

**CHIEF EXECUTIVE  
ESTIMATES 2014/15**

## Chief Executive

### Revenue Budget 2014/15

#### Introduction

The budget has been prepared in line with the revised management structure that comes into effect from 1 April 2014. As a result of the restructure staff savings have been achieved and these have been allocated as far as practically possible to the Directorate where the savings will fall. An assessment has also been made of the effect on the Housing Revenue Account. The exact allocation of the savings between the General Fund and Housing Revenue Account will not be known until the 2014/15 budget is revisited in late 2014.

The Chief Executives Directorate is responsible for the services listed on the summary page, opposite.

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Depreciation

Where a service employs fixed assets in service delivery, depreciation on those assets is charged to the relevant service. This however does not impact on the level of Council Tax, these charges are reversed out in the Revenue Expenditure, Income and Financing Summary after the net operating expenditure is calculated.

#### Pension costs

The budget shows the current service cost element of the pension scheme relating to those employees currently in service. These figures have increased however in calculating the amount to charge against the Council Tax an amount is reversed out in the budget summary to bring the figures back to the Councils contributions to the Fund.

#### Revenue Expenditure funded from Capital under statute

Some expenditure incurred by the authority is of a capital nature but does not relate to fixed assets of the Authority. In this situation the expenditure is classified as revenue but can be funded from capital resources the funding side of the transaction like the depreciation reversals is shown in the Revenue Expenditure, Income and Financing Summary after the net operating expenditure is calculated.

#### Compliance with accounting guidance

The 2014/15 budget has been prepared in accordance with the latest guidance, in particular the Service Reporting Code of Practice for Local Authorities (SeRCOP). The code of practice replaced the Best Value Accounting Code of Practice and has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the Directorate service groupings differ from those required by the Code of Practice. The Directorate groupings are given precedence in these papers.

In order to increase the degree of consistency across all sectors of the economy when presenting financial information, central government has adopted International Financial Reporting Standards (IFRS). Local Authorities have adopted this for financial years beginning on 1 April 2010. IFRS is more concerned with the presentation of financial information in the Statutory Statement, but there is a minor impact on the budget figures.

#### Budget format

Even though the Directorate Structure has changed, the format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all Directorates will have all three types of service grouping. The additional DDF requirements and the ongoing savings as a result of the restructure are shown as part of the Support and Trading Services and these figures do not come back to zero because of this.

**Direct Services** –These reflect the headline services provided by the directorate.

**Regulatory Services** –The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate Directorate budgets.

## Chief Executive

### General Fund Estimate Summary

2012/13	2013/14			2014/15		
<i>Actual</i> £000	<i>Original Estimate</i> £000	<i>Probable Outturn</i> £000		Gross Expend £000	Gross Income £000	Net Expend £000
<b>Direct Services</b>						
1,026	1,070	1,091	Corporate Activities	1,612	419	1,193
<b>1,026</b>	<b>1,070</b>	<b>1,091</b>	<b>Total (Transferred to GF Summary)</b>	<b>1,612</b>	<b>419</b>	<b>1,193</b>
<b>Support and Trading Services</b>						
251	323	341	Chief Executive Policy Group	308	0	308
(251)	(323)	(341)	Recharged to Services	(330)	0	(330)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>(22)</b>	<b>0</b>	<b>(22)</b>
<b>1,026</b>	<b>1,070</b>	<b>1,091</b>	<b>Directorate Total</b>	<b>1,590</b>	<b>419</b>	<b>1,171</b>
1,009	1,070	1,016	Continuing Services Budget			1,026
0	0	0	Continuing Services Budget - Growth			0
(23)	(22)	(22)	Continuing Services Budget - Savings			(70)
<b>986</b>	<b>1,048</b>	<b>994</b>	<b>Total Continuing Services Budget</b>			<b>956</b>
17	0	92	District Development Fund - Expenditure			220
0	0	(17)	District Development Fund - Savings			(5)
<b>17</b>	<b>0</b>	<b>75</b>	<b>Total District Development Fund</b>			<b>215</b>
<b>1,026</b>	<b>1,070</b>	<b>1,091</b>	<b>Directorate Total</b>			<b>1,171</b>



**Chief Executive**

**Development Fund & Growth Items**

		<b>Original</b>	<b>Probable</b>	<b>Original</b>
		<b>2013/14</b>	<b>2013/14</b>	<b>2014/15</b>
		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>CSB Growth Items</b>				
Corporate Policy Making	Chief Executive Post- Salary savings	(22)	(22)	
Directorate Restructure	Savings			(70)
		<b>(22)</b>	<b>(22)</b>	<b>(70)</b>

		<b>Original</b>	<b>Probable</b>	<b>Original</b>
		<b>2013/14</b>	<b>2013/14</b>	<b>2014/15</b>
		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Development Fund Items</b>				
Corporate Policy Making	Efficiency Challenge Programme (RIEP)		14	
Corporate Policy Making	Transformation Programme			150
Corporate Policy Making	LLPG staffing		78	22
Corporate Policy Making	LLPG staffing HRA Contribution		(17)	(5)
Corporate Policy Making	Restructure - Severance Pay			48
		<b>0</b>	<b>75</b>	<b>215</b>

## **Chief Executive**

### **Corporate Activities**

#### **Corporate Policy Making**

This budget is made up mostly by recharges from services for corporate and public accountability activities. Recharges are made from here to the Housing Revenue Account and to the 'ring fenced' account for Building Control. The recharges to the HRA amount to £419,360 for 2014/15 and relate to Debt Management, External Audit, Bank Charges, and other Corporate overhead costs where the recharge has been calculated in accordance with CIPFA accounting guidelines and fairly reflects the HRA element.

The 2013/14 probable outturn includes £13,500 carried forward from 2013/14, this is the amount remaining from the grant awarded by the Regional Improvement and Efficiency Partnership for the East of England as part of the Efficiency Challenge Programme.

The £100,000 DDF for the Local Land and Property Gazetteer has been rephased, with £78,000 expected in 2013/14 and £22,000 in 2014/15, with HRA contributions of £17,000 and £5,000 respectively. Having previously been identified as falling below national standards Epping Forest has achieved a Bronze standard and was the council considered 'most improved' in a recent review.

The Corporate Policy making budget also includes a DDF item in 2014/15 of £150,000 for the Council Transformation Programme.

#### **Subscriptions**

This heading relates to the Corporate subscriptions that are paid to various organisations including the Local Government Association, CIPFA Best Value Advisory Service, East of England Local Government Conference, Essex Safeguarding Children Board and Essex Safeguarding Adult Board.

## Office of the Chief Executive

### Corporate Activities

<i>2012/13</i>	<i>2013/14</i>			<i>2014/15</i>		
<i>Actual</i> <i>£000</i>	<i>Original</i> <i>Estimate</i> <i>£000</i>	<i>Probable</i> <i>Outturn</i> <i>£000</i>		<b>Gross</b> <b>Expend</b> <b>£000</b>	<b>Gross</b> <b>Income</b> <b>£000</b>	<b>Net</b> <b>Expend</b> <b>£000</b>
989	1,040	1,061	Corporate Policy Making	1,582	419	1,163
37	30	30	Subscriptions	30	0	30
<b>1,026</b>	<b>1,070</b>	<b>1,091</b>	<b>Total (Transferred to Summary)</b>	<b>1,612</b>	<b>419</b>	<b>1,193</b>
1,009	1,070	1,016	Continuing Services Budget			1,026
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>1,009</b>	<b>1,070</b>	<b>1,016</b>	<b>Total Continuing Services Budget</b>			<b>1,026</b>
17	0	92	District Development Fund - Expenditure			172
0	0	(17)	District Development Fund - Savings			(5)
<b>17</b>	<b>0</b>	<b>75</b>	<b>Total District Development Fund</b>			<b>167</b>
<b>1,026</b>	<b>1,070</b>	<b>1,091</b>	<b>Directorate Total</b>			<b>1,193</b>

## **Chief Executive**

### **Support Services**

#### **Chief Executive Policy Group**

This is a support service group comprising the posts of the Chief Executive, Assistant to the Chief Executive and the Executive Assistant. The increase in the probable outturn 2013/14 relates to the increase in Pension costs and a change in support service costs.

The budget for 2014/15 includes a DDF item (severance payment) of £48,000 for the deletion of the Assistant to the Chief Executive post from the establishment list as part of the Councils restructure.

An element of the savings from the corporate restructure are expected to fall here, £70,000 in 2014/15 and a further £20,000 2015/16.



## Office of the Chief Executive

### Support Services

2012/13		2013/14		2014/15		
<i>Actual</i> £000	<i>Original Estimate</i> £000	<i>Probable Outturn</i> £000		Gross Expend £000	Gross Income £000	Net Expend £000
251	323	341	Chief Executive Policy Group	308	0	308
<b>251</b>	<b>324</b>	<b>341</b>	<b>Total (Transferred to Summary)</b>	<b>308</b>	<b>0</b>	<b>308</b>
274	346	363	Continuing Services Budget			330
0	0	0	Continuing Services Budget - Growth			0
(23)	(22)	(22)	Continuing Services Budget - Savings			(70)
<b>251</b>	<b>324</b>	<b>341</b>	<b>Total Continuing Services Budget</b>			<b>260</b>
0	0	0	District Development Fund - Expenditure			48
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>48</b>
<b>251</b>	<b>324</b>	<b>341</b>	<b>Directorate Total</b>			<b>308</b>

