

HERTFORDSHIRE COUNTY COUNCIL

CABINET

MONDAY, 22 FEBRUARY 2016 AT 2.00 PM

Agenda Item No.

4(iii)

COUNTY COUNCIL

TUESDAY, 23 FEBRUARY 2016 AT 10.00 AM

Agenda Item No.

5A(iii)

INTEGRATED PLAN 2016/17 - 2019/20

(incorporating the Strategic Direction and Financial Consequences and the Treasury Management Strategy, Insurance and Risk Strategy and report on Invest to Transform)

Report of the Assistant Director Finance, Resources and Performance

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Executive Member: Chris Hayward, Resources and Performance

1. Purpose of report

1.1 To propose the Integrated Plan for 2016/17 – 2019/20 for the Council. The Integrated Plan (IP) comprises:

- An overview of the proposed revenue budget and capital programme (Part A);
- Strategic Direction and Financial Consequences (Part B);
- an Equalities Impact Assessment (Part C);
- other technical information (Part D) incorporating a review of the budget estimates and adequacy of reserves and summarising the budget information outlined in Part B;
- the Treasury Management Strategy (Part E);
- the Insurance and Risk Strategy (part F)
- Review of the Invest to Transform programme and Fund (Part G).

1.2 These proposals should be considered in the light of the feedback on the draft Integrated Plan from Cabinet Panels and the Overview & Scrutiny Committee (items 4(i) and 4(ii) of the Cabinet agenda / items 5A(i) and 5A(ii) of the Council agenda) and the Public Engagement and Consultation report (item 4(i) on the 18 January 2016 Cabinet agenda).

1.3 The final determination will be by the County Council on 23 February 2016.

2. Summary

- 2.1 The Government announced the Final Local Government Finance Settlement for 2016/17 on 8th February 2016. This followed the December Provisional Settlement where the government announced significant reductions in Revenue Support Grant (RSG). These arose from the government's continued policy of reducing public sector spend as part of its national economic strategy, combined with a change in the basis of distribution to take account of the ability to raise council tax, which impacted shire counties and districts. Hertfordshire's 2016/17 RSG in the Provisional Settlement showed a £45m decrease on the previous year.
- 2.2 In response to representations, the final revenue grant settlement includes transitional funding in 2016/17 and 2017/18 for those authorities with the sharpest decreases in RSG. For Hertfordshire this provides additional funding of £7.76 million in 2016/17 and £7.849m in 2017/18.
- 2.3 The settlement confirms indicative core funding to 2019/20, which apart from the transitional funding is broadly unchanged from the provisional Settlement. There have been some adjustments to RSG for future years which for Hertfordshire has resulted in a reduction of £0.8 million for 2019/20. The Government is still offering guaranteed four year settlements to councils who provide an efficiency plan. The deadline for this offer has been extended to 14 October, although requirements for the efficiency plan have not yet been specified.
- 2.4 The government in their 2015 Spending Review introduced a new Social Care Precept, giving social care authorities power to raise an additional 2% of council tax income to help them meet social care pressures. Given the continued demographic and living wage pressures on social care, which total £20 million in 2016/17, the proposed budget includes this precept, providing an additional £9.8 million funding.
- 2.5 The Council receives Business Rates income from revenue collected by local districts, plus a "top up" from central government to an assessed baseline level of need. Income increases each year by the nationally set rate, 0.8% for 2016/17 (based on September RPI). Income also varies by a proportion of local growth; Hertfordshire has formed a Business Rates Pool for a second year, to increase the proportion of income growth retained within the county. The Council's share of this increase is estimated at £0.5m.
- 2.6 Figures have now been received from Districts for the forecast Tax Base and Collection Fund balances for 2016/17 onwards, for both Council Tax and Business Rates. There has been growth in the Council Tax base (supported by work to identify empty properties brought into use, and reviewing discounts) and increased one off surpluses on collection. There has been no significant real terms movement in Business Rates income, and there continues to be a deficit position on collection, partly due to the impact of valuation appeals. While some growth had been anticipated, In total, funding from Council Tax and Business Rates is £5.7 million higher than built into the draft IP proposed at January Cabinet. £5.3 million of this movement relates to one off collection

fund balances in 2016/17, where income collected in previous years has been higher than forecast by Districts.

- 2.7 Savings requiring a policy change have been taken through Panels for Cabinet decisions throughout 2015/16, and substantial efficiency savings have been identified. Further savings, and the use of some one-off reserves planned to be set aside in 2015/16, were identified following the Provisional Settlement and incorporated into the draft IP presented in January, in order to achieve a balanced budget for 2016/17. In total savings of £32.6 million have been identified for 2016/17, rising to £49.4 million by 2019/20. However a significant budget gap remains: further savings of £78 million are expected to be needed by 2019/20.
- 2.8 In the context of these funding pressures, a Council Tax increase of 1.99% has been included for each year of the draft budget. This is the level above which a referendum would be required. An increase in Council Tax of 1.99% delivers £9.74 million additional income to the Council in 2016/17.
- 2.9 The net impact of these changes is an improved position with a reduced funding gap of £8.332 million in 2016/17, based on a council tax increase of 1.99% and a 2% Social Care precept. The movements since January Cabinet are set out below.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Budget Gap after 1.99% pa Council Tax increase (reported to January Cabinet)	28.782	67.677	99.668	124.015
Final Settlement: transitional funding	(7.760)	(7.849)	0.000	0.000
Final Settlement: RSG movement from original projection				0.839
Increase in council tax base	(3.539)	(3.172)	(3.274)	(3.379)
Net movements on Business rates & related S31 grant	0.345	0.261	0.262	0.264
Other minor movements and 18/19 correction from January Cabinet	0.291	0.029	3.024	0.024
Budget Gap after Final Settlement and confirmation of Council Taxbase/ Business Rates	18.119	56.945	99.680	121.763
Social Care Precept 2% pa	(9.787)	(20.319)	(31.646)	(43.807)
Budget Gap after Social Care Precept	8.332	36.626	68.034	77.956

- 2.10 Options to meet this gap, based on discussions presented to January Cabinet, are set out below. Members are invited to consider these choices and agree which should be taken forward to achieve a balanced budget for 2016/17. For one off resources (the Highways Challenge Fund and Council Tax Collection Fund balances) there is the option to use these for capital financing, reducing borrowing costs in future years and so helping address the longer term funding gap (£77.957 million by 2019/20).

Policy Choices – 2016/17 Savings Gap	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
a) Reverse non pay inflation	(2.506)	(2.506)	(2.506)	(2.506)
b) Increase CCG's Contribution to Social Care	(2.000)	(2.000)	(2.000)	(2.000)
c) Reduce Members Locality budget (50%)	(0.385)	(0.385)	(0.385)	(0.385)
Either d) Release Highways Challenge fund to revenue budget	(3.559)	0.000	0.000	0.000
Or e) Release Highways Challenge fund and use for capital financing in place of borrowing	0.000	(0.270)	(0.270)	(0.270)
Either f) Use one off Collection Fund balances to support revenue budget	(5.441)	0.000	0.000	0.000
Or g) Use one off Collection Fund balances to create reserve for capital financing in place of borrowing	0.000	(0.408)	(0.408)	(0.408)
Total Policy Choices	(13.891)	(5.569)	(5.569)	(5.569)
<i>Savings required</i>	<i>8.332</i>	<i>36.626</i>	<i>68.034</i>	<i>77.956</i>

- 2.11 It is suggested that proposals considered in January to suspend repayments to the Invest to Transform Fund, and to use revenue budget currently earmarked for capital financing to reduce borrowing, should not be taken forward, as these would reduce planned resources available for future investment. The Invest to Transform Fund will be of particular importance in future years to help drive forward the ambitious savings programme that will be required.
- 2.12 There have been some amendments to the Capital Programme, which are detailed in section 4.2. The revised capital programme requires forecast new borrowing of £26.544m in 2016/17, which could be reduced if one off monies are used for capital financing, as detailed in section 2.10. Given current market conditions, it is proposed that new borrowing be taken as short term to reduce the revenue impact.
- 2.13 To date the Government has announced capital grants including Highways Maintenance and Integrated Transport, and Schools Capital Maintenance. For remaining grants and for new funding such as the Potholes Fund, budgets will be reviewed in the light of available funding once this is announced.
- 2.14 Funding of the capital programme continues to be met from external sources wherever possible, and is supported by capital receipts from the sale of assets. It is planned that £32.6 million capital receipts be used to fund spend

in 2016/17, and £17 million p.a. for subsequent years. A further £3 million capital receipts each year will replenish the Spend to Achieve Capital Receipts Reserve, in turn generating capital receipts to fund future capital spend and reduce borrowing. This will be a total level of capital receipts of £73 million received and used over the period 2016/17 to 2018/19.

- 2.15 The general reserve has been reviewed and is considered adequate at the current level of 4% of the Net Revenue Budget. The specific reserves maintained by the Council have also been reviewed and adjusted to reflect changed circumstances.
- 2.16 The Treasury Management Strategy (Part E) includes one proposed change for 2016/17. This is to extend the investment instruments to include Peer to Peer lending, which involves lending to unrelated individuals or 'peers' without going through a traditional financial intermediary. This would include organisations such as Funding Circle or Zopa. This could, for instance, provide an opportunity for stimulating economic growth for the funds that the County Council holds on behalf of the Local Enterprise Partnership.
- 2.17 Figures for total capital expenditure and borrowing, and related Prudential Indicators, have been revised within the Treasury Management Strategy to reflect the capital programme and funding changes detailed in section 4.2.
- 2.18 Details of significant changes to the revenue budget are given in section 4, and the summary position (prior to the agreement of savings to meet the remaining 2016/17 funding gap) is shown in Appendices 1 to 3.

3 Recommendations

- 3.13 Cabinet is recommended to:
 - (a) approve the changes to the Integrated Plan [Parts A to D] as set out in sections 2.9 and 4.2 of the report; noting that amendments to the budget may be required once any outstanding grants have been announced by the Government;
 - (b) agree policy choices from section 2.10 of the report, to meet the remaining budget gap of £8.332m in 2016/17; and
 - (c) recommend to the County Council that the Integrated Plan for 2016/17 - 2019/20 (as amended above) be adopted, and specifically that:

In respect of all Parts:

- (i) the Chief Financial Officer, in consultation with the Executive Member for Resources & Transformation, be authorised to make minor amendments to ensure the final plan is in line with decisions taken by the County Council before publication;

In respect of Parts A to D:

- (ii) a Revenue Budget of £821.797 million and a Council Tax Requirement of £508.923 million be agreed as per the updated Revenue Budget Statements included at Appendix 1 to 3 of the report.
- (iii) a Band D Council Tax of £1,163.80 plus a Band D Social Care precept of £22.82 be agreed for the County Council in 2016/17, and that the amount of tax calculated for all bands be as follows

Band	2015/16 Council Tax	1.99% Increase	Subtotal	2% Social Care Precept	2016/17 Council Tax
A	760.73	15.14	775.87	15.21	791.08
B	887.51	17.67	905.18	17.75	922.93
C	1,014.30	20.19	1,034.49	20.28	1,054.77
D	1,141.09	22.71	1,163.80	22.82	1,186.62
E	1,394.67	27.75	1,422.42	27.89	1,450.31
F	1,648.24	32.8	1,681.04	32.97	1,714.01
G	1,901.82	37.85	1,939.67	38.03	1,977.70
H	2,282.18	45.42	2,327.60	45.64	2,373.24

- (iv) the precept amount of **£508,923,174.58** be required from the district and borough councils as follows:

District	Precept Amount £
Borough of Broxbourne	40,372,846.91
Dacorum Borough Council	65,598,726.84
East Hertfordshire District Council	67,939,809.44
Hertsmere Borough Council	46,866,743.52
North Hertfordshire District Council	56,945,419.15
St Albans District Council	72,144,360.08
Stevenage Borough Council	30,719,811.87
Three Rivers District Council	44,340,785.53
Watford Borough Council	37,158,661.18
Welwyn Hatfield Council	46,836,010.06
TOTAL	508,923,174.58

- (v) a capital programme be agreed and financed as set out below *{Replaces TABLE 4a : Capital Programme Expenditure 2016/17 to 2018/19 by directorate – IP Page 11}*

	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m
Childrens Services	37.460	42.416	44.637	124.513
HCS	27.724	21.050	20.710	70.731
Community Protection	2.924	2.241	1.733	6.898
Resources and Performance	7.201	7.160	4.442	18.803
Public Health	1.200	0.200	0	1.400
Environment	85.748	114.044	103.662	303.454
Total	162.257	187.111	175.184	525.799

Replaces TABLE 4b: Financing of the Capital Programme 2016/17 to 2018/19- IP Page 11

	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m
HCC Funding	59.144	69.304	63.067	192.762
Grant	67.038	58.950	46.164	172.152
Contributions	30.213	55.045	63.653	148.911
Reserves	5.850	3.800	2.300	11.950
Revenue	0.012	0.012	0	0.024
Total	162.257	187.111	175.184	525.799

- (vi) the Chief Financial Officer, in consultation with the Executive Member for Performance & Resources and the Executive Members for the relevant service, be authorised to vary the capital programme during the year to include additional schemes that are wholly funded by grants or third party contributions and to vary existing schemes to match any changes in funding from grants or third party contributions;
- (vii) the schools budget be agreed at the level of the Dedicated Schools Grant (DSG) plus use of carry forward DSG (this is currently estimated at £877.663 million less deductions in respect of academies and post 16 high needs places), and that the Chief Financial Officer in consultation with the Director Education & Early Intervention, the relevant Executive Members and the Schools Forum, be authorised to amend the schools budget to match any changes to the Dedicated Schools Grant and the planned approach to balancing the schools budget in future years of the Plan;
- (viii) the Chief Financial Officer and Director of Children's Services, in consultation with the Executive Member for Resources & Performance and the Executive Member for Children's Services, be authorised to

determine the allocation of budget from the £0.746m Special Education Needs Implementation grant in 2016/17;

- (ix) the Chief Executive, in consultation with the Leader of the Council, be authorised to issue the Council Tax leaflet;
- (x) that, in the light of the requirement for further savings in future years, Chief Officers be asked to work with Executive Members and their Cabinet Panels to develop options at the earliest possible opportunity for the delivery of substantial additional savings;
- (xi) the Chief Executive, in consultation with the Executive Member for Resources & Performance, be authorised to continue work in the following proposed areas for exploration with Partners and/or across departments in order to deliver best use of the public pound, improve outcomes for citizens and drive out further efficiencies:
 - Health and Social Care Integration
 - Family Focused Working
 - Adults with complex needs
 - Asset Rationalisation/Shared Accommodation
 - Hertfordshire Civil Service
 - Skills, Jobs and Work Opportunities
 - Enabling Citizens and Communities
 - Enabling the Worker
 - Selective Extension of Trading Activity

In respect of Part E:

- (xii) the Minimum Revenue Provision policy and capital expenditure prudential indicators be approved (IP Part E, Section 2); and
- (xiii) the Treasury Management Strategy, including the Borrowing, Lending and Financial Derivative policies, the introduction of the new financial instruments and the treasury management prudential indicators be approved (IP Part E, Sections 4-8).

4 Integrated Plan 2016/17 – 2019/20 (Parts A to D)

4.1 There have been a number of announcements/changes since the publication of the draft Integrated Plan by the Cabinet on 18 January 2016. The key issues to note are:

- The Government in the Final Settlement announced transitional funding of £7.76 million in 2016/17 and £7.849m in 2017/18, to mitigate the loss of Revenue Support Grant announced in the Provisional Settlement in December.
- Other grants including Public Health, Independent Living and additional funding for SEN Reform have been announced. Some other grants remain

unconfirmed at the time of writing, including the Extended Rights to Free Transport element of Local Services Support Grant.

- The final council taxbase estimates provided by district councils will increase council tax income by £3.539 million in 2016/17, rising to £3.845 million by 2019/20. This is additional to the increased income from a 1.99% increase on the 2015/16 taxbase.
- The final Business Rates income estimates for 2016/17 received from district councils show an increase of £0.373 million, £0.022 million lower than 2015/16 income adjusted for RPI.
- District councils have also provided details of forecast collection fund balances for both Council Tax and Business Rates as at March 2016, which will be paid to the Council in 2016/17. A significant one off surplus of £9.907 million is anticipated for Council Tax, which includes the impact of previous years' underestimation of growth. For Business Rates, a deficit of £2.053 million is forecast, due in part to the continuing impact of backdated appeals.
- Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013 Autumn Statement are now expected to be in the region of £2.552 million (a decrease of £0.188 million from the amount previously included in the draft IP to Cabinet in January).
- The net impact of an increase in taxbase for Hertfordshire and the total levy amounts set by the Environment Agency (Thames and Anglian Regions) has resulted in a slight increase in budget of £0.008 million.

4.2 The following key changes have been made to the proposed Capital Programme

- Removal of the Hemel Household Waste Recycling Centre Scheme of £1.2m. Due to increased forecast costs the full scheme will not progress and alternative provision will be considered.
- Reduction of £50k for Short Breaks (HCC funding) as there is sufficient grant funding to meet current needs

4.3 To reflect the changes above an updated Summary Budget Movement Statement (Table 1 - IP Part A page 5), Funding Statement (Table 2 – IP Part A pages 6 & 7) and Service Revenue Budget Statement (Table 3 - IP Part A page 9) have been included in Appendix 1, 2 and 3 of this report respectively.

4.4 The Chief Financial Officer has completed her review of the robustness of the budget and adequacy of reserves and is content that the statutory requirements are met.

4.5 All of the adjustments will be reflected in the final Integrated Plan.

5 Treasury Management (Part E)

- 5.1 No changes are proposed to the draft approved by Cabinet on 19 January 2015, other than Table 1 being updated to reflect the proposed Capital Programme(see Appendix 4 to this report; and indicator 1 Capital Expenditure similarly being updated (Appendix 4 in the Treasury Management Strategy).

6 Equality Implications

- 6.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equalities implications of the decision that they are taking.
- 6.2 Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.
- 6.3 The Equality Act 2010 requires the Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 6.4 The Integrated Plan (Part C) includes information on the Council's commitment to equality and potential equality implications.
- 6.5 As part of the consideration of these issues Members should have regard to the mitigation measures proposed in the equality impact assessments which are intended to minimise the impact on any service user who may be adversely affected by the proposals.
- 6.6 There are no equality implications associated with the Treasury Management Strategy (Part E).
- 6.7 In addition to the need for Members to have due regard to the Public Sector Duty under the Equality Act 2010, they also need to be aware that the County Council when making decisions is under a general duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness.
- 6.8 Individual Departments will be making further decisions on how to take forward the budget proposals approved by Members. This will be done having

considered the Public Sector Equality Duty, the Best Value Duty and having consulted as appropriate.

- 6.9 If after taking all relevant considerations into account Members conclude the proposals regarding the budget are not appropriate, officers can be requested to re-visit the budget.

Background information

- Draft Integrated Plan 2016/17 to 2019/20, Cabinet 18 January 2016, Agenda Item 4(ii)
- Final Local Authority Finance Settlement for 2016/17, 8 February 2016.
<https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2016-to-2017>
- Integrated Planning Process 2016/17 - 2019/20:-
 - Comments from Service Cabinet Panels at their meetings held between 28 January and 12 February 2016
 - Scrutiny of the Integrated Plan Proposals 2015/16 - 2017/18, Overview and Scrutiny Committee, 27 January and 3 February 2016

Summary Budget Movement Statement

{Replaces TABLE 1: Summary Budget Movement Statement - IP page 4}

2015/16 £m		2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
811.286	Original Budget	828.732	828.732	828.732	828.732
14.135	Technical Adjustments	(5.660)	(7.311)	(8.645)	(9.885)
9.622	Inflation	11.439	22.633	36.764	50.895
835.043	Base Budget	834.511	844.054	856.851	869.742
	Pressures for change:				
0.175	Previous Policy Decisions	0.025	(0.225)	(0.175)	(0.225)
10.853	Demography	10.079	19.043	29.342	39.751
9.081	Legislative	8.681	13.058	17.183	21.676
0.088	Capital Financing	0.342	1.343	2.335	3.351
10.087	One-off capital investment (revenue contribution to capital)	-	-	1.106	1.908
2.666	Other	9.043	6.749	12.007	13.127
32.950	Total Pressures for Change	28.170	39.968	61.798	79.588
867.993	Subtotal	862.681	884.022	918.648	949.330
	Savings:				
(33.084)	Existing efficiencies	(16.263)	(20.201)	(20.326)	(20.326)
(5.319)	Previous Policy Decision	(0.281)	(0.685)	(0.685)	(0.685)
-	- New efficiencies	(13.478)	(16.419)	(17.699)	(18.303)
(0.858)	2015/16 Policy Decision	(2.530)	(3.930)	(6.130)	(10.130)
-	- 2016/17 Proposed Policy Decision	-	-	-	-
-	- Further savings required (to close gap)	(8.332)	(36.626)	(68.034)	(77.956)
(39.261)	Total Efficiency / Business Transformation Savings	(40.884)	(77.861)	(112.874)	(127.400)
828.732	REVENUE BUDGET	821.797	806.161	805.774	821.930

Funding Statement

{Replaces TABLE 2: Funding Statement) - IP Part A pages 5 & 6}

2015/16 £m		2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
49.474	Business Rates Income	49.847	50.844	51.861	52.898
63.700	Business Rates Top-Up Grant	64.231	65.494	67.426	69.581
118.969	Revenue Support Grant	79.992	44.535	22.599	1.890
232.143	Total Business Rates and RSG grant	194.069	160.873	141.886	124.369
Non-ringfenced Grants:					
2.545	Compensation for impact of changes to Business Rates (S31 grant)	2.552	2.552	2.552	2.552
13.172	Education Services Grant (ESG)	12.009	12.009	12.009	12.009
5.457	New Homes Bonus	6.635	6.936	4.358	4.181
0.372	New Homes Bonus Adjustment	0.263	-	-	-
5.872	Adult Social Care new burdens	-	-	-	-
0.659	SEN Reform	0.746	-	-	-
1.871	Independent Living Fund	2.141	2.070	2.005	1.944
-	Transitional Grant	7.760	7.849	-	-
1.439	Other non-ringfenced grants	1.100	1.001	0.911	0.911
31.387	Total Non-ringfenced grants	33.207	32.418	21.835	21.597

2015/16 £m		2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Ringfenced Grants:					
37.642	Public Health Grant	34.504	33.659	32.784	31.932
8.173	Public Health - Health visitors	15.543	15.154	14.760	14.376
2.605	Adult Skills and Community Learning grant	2.605	2.605	2.605	2.605
1.111	Local Authority Bus Subsidy (formally Bus Service Operators) Grant	1.111	1.111	1.111	1.111
1.122	Unaccompanied Asylum Seeking Children Grant (UASC)	1.122	1.122	1.122	1.122
1.734	Troubled Families Grant	1.837	2.237	2.237	2.237
1.258	Music Education Grant	1.258	1.258	1.258	1.258
0.903	Youth Justice Good Practice Grant	0.815	0.815	0.815	0.815
Other Income:					
18.949	NHS funding - Better Care Fund	18.949	18.949	23.676	31.858
481.571	Council Tax	499.136	513.141	527.540	542.342
-	Council Tax relating to 2% Social Care Precept	9.787	20.319	31.646	43.807
0.500	Projected additional Council Tax Income				
10.345	Collection Fund Balance - Council Tax	9.907	4.000	4.000	4.000
(0.711)	Collection Fund Balance - Business Rates	(2.053)	(1.500)	(1.500)	(1.500)
828.732	TOTAL	821.797	806.161	805.775	821.930

SERVICE REVENUE BUDGET STATEMENT (2015/16 - 2017/18)

{Replaces Table 3: Service Revenue Budget Statement - IP Part A Overview page 8}

2015/16 Net Budget £'000		Children's Services £'000	Community Protection £'000	Environment £'000	Health & Community Services £000	Public Health £000	Resources & Performance £'000	Central Items £'000	Net Budget 2016/17 £'000
811,286	Original Budget	178,752	35,387	109,252	351,839	45,445	54,125	53,932	828,732
-	Restructuring / Internal Transfers	2,448	(93)	68	(2,672)	439	3,898	(4,088)	-
14,135	Technical Adjustments	(858)	-	-	269	4,270	-	(9,341)	(5,660)
825,421	Adjusted Budget	180,342	35,294	109,320	349,436	50,154	58,023	40,503	823,072
9,622	Inflation	2,262	374	3,873	2,890	30	672	1,338	11,439
835,043	Base Budget	182,604	35,668	113,193	352,326	50,184	58,695	41,841	834,511
175	Pressures for Change:								
	Previous Policy Decisions (2015/16 & Prior Years)	-	-	(50)	-	-	75	-	25
10,853	Demography	1,963	-	61	8,055	-	-	-	10,079
9,081	Legislative Changes	1,550	344	589	5,487	34	677	-	8,681
88	Capital Financing	-	-	-	-	-	-	-	-
10,087	One-off Capital Investment (revenue contribution to capital)	-	-	-	-	-	-	-	-
2,666	Other Pressures	185	(70)	970	624	-	639	7,037	9,385
32,950	Total Pressures For Change	3,698	274	1,570	14,166	34	1,391	7,037	28,170
867,993	Standstill Budget	186,302	35,942	114,763	366,492	50,218	60,086	48,878	862,681
(39,261)	Savings	(5,747)	(343)	(2,416)	(21,554)	(30)	(1,918)	(544)	(32,552)
	Further savings required								(8,332)
828,732	REVENUE BUDGET (before funding specifically allocated to service area)	180,555	35,599	112,347	344,938	50,188	58,168	48,334	821,797
(27,682)	Funding specifically allocated to service area	(5,032)	-	(1,111)	(21,554)	-	-	-	(27,697)
801,050	NET REVENUE BUDGET	175,523	35,599	111,236	323,384	50,188	58,168	48,334	794,100
	Add Income from:								
126,644	Sales, Fees & Charges	13,479	1,390	11,291	48,564	-	44,317	-	119,041
	Trading Income	-	-	-	-	-	-	-	-
43,371	Partner Contributions	202	451	2,023	51,841	-	1,582	-	56,099
18,328	Other Ringfenced Grants	13,014	60	1,236	2,654	-	1,882	-	18,846
188,343	TOTAL INCOME (excluding dedicated schools grant)	26,695	1,901	14,550	103,059	-	47,781	-	193,986
989,393	GROSS BUDGET (excluding schools)	202,218	37,500	125,786	426,443	50,188	105,949	48,334	988,086
867,908	Dedicated Schools Grant	866,773							866,773
1,857,301	GROSS BUDGET (including schools)	1,068,991	37,500	125,786	426,443	50,188	105,949	48,334	1,854,859

Treasury Management (Part E)

{Replaces TABLE 1: Capital Expenditure - IP page 247}

	2014/15 Actual	2015/16 Revised	2016/17 Estimated	2017/18 Estimated	2018/19 Estimated
	£000s	£000s	£000s	£000s	£000s
Total Expenditure:	207,639	148,566	162,257	187,111	175,184
Financed by:					
Grants	(129,152)	(87,402)	(67,038)	(58,950)	(46,164)
Contributions (including S106 and from the LEP)		(12,061)	(30,213)	(55,045)	(63,653)
Reserves	(9,694)	(5,791)	(5,850)	(3,800)	(2,300)
Revenue	(15,896)	(6,563)	(12)	(12)	0
Capital Receipts	(52,829)	(36,749)	(32,600)	(17,000)	(18,247)
Assets Acquired under PFI contract	0	0	0	0	0
Borrowing Requirement:	67	(0)	26,394	52,304	44,820

LEP Local Enterprise Partnership
PFI Private Finance Initiative