

REPORT TO: Executive Board
DATE: 22 February 2018
REPORTING OFFICER: Operational Director – Finance
SUBJECT: Budget 2018/19
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 2018/19.

2.0 RECOMMENDATION:

- (i) That Council be recommended to adopt the resolution set out in Appendix A, which includes setting the budget at £109.227m, the Council Tax requirement of £47.447m (before Parish, Police and Fire precepts) and the Band D Council Tax for Halton of £1,377.88.

3.0 SUPPORTING INFORMATION

Medium Term Financial Strategy

3.1 The Executive Board approved the Medium Term Financial Strategy (MTFS) at its meeting on 16 November 2017. In summary, funding gaps of around £5.6m in 2018/19, £13.2m in 2019/20 and £3.3m in 2020/21 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 2017/18 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 £3.5m against a net budget of £103.2m. A main reason for the projected overspend is as a result of the continued significant pressure in respect of children social care and adult 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. In addition a review of reserves will be undertaken to consider options to fund the expected overspend. It is anticipated that general reserve balances at 31 March 2018 will be around £4.0m, equivalent to approximately 4.0% of the net budget for 2018/19, it is not considered prudent for reserves to drop below this level.

2018/19 Budget

- 3.5 On 06 December 2017 Council approved initial budget savings for 2018/19 totalling £2.2m and further proposed savings are shown in Appendix B.
- 3.6 The proposed budget totals £109.227m. 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 £2.152m for the New Homes Bonus 2018/19 grant. This is a reduction of £0.262m from the grant level for 2017/18 due to a change in formula from 2017/18 in how the grant is calculated. It also includes Improved Better Care Funding (IBCF) of £3.045m; this is the second year of IBCF funding, it is an increase of £2.497m from the first year and funded through the Liverpool City Region pilot scheme for business rate retention. There is additional Better Care Funding of £1.827m included in the budget which was announced as part of the 2017 Spring Budget. This is reduced funding paid over three years and the financial forecast does not expect this to continue beyond 2019/20. Like the IBCF this will be funded through business rate retention.

- 3.8 Pay rates for 2018/19 have yet to be agreed, the budget has sufficient funding to cover a 2% increase with increased amounts for the bottom tiers of the pay spine.
- 3.9 In addition to pay and price inflation built into the budget, an additional £3m has been set aside to help manage the service pressures within the Children & Families Department and an additional £0.5m within Adult Social Care to help manage the cost of the increasing National Living Wage for care providers. Funding is also included to help bring some income targets back in line with actual receipts.
- 3.10 It is considered prudent for the budget to include a general contingency of £0.6m. 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.
- 3.11 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 2018/19 budget, capital programme and council tax. Balances and reserves should provide sufficient resilience to meet the financial consequences of any unforeseen events.
- 3.12 In order to support the 2018/19 transitional Mayoral requirements of the Liverpool City Region Combined Authority, the six constituent councils will make contributions totalling £6.2m into the Single Investment Fund, of which the Council's contribution will be £0.513m. This is an investment in the future of the City Region and a demonstration of each Council's commitment to the Single Investment Fund. Through this approach it is anticipated that each of the constituent Councils in the City Region will benefit from future economic returns arising directly and indirectly from the application of the Single Investment Fund.

Local Government Finance Settlement

- 3.13 The Government announced on 06 February 2018 the Final Local Government Finance Settlement for 2018/19; this was broadly in line with the Provisional Settlement announced on 19 December 2017. The main change was the announcement of a one-off Adult Social Care Support Grant for 2018/19, the allocation for the Council is to the value of £0.399m. No information has yet been published to determine if any conditions are attached to the funding.
- 3.14 As part of the Liverpool City Region, the Council will continue to participate in a pilot scheme of 100% business rates retention. Government have reiterated 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% headline scheme. The pilot will result in additional business rates being retained by the Council although offset by Revenue Support and Better Care Funding grants no longer being paid.

- 3.15 It is expected from 2020/21 that the Business Rates Retention Scheme will be amended on a national basis, with the level of retained rates for each Council being set at 75%. In conjunction with this Government will undertake a review of needs and resources of Local Government, the first review since April 2013 and will reconsider the business rate baselines for each Council.
- 3.16 For 2018/19 the Council's total Government Settlement Funding Allocation is £52.683m. This is made up of £45.214m Business Rates Funding and Top-Up grant of £7.469m.
- 3.17 The above Settlement Funding Allocation includes additional Better Care funding for the first time and therefore it is difficult to compare year-on-year. Government have also produced headline Settlement Funding Allocations, based on all Councils continuing to retain 49% of business rates. This shows the allocation to Halton being to the value of £47.811m, a reduction of £2.696m (5.6%) from 2017/18.
- 3.18 The Council is required to provide an annual 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 £49.456m for 2018/19. This is before allowing £2.602m set aside to fund the cost of any potential deficit which may exist within the Liverpool City Region business rate pilot scheme.
- 3.19 As far as non-domestic premises are concerned, the rate is fixed centrally by Government. For 2018/19 the rate has been set at 49.3p in the pound and 48.0p in the pound for small businesses.
- 3.20 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.
- 3.21 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 extended the flexibility in order that councils could 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. In 2017/18 the Council set an Adult Social Care precept level of 3%.

Budget Outlook

- 3.22 As part of the Local Government Finance Settlement for 2016/17 Government published indicative Settlement Funding Allocations for the following three years, up to and including 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. The Council's efficiency plan was published 14 October 2016.
- 3.23 The Government intention of the efficiency plan and multi-year settlement was a way of providing funding certainty and stability to local authorities, together with strengthening financial management and efficiency. Approximately 97% of Councils accepted the Government's offer.
- 3.24 The Medium Term Finance Settlement has been updated to take into account the 2018/19 finance settlement, multi-year allocations and saving measures already agreed or proposed.
- 3.25 The resultant funding gap over the subsequent three financial years (2019/20 to 2021/22) is forecast to be in the region of £23.040m. 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.
 - Increase the level of the council tax and business rate base position.
- 3.26 There is great uncertainty with regards to local government finances from 2020/21. No indication has been given by Government on continuation of the austerity programme on public finances. In addition there will be changes to business rate baselines, top-up grants and the introduction of outcomes from the Fair Funding Review.

Halton's Council Tax

- 3.27 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.
- 3.28 The Government have confirmed the council tax referendum threshold at 3% for 2018/19, this includes an additional limit of 3% precept for Adult Social Care costs mentioned in para 3.21.
- 3.29 The tax base (Band D equivalent) for the Borough has been set by Council at 34,435.
- 3.30 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 £1,377.88 (equivalent to £26.50 per week), in order to deliver a balanced budget for 2018/19 as required by statute. This is an increase of 5.0% (£65.61 per annum or £1.26 per week) over the current year.

Parish Precepts

- 3.31 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	43,225	16,975	64.7%	65.00	1,442.88
Daresbury	4,700	104	2.3%	27.33	1,405.21
Moore	4,526	0	0.0%	13.80	1,391.68
Preston Brook	11,330	330	3.0%	33.52	1,411.40
Halebank	17,108	1,498	9.6%	32.34	1,410.22
Sandymoor	29,115	3,187	12.3%	26.18	1,404.07

Average Council Tax

- 3.32 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 £1,381.08, an increase of £66.21 per annum.

Police Precept

- 3.33 The Cheshire Police and Crime Commissioner has set the precept on the Council at £6.076m which is £176.44 for a Band D property, an increase of £12.00 or 7.3%. The figures for each Band are shown in Recommendation 5 in Appendix A.

Fire Precept

- 3.34 The Cheshire Fire Authority has set the precept on the Council at £2.599mm which is £75.48 for a Band D property, an increase of £2.19 or 2.99%. The figures for each Band are shown in Recommendation 6 in Appendix A.

Total Council Tax

- 3.35 Combining all these figures will give the Total Council Tax for 2018/19 and these are shown in Recommendation 7 in Appendix A. The total Band D Council Tax (before Parish precepts) is £1,629.80 an increase of £79.80 or 5.20%. The inclusion of parish precepts means the increase in Hale is 6.20%, in Daresbury is 4.87%, in Moore is 4.86%, in Preston Brook is 4.82%, in Halebank is 4.95% and in Sandymoor is 4.86%.
- 3.36 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 82% 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.
- 3.37 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

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

	2018/19	2019/20	2020/21
	£000	£000	£000
<u>Spending</u>			
Scheme estimates	36,552.7	4,752.7	1,780.0
Slippage between years	2,112.6	6,360.0	594.5
	<u>38,665.3</u>	<u>11,112.7</u>	<u>2,374.5</u>
<u>Funding</u>			
Borrowing and Leasing	21,461.5	1,317.0	0.0
Grants and External Funds	9,734.2	1,255.7	0.0
Direct Revenue Finance	141.0	14.0	0.0
Capital Receipts	5,216.0	2,166.0	1,780.0
Slippage between years	2,112.6	6,360.0	594.5
	<u>38,665.3</u>	<u>11,112.7</u>	<u>2,374.5</u>

3.39 The committed Capital Programme is shown in Appendix F.

3.40 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

3.41 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.

3.42 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

3.43 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 four blocks;

Schools Block, Central Schools Services Block, Early Years Block and High Needs Block. The funding is allocated to schools by way of a formula in accordance with the new National Funding Formula being introduced for 2018/19 with transitional protection.

- 3.44 Schools Block pupil numbers in mainstream primary and secondary schools have increased from 17,791 for 2017/18 to 17,957 for 2018/19. Funding for mainstream primary and secondary schools is based on the pupil cohort on the October census. Overall funding for the Schools Block has increased from £81.820m to £83.897m. With the exception of an allowed transfer of 0.5% to the High Needs Block, the remainder of the Schools Block allocation is now ring-fenced and must be passed on to primary and secondary schools.
- 3.45 The Central Schools Services Block (CSSB) is split from the Schools Block for the first time in 2018/19, following the introduction of the ring-fenced requirement for Schools Block to be wholly passed to primary and secondary schools, with the exception of the 0.5% to High Needs. There are regulations in place which limit what the CSSB grant can be used for and limit budgets to the same level as previous years. The CSSB includes budgets that are de-delegated from maintained schools. As more schools convert to academy status, so the de-delegated funds are reduced, unless we ask schools to contribute a higher amount.
- 3.46 The Early Years Block allocation for 2017/18 was £9.077m and the indicative Early Years Block grant for 2018/19 is £9.479m. The hourly rate the Council are funded at, as opposed to the hourly rate we pay providers, is reducing from £5.40 per hour to £5.13 per hour. This reduction is because the transitional protection applied to funding for 2017/18 with the introduction of the Early Years National Funding Formula is no longer applied to funding for 2018/19. This drop in funding levels is likely to be a reduction of £0.400m to £0.450m in actual grant received.
- 3.47 The High Needs Block for 2017/18 was £15.788m increases to £16.189m for 2018/19. However, from this figure the Council will have a minimum of £1.666m recouped by the Department for Education for commissioned places in independent special schools, leaving £14.523m available.
- 3.48 Despite reductions in budgets over the past few years, the level of funding required for the High Needs Block without further reductions for 2018/19 is £16.547m, approximately £2m higher than funding. By moving 0.5% of the Schools Block allocation, this is reduced to £1.6m and further savings totalling £0.986m have been identified to date. At the point of writing, we have a deficit of £0.616m and forecasting to carry forward a DSG balance of £0.446m from 2017/18. Further work is underway to identify additional reductions, in conjunction with schools and Schools Forum.

3.49 The Minimum Funding Guarantee has been agreed by Schools Forum to continue at minus 1.5% as in previous years.

3.50 The Pupil Premium remains 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 remains 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 £2,300 per pupil which is an increase from the 2017/18 level of £1,900. Eligibility for the Service Children Premium remains at £300 per pupil. The amount for Looked after Children which comes to the Council for distribution also increases from £1,900 to £2,300 per pupil. The Pupil Premium will be added to school budgets on top of the Minimum Funding Guarantee.

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) 2018/19	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 2018/19.

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 7 March 2018.

**DRAFT RESOLUTION FOR SUBMISSION TO THE COUNCIL
AT ITS MEETING ON 07 March 2018**

RECOMMENDATION: that the Council adopt the following resolution:

1. The policies outlined in this paper be adopted, including the budget and council tax for 2018/19, 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 06 December 2017 the Council agreed the following:
 - (a) The Council Tax Base 2018/19 for the whole Council area is 34,435 (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	665
Daresbury	172
Moore	328
Preston Brook	338
Halebank	529
Sandymoor	1,112

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 2018/19 (excluding Parish precepts) is £47,447,298.
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 2018/19 and agreed as follows:
 - (a) £379,669,949 – 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) £332,112,647– being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £47,557,302 – 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) £1,381.08– 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) £110,004– 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	43,225
Daresbury	4,700
Moore	4,526
Preston Brook	11,330
Halebank	17,108
Sandymoor	29,115

- (f) £1,377.88 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	65.00
Daresbury	27.33
Moore	13.80
Preston Brook	33.52
Halebank	32.34
Sandymoor	26.18

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	961.92	936.81	927.79	940.94	940.15	936.04	918.59
B	1,122.24	1,092.94	1,082.41	1,097.75	1,096.83	1,092.04	1,071.68
C	1,282.56	1,249.07	1,237.05	1,254.58	1,253.53	1,248.05	1,224.78
D	1,442.88	1,405.21	1,391.68	1,411.40	1,410.22	1,404.07	1,377.88
E	1,763.52	1,717.48	1,700.95	1,725.05	1,723.61	1,716.08	1,684.08
F	2,084.16	2,029.75	2,010.21	2,038.69	2,036.98	2,028.09	1,990.27
G	2,404.80	2,342.02	2,319.47	2,352.34	2,350.37	2,340.10	2,296.47
H	2,885.76	2,810.42	2,783.36	2,822.80	2,820.44	2,808.12	2,755.76

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 2018/19 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	117.63
B	137.23
C	156.84
D	176.44
E	215.65
F	254.86
G	294.07
H	352.88

6. It is further noted that for the year 2018/19 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	50.32
B	58.71
C	67.09
D	75.48
E	92.25
F	109.03
G	125.80
H	150.96

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 2018/19 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	1,129.87	1,104.76	1,095.74	1,108.89	1,108.10	1,103.99	1,086.54
B	1,318.18	1,288.88	1,278.35	1,293.69	1,292.77	1,287.98	1,267.62
C	1,506.49	1,473.00	1,460.98	1,478.51	1,477.46	1,471.98	1,448.71
D	1,694.80	1,657.13	1,643.60	1,663.32	1,662.14	1,655.98	1,629.80
E	2,071.42	2,025.38	2,008.85	2,032.95	2,031.51	2,023.98	1,991.98
F	2,448.05	2,393.64	2,374.09	2,402.58	2,400.87	2,391.98	2,354.16
G	2,824.67	2,761.89	2,739.34	2,772.21	2,770.24	2,759.97	2,716.34
H	3,389.60	3,314.26	3,287.20	3,326.64	3,324.28	3,311.96	3,259.60

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 2018/19 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

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM/ TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2018/19 £'000	2019/20 £'000		
ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE							
INCOME GENERATION OPPORTUNITIES							
1	Community & Environment Dept / School Meals	Increase the cost of a standard school meal by 10p (for the first time in two years) and increase the cost of less healthy products in high schools above inflation.	1,825	125	0	P	M
2	Community & Environment Dept / The Brindley	Increase the booking fee at the Brindley from £1 to £2 per ticket (subject to a maximum fee of £10 per booking).	30	30	0	P	D
EFFICIENCY OPPORTUNITIES							
3	Economy, Enterprise & Property Dept / Property Services Operations Div	Reduction in the building maintenance budget, to reflect the continuing rationalisation of the Council's property portfolio.	2,064	100	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM/ TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2018/19 £'000	2019/20 £'000		
OTHER BUDGET SAVINGS							
4	Finance Dept / Revenues and Financial Management Div	Additional New Homes Bonus (NHB) grant generated following a review of long-term empty residential properties, to establish where properties are now occupied and meet the NHB criteria of being brought back into use.	2,332	100	0	P	D
TOTAL PERMANENT				355	0		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				355	0		

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2018/19 £'000	2019/20 £'000		
PEOPLE DIRECTORATE							
INCOME GENERATION OPPORTUNITIES							
5	Children & Families Dept/ Children's Services	Increase in Health Service funding contribution towards Children in Care and Children's Continuing Health Care costs.	N/A	100	200	P	M
PROCUREMENT OPPORTUNITIES							
6	Children & Families Dept / Children in Care Division	Target for reductions in cost over the next two years through procurement savings, from a review of Children's residential care placements and provider contracts.	4,082	250	350	P	M
EFFICIENCY OPPORTUNITIES							
7	Education Inclusion & Provision Dept / 0-25 Inclusion Division	Deletion of a vacant HBC7 Education Welfare Officer post.	358	41	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2018/19 £'000	2019/20 £'000		
8	Children & Families Dept / Children in Care Division	Review of Early Help and Early Intervention Services, through rationalisation of management costs, improved integration, reducing demand and better commissioning of the services. The target saving is a reduction in costs over two years but with improved service delivery outcomes.	467	100	150	P	D
9	Children & Families Dept/ Children in Care Division	Increase in-Borough foster care provision resulting in reduced cost of external placements	612	45	135	P	M
OTHER BUDGET SAVINGS							
10	Education Inclusion & Provision Dept / Children's Organisation & Provision Division	Increase in payment by results funding from the Troubled Families programme.	828	50	0	P	M
TOTAL PERMANENT				586	835		
TOTAL TEMPORARY (ONE-OFF)				0	0		
GRAND TOTAL				586	835		

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

Children and Families Service	20,505
Education, Inclusion & Provision	5,647
Adult Social Care	38,195
Public Health & Public Protection	(95)
	<hr/>
	64,252

Enterprise, Community & Resources Directorate

Finance	7,669
Policy, Planning & Transportation	9,366
ICT & Support Services	5,782
Legal & Democratic Services	1,859
Policy, People, Performance & Efficiency	1,823
Community and Environment	13,101
Economy, Enterprise and Property	4,573
	<hr/>
	44,173

Departmental Operational Budgets **108,425**Corporate and Democracy

 802**Total Operational Budget**

 109,227

APPENDIX D**2018/19 BUDGET – REASONS FOR CHANGE**

	£000
2017/18 Approved Budget	103,249
Add back One-Off savings	2,468
	<hr/> 105,717
<u>Policy Decisions</u>	
Capital Programme	-140
<u>Inflation and Service Demand Pressures</u>	
Pay (including Increments)	3,029
Prices	2,818
Income	-286
<u>Other</u>	
Net Adjustment to Specific Grants	-2,391
Contingency	600
Business Rates Retention Scheme	-1,337
Children and Families Service Pressures	3,000
Contribution From Reserves	-500
Additional Better Care Fund	1,827
Base Budget	<hr/> 112,337
Less Savings	-3,110
Total 2018/19 Budget	<hr/> 109,227 <hr/>

APPENDIX E

MEDIUM TERM FINANCIAL FORECAST

	2019/20 £000	2020/21 £000	2021/22 £000
Spending			
Previous Year's Budget	109,227	103,338	100,435
Add back one-off savings	1,980	0	0
<u>Inflation</u>			
Pay	2,908	1,144	1,167
Prices	1,451	1,480	1,510
Income	-559	-570	-581
<u>Other</u>			
Contingency	1,500	2,000	2,500
National Living Wage – Ext Service Providers	500	0	0
Additional Better Care Fund	-923	-904	0
Reduction to New Homes Bonus Grant	40	112	112
Use of Reserves	0	500	0
Budget Forecast	116,124	107,100	105,143
Resources			
Retained Business Rates	50,445	47,454	48,483
Top Up Funding	4,497	4,585	4,675
Council Tax	48,396	48,396	48,396
	103,338	100,435	101,554
Funding Gaps	12,786	6,665	3,589

APPENDIX F

COMMITTED CAPITAL PROGRAMME 2018/21

SCHEME	2018/19 £000	2019/20 £000	2020/21 £000
Schools Capital Projects	2,103.0	449.7	-
People Directorate	2,103.0	449.7	-
IT Rolling Programme	1,100.0	1,100.0	1,110.0
3MG	105.0	-	-
Widnes Waterfront	1,000.0	-	-
Linnets Club House	249.0	-	-
Former Crosville Depot	234.2	-	-
Hive Signage & Advertising	100.0	-	-
Equality Act Improvement Works	300.0	300.0	300.0
Widnes Market	1,204.6	-	-
Solar Farm	1,237.8	-	-
Silver Jubilee Major Maintenance	8,286.4	-	-
Silver Jubilee Deck Reconfiguration	600.0	-	-
Silver Jubilee Decoupling	9,610.0	-	-
Street Lighting – Structural Maintenance	200.0	200.0	200.0
Street Lighting – Upgrades	3,206.2	-	-
Fleet Replacements	555.5	1,317.0	-
Risk Management	120.0	120.0	120.0
Mersey Gateway Land Acquisition	4,039.0	-	-
Stadium Minor Works	30.0	30.0	30.0
Stadium Pitch Replacement	300.0	-	-
Children’s Playground Equipment	571.0	410.0	-
Peelhouse Lane Cemetery	750.0	296.0	-
Phoenix Park	11.0	-	-
Victoria Park Glasshouse	120.0	10.0	-
Sandymoor Playing Fields	500.0	500.0	-
Litter Bins	20.0	20.0	20.0
Community & Resources Directorate	34,449.7	4,303.0	1,780.0
Total Capital Programme	36,552.7	4,752.7	1,780.0
Slippage between years	+ 9,423.1	+ 7,310.5	+ 950.5
	- 7,310.5	- 950.5	-356.0
GRAND TOTAL	38,665.3	11,112.7	2,374.5