

Budget Summary 2017/18

	2017/18 budget as agreed at Finance Council 2016	Updated 2017/18 Budget	Variation
	£000	£000	£000
Net expenditure			
Portfolio cash limited budgets	107,473	102,502	(4,971)
Net income from support service recharges	(641)	(641)	0
Interest, MRP and revenue contributions	23,330	18,395	(4,935)
Contingencies	(5,370)	3,885	9,255
Parish precepts and grants	182	181	(1)
Net expenditure	124,974	124,322	(652)
Resources			
Government non-ringfenced grants	53,492	59,919	6,427
Retained share of business rates including government grants in lieu of business rates	25,078	19,281	(5,797)
Council Tax	44,080	44,830	750
Council Tax increase - general increase of 1.99% (as assumed in MTFS of Feb 2016)	874	889	15
Council tax increase - 3.0% increase in respect of Adult Social Care services (had assumed 2% increase in MTFS of Feb 2016)	879	1,340	461
Collection fund (surplus) / deficit	0	(364)	(364)
Contribution from / (to) reserves	250	(1,573)	(1,823)
Net resources	124,653	124,322	(331)
Required Reductions in Expenditure/Increases in Revenue	321	0	(321)

The table above identifies the changes between the summary 2017/18 Budget headings as presented in the MTFS to Finance Council back in February 2016 and the current, updated position presented to Finance Council on 27th February 2017.

Balancing 2017/18 Budget

	£000
2017/18 budget gap February 2016	321
Budget pressures and savings	4,515
Increase in Government resources following notification of draft Finance Settlement in December 2016 (awaiting confirmation in final settlement due on 22nd February 2017)	(4,736)
Revised Budget Gap for 2017/18	100
Revised assumptions in respect of pay and price inflation, council tax and business rates growth and other adjustments	(618)
Savings in interest and debt repayment due to MRP policy change and reduced / re-phased capital programme	(4,935)
Impact of Business Rates revaluation exercise (offset by increase in government Top-Up grant included within Govt resources above)	4,106
Proposed Council Tax increase - general increase of 1.99% (as included in the MTFS in Feb 2016)	(15)
Proposed Council Tax increase re Adult Social Care functions - assumed 3% increase (1% increase over and above the figure included in the MTFS presented in Feb 2016)	(461)
Increased contribution to reserves	1,823
2017/18 Balanced Budget	0

The table above summarises the way in which the Budget Gap for 2017/18 (as presented in the MTFS to Finance Council back in February 2016) has changed over the past 12 months to produce a balanced budget as required by statute.

PORTFOLIO CASH LIMITS

PORTFOLIO	2017/18 budget Finance Council 2016	Updated 2017/18 Budget	Variation (Incr)/Decr	
Health and Adult Social Care	40,303	43,353	(3,050)	NOTE 1
Children's Services	22,351	21,134	1,217	
Environment	12,318	8,860	3,458	
Leisure, Culture and Young people	4,575	3,162	1,413	
Neighbourhoods and Prevention Services	3,466	1,368	2,098	
Regeneration	4,878	7,692	(2,814)	NOTE 2
Resources	14,871	13,531	1,340	
Schools and Education (non-DSG)	4,711	3,402	1,309	
TOTAL PORTFOLIO CASH LIMITS	107,473	102,502	4,971	

NOTE 1 - the increase in the cash limit reflects uplift for social care provider costs in 16/17 and 17/18 linked to increases in National Living Wage, along with other inflationary increases in commissioned contracts, as well an uplift to support increases in demand. This is offset by cost reductions arising from the savings programme achieved in 16/17.

NOTE 2 - the increase reflects the transfer of budgets for Highways from the Environment portfolio and the consolidation of budgets relating to the strategic partnership into the portfolio

The table above summarises the changes in the Portfolio Cash Limits between the projected budget for 2017/18 included in the February 2016 MTFs and the Actual Budget for 2017/18 presented for approval to Council on 27th February 2017

APPENDIX C(ii)
**PORTFOLIO CONTRIBUTIONS TO THE SAVINGS PROGRAMME
(as approved by Policy Council 1st December 2016)**

PORTFOLIO SAVINGS TO BE DELIVERED	Savings delivered for 17/18	Cumulative	
		Savings to be delivered for 2018/19	Savings to be delivered for 2019/20
Health and Adult Social Care			
- Workforce Reviews	696,400	1,000	121,700
- Cost Reductions	0	0	0
- Service Cuts	141,800	0	0
- Increased Income	0	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	117,900	175,600	175,600
Total Savings for Health and Adult Social Care	956,100	176,600	297,300
Children's Services			
- Workforce Reviews	1,222,423	84,250	84,250
- Cost Reductions	72,000	0	0
- Service Cuts	10,000	0	0
- Increased Income	500,000	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	500,000	0	0
Total Savings for Children's Services	2,304,423	84,250	84,250
Environment			
- Workforce Reviews	231,096	50,000	50,000
- Cost Reductions	5,000	0	0
- Service Cuts	0	0	0
- Increased Income	360,000	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	0	0	0
Total Savings for Environment	596,096	50,000	50,000
Leisure, Culture and Young people			
- Workforce Reviews	1,171,334	0	0
- Cost Reductions	1,500	0	0
- Service Cuts	5,000	0	0
- Increased Income	159,000	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	0	0	0
Total Savings for Leisure, Culture and Young People	1,336,834	0	0
Neighbourhoods & Prevention Services			
- Workforce Reviews	344,000	67,800	67,800
- Cost Reductions	95,000	0	0
- Service Cuts	112,900	0	0
- Increased Income	0	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	178,000	0	0
Total Savings for Neighbourhoods & Prevention Services	729,900	67,800	67,800
Regeneration			
- Workforce Reviews	0	0	0
- Cost Reductions	208,800	8,000	8,000
- Service Cuts	150,000	0	0
- Increased Income	75,000	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	600,000	50,000	0
Total Savings for Regeneration	1,033,800	58,000	8,000
Resources			
- Workforce Reviews	1,617,100	350,000	350,000
- Cost Reductions	165,200	0	0
- Service Cuts	0	0	0
- Increased Income	428,202	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	0	0	0
Total Savings for Resources	2,210,502	350,000	350,000
Schools and Education (non-DSG)			
- Workforce Reviews	457,700	0	0
- Cost Reductions	160,000	0	0
- Service Cuts	140,000	0	0
- Increased Income	403,000	0	0
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	0	0	0
Total Savings for Schools and Education (non DSG)	1,160,700	0	0
Corporate/Cross portfolio savings			
- Workforce Reviews - cross portfolio Business Support review	550,000	200,000	200,000
- Cost Reductions - cross portfolio Procurement and Contracting savings	50,000	700,000	950,000
- Service Cuts	0	0	0
- Increased Income	1,750,000	250,000	450,000
- Savings through alternative delivery models and service changes approved by Policy Council on 1st Dec 2016	0	0	0
Total Savings for Schools and Education (non DSG)	2,350,000	1,150,000	1,600,000
TOTAL PORTFOLIO SAVINGS PROGRAMME	12,678,355	1,936,650	2,457,350

The table above summarises the elements of the Savings Programme to be delivered by each of the Portfolios to meet the challenging savings programme included within the MTFs presented for approval to Council on 27th February 2017

APPENDIX D

Capital Programme 2017/2021

	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Future</u> <u>Years</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
1. Estimated Available Resources				
Unsupported Borrowing	4,527	1,756	1,941	921
- Department for Education	6,495	-	-	-
- Department for Transport Grants	3,827	6,376	7,976	4,376
- Disabled Facilities Grant	1,461	1,461	1,461	2,922
Other Specific Grants	333	182	-	-
Government Grants	12,116	8,019	9,437	7,298
External Contributions	1,515	1,250	-	293
Revenue Contributions	500	-	-	-
Capital Receipts	2,557	3,000	2,000	-
TOTAL ESTIMATED AVAILABLE RESOURCES	21,215	14,025	13,378	8,512

2. Approved schemes

Health & Adult Social Care

Disabled Facilities Grant	1,658	1,458	1,458	2,916
Telecare Project	160	160	160	320
Shorey Bank Extra Care Scheme Site	186	-	-	-
Demolition of Feniscliffe HOP	75	-	-	-
	2,079	1,618	1,618	3,236

Children's Services

Disabled Facilities Grant	300	300	300	600
Early education of two year olds	233	-	-	-
	533	300	300	600

Environment

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Leisure, Culture & Young People

Darwen Leisure Centre	6	-	-	-
	6	-	-	-

Neighbourhoods, Housing & Customer Services

Clearance - Bank Top & Griffin	100	300	-	-
Insulation for hard to treat properties	50	-	-	-
Equity Loans/PALS Griffin	73	-	-	-
Neighbourhood Intervention Fund	100	400	-	-
Development Assessment Fund	100	-	-	-
Affordable Homes	100	-	-	-
Empty property cluster scheme	100	300	-	-
	623	1,000	-	-

Regeneration

Assistance to Industry	150	150	150	300
Darwen 3 Day Market	274	-	-	-
Local Transport Plan	5,308	4,026	2,976	2,976
Growth Deal 3 (Pennine Gateways)	-	3,600	5,000	1,400
Cathedral Quarter Development Office Block	301	-	-	-
	6,033	7,776	8,126	4,676
Resources				
Corporate ICT Replacment Equipment	934	-	-	-
Corporate ICT Monitor and management	70	-	-	-
Corporate ICT Digital Services	100	-	-	-
Corporate ICT Public Access	150	-	-	-
Corporate ICT Wan Connectivity	100	-	-	-
Corporate ICT Digitisation of Planning Service	50	-	-	-
Corporate ICT Finance System	50	-	-	-
Corporate ICT Microsoft EA	22	-	-	-
Old Town Hall Stonework	25	-	-	-
Land Remediation Schemes	214	-	-	-
Corporate DDA	100	-	-	-
Griffin Lodge	300	-	-	-
	2,115	-	-	-
Schools & Education				
Capital Grant Allocations 2016-18 (schemes still to be determined)	2,212	-	-	-
Cedar's Primary	950	-	-	-
St Barnabus and St Pauls	550	-	-	-
St Thomas CE Primary	5	-	-	-
ST Thomas Centre 2	475	-	-	-
Newfield ASD	2,300	-	-	-
Audley Nursery	1	-	-	-
Longshaw nursery	1	-	-	-
Fenicowles	1	-	-	-
	6,495	-	-	-
TOTAL Approved Schemes	17,884	10,694	10,044	8,512

3. Earmarked schemes

Corporate ICT	1,416	1,416	1,418	-
Corporate Property Investment	658	658	659	-
Corporate Accommodation Strategy	757	757	757	-
TOTAL Earmarked capital reserves	2,831	2,831	2,834	-

4. Contingent schemes

Other Contingent Schemes	500	500	500	-
Total Contingent schemes	500	500	500	-

TOTAL CAPITAL PROGRAMME	21,215	14,025	13,378	8,512
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Additionally, approval is given to the use of further capital resources if required, to fund vehicle renewals (usually financed by lease)
This approved allocation is **not** included in the total's above

	700	700	700	-
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