



**Policy and Finance Committee**

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**Date:** 17 September 2018

**Title:** Central Services budget lines

**Purpose of the Report:** To seek Committee approval for proposed adjustments in Central Services budget lines

**Contact Officer:** Sarah Sandiford, Head of Democratic and Central Services

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<b>Corporate Objective/s</b>	<b>LLTC Three Year Plan – Aim 1:</b> to consolidate processes and procedures, ensuring operational efficiency and a structure which will underpin future service delivery by the Town Council.	
<b>Implications:</b>		
<b>Financial</b>	√	No change to overall total of specified Central Services budget lines. £756 additional cost for email licences.
<b>Human Resources</b>	X	
<b>Operational/Service delivery</b>	√	To ensure budgets are correctly allocated to maintain service provision.
<b>Procedural/Legal</b>	X	
<b>Risk/Health and Safety</b>	X	

**1. RECOMMENDATION/S**

Should members be minded, the proposals are:

- 1.1 To note the report.
- 1.2 To endorse the proposed budget reprofiling for a number of central services for 2019-2020, as outlined at 4.1 (total to remain unchanged at £39,500).
- 1.3 To endorse an increase in the IT support budget by £756 from 2019-2020, to reflect the additional email licensing costs.

## 2. BACKGROUND

- 2.1 To achieve economies of scale for central services across the Town Council, a number of centralised budget lines exist, within budget code 12 (Central Administration).
- 2.2 These centralised budget lines include, amongst others, the following: IT support, website, printing, stationery, telephones and photocopying.
- 2.3 In procuring goods and services, every effort is made to achieve the best possible value for money, whilst meeting or exceeding service requirements.
- 2.4 In the last two years, contracts have been reviewed for telephones, mobile telephones and photocopiers. Following committee approval, changes in suppliers have resulted in savings in these operational areas. For example, for 2018-19 there was a reduction in budget of £2,000/year for telephones which helped support an increase in IT support costs.

## 3. UPDATE

- 3.1 As the Committee is aware, during the last year approval was given for the purchase of Modern.gov meetings management software, as well as a change in websites support provider to ensure the required level of technical and content management support was in place.
- 3.1 The budget allocated within the Five Year Financial Plan for IT Projects included provision for the first two years of licence fees for Modern.gov, as well as the purchase of associated equipment. It was anticipated that cost savings on printing, copying, postage and so on would offset licence costs in future years.
- 3.2 The websites budget has been set at £1,000 per year for a number of years. However, over time, the demands on this budget have increased, with a recognition that an organisation's website is often the primary source of information available to the public and that it is crucial that it is not only well maintained and kept up to date, but is also hosted securely and meets new data protection regulations regarding personal data.
- 3.3 In addition, the Town Council has added to its profile new websites for the market and for Astral Park. With the main website and the TACTIC site, there are now four individual sites to be hosted, managed and maintained, bringing the current annual cost to £2,400.
- 3.4 The Town Council is nearing the end of a two year IT support contract. Whilst quotes are yet to be sought, it is anticipated to be likely that costs will increase (**proposals and budget implications to be brought to the November meeting**).

- 3.5 Having reviewed the expenditure on the IT support budget in detail, it is anticipated that licence costs, which account for the majority of spend beyond the support contract, will also continue to rise and remain essential for day to day operations and service delivery.
- 3.6 The resolution made by Council in April 2018 regarding the mandatory use of Town Council email addresses for all town councillors will increase the annual Outlook licence fee by £63/month or £756 annually.

#### 4. RECOMMENDATIONS

- 4.1 The Committee is asked to consider the below proposed re-profiling of budget lines for 2019-20. These take into account anticipated savings on lines such as photocopying and postage as a result of moving to paperless agendas. These savings would contribute towards an increase in IT support and website support costs, as well as creating an initial fund towards licensing for Mod.gov software in year three.

Budget line	2018-19	2019-20
IT support	£15,500.00	£16,000.00
websites	£1,000.00	£2,500.00
Telephones	£8,000.00	£8,000.00
Post	£3,500.00	£2,500.00
Photocopying	£8,500.00	£5,000.00
Print & stationery	£3,000.00	£2,500.00
Modern gov	0	£3,000.00
<b>Total</b>	<b>£39,500.00</b>	<b>£39,500.00</b>

- 4.2 It is anticipated that once a full year of using Modern.gov has taken place and the full cost savings can be assessed, that a similar exercise will take place for the 2020-21 budget, whereby the £7,000 annual licence cost will be able to be met in that year and thereafter.
- 4.3 In addition to the above re-profiling, it is recommended to increase the IT support budget by a further £756 to reflect the additional cost in email licences. This would bring the **overall total** for the seven budget lines above to **£40,256**.

#### 5. CONCLUSIONS

- 5.1 It is clear that recent service reviews have resulted in economies of scale, reducing costs while maintaining or enhancing services. Further savings on consumables will occur as a result of the introduction of paperless meetings.
- 5.2 The Committee is asked to endorse the proposed budget amendments as part of the 2019-2020 budget setting process.

**End.**