

Report of the Strategic Director Corporate Services to the meeting of Executive to be held on 21 February 2017 and Council to be held on 23 February 2017

Document BG

Subject:

The Council's Revenue Estimates for 2017-18 and 2018-19

Summary statement:

The report provides Members with details of the Council's Revenue Estimates for 2017-18 and 2018-19

ALL FINANCIAL DATA IN THIS REPORT AND APPENDICES WILL BE REVIEWED AFTER THE EXECUTIVE HAS CONSIDERED AND HAD REGARD TO THE FEEDBACK RECEIVED TO DATE FROM THE CONSULTATION ON THE COUNCIL'S NEW BUDGET PROPOSALS INCLUDING INFORMATION REGARDING EQUALITY ISSUES.

Stuart McKinnon-Evans
Strategic Director Corporate Services
Report Contact: Tom Caselton
Phone: (01274) 434472
E-mail: tom.caselton@bradford.gov.uk

Portfolio: Leader of the Council

Overview & Scrutiny Area:

Corporate



THE COUNCIL'S REVENUE ESTIMATES FOR 2017-18 and 2018-19

ALL FINANCIAL DATA IN THIS REPORT AND APPENDICES WILL BE REVIEWED AFTER THE EXECUTIVE HAS CONSIDERED AND HAD REGARD TO THE FEEDBACK RECEIVED TO DATE FROM THE CONSULTATION ON THE COUNCIL'S NEW BUDGET PROPOSALS INCLUDING INFORMATION REGARDING EQUALITY ISSUES.

1.0 PURPOSE

1.1 This report proposes the estimates of net revenue expenditure be recommended for approval as the Council's balanced revenue budget for 2017/18 and proposes the recommendation for approval of budget savings proposals for 2018/19.

It also forecasts the revenue position for 2019/20 and 2020/21.

1.2 The revenue estimates are part of the overall budget proposal for the Council which includes:

- the recommended Capital Investment Plan (Document BI)
- the allocation of the Schools Budget 2017/18 (Document BH).

1.3 This report is submitted to enable the Executive to make recommendations to Budget Council on the setting of the 2017/18 budget and the Council Tax for 2017/18, as required by Part 3C of the Council's Constitution.

2.0 PROPOSED REVENUE BUDGET 2017/18 and BUDGET SAVINGS PROPOSALS FOR 2018/19

2.1 The balanced 2017/18 revenue budget is predicated on total available general resources (Council Tax income, Business Rates income, general government grant and use of reserves) of £374.624m in 2017/18.

2.2 The total expenditure takes account of changes to the underlying (base) level of expenditure at the start of the year arising from:

- The net effect of previous years' policy decisions, including decisions made by Budget Council in February 2016 in respect of 2017/18 which amounted to £24.263m. Appendices F(i) and F(ii) set out amendments to the February 2016 decisions with a net reduction in proposals of £1.038m in 2017/18 and falling to a cumulative net reduction of £598.5k by 2018/19.
- Provision for pay and price increases (an average of 1.0% applied to contract budgets in 2017/18 rising to 1.4% in later years, 2.0% to utilities and specific indexation applied to income budgets)
- The impact on the Council's funding arising from 2017/18 Local Government Settlement
- Council's decisions about changes to Council Tax, including a 3% increase for Adult Social Care, as enabled by the Local Government Settlement
- Additional expenditure to deal with recurrent Service pressures

- One-off and transitional investment in other services
- Public Health Grant reductions and estimates on other specific grants not yet announced
- Service and non Service savings
- Decision by West Yorkshire Combined Authority on the 2017/18 levy resulting in an amendment to saving proposal 4R2 with a reduction in 2017/18 of £484.1k but increased target saving in 2018/19 of £484.1k.

2.3 The summary position is shown at Appendix A, with further detail in Appendices B to G:

- On-going and non recurrent investments (Appendices B and C)
- Previously agreed savings for which on-going budget will be removed and replaced with transitional funding (Appendix D)
- Service and non service savings (Appendix E)
- Schedule of amendments to previous budget decisions (Appendices F(i) and F(ii))
- Use of reserves statement (Appendix G).

At the time of publication all Appendices are based on savings proposals previously approved by Council in February 2016 for 2017/18, together with new proposals which were approved by Executive for consultation on 6 December 2016.

2.4 Executive is asked to recommend to Council following their consideration of the feedback received to date from the on-going consultation processes with the public, interested parties and stakeholders, staff and Trade Unions and consideration of equality issues on the Council's new Budget Proposals:

- a 2017/18 budget; and
- budget savings proposals for 2018/19, requiring the Chief Executive, Strategic Directors and Directors to take necessary action during 2017/18 to ensure those savings are fully achievable for 2018/19.

Consultation has previously been carried out on the saving proposals approved by Council in February 2016 for 2017/18.

2.5 After taking into account the full year effect of the 2017/18 proposed budget, the projections for 2018/19 shows a balanced budget with additional indicative savings required for 2019/20 of £19.7m and a further £31.3m in 2020/21.

2.6 The projected use of £15.9m of reserves over the period 1 April 2017 to 31 March 2021 There are no current proposals to use unallocated reserves given the increasingly challenging nature of delivering budget proposals against a backdrop of rising demand and costs. The risks associated with this position and an assessment of the adequacy of reserves are discussed in the separate Section 151 Officer's report (Document BJ).

3.0 COUNCIL TAX IMPLICATIONS

3.1 In setting the Council Tax for 2017/18, Council will have regard to the Council Tax base approved by the Executive on 10 January 2017. The Council will also wish to note the precepts of the parish and town councils, of the West Yorkshire Fire and

Rescue Authority (WYFRA) and the Police and Crime Commissioner for West Yorkshire.

4.0 MATTERS RELATING TO 2017/18 FINANCIAL POSITION

4.1 The 2017/18 financial position is contingent upon the 2016/17 audited out-turn. The Executive is therefore asked to give the Strategic Director Corporate Services authority to secure the best position for the Council in respect of 2017/18 in preparing the Final Accounts for 2016/17.

5.0 RISK MANAGEMENT

5.1 The uncertainties regarding the funding that will be available to the Council are considered within the Strategic Director Corporate Services's Section 151 Budget Report (Document BJ).

6.0 LEGAL APPRAISAL

6.1 It is necessary to ensure that Executive have comprehensive information when considering the recommendations to make to Council on the budget for 2017/18 and the budget savings proposals for 2018/19 at their meeting on 21 February 2017. It is a legal requirement that Members have regard to all relevant information. The information in this report and any updated information produced to Executive on 21 February 2017 following their consideration on 7 February 2017 of the feedback received to date from the on-going consultation processes and their consideration of equality issues is considered relevant in this context.

7.0 OTHER IMPLICATIONS

7.1 EQUAL RIGHTS

7.1.1 The equality implications of the new budget proposals were highlighted in the separate report presented to the meeting of Executive on 7 February 2017 (Document BA) together with the Addendum to that Report circulated to Executive on 7 February 2017. The equality implications of the 2017/18 proposals previously approved by Budget Council in February 2016 were fully considered by Council at that time.

7.2 SUSTAINABILITY IMPLICATIONS

7.2.1 There are no direct sustainability implications resulting from this report.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

7.3.1 There are no direct greenhouse gas emissions implications resulting from this report.

7.4 COMMUNITY SAFETY IMPLICATIONS

7.4.1 Community safety implications of specific new budget proposals were highlighted in

a separate report presented to the meeting of Executive on 7 February 2017 at paragraph 12.4 (Documents BA).

7.5 HUMAN RIGHTS ACT

7.5.1 There are no human rights implications resulting from this report.

7.6 TRADE UNION

7.6.1 The Interim Trade Union feedback on the Council's new budget proposals was detailed in a separate report presented to the meeting of Executive on 7 February 2017 (Document BB). The Trade Union feedback on the proposals previously approved by Budget Council in February 2016 was fully considered by Council at that time.

7.7 WARD IMPLICATIONS

7.7.1 In general terms, where proposed cuts affect services to the public, the impact will typically be felt across all wards. Some proposals will have a more direct local impact on individual organisations and/or communities.

7.8 NOT FOR PUBLICATION DOCUMENTS

7.8.1 None.

8.0 RECOMMENDATIONS – SUBJECT TO ENDORSEMENT BY COUNCIL

8.1 REVENUE ESTIMATES 2017/18

- (a) That the Base Revenue Forecast of £392.620m for 2017/18 as set out in this report "BG" (Revenue Estimates) be approved.
- (b) That Executive Document "BG" and the consequent net investment of £19.820m in 2017/18 be approved.
- (c) That Executive Document "BG" and the service savings and additional income of £37.816m in 2017/18 be approved.
- (d) That it be noted that within the revenue budget there is a contribution of £16.262m from revenue reserves in 2017/18.
- (e) That Executive Document "BG" and the service savings proposals for 2018/19 be approved, requiring the Chief Executive, Strategic Directors and Directors to take necessary action during 2017/18 to ensure those savings are fully achievable for 2018/19.
- (f) That the comments of the Strategic Director Corporate Services set out in Executive Document "BJ" on the robustness of the estimates and the adequacy of reserves taking account of the decisions made at 8.1(a) to (e) above be noted.

8.2 PROPOSED COUNCIL TAX 2017/18

8.2.1 That it be noted that the projected council tax base and expenditure forecasts outlined in this report together with the 2017/18 resources and the budget variations approved at 8.1(b) and 8.1(c) above produce a proposed Band D council tax of £1,257.86 for 2017-18. This includes a social care precept of 3.0% which is to be ring fenced for expenditure on adult social care.

8.3 PAYMENT DATES FOR COUNCIL TAX AND NATIONAL NON-DOMESTIC RATES

8.3.1 That the first instalment date for payment of National Non-Domestic Rates and Council Tax shall be specified by the Strategic Director Corporate Services.

8.4 DELEGATION TO OFFICERS

8.4.1 That for the avoidance of doubt and without prejudice to any of the powers contained in Article 14 of Part 2 of the Council's Constitution on the Function of Officers, the Strategic Director Corporate Services shall have full delegated powers to act on behalf of the Council on all matters relating to the Council Tax, Non-Domestic Rates and Accounts Receivable Debtors including (without prejudice to the generality of the delegation) assessments, determinations, recovery, enforcement and, in accordance with the statutory scheme, full delegated powers to act on behalf of the Council with regard to all aspects of the granting of Discretionary and Hardship Rate Relief to qualifying ratepayers.

8.5 PREPARATION OF ACCOUNTS

- (a) That in preparing the Final Accounts for 2016/17, the Strategic Director Corporate Services be empowered to take appropriate steps to secure the best advantage for the Council's financial position.
- (b) That the Strategic Director Corporate Services be empowered to deal with items which involve the transfer of net spending between the financial years 2016/17 and 2017/18 in a manner which secures the best advantage for the Council's financial position.
- (c) That the Strategic Director Corporate Services report any action taken in pursuance of 8.5(a) and 8.5 (b) above when reporting on the Final Accounts for 2016/17.

9.0 RECOMMENDATIONS TO COUNCIL

COUNCIL TAX REQUIREMENT 2017/18

- (a) That the council tax base figures for 2017/18 calculated by the Council at its meeting on 10th January 2017 in respect of the whole of the Council's area and individual parish and town council areas be noted.
- (b) That the only special items for 2017/18 under Section 35 of the Local Government Finance Act 1992 are local parish and town council precepts and

no expenses are to be treated as special expenses under Section 35(1) (b) of that Act.

- (c) That the Council Tax Requirement, excluding parish and town council precepts, be calculated as follows:

Gross expenditure	£1,223,838,994
Income	£1,050,742,278
Council Tax requirement	£173,096,716
Council tax base	136,252
Basic amount of council tax	£1,270.42
Adjustment in respect of parish and town council precepts	£ 12.56
Basic amount excluding parish and town councils	£1,257.86

- (d) That the precepts of parish and town councils be noted and the resulting basic council tax amounts for particular areas of the Council be calculated as follows:

<u>Parish or Town Council Area</u>	<u>Local Precept</u> £	<u>Council Tax Base</u>	<u>Parish/Town Council Tax</u> £	<u>Whole Area Council Tax</u> £	<u>Basic Council Tax Amount</u> £
Addingham	58,688	1,679	34.95	1,257.86	1,292.81
Baildon	176,000	6,166	28.54	1,257.86	1,286.40
Bingley	135,340	8,480	15.96	1,257.86	1,273.82
Burley	142,920	2,976	48.02	1,257.86	1,305.88
Clayton	40,321	2,375	16.98	1,257.86	1,274.84
Cullingworth	18,873	1,104	17.10	1,257.86	1,274.96
Denholme	25,271	1,054	23.98	1,257.86	1,281.84
Harden	16,180	809	20.00	1,257.86	1,277.86
Haworth, Crossroads and Stanbury	44,941	2,221	20.23	1,257.86	1,278.09
Ilkley	262,325	7,009	37.43	1,257.86	1,295.29
Keighley	489,378	14,513	33.72	1,257.86	1,291.58
Menston	109,936	2,143	51.30	1,257.86	1,309.16
Oxenhope	23,635	1,016	23.26	1,257.86	1,281.12
Sandy Lane	15,480	860	18.00	1,257.86	1,275.86
Silsden	41,306	2,875	14.37	1,257.86	1,272.23
Steeton with Eastburn	46,585	1,553	30.00	1,257.86	1,287.86
Wilsden	47,997	1,723	27.86	1,257.86	1,285.72
Wrose	15,540	2,072	7.50	1,257.86	1,265.36
Total of all local precepts	1,710,716	60,628			

- (e) That the council tax amounts for dwellings in different valuation bands in respect of the Council's budget requirement, taking into account parish and town council precepts applicable to only part of the Council's area, be calculated as follows, which includes the 3% social care precept:

	Council Tax Amount for Each Valuation Band							
	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
All parts of the Council's area other than those below	838.57	978.34	1,118.10	1,257.86	1,537.38	1,816.91	2,096.43	2,515.72
The parish and town council areas of:								
Addingham	861.87	1,005.52	1,149.16	1,292.81	1,580.10	1,867.39	2,154.68	2,585.62
Baildon	857.60	1,000.53	1,143.47	1,286.40	1,572.27	1,858.13	2,144.00	2,572.80
Bingley	849.21	990.75	1,132.28	1,273.82	1,556.89	1,839.96	2,123.03	2,547.64
Burley	870.59	1,015.68	1,160.78	1,305.88	1,596.08	1,886.27	2,176.47	2,611.76
Clayton	849.89	991.54	1,133.19	1,274.84	1,558.14	1,841.44	2,124.73	2,549.68
Cullingworth	849.97	991.64	1,133.30	1,274.96	1,558.28	1,841.61	2,124.93	2,549.92
Denholme	854.56	996.99	1,139.41	1,281.84	1,566.69	1,851.55	2,136.40	2,563.68
Harden	851.91	993.89	1,135.88	1,277.86	1,561.83	1,845.80	2,129.77	2,555.72
Haworth, Crossroads and Stanbury	852.06	994.07	1,136.08	1,278.09	1,562.11	1,846.13	2,130.15	2,556.18
Ilkley	863.53	1,007.45	1,151.37	1,295.29	1,583.13	1,870.97	2,158.82	2,590.58
Keighley	861.05	1,004.56	1,148.07	1,291.58	1,578.60	1,865.62	2,152.63	2,583.16
Menston	872.77	1,018.24	1,163.70	1,309.16	1,600.08	1,891.01	2,181.93	2,618.32
Oxenhope	854.08	996.43	1,138.77	1,281.12	1,565.81	1,850.51	2,135.20	2,562.24
Sandy Lane	850.57	992.34	1,134.10	1,275.86	1,559.38	1,842.91	2,126.43	2,551.72
Silsden	848.15	989.51	1,130.87	1,272.23	1,554.95	1,837.67	2,120.38	2,544.46
Steeton with Eastburn	858.57	1,001.67	1,144.76	1,287.86	1,574.05	1,860.24	2,146.43	2,575.72
Wilsden	857.15	1,000.00	1,142.86	1,285.72	1,571.44	1,857.15	2,142.87	2,571.44
Wrose	843.57	984.17	1,124.76	1,265.36	1,546.55	1,827.74	2,108.93	2,530.72

- (f) That it be noted that for the year 2017/18 the Police Crime and Commissioner has issued the following precept. As the West Yorkshire Fire and Rescue Authority (WYFRA) will not be meeting to set its precept until 17th February (after this report has been published) the West Yorkshire Fire and Rescue Authority precept shown in the table below is based on an estimate of 1.99%. Executive will be provided with the precept issued by WYFRA at the meeting of Executive on 21 February 2017.

<u>Precept Amount</u> £	<u>Council Tax Amount for Each Valuation Band</u>							
	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
<u>West Yorkshire Fire and Rescue Authority</u>								
8,297,747	40.59	47.37	54.12	60.90	74.43	87.96	101.49	121.79
<u>Police and Crime Commissioner for West Yorkshire</u>								
20,567,239	100.63	117.40	134.18	150.95	184.49	218.04	251.58	301.90

- (g) That having calculated the aggregate in each case of the amounts at (e) and (f) above, the Council set the following amounts of council tax for 2017/18 in each of the categories of dwellings shown below which includes the 3% social care precept:

	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
All parts of the Council's area other than those below	979.79	1,143.11	1,306.40	1,469.71	1,796.30	2,122.91	2,449.50	2,939.41
The parish and town council areas of:								
Addingham	1,003.09	1,170.29	1,337.46	1,504.66	1,839.02	2,173.39	2,507.75	3,009.31
Baildon	998.82	1,165.30	1,331.77	1,498.25	1,831.19	2,164.13	2,497.07	2,996.49
Bingley	990.43	1,155.52	1,320.58	1,485.67	1,815.81	2,145.96	2,476.10	2,971.33
Burley	1,011.81	1,180.45	1,349.08	1,517.73	1,855.00	2,192.27	2,529.54	3,035.45
Clayton	991.11	1,156.31	1,321.49	1,486.69	1,817.06	2,147.44	2,477.80	2,973.37
Cullingworth	991.19	1,156.41	1,321.60	1,486.81	1,817.20	2,147.61	2,478.00	2,973.61
Denholme	995.78	1,161.76	1,327.71	1,493.69	1,825.61	2,157.55	2,489.47	2,987.37
Harden	993.13	1,158.66	1,324.18	1,489.71	1,820.75	2,151.80	2,482.84	2,979.41
Haworth, Crossroads and Stanbury	993.28	1,158.84	1,324.38	1,489.94	1,821.03	2,152.13	2,483.22	2,979.87
Ilkley	1,004.75	1,172.22	1,339.67	1,507.14	1,842.05	2,176.97	2,511.89	3,014.27
Keighley	1,002.27	1,169.33	1,336.37	1,503.43	1,837.52	2,171.62	2,505.70	3,006.85
Menston	1,013.99	1,183.01	1,352.00	1,521.01	1,859.00	2,197.01	2,535.00	3,042.01
Oxenhope	995.30	1,161.20	1,327.07	1,492.97	1,824.73	2,156.51	2,488.27	2,985.93
Sandy Lane	991.79	1,157.11	1,322.40	1,487.71	1,818.30	2,148.91	2,479.50	2,975.41
Silsden	989.37	1,154.28	1,319.17	1,484.08	1,813.87	2,143.67	2,473.45	2,968.15
Steeeton with Eastburn	999.79	1,166.44	1,333.06	1,499.71	1,832.97	2,166.24	2,499.50	2,999.41
Wilsden	998.37	1,164.77	1,331.16	1,497.57	1,830.36	2,163.15	2,495.94	2,995.13
Wrose	984.79	1,148.94	1,313.06	1,477.21	1,805.47	2,133.74	2,462.00	2,954.41

- (h) That Council notes the movement in Band D equivalent charges for 2017/18 over 2016/17 as set out in the table below.

	Council Tax 2017-18	Council Tax 2016-17	Percentage change 2017-18 on 2016-17
	Band D Equivalent	Band D Equivalent	
Bradford Metropolitan District Council	1,257.86	1,198.08	4.99%
West Yorkshire Fire and Rescue Authority	60.90	59.71	1.99%
West Yorkshire Police Authority	150.95	145.95	3.43%
Local (Parish Council) Precepts:			
Addingham	34.95	27.25	28.3%
Baildon	28.54	27.18	5.0%
Bingley	15.96	15.35	4.0%
Burley	48.02	15.88	202.4%
Clayton	16.98	14.37	18.2%
Cullingworth	17.10	14.21	20.3%
Denholme	23.98	18.92	26.7%
Harden	20.00	15.00	33.3%
Haworth etc	20.23	20.02	1.0%
Ilkley	37.43	26.00	44.0%
Keighley	33.72	33.72	0.0%
Menston	51.30	27.00	90.0%
Oxenhope	23.26	17.25	34.8%
Sandy Lane	18.00	18.00	0.0%
Silsden	14.37	16.99	-15.4%
Steeton/ Eastburn	30.00	28.75	4.3%
Wilsden	27.86	24.13	15.5%
Wrose	7.50	7.50	0.0%

* The West Yorkshire Fire and Rescue Authority will be setting their precept on Friday 17th February. The amount shown in the above table is estimated precept based on a 1.99% increase.

10.0 BACKGROUND DOCUMENTS

- 10.1 Proposed Financial Plan 2017/18 – 2020/21 - Executive Report 6 December 2016 (Doc AJ)
- 10.2 2017/18 and 2018/19 Budget Update and Financial Outlook to 2020/21– Executive Report 7 February 2017 (Doc AZ)
- 10.3 Consultation Feedback and Equality Assessments for the 2017/18 and 2018/19 Council Budget Proposals – Executive Report 7 February 2017 (Doc BA) and the addendum to that report circulated to Executive on 7 February 2017
- 10.4 Interim Trade Union Feedback on the Council’s Budget Proposals for the 2017/18 and 2018/19 Council Budget - Executive Report 7 February 2017 (Doc BB) and the addendum to that report circulated to Executive on 7 February 2017

10.5 Strategic Director Corporate Services Section 151 Report – Executive 21 February 2017 – (Doc BJ)

11.0 APPENDICES

11.1 Appendix A - Council Cumulative Budget 2017/18, 2018/19 and outlook to 2020/21

11.2 Appendix B - Recurring pressures and investment proposals

11.3 Appendix C - Non -recurring investment

11.4 Appendix D - Previously agreed savings for which on-going budget will be removed and replaced with transitional funding

11.5 Appendix E - New Draft Proposals Open for Consultation until 12 February 2017

11.6 Appendix F - Schedule of amendments to previous budget decisions

11.7 Appendix G – Use of Reserves statement

Appendix A- COUNCIL CUMULATIVE BUDGET 2017/18, 2018/19 and outlook to 2020/21

	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000	2020/21 Budget £'000
NET EXPENDITURE				
2015/16 Base Budget	378,045	378,045	378,045	378,045
Reversal of non recurring investment	(1,478)	(2,728)	(2,728)	(2,728)
Full year effect of recurring pressures (Appendix B)	1,305	1,305	1,305	1,305
Sub total	377,872	376,622	376,622	376,622
FUNDING CHANGES	(2,149)	(2,091)	(4,934)	(3,769)
INFLATION	16,897	26,379	37,072	50,405
Base Net Expenditure Requirement	392,620	400,910	408,760	423,258
Demographic pressures in Adults	2,934	5,927	8,979	12,094
Adult social care costs funded by existing BCF	4,189	4,189	4,189	4,189
Children's demographic pressure	625	1,250	1,875	2,500
Apprenticeship levy	1,000	1,000	1,000	1,000
One off investment (Appendix C)	475	150	0	0
Transitional funding	(745)	(980)	(980)	(980)
Termination costs	8,842	4,500	4,500	4,500
Transformation fund	2,500	2,500	0	0
Public Health reduction in expenditure due to grant cut	(1,085)	(2,201)	(3,288)	(3,288)
2016/17 Budget decisions	(24,263)	(24,263)	(24,263)	(24,263)
Amended 2016/17 Budget decision (Appendix F)	1,038	598	598	598
New Budget proposals for consultation 2017/18 and 2018/19 (Appendix E)	(13,506)	(32,382)	(32,382)	(32,382)
Indicative savings required for 2019/20 and 2020/21 to achieve a balanced budget	0	0	(19,705)	(51,037)
Net Expenditure Requirement	374,624	361,198	349,283	336,189
RESOURCES				
Localised Business Rates	(63,477)	(64,747)	(66,042)	(67,363)
Council Tax Surplus 2016/17	(2,000)	0	0	0
Business Rates Deficit 2016/17	5,862	0	0	0
Top Up Business Rate Grant	(64,512)	(66,587)	(68,956)	(70,335)
Revenue Support Grant	(62,849)	(48,539)	(34,054)	0
Use of Reserves (Appendix G)	(16,262)	(397)	5,307	(4,500)
Council Tax	(171,386)	(180,928)	(185,538)	(193,991)
Total Resources	(374,624)	(361,198)	(349,283)	(336,189)
Budget shortfall	0	0	0	0
Memorandum				
Council Tax base	136,252	137,002	137,752	138,502
Council Tax Band D (proposed 4.99% increase†)	£1,258	£1,321	£1,347	£1,401

† includes 3.0% social care precept

Appendix B

Recurring pressures and investment proposals

(2017-18 impact is shown on an incremental basis)

Ref.	Investment Proposal	Description of Option	2017-18 Impact £'000	2018-19 Impact £'000
	Better Health Better Lives			
CRP4.1		Investment for increase in costs of Looked After Children	700	0
	Total Better Health Better Lives		700	0
	Better Skills More Jobs and a Growing Economy			
ERP4.2		Provision for match funding for events and small contribution to events	105	0
	Total Better Skills More Jobs and a Growing Economy		105	0
	Safe Clean and Active Communities			
ERP4.1		Provision for anticipated loss of recyclates income	500	0
	Total Safe Clean and Active Communities		500	0
	TOTAL		1,305	0

Appendix C

Non-recurring investment

(2017-18 impact is shown on an incremental basis)

Ref.	Investment Proposal	Description of Option	2017-18 Impact £'000	2018-19 impact £'000
	Safe Clean and Active Communities			
ENR4.1	Communities	Additional waste haulage costs to be funded from Waste minimisation reserve – see Appendix F	259	(259)
	Total Safe Clean and Active Communities		259	(259)
	A Well Run Council			
LNR4.2	Temporary funding for mortuary services		66	(66)
LNR4.3	Two year temporary funding to support acceleration of community asset transfers		150	0
	Total - A Well Run Council, Using All Our Resources to Deliver Our Priorities		216	(66)
	Total Non-recurring investment		475	(325)

Appendix D

Previously agreed savings for which on-going budget will be removed and replaced with transitional funding

(Figures quoted are cumulative)

Ref.	Service	Description	2017-18 £'000	2018-19 £'000
R34	City Centre Management	Withdraw from current City Centre Management provision and move to a new model over the next three years	72	0
R35	Cultural Strategic Support and Events	Create a Cultural Company outside the direct control of the Council over a period of three years and move to a new model of delivery for supporting cultural activities. This reduces reliance on Council funding over a three year period and enables additional funding streams to be accessed which are not available to council run organisations.	163	0
Total			235	0

Appendix E

New Draft Proposals Open for Consultation until 12 February 2017

REF	Proposal for Change	2017/18 £'000 Impact	2018/19 £'000 Impact
-----	---------------------	----------------------------	----------------------------

Better Health Better Lives

4PH1	School Nursing and Health Visiting - service based efficiencies – primarily management, back office and vacancy control <i>Please note this proposals is split between Better Health, Better Lives and Great Start, Good Schools</i>	428.9	770.8
4PH2	Substance Misuse Service - combination of redesign, re-commissioning and ceasing recovery service, dual diagnosis service, supervised medication programme, inpatient detoxification services.	1,169.0	1,634.0
4PH3	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	70.5	25.0
4PH4	Tobacco – combination of redesign, review and ceasing services	2.0	59.2
4PH5	Homestart, Worksafe, Injury Minimisation Programme - phase out of these services providing support for vulnerable parents and children age 0-5 years.	190.0	55.0
4PH6	Physical Activity, Food and Nutrition - cessation of grants to VCS organisations delivery range of activities including 'cook and eat', physical activity, food growing and breastfeeding support.	1,000.0	0.0
4PH7	Small Grants (VCS funding) - cessation of small grants delivering projects on sexual health, smoking cessation, cancer awareness, teenage pregnancy, and healthy lifestyles	101.0	0.0
4PH8	Warm Homes Healthy People – reduction in the short term winter activity based programme	25.0	40.0
4PH9	CCG Rebasing – to redesign services as part of an accountable care system, involving health, social care and other providers	0	499.0
4PH10	Public Health – reduction in staffing in line with redirecting investment profile towards reducing demand and maintaining health and wellbeing	300.0	350.0
4PH11	Environmental Health – management restructure	35.0	40.0
4E11	Sport and Physical Activity – investigate all methods of future operational service delivery	0.0	150.0
4A1	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	8,000.0	8,000.0
4C4	Child Protection management restructure – reduction in teams by four to ten with potential reduction in team managers plus review other overall budgets	240.0	240.0
4C5	Children's Social Care management restructure – review of management structure leading to proposed reduction of two service manager posts and one team manager	85.0	85.0
4C6	Early Help –review structures in early help for children and families commissioned from VCS, youth offending team, crime prevention, family centres, families first	80.0	120.0

Appendix E

New Draft Proposals Open for Consultation until 12 February 2017

REF	Proposal for Change	2017/18 £'000 Impact	2018/19 £'000 Impact
4C7	Looked After Team – review of staffing and non staffing budgets	19.0	19.0
4C8	Fostering and Adoption – review team manager structure with potential reduction of one team manager post	0	50.0
4C9	Disabled Children Team – to build on review already underway with CAMHS, review overall staffing and no staffing budget	250.0	34.0
4C10	Child Protection Review Team – vacancy management, use of software to reduce administrative requirements	0	24.0
4C11	Leaving Care – to review staffing and non staffing budgets to achieve a saving of 2% in yr 1 and a further 1% in yr 2	68.0	34.0
4C13	Drugs and Alcohol Team – review of the work of the team and all other services that support young people with alcohol and drug issues	50.0	50.0
	Reduction to Public Health Grant Cut met from proposals above	(1,085.0)	(1,116.0)
	Total - Better Health Better Lives	11,028.4	11,163.0

A Great Start and Good Schools for All Our Children

4C1	Education Services – From 2017 part of the Dedicated Schools Grant will be passed directly to schools. There will therefore be a reduction in Council spending but no reduction in base budget. The proposal is included here as there could be staffing implications.	0.0	0.0
4C2	Early Years - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	0.0	0.0
4C12	Early Years and School Readiness –reduction in grants to small providers undertaking community based activity to help prepare children for school.	60.0	0.0
4PH1	School Nursing and Health Visiting – service based efficiencies – primarily management, back office and vacancy control <i>Please note this proposals is split between Better Health, Better Lives and Great Start, Good Schools</i>	398.1	619.2
	Total – A Great Start and Good Schools for All Our Children	458.1	619.2

Better Skills More Jobs and a Growing Economy

4E7	Remodel of Visitor Information & frontline service - reduce the number and/or size of Visitor Information Centres (VICs), moving to a more digital basis promoting the district to target audiences, with the potential for VIC information points as co-located provision.	0.0	50.0
4E8	Events and Festivals - review to develop a more sustainable and balanced events programme	0.0	150.0
4E9	Libraries - reduction in the number of libraries directly provided. Investigate potential for alternative delivery models	0.0	100.0
4E10	Theatres and Community Halls - Trust type models being investigated. Community halls to be transferred through Community Asset Transfer where	0.0	130.0

Appendix E

New Draft Proposals Open for Consultation until 12 February 2017

REF	Proposal for Change	2017/18 £'000 Impact	2018/19 £'000 Impact
	possible		
4E12	Ministry of Food - possible cessation of the service teaching people how to cook, eat and improve their long term health	0.0	96.0
4C3	Children's Services - staffing, restructure, reduction in the Connexions contract with longer term service brought back in to Council, investigate regional data centre, cessation of Employment Opportunities Fund (EOF).	150.0	150.0
4R1	Industrial Services Group (ISG) – reduce the staffing structure to suit the present workloads	0.0	43.3
4R2	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy	265.9	1,234.1
4R3	Commercialise Highway Delivery Unit (HDU) – to increase the range of services provided by the HDU through increasing involvement in existing capital works programmes and delivery of services which are externally funded	223.0	223.0
4R4	Centralisation of Urban Traffic Control including reduced maintenance of street lighting asset	119.0	246.0
4R5	Planning, Transportation and Highways – increase in discretionary charges	30.0	30.0
4R6	Planning, Transportation and Highways - options related to discretionary budgets for highway maintenance works including minor drainage improvements, pavement repairs and footpath and snicket maintenance	128.0	(6.4)
4R7	Planning, Transportation and Highways - reduction in Highways Services operational budgets associated with operational accommodation, transport gateway and subway maintenance	64.0	31.6
4R8	Planning, Transportation and Highways - increase fine income enforcement of contraventions by statutory undertakers of the Yorkshire Common Permit Scheme on highways	30.0	70.0
4R9	Planning, Transportation and Highways - reduce area committee support and stop processing/charge for all requests for service delivery for non casualty led projects	0.0	124.0
4R10	Education Capital Team – combination of vacancy control, reduction in facilities management and other charges	50.0	50.0
4R11	Planning, Transportation and Highways - introduction of limited lighting hours / switch off of street lighting on non-principal road network	50.0	60.0
4R12	School Catering and Cleaning – increased sales and price reviews	30.0	35.0
4R13	Economic Development Service – reduction in City Park sinking fund, matched funding for European Strategic Investment Fund programmes. Remove support for B-funded community funding information website	150.5	0.0
4R20	Regeneration – no longer accept new schools onto the Active School Travel programme with existing provision being phased out over the following years of this budget process	0.0	28.0
4R21	Regeneration – reduction in the funding for the Road Safety Team	0.0	62.5
	Total - Better Skills More Jobs and a Growing Economy	1,290.4	2,907.1

Appendix E

New Draft Proposals Open for Consultation until 12 February 2017

REF	Proposal for Change	2017/18 £'000 Impact	2018/19 £'000 Impact
-----	---------------------	----------------------------	----------------------------

Decent Homes That People Can Afford to Live In

4R18	Homelessness Private Rented Sector Housing – delete vacant post	32.0	0.0
4R19	Housing Operations – increase income generation from agency fees	0.0	44.0
	Total - Decent homes that people can afford to live in	32.0	44.0

Safe Clean and Active Communities

4E1	Parks and Bereavement – parks, recreation grounds and woodlands offered as community asset transfer; management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.	0.0	160.0
4E2	Waste Collection and Disposal Services - introduction of co-mingled recycling enabling more plastic recycling	50.0	807.0
4E3	Trade Waste – process improvements and revision of charging policy plus a move to a cashless payment system	50.0	0.0
4E4	Customer Services – redirect face to face contact towards self service and telephone services will see a continuing decline in contact resulting in staffing efficiencies. Automated services will increase with fewer options for people to speak to a customer services advisor. More people will be expected to 'self serve' using on line services	0.0	50.0
4E5	Street Cleansing and Public Conveniences - reduction in number of ward based clean teams and mechanical sweepers; removal of funding for public conveniences (except City Park)	0.0	336.3
4E6	Pest Control – cessation of the pest control service	0.0	36.2
	Total - Safe Clean Active Communities	100.0	1,389.5

A Well Run Council, Using All Our Resources to Deliver Our Priorities

4F1	Financial Services – reduction in function reflecting reduced emphasis on retrospective reporting, more self service by budget managers and targeting staffing resources at highest risk, most complex issues	32.0	130.0
4F2	Insurance – reduce the total cost of insurance, including premiums paid to the Council's insurer, the cost of maintaining and internal insurance fund for self-insured risks and the cost of meeting claims	200.0	300.0
4F3	Revenues and Benefits – reduce significantly the amount of cash used by and within the organisation and reduce the cost of cash management functions through the increased digitalisation of customer payment options. Also consider if transactional functions across the Department will be more efficient and sustainable by bringing them together	0.0	160.0
4F4	West Yorkshire Joint Committees – cap contribution to Joint Committees at £1.1m which will require concerted action with other Councils	75.0	35.0
4S1	Information Technology Services – reduction in costs associated with device support, licences and infrastructure. Switching technology solutions where better value can be achieved and rationalising the number of existing	0.0	500.0

Appendix E

New Draft Proposals Open for Consultation until 12 February 2017

REF	Proposal for Change	2017/18 £'000 Impact	2018/19 £'000 Impact
	IT applications to simplify the technology in use		
4H1	Human Resources – reduce HR transactional support, to reduce volume of service specific training	0.0	204.0
4H2	Terms and Conditions – removal of non contractual overtime payments and removal of essential car allowance lump sum payments	0.0	400.0
4L1	Legal and Democratic Services – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed	20.0	55.0
4X1	Office of the Chief Executive – restructure of the Office of the Chief Executive to improve coherence and integration of core corporate functions	0.0	479.0
4R14	Asset Management – make the best use of the Council's and public sector partners' estate working with the Voluntary and Community Sector Also seek to invest in non-operational property to generate surplus income	270.0	240.0
4R15	Facilities Management – operational cost reductions reflecting the continued contraction of the organisation	0.0	100.0
4R16	Facilities Management – reduction in the maintenance budget as the size of the operational estate shrinks	0.0	100.0
4R17	Facilities Management – reduction in the size of the estate together with energy efficiency measures	0.0	50.0
	Total - A Well Run Council, Using All Our Resources to Deliver Our Priorities	597.0	2753.0
	Total – New Draft Proposals Open for Consultation until 12 February 2017	13,505.9	18,875.8

**Appendix F (i) – SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS
SUBJECT TO CONSULTATION UP TO 12 FEBRUARY 2017 (incremental basis)**

Ref	Description	2017-18 £'000	2018-19 £'000
Better Health Better Lives			
3A5	Staffing Efficiencies Replaced by	(2,000.0)	0
4A2	Demand management – further reductions in high cost packages, further reductions in Supported Living contracts/packages, various reductions in travel and fees Also see proposal 4A1 in Appendix E for more detail on the proposed actions in 2017/18	2,000.0	0
3C8	Reducing cost of high cost placements & reducing numbers of Looked After Children Replaced by	(1,630.0)	0
4C14	Reducing agency spend in Children's Social Care Services	1,025.0	36.0
4C15	Review of front door customer contact to Children's Social Care Services	0	46.0
4C16	Administrative Support restructure – rationalisation of the supervision and management structure	100.0	0
Net effect Better Health Better Lives		(505.0)	82.0
Safe Clean Active Communities			
3E25	Parking services income generation Replaced by	(319.0)	0
4E13	Remove Christmas parking concessions, amend tariffs in Little Germany and other car park changes.	222.0	108.0
Net effect Safe Clean Active Communities		(97.0)	108.0
Net amendments to previous budget decisions subject to consultation		(602.0)	190.0

**Appendix F (ii) - SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS
NOT SUBJECT TO CONSULTATION (incremental basis)**

Ref	Description	2017-18 £'000	2018-19 £'000
Better Health Better Lives			
3C7	Reducing the cost of high cost placements	(624.0)	0
3C9	Early Help staffing efficiencies Re-profiled to	(1,080.0)	0
3C7	Reducing the cost of high cost placements	500.0	250.0
3C9	Early Help staffing efficiencies	767.5	0
Net amendments to previous budget decisions not subject to consultation		(436.5)	250.0
Total Net effect of Appendix F(i) and Appendix F(ii) – see Appendix A		(1,038.5)	440.0



Appendix G

Use of Reserves Statement

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Total £'000
Pre agreed use of reserves					
Transitional Reserve	(235)				(235)
Financial Services VAT Reserve	(120)	(120)	(103)		(343)
Total	(355)	(120)	(103)		(578)
	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Total £'000
Proposed use of reserves					
Redundancy Costs	(8,842)			(4,500)	(13,342)
Transformation Costs	(2,500)	(2,500)			(5,000)
Additional Waste Haulage Costs	(259)				(259)
To close budget gap	(4,306)				(4,306)
Forecast replenishment of reserves		2,223	5,410		7,633
Total	(15,907)	(277)	5,410	(4,500)	(15,274)
Total pre agreed and proposed use of reserves per Appendix A	(16,262)	(397)	5,307	(4,500)	(15,852)

Proposed Redirection of Earmarked Reserves

	Redundancy £'000	Transformation £'000	To Close Gap £'000	Replenish Reserves £'000	Total £'000
Managed severance reserve	(4,093)				(4,093)
Repairs and renewals reserve	(3,449)	(1,511)	(2,280)		(7,240)
Waste collection and disposal reserve †			(2,285)		(2,285)
Transformation programme		(124)			(124)
Care Act reserve	(1,300)	(1,700)			(3,000)
Culture company		(100)			(100)
Art Fund		(12)			(12)
Customer services strategy reserve		(750)			(750)
Facilities Management service improvement reserve		(515)			(515)
Business support centre reserve		(72)			(72)
District elections reserve		(216)			(216)
2020/21 redundancy funded through surplus in 2019/20	(4,500)				(4,500)
Replenishment of reserves				7,633	7,633
Total	(13,342)	(5,000)	(4,565)	7,633	(15,274)