

Appendix B

Balancing 2016/17 Budget

	£000
2016/17 budget gap March 2015	12,706
Budget pressures	7,927
Decrease in Government resources following notification of Finance Settlement 9th February 2016	5,950
Revised Budget Gap for 2016/17	26,583
Revised assumptions in respect of pay and price inflation, council tax and business rates growth and other adjustments	(3,755)
Reductions in service provision and commissioning - Portfolio Savings (i.e. the 2nd year of the 3 year Savings Programme agreed by Council in Sept 2014 and additional options as outlined in Appendix C)	(10,258)
Savings in interest and debt repayment due to MRP policy change and reduced / re-phased capital programme	(2,987)
Workforce Review savings	(3,000)
Commercial Strategy Savings (Increased fees & charges)	(500)
Proposed Council Tax increase - assumed general increase of 1.99%	(841)
Proposed Council Tax increase re Adult Social Care functions - assumed 2% increase	(845)
Adjustment to recharges from grant contributions	(1,362)
Increased Use of reserves	(3,035)
2016/17 Balanced Budget	0

The table above summarises the way in which the Budget Gap for 2016/17 (as presented in the MTFs to Finance Council back in March 2015) has changed over the past 12 months and includes proposed options to close this gap in order to produce a balanced budget as required by statute.