

BUDGET UPDATE

EXECUTIVE

Process So Far:

- Efficiency Plan agreed by DCLG
- 4 Year Budget Projections developed
- 4 Year Capital Programme
- Fees and Charges reviewed
 - to include areas where the Council can be more commercial in its approach – whilst ensuring facilities accessible to all of the community
- Budget Assumptions approved
- Autumn Statement – no detail given re New Homes Bonus or Business Rates
- Expected settlement figures 15th December

Budget Savings

- Heads of Service reviewed all costs / income
- Reduced any budget that has not been spent in previous years to deliver service
- Identified areas of service review where savings could be made with no impact on delivery
- Identified areas of additional income achievable
- Ensured capital programme meets strategic purpose delivery
- Preparing plans for alternative service provision to be reported to January Executive

Budget Pressures

- Heads of Service considered cost recovery of services delivered eg:
 - Pest Control free rat treatment to all residents of the Borough. Review underway as to the reduction in cost if only free to those on benefit
- Propose increases to budget based on current demand on service
 - Potential costs arising from the roll out of Universal Credit and the impact on families

Current Position 2017/18-2019/20

	2017-18	2018-19	2019-20	2020-21
	£000	£000	£000	£000
Departmental Expenditure (Starting Position)	10,838	10,081	9,762	10,065
Incremental Progression/Inflation on Utilities	262	335	289	250
Unavoidables	121	6	84	
Revenue Bids/Revenue impact of capital bids	80	-76	0	
Savings and Additional income	-1,220	-584	-70	
Net Service Expenditure	10,081	9,762	10,065	10,315
Investment Income	-494	-495	-495	-495
Cost of Borrowing	1,014	994	994	994
Recharge to Capital Programme	-505	-505	-505	-505
Net Operating Expenditure	10,096	9,756	10,059	10,309

Current Position 2017/18-2019/20

Revenue Support Grant	-360	-35	0	0
Transitional Grant	-44			
Business Rates Retention (Baseline Funding	-2,059	-2,120	-2,187	-2,187
Business Rates Growth	-50	-50	-50	-50
Tariff Adjustment	0	0	331	331
New Homes Bonus	-860	-720	-708	-708
Council Tax	-5,776	-5,947	-6,060	-6,175
Admin Subsidy Grant Reduction	127	167	167	167
Parish Precept	8	8	8	8
Funding Total	-9,014	-8,697	-8,498	-8,614
Shortfall	1,082	1,059	1,561	1,695

Next Steps

- Settlement implications assessed
 - Full report to Exec in Jan / Feb
 - HRA and Capital report to Jan
 - Budget setting in Feb
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- Review of Balances
 - Staff suggestions being considered
 - All alternative delivery models / additional income being identified to balance the financial position