

REPORT TO: Executive Board
DATE: 23 February 2017
REPORTING OFFICER: Operational Director – Finance
SUBJECT: Budget 2017/18
PORTFOLIO: Resources
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council the budget, capital programme and council tax for 2017/18.

2.0 RECOMMENDATION: That Council be recommended to adopt the resolution set out in Appendix A, which includes setting the budget at £103.249m, the Council Tax requirement of £44.378m (before Parish, Police and Fire precepts) and the Band D Council Tax for Halton of £1,312.27.

3.0 SUPPORTING INFORMATION

Medium Term Financial Strategy

3.1 The Executive Board approved the Medium Term Financial Strategy (MTFS) at its meeting on 17 November 2016. In summary, funding gaps of around £11.7m in 2017/18, £11.7m in 2018/19 and £9.2m in 2019/20 were identified. The Strategy had the following objectives:

- Deliver a balanced and sustainable budget
- Prioritise spending towards the Council's five priority areas
- Avoid excessive Council Tax rises
- Achieve significant cashable efficiency gains
- Protect essential front line services
- Deliver improved procurement

Budget Consultation

3.2 The Council uses various consultation methods to listen to the views of the public and Members own experience through their Ward work is an important part of that process.

3.3 Individual consultations are taking place in respect of specific budget proposals and equality impact assessments will be completed where necessary.

Review of the 2016/17 Budget

- 3.4 The Executive Board receives regular reports summarising spending in the current year against the budget. The latest report indicates that spending will be over budget in the current year by approximately £1m against a net budget of £98.5m. A main reason for the projected overspend is as a result of the continued significant pressure in respect of children social care costs. Work is underway to consider how the budget can be brought back in line as much as possible during the final three months of the year and to ensure a balanced budget position is achieved for the forthcoming financial year. It is anticipated that general reserve balances at 31 March 2017 will be around £4.4m, equivalent to approximately 4.3% of the net budget for 2017/18.

2017/18 Budget

- 3.5 On 07 December 2016 Council approved initial budget savings for 2017/18 totalling £7.9m and further proposed savings are shown in Appendix B.
- 3.6 The proposed budget totals £103.249m. The departmental analysis of the budget is shown in Appendix C and the major reasons for change from the current budget are shown in Appendix D.
- 3.7 The proposed budget incorporates the grant figures announced in the Provisional Grant Settlement. It includes £2.414m for the New Homes Bonus 2017/18 grant. This is a reduction of £0.338m from the grant level for 2016/17 due to a change in formula in how the grant is calculated.
- 3.8 It is considered prudent for the budget to include a general contingency of £1m. At this stage it is considered sufficient to cover the potential for price changes, increases in demand led budgets, as well as a general contingency for uncertain and unknown items.
- 3.9 The Local Government Act 2003 places a requirement on the Chief Financial Officer to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. In my view the budget setting process and the information provided should be sufficient to allow the Council to come to an informed view regarding the 2017/18 budget, capital programme and council tax. Balances and reserves should provide sufficient resilience to meet the financial consequences of any unforeseen events.
- 3.10 Included within the 2017/18 budget will be a levy payable to Liverpool City Region Combined Authority for transport activities. This will be paid back to the Council during the course of the year to fund the transport activities the Council provide within the borough boundaries on behalf of the Combined Authority.

Local Government Finance Settlement

- 3.11 The Government announced on 22 February 2017 the Final Local Government Finance Settlement for 2017/18; this was in line with the Provisional Settlement announced on 15 December 2016.
- 3.12 As at 1 April 2017, the Council, as part of the Liverpool City Region will pilot a new scheme of 99% business rate retention. Government have confirmed the pilot scheme will operate under a No-Detriment policy, in that no Council operating as part of the pilot will see a reduction in their funding in comparison to what it would have received under the 49% scheme. The pilot will result in additional business rates being retained by the Council although offset by Revenue Support Grant no longer being paid, a reduction to the Top-Up grant and the Council not receiving a specific grant payment for the Improved Better Care Fund.
- 3.13 From 2019/20 the Business Rates Retention Scheme will be rolled out on a national basis, in conjunction with this Government will undertake a review of needs and resources of Local Government, the first review since April 2013 and reconsider the business rate baselines for each Council.
- 3.14 For 2017/18 The Council's total Government Settlement Funding Allocation will be £51.055m. This is made up of £43.618m Business Rates Funding and Top-Up grant of £7.437m. Excluding the impact of the Improved Better Care Fund in total the Settlement Funding Allocation has reduced by £4.786m or 8.7% from 2016/17.
- 3.15 The Council is required to provide a forecast of business rates to Government by the end of January of the preceding year. The forecast has been undertaken and the Council expect net collectable rates to be £49.722m for 2017/18. This is before allowing £1.337m to be set aside to fund unknown appeals and £2.602m set aside to fund the cost of any potential deficit which may exist within the Liverpool City Region business rate pilot scheme.
- 3.16 As far as non-domestic premises are concerned, the rate is fixed centrally by Government. For 2017/18 the rate has been set at 48.0p in the pound and 46.6p in the pound for small businesses.
- 3.17 The 2015 Spending Review announced that for the rest of the current Parliament, local authorities responsible for adult social care will be given the flexibility to place a precept on council tax, to be used towards the funding shortfall for adult social care. This was offered in recognition of increased pressure on Council budgets due to adult social care demographic changes and cost increases such as the National Living Wage.
- 3.18 In 2016/17 the Council set an Adult Social Care precept level of 2%. For the three years from 2017/18 to 2019/20 Government have

extended the flexibility and Councils can apply a further precept of up to 6% over the period, with a limit of 3% being in place for the first two years and a limit of 2% for 2019/20.

Budget Outlook

- 3.19 As part of the Local Government Finance Settlement for 2016/17 Government published indicative Settlement Funding Allocations for the following three years, up to 2019/20. Government made an offer to Councils that they would provide the indicative figures as a multi-year settlement. In return local authorities were asked to produce and publish an efficiency plan setting out their forecast budget position through to 2019/20 and the efficiency measures they have in place or propose to implement to achieve annual balanced budget positions.
- 3.20 Government see the efficiency plan and multi-year settlement as a way of providing funding certainty and stability to local authorities, together with strengthening financial management and efficiency. The Council's efficiency plan was published 14 October 2016.
- 3.21 The Medium Term Finance Settlement has been updated to take into account the 2017/18 finance settlement, multi-year allocations and saving measures already agreed or proposed.
- 3.22 The resultant funding gap over the subsequent three financial years (2018/19 to 2020/21) is forecast to be in the region of £23.426m. The approach to finding these savings will be the continuation of the budget strategy of:
- Progressing the Efficiency Programme.
 - Reviewing the portfolio of land and assets, including the use of buildings, in accordance with the Accommodation Strategy.
 - Continuing to seek improved procurement.
 - Reviewing terms and conditions of staff (subject to negotiation).
 - Offering staff voluntary early retirement and voluntary redundancy under the terms of the Staffing Protocol.
 - Reducing the cost of services either by reducing spend through greater efficiency or increasing income.
 - Partnership working, collaboration and sharing of services with other councils and other organisations.
 - Ceasing to deliver certain lower priority services.
- 3.23 The budget strategy is predicated on the Government continuing to withdraw considerable amounts of grant from the Council. To help offset this loss, support will be given to our partners and the voluntary sector to lever-in monies into the Borough.

Halton's Council Tax

- 3.24 The Government no longer operate council tax capping powers, but instead there is a requirement for councils to hold a local referendum if they propose to increase council tax by more than a percentage threshold prescribed by the Government.
- 3.25 The Government have confirmed the council tax referendum threshold at 2% for 2017/18, there is an additional limit of 3% precept for adult social care costs mentioned in para 3.18.
- 3.26 The tax base (Band D equivalent) for the Borough has been set by Council at 33,818.
- 3.27 The combined effect of the budget proposals presented within this report, government grant support, business rate retention and the council tax base, requires the Council to set a Band D council tax for Halton of £1,312.27 (equivalent to £25.24 per week), in order to deliver a balanced budget for 2017/18 as required by statute. This is an increase of 4.9% (£61.30 per annum or £1.18 per week) over the current year.

Parish Precepts

- 3.28 The Parish Councils have set their precepts for the year as shown below, with the resultant additional Council Tax for a Band D property in these areas being as follows:

	Precept	Precept Increase		Additional Council Tax	Basic Council Tax
	£	£	%	£	£
Hale	26,250	119	0.5	39.65	1,351.92
Daresbury	4,596	396	9.4	26.41	1,338.68
Moore	4,526	28	0.6	13.80	1,326.07
Preston Brook	11,000	1,850	20.2	33.13	1,345.40
Halebank	15,610	260	1.7	29.90	1,342.17
Sandymoor	25,928	1,372	5.6	25.42	1,337.69

Average Council Tax

- 3.29 In addition, it is also necessary to calculate the average Council Tax for the area as a whole. This is the figure required by Government and used for comparative purposes. For a Band D property the figure is £1,314.87, an increase of £61.35 per annum.

Police Precept

- 3.30 The Cheshire Police and Crime Commissioner has set the precept on the Council at £5.561m which is £164.44 for a Band D property, an increase of £3.21 or 1.9%. The figures for each Band are shown in Recommendation 5 in Appendix A.

Fire Precept

- 3.31 The Cheshire Fire Authority has set the precept on the Council at £2.479m which is £73.29 for a Band D property, an increase of £1.43 or 1.99%. The figures for each Band are shown in Recommendation 6 in Appendix A.

Total Council Tax

- 3.32 Combining all these figures will give the Total Council Tax for 2017/18 and these are shown in Recommendation 7 in Appendix A. The total Band D Council Tax (before Parish precepts) is £1,312.27 an increase of £61.30 or 4.9%. The increases in parish precepts means the increase in Hale is 4.7%, in Daresbury is 4.8%, in Moore is 4.8%, in Preston Brook is 5.3%, in Halebank is 4.7% and in Sandymoor is 4.8%.
- 3.33 It is expected that Halton's total council tax will continue to be amongst the lowest in the North West. Given that nearly half of all properties in the Borough are in Band A, and also 85% of properties are in Bands A-C, most households will pay less than the "headline" figure. In addition, many households will receive reduced Council Tax bills through discounts, and these adjustments will be shown on their bills.
- 3.34 A complex set of resolutions, shown in Appendix A, needs to be agreed by Council to ensure that the Budget and Council Tax level are set in a way which fully complies with legislation, incorporating changes required under the Localism Act 2012.

Capital Programme

- 3.35 The following table brings together the existing capital programme spend and shows how the capital programme will be funded.

	2017/18	2018/19	2019/20
	£000	£000	£000
<u>Spending</u>			
Scheme estimates	82,013	16,014	3,492
Slippage between years (after excluding MG costs)	+ 10,341	+ 7,903	+ 3,203
	- 7,903	- 3,203	- 698
	<u>84,451</u>	<u>20,714</u>	<u>5,997</u>

<u>Funding</u>			
Borrowing and Leasing	61,081	13,146	3,446
Grants and External Funds	14,137	3,978	614
Direct Revenue Finance	207	30	7
Invest to Save	55	0	0
Capital Receipts	8,971	3,560	1,930
	<u>84,451</u>	<u>20,714</u>	<u>5,997</u>

3.36 The committed Capital Programme is shown in Appendix F. The Capital Programme reflects the funding to be provided by the Council during this period towards the Mersey Gateway project, which will be financed from toll revenues.

3.37 As the Capital Programme is fully committed, there are no funds available for new capital schemes unless external funding is available or further savings are identified to cover financing costs.

Prudential Code

3.38 The Local Government Act 2003 introduced the Prudential Code which provides a framework for the self-regulation of capital expenditure. The key objectives of the Code are to ensure that the Council's:

- capital expenditure plans are affordable;
- external borrowing is within prudent and sustainable levels;
- treasury management decisions are taken in accordance with good professional practice; and
- is accountable by providing a clear and transparent framework.

3.39 To demonstrate that councils have fulfilled these objectives, the Prudential Code sets out a number of indicators which must be used. These are included in the Treasury Management Strategy report elsewhere on the Agenda. The prudential indicators are monitored throughout the year and reported as part of the Treasury Management monitoring reports to the Executive Board.

School Budgets

3.40 Schools are fully funded by Government Grants, primarily the Dedicated Schools Grant (DSG) which is mainly used to fund the Individual School Budgets. DSG is now allocated in three notional blocks – Schools Block, Early Years Block and High Needs Block. The funding is allocated to schools by way of a formula in accordance with the revised funding arrangements introduced in April 2013 and updated for April 2017, which is primarily based on pupil numbers.

- 3.41 The Government have announced Unit of Funding allocations split between blocks. For Halton the per pupil Unit of Funding for the Schools Block is £4,697.95 which is a decrease to previous years following a baseline review carried out by the EFA in 2016-17. The Early Years Block is £9,076,908, a significant increase to previous years but is simply the result of funds being re-baselined and the extra funding required for the additional 15 hours per week free entitlement for 3 and 4 year olds from September 2017. The High Needs Block is £15,787,751 which again is an increase due to the re-baselining of the notional DSG blocks. Schools will be informed of their funding allocation for Schools Block funding by 28th February 2017 in accordance with the Halton Schools Financing Scheme. Early Years and High Needs funding will be notified to relevant schools during March 2017. The Minimum Funding Guarantee has been set so that the maximum reduction for schools is 1.5%.
- 3.42 The Pupil Premium has been set at £1,320 per Primary pupil who are or have been eligible for Free School Meals in the last six years. For Secondary pupils this is set at £935 per pupil. Children who have been adopted from care and children who leave care under a special guardianship order or residence order will be funded at £1,900 per pupil. Eligibility for the Service Children Premium will be funded at £300 per pupil. No information has been provided yet with regard to Looked After Children. The Pupil Premium will be added to school budgets on top of the Minimum Funding Guarantee.
- 3.43 The allocation of DSG funding to schools for 2017/18 will be via the schools funding formula, which has been approved by the Schools Forum following consultation with schools and the Department for Education.

4.0 POLICY IMPLICATIONS

- 4.1 The Council's budget will support the delivery of all of the Council's services.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The financial implications relating to the Council's budget are as set out within the report and appendices.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The budget will support the Council in achieving the aims and objectives set out in the Community Strategy for Halton and the Council's Corporate Plan and has been prepared in consideration of the priorities listed below.

- 6.1 **Children and Young People in Halton**
- 6.2 **Employment, Learning and Skills in Halton**
- 6.3 **A Healthy Halton**
- 6.4 **A Safer Halton**
- 6.5 **Halton's Urban Renewal**

7.0 RISK ANALYSIS

- 7.1 The budget is prepared in accordance with detailed guidance and timetable to ensure the statutory requirements are met and a balanced budget is prepared that aligns resources with corporate objectives.
- 7.2 A number of key factors have been identified in the budget and a detailed risk register has been prepared. These will be closely monitored throughout the year and the Contingency and the Reserves and Balances strategy should help mitigate the risk.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 Equality Impact Assessments will be undertaken in relation to the individual savings proposals as required.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Local Government Finance Report (England) 2017/18	Financial Management Kingsway House	Steve Baker

10.0 REASON FOR THE DECISION

- 10.1 To seek approval for the Council's revenue budget, capital programme and council tax for 2017/18.

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 11.1 In arriving at the budget saving proposals set out in Appendix B, numerous proposals have been considered, some of which have been deferred pending further information or rejected.

12.0 IMPLEMENTATION DATE

- 12.1 8 March 2017.

**DRAFT RESOLUTION FOR SUBMISSION TO THE COUNCIL
AT ITS MEETING ON 08 March 2017**

RECOMMENDATION: that the Council adopt the following resolution:

1. The policies outlined in this paper be adopted, including the budget and council tax for 2017/18, the savings set out in Appendix B and the Capital Programme set out in Appendix F.
2. That it be noted that at the meeting on 07 December 2016 the Council agreed the following:
 - (a) The Council Tax Base 2017/18 for the whole Council area is 33,818 (item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the Act) and
 - (b) For dwellings in those parts of its area to which a Parish precept relates, be set out as follows:

Parish	Tax Base
Hale	662
Daresbury	174
Moore	328
Preston Brook	332
Halebank	522
Sandymoor	1,020

being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which special items relate.

3. Calculate that the Council Tax requirement for the Council's own purposes for 2017/18 (excluding Parish precepts) is £44,378,347.
4. In accordance with the relevant provisions of the Local Government Finance Act 1992 (Sections 31 to 36), the following amounts be now calculated by the Council for the year 2016/17 and agreed as follows:
 - (a) £353,577,866 – being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the said Act, taking into account all precepts issued to it by Parish Councils.

- (b) £309,111,609– being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £44,466,257 – being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 31A(4) of the Act).
- (d) £1,314.87– being the amount at 3(c) above (item R), all divided by item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £87,910– being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, each individual Parish precept being:

	£
Hale	26,250
Daresbury	4,596
Moore	4,526
Preston Brook	11,000
Halebank	15,610
Sandymoor	25,928

- (f) £1,312.27 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (g) Part of the Council's Area

	£
Hale	1,351.92
Daresbury	1,338.68
Moore	1,326.07
Preston Brook	1,345.40
Halebank	1,342.17
Sandymoor	1,337.69

being the amounts given by adding to the amounts at 3(e) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the

Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings of its area to which one or more special items relate.

(h) Part of the Council's Area

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	901.27	892.45	884.04	896.93	894.77	891.79	874.84
B	1,051.50	1,041.20	1,031.39	1,046.43	1,043.92	1,040.43	1,020.66
C	1,201.70	1,189.94	1,178.73	1,195.91	1,193.04	1,189.06	1,166.46
D	1,351.92	1,338.68	1,326.07	1,345.40	1,342.17	1,337.69	1,312.27
E	1,652.34	1,636.16	1,620.75	1,644.37	1,640.42	1,634.95	1,603.88
F	1,952.76	1,933.64	1,915.42	1,943.34	1,938.68	1,932.21	1,895.49
G	2,253.19	2,231.13	2,210.11	2,242.33	2,236.94	2,229.48	2,187.11
H	2,703.84	2,677.39	2,652.14	2,690.80	2,684.34	2,675.38	2,624.54

being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

5. It is further noted that for the year 2017/18 the Cheshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

	£
A	109.63
B	127.90
C	146.17
D	164.44
E	200.98
F	237.52
G	274.07
H	328.88

6. It is further noted that for the year 2017/18 the Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with the Local Government Act 2003 for each of the categories of dwellings shown below:

	£
A	48.86
B	57.00
C	65.15
D	73.29
E	89.58
F	105.86
G	122.15
H	146.58

7. That, having calculated the aggregate in each case of the amounts at 4h, 5 and 6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2016/17 for each of the categories of dwellings shown below:

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	1,059.76	1,050.94	1,042.53	1,055.42	1,053.26	1,050.28	1,033.33
B	1,236.40	1,226.10	1,216.29	1,231.33	1,228.82	1,225.33	1,205.56
C	1,413.02	1,401.26	1,390.05	1,407.23	1,404.36	1,400.38	1,377.78
D	1,589.65	1,576.41	1,563.80	1,583.13	1,579.90	1,575.42	1,550.00
E	1,942.90	1,926.72	1,911.31	1,934.93	1,930.98	1,925.51	1,894.44
F	2,296.14	2,277.02	2,258.80	2,286.72	2,282.06	2,275.59	2,238.87
G	2,649.41	2,627.35	2,606.33	2,638.55	2,633.16	2,625.70	2,583.33
H	3,179.30	3,152.85	3,127.60	3,166.26	3,159.80	3,150.84	3,100.00

being satisfied that:

- (a) The total amount yielded by its Council Taxes for the said financial year will be sufficient, so far as is practicable, to provide for items mentioned at 4(a) to (c) above; and, to the extent that they are not, to be provided for by any other means.
 - (b) Those amounts which relate to a part only of its area will secure, so far as is practicable, that the precept or portion of a precept relating to such part will be provided for only by the amount yielded by such of its Council Taxes as relate to that part.
8. The Operational Director Finance be authorised at any time during the financial year 2017/18 to borrow on behalf of the Council by way of gross bank overdraft such sums as he shall deem necessary for the purposes of this paragraph, but not such that in any event the said overdraft at any time exceeds £10m (£0.5m net) as the Council may temporarily require.

APPENDIX B**SAVINGS PROPOSALS – 2nd SET**

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
PEOPLE DIRECTORATE							
EFFICIENCY OPPORTUNITIES							
1	Commissioning & Complex Care Dept	Deletion of the vacant part-time post of Operational Director, Commissioning & Complex Care.	54	54	0	P	M/D
2	Education Inclusion & Provision Dept/ Children's Centres	Reconfiguration of management of Widnes Children's Centres to allow the deletion of one vacant Principal Manager post and replacement with a senior post. This will provide net savings and will ensure the continued emphasis on the sustainability of Widnes Children's Centres. This approach has been successfully piloted for over twelve months.	57	25	0	P	M/D
3	Public Protection/ Environmental Health Division	Deletion of a vacant HBC6 Programme Officer post.	35	35	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
PROCUREMENT OPPORTUNITIES							
4	People Directorate	Target for reduction in contract values, following a review of all contracts across the Directorate, with the exception of domiciliary, residential and nursing contracts.	n/a	100	0	P	M/D
OTHER BUDGET SAVINGS							
5	Public Protection/ Environmental Health Division	One-off saving from utilising Environmental Health reserves accumulated over previous years.	100	100	-100	T	D
TOTAL PERMANENT				214	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				100	-100		
GRAND TOTAL				314	-100		

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE							
INCOME GENERATION OPPORTUNITIES							
6	Community & Environment Dept/ Open Spaces Div	Seek alternative funding for the Annual Firework Display, such as via sponsorship.	30	30	0	P	D
EFFICIENCY OPPORTUNITIES							
7	Finance Dept	Restructuring of management arrangements to bring together the Procurement and Audit and Operational Finance Divisions under a single Divisional Manager.	1,518	74	0	P	M/D
8	Finance Dept / Revenues & Benefit Div	Deletion of two vacant HBC3 Benefit Officer posts (1.5fte).	948	33	0	P	M
9	Finance Dept / Financial Management Div	Deletion of a vacant HBC7/8 Finance Officer post.	1,224	41	0	P	M/D
10	Legal & Dem Svcs Dept /	Balance of savings achieved from previous management restructuring of the Democratic Services Division.	n/a	11	0	P	M

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
	Democratic Services						
11	Revenues & Benefits Div/ Contact Centre	Deletion of a vacant HBC6 Monitoring & Development Officer post within the Contact Centre.	664	30	0	P	D
12	Revenues & Benefits Div/ HDL	Closure of the Ditton Halton Direct Link Office. The existing cash kiosk would remain operational within the library.	39	39	0	P	D
13	Revenues & Benefits Div/ HDL	Closure of the Granville Street, Runcorn Halton Direct Link Office. The existing cash kiosk would remain operational within the library.	53	53	0	P	D
OTHER BUDGET SAVINGS							
14	Legal & Dem Svcs Dept / Democratic Services	One-off saving as there are no Council elections in 2017/18.	100	100	-100	T	M
15	Waste Management Div/ Area Forums	25% reduction in the allocation of funding to Area Forums, resulting in the following allocations: AF1 Broadheath, Ditton, Hough Green, Hale £52,700 AF2 Birchfield, Farnworth, Halton View £52,500 AF3 Appleton, Kingsway, Riverside £44,800 AF4 Grange, Heath, Halton Brook, Mersey £63,300 AF5 Halton Castle, Norton Nth, Norton Sth, Windmill Hill	400	100	0	P	D

	DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM SEMI-P TEMP (P/S/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2017/18 £'000	2018/19 £'000		
		£52,100 AF6 Beechwood, Halton Lea £23,900 AF7 Daresbury £10,700 Total £300,000 This proposal would include the introduction of automatic carry forward to the following financial year of any unspent Area Forum balances.					
16	Economy Enterprise & Property	Reduce the property repairs and maintenance budget, to reflect the rationalisation of the Council's property portfolio and prioritisation of works.	2,081	50	0	P	D
17	Corporate	Three year reduction in employer's pension contributions, through making lump sum payments, utilising treasury management cashflow, to reduce Halton's share of the historic Pension Fund deficit. The position will then be reviewed in 2020/21 as part of the triennial actuarial revaluation of the Cheshire Pension Fund.	n/a	200	0	P	M
TOTAL PERMANENT				661	0		
TOTAL SEMI PERMANENT				0	0		
TOTAL TEMPORARY (ONE-OFF)				100	-100		
GRAND TOTAL				761	-100		

APPENDIX C**DEPARTMENTAL OPERATIONAL BUDGETS****£000****People Directorate**

Children and Families Service	17,656
Education, Inclusion & Provision	6,463
Commissioning and Complex Care	8,528
Adult Social Care & Prevention and Assessment	24,293
Public Health & Public Protection	(499)
	<hr/>
	56,441

Enterprise, Community & Resources Directorate

Finance	7,641
Policy, Planning & Transportation	8,846
ICT & Support Services	5,901
Legal & Democratic Services	1,748
Policy, People, Performance & Efficiency	1,785
Community and Environment	12,614
Economy, Enterprise and Property	4,748
	<hr/>
	43,283

Departmental Operational Budgets **99,724**Corporate and Democracy

 3,525**Total Operational Budget**

 103,249

APPENDIX D

2017/18 BUDGET – REASONS FOR CHANGE

	£000
2016/17 Approved Budget	98,460
Add back One-Off savings	6,145
	<hr/> 104,605
<u>Policy Decisions</u>	
Capital Programme	-310
<u>Inflation and Service Demand Pressures</u>	
Pay (including Increments)	2,647
Prices	1,930
Income	-510
<u>Other</u>	
Net Reduction to Specific Grants	220
Contingency	1,000
Business Rates Retention Scheme	2,639
Base Budget	<hr/> 112,221
Less Savings	-8,972
Total 2017/18 Budget	<hr/> 103,249 <hr/>

APPENDIX E

MEDIUM TERM FINANCIAL FORECAST

	2018/19 £000	2019/20 £000	2020/21 £000
Spending			
Previous Year's Budget	103,249	99,941	97,150
Add back one-off savings	2,468	42	0
<u>Inflation</u>			
Pay	1,430	1,581	1,748
Prices	1,336	1,361	1,386
Income	-526	-536	-546
<u>Other</u>			
Contingency	1,500	2,000	2,500
Children in Care	250	0	0
National Living Wage – Ext Service Providers	500	500	500
Mersey Gateway Council Vehicle Tolls	75	0	0
Pension Auto Enrolment – Employer Contributions	150	0	0
Reduction to New Homes Bonus Grant	501	-60	70
Use of Reserves	-992	992	0
Budget Forecast	109,941	105,821	102,808
Resources			
Retained Business Rates	48,404	49,293	50,200
Top Up Funding	3,850	327	323
Council Tax	46,598	47,530	47,530
Collection Fund Surplus	1,089	0	0
	99,941	97,150	98,053
Funding Gaps	10,000	8,671	4,755

APPENDIX F

COMMITTED CAPITAL PROGRAMME 2017-20

SCHEME	2017/18 £000	2018/19 £000	2019/20 £000
Schools Capital Projects	1,079	-	-
Fairfield Primary	411	-	-
ALD Bungalows	100	-	-
Purchase of 2 adapted properties	520	-	-
People Directorate	2,110	-	-
IT Rolling Programme	1,100	1,100	1,100
Castlefields	125	-	-
3MG	4,104	-	-
Widnes Waterfront	1,000	-	-
Sci Tech Daresbury	483	-	-
Venture Fields	6,000	-	-
Hive Signage & Advertising	150	-	-
Equality Act Improvement Works	450	300	300
Widnes Market	370	10	-
Highways Capital Maintenance	4,139	1,546	-
Silver Jubilee Major Maintenance	5,400	-	-
Street Lighting – Structural Maintenance	200	200	200
Street Lighting – Upgrades	3,506	-	-
Fleet Replacements	1,361	556	1,317
Risk Management	120	120	120
Mersey Gateway Land Acquisition	2,254	11,284	-
Mersey Gateway Liquidity Fund	10,000	-	-
Mersey Gateway Crossing Board	2,365	-	-
Mersey Gateway Construction Costs	32,500	-	-
Mersey Gateway Loan Interest	1,854	-	-
Stadium Minor Works	30	30	30
Children’s Playground Equipment	91	65	65
The Glen Play Area	4	-	-
Norton Priory	328	-	-
Landfill Tax Credit Schemes	340	340	340
Crow Wood Park Play Area	450	75	-
Runcorn Hill Park	150	75	-
Runcorn Cemetery Extension	9	-	-
Peelhouse Lane Cemetery	1,000	293	-
Litter Bins	20	20	20
Community & Resources Directorate	79,903	16,014	3,492

Total Capital Programme	82,013	16,014	3,492
Slippage between years *	+ 10,341	+ 7,903	+ 3,203
	- 7,903	- 3,203	- 698
GRAND TOTAL	84,451	20,714	5,997

***Slippage for 2017/18 is calculated after excluding Mersey Gateway Construction Costs**