped for next year	S	1	Home Office have indicated that they will cap support to fund costs of accommodating UASCs next year. LGA negotiating. Details not yet available so difficult to model precise impact.	unknown				
<b>Sub total Children Families &amp; Learning</b>				<b>2.067</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>CORPORATE RESOURCES</b>								
<b>L&amp;D:</b> Elections - CBC (assumes rolling fund)	S	1	Statutory requirement . Currently we have £47k p.a. in the budget to build a fund for elections every 4 yrs. We estimate we need £290k for each election (£73k p.a.)	0.026				
<b>L&amp;D:</b> Elections - CBC (being held after only 2 yrs) - require £146k additional by 2011/12, then normal budget requirement only from 2012/13	S	1	As the next elections will be in 2011 we will not have had the usual 4 years contributions to build a sufficient fund. There will be a shortfall for <u>the 2011 election only</u> .	0.073	0.000	-0.073		
<b>Prop:</b> Difference between staff actual costs and budgets awarded	D	1	Cuts in fte would lead to service level reductions	0.110				
<b>Sub total Corporate Resources</b>				<b>0.209</b>	<b>0.000</b>	<b>-0.073</b>	<b>0.000</b>	<b>0.000</b>
<b>SOCIAL CARE HEALTH &amp; HOUSING</b>								

Detail of pressure	Category Note 1	Priority Note 2	Impact Note 3	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m
<b>Commissioning</b> - BUPA Contract currently negotiating with a view to extending the contract. Aims to reduce voids but contract price likely to increase.	S	1	The alternative would be to take back this service and staff in-house and buy in additional management capacity would cost considerably more than likely outcome of an agreement with BUPA.	0.400	0.000	0.000	0.000	0.000
<b>Housing General Fund</b> - Job evaluation	S	1	The HR process is resulting in higher grades, predominantly for former South Bedfordshire District Council staff.	0.085	0.000	0.000	0.000	0.000
<b>Sub total Social Care Health &amp; Housing</b>				<b>0.485</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>SUSTAINABLE COMMUNITIES</b>								
1. Transitional Funds	D/S	1	Affects service delivery across directorate. This was an amount of transitional funding that was to be applied in 2009/10 to recognise additional cost pressures until harmonisation of services progressed.	0.500				
2. Unbudgeted Employee Allowances, overtime and car allowances	S	1	Based on current year spend to August 31st. These were omitted from the base budget build for 2009/10 and are a contractual entitlement.	0.290				

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3. Reduced Planning Application Fee Income due to Government change introduced 1/10/09	S	1	Loss of income to support the delivery of this statutory service	0.180				
4. Increased salary costs likely as a result of job evaluations which will come into effect through pay harmonisation process	S	1	This pressure relates to the cost of harmonising pay rates from the legacy Councils. The extent of this will not be known until job evaluation is completed. This is an estimated figure.	0.250				
5. Revenue funding to enable employment related capital schemes to be delivered.	D	1	Revenue required at feasibility stage to enable capital schemes to develop. GAF funding accounts for some £10m capital investment to 2012. The leverage of private investment by getting the feasibility studies completed to accelerate and maximise the public value in our key employment sites is difficult to estimate but a figure based on the EEDA would value each job created at £20,000. The job investment programme in total accounts for some 8,300 possible jobs, so that would equate to some £166m over the 3 year life of the programme. So say £160m minimum over 3 years.	0.250				

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6 Govt. review of Schedule 2 - controlled waste regs.	S	1	This may increase the range of waste materials that the council must collect free of charge. Autumn/ winter 2009 - publication of consultation on options to amend the legislation. This is expected to be for the standard 12 week period. February 2010 - anticipated response to consultation. Expect changes to legislation to be introduced 1st Oct 2010. Government workshop November 09, after which we will update financial implications.	?				
7. Landfill Tax uplift	S	1	Central Government imposed tax on municipal waste, which is sent to landfill. The tax is increased by £8 per ton pa up to 2013/14.	0.500	0.500	0.500	0.500	
8. BEaR (Bedfordshire Energy and Recycling) Project - additional net cost	S/D	1	Project to procure a substantial waste management solution which avoids payment of Landfill Allowance Trading Scheme (LATS) penalties. Increase in costs a result of Bedford Borough Council withdrawal from Project.	0.140		-0.066	-0.358	



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9. Passenger transport services subsidy to public bus operators	D	1	Fully considered by Executive September and October 2009. Relates to full year cost of decision to support a range of public bus services. Major review of all passenger transport services underway.	0.140				
10. What HPDG will be budgeted for 2010/11? What will be received? 2009/10 announcement in Nov/Dev 2009 which will enable a recalculation for 2010/11. Assumes removing from base budget over 3 years.	S	1	The funding is used to support the delivery of core planning services.	0.250	0.250	0.250		
11. Possible, as yet unknown, costs of completing Sundon Landfill Restoration	S/D	2	We are seeking to capitalise the bulk of the restoration costs, but there may be a revenue cost. A report is currently being produced to quantify both revenue and capital costs. £60k pressure if can't capitalise.	0.060				
<b>Sub total Sustainable Communities</b>				<b>2.560</b>	<b>0.750</b>	<b>0.684</b>	<b>0.142</b>	<b>0.000</b>
<b>TOTAL</b>				<b>6.251</b>	<b>0.783</b>	<b>0.657</b>	<b>0.182</b>	<b>0.046</b>

Note 1 - Category: S - Statutory Service D - Discretionary Service

Note 2 - Each budget pressure must be ranked the first being the one most difficult to avoid

Note 3 - Departments should consider the service delivery, political and reputational damage implications to the Council.