

Appendix A

In response to a question from the Committee, the Chief Internal Auditor stated that she would provide a report to the Committee on the high percentage of savings achieved in Legal and Regulatory Services.

A review of the high percentage of savings reported to have been made by Legal and Regulatory Services was undertaken. Analysis of the figures recorded in the Medium Term Financial Strategy (MTFS), the Budget Book and on the Financial Ledger from 2014 to date was undertaken.

The MTFS 2015-16 to 2018-19 initially reported proposed cumulative savings of £1.421 million 41% over a 4 year period. This was broken down into £268,000 (7.8%) agreed savings for 2016-17, and further proposed savings of £592,000 (17%) in 2016-17 and £561,000 (16%) in 2017-18. These were to be achieved through a restructure of Legal & Democratic, Registration, Procurement, Performance and Partnership Services. Since then, the MTFS 2016-17 to 2019-20 reduced the proposed saving targets to £70,000 (2%) in 2016-17, and the draft MTFS for 2017-18 proposed a savings target of £150,000 (5.4%) for 2017-18. This equates to total savings of £488,000 over the 2015-2018 period (14% of original budget). Cabinet were informed that the anticipated budget saving for 15/16 was achieved.

In 2015-16 the directorate ended the financial year having realised all of its budget reductions, and with an overall under spend of £397,000. This is expected to recur in the 2016-17 financial year, with latest projections showing an under spend on legal and democratic services only of around £400,000. These underspends predominately relate to vacancies, but have also arisen as a result of an increase in the recovery of legal costs.

Members should have regard to the fact that this matter was raised by the Committee at their meeting held on 21st April 2016. The service was restructured as of 1st April 2016. In addition Regulatory Services formed part of a regional collaboration since May 2015 and therefore the new service structure is Legal and Democratic Services.