



Budget Proposals 2016/17

Presentation by Leader of the Council

**Overview & Scrutiny Committee
27th January 2016**

Priorities for 2016/17

- Investment in Economic Growth & Infrastructure
- Supporting our businesses
- Improving Health & Wellbeing
- Housing growth and affordable new homes
- Keeping our district clean
- Supporting our most vulnerable people
- Improving key frontline services
- Keeping costs down - reasonable charges

Overview (since Nov 2015)

- Received a four year financial settlement (later years provisional but offer to honour these if councils publish efficiency plan)
- Final settlement on 3rd Feb 2016
- Over the four years, our settlement is broadly as we expected
- The reduction to our Government Grant funding over the next four years is approx. 45%
- Revenue support grant being phased out by 2019/20; higher retention of business rates for local authorities
- Our budgets plans remain on track for 2016/17

Communication Completed

- Contact Magazine delivered 7th December
- Saving proposals – targeted consultation with customers; final decisions in February 2016
- Local Council Tax Support Scheme
- Parish and Town Councils
- CAB / BDVSA
- Businesses

Provisional Finance Settlement - 2016/17

- Settlement Funding Assessment reduced by £0.927m (16.21%) to £4.79m
- Revenue Support Grant reduced by £954k (37.3%) to £1.60m
- No Council Tax freeze grant
- New Homes Bonus - £680k for yr.6 (£2.78m in 2016/17)
- Consultation on reducing New Homes Bonus from 2017/18
- Core Spending Power reduced by £134k (0.85%) to £15.7m

Key Proposals 2016/17 (1)

- Council Tax to increase by 1.97%
- £1.13m savings / additional income identified
- Localism fund phased out by 2019/20 in line with our grant
- Reduced contributions to CAB, BDVSA, Museum & Dedham Vale AONB
- Garden Waste service suspended – December to February
- 10% admin fee charged on DFGs

Key Proposals (2)

- Councillor grant scheme to replace Mi Communities
- 50% premium charged on long term empty properties
- No cuts to frontline services
- No increase in car park charges

Ongoing additional costs

- National Insurance Contributions
- Reduction to Efficiency savings target
- Provision of Clinical Waste service
- Individual Electoral registration
- Reduction in recycles income

Business Rates

	<u>£000</u>
• 2016/17 Baseline	3,191
• Estimated retained income	<u>(3,991)</u>
• Net additional income	(800)
• Pooling - Estimated share receivable in 2016/17	(350)
in 2017/18	(366)
• 100% Small Business rate relief continued	
• Retail relief ceases on 31 st March 2016	

2016/17 onwards

2016/17 Surplus	£(372,862)
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2017/18 Shortfall	£ 703,384
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2018/19 Shortfall	£ 355,174
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2019/20 Shortfall	£ 433,377
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Balancing the books

- Programme of reviews to reduce costs / increase income
- Better at business
- Investment strategy
- Housing Investment options
- Use of New Homes Bonus
- Using balances

Reserves & Balances

- Balances used to fund one off spend £0.18m
- Anticipated earmarked reserves
as @31st March 2017 £15.9m
- Anticipated unallocated balances
as @ 31st March 2017 £8.2m
- Minimum recommended level of
Reserves and Balances £1.5m

Capital projects

- Planned maintenance of assets
- Affordable housing schemes
- Play area refurbishment programme
- Disabled facilities grants
- Car park refurbishment programme
- Community transport minibuses
- Parks & open spaces
- ICT upgrades

Capital Resources

Balance @ 1 st April 2016	£(7.06)m
Anticipated new resources in year	£(2.81)m
Current approved Capital programme	£ 4.43 m
Proposed 2016/17 capital programme	<u>£ 1.35 m</u>
Balance @ 31 st March 2017	£(4.09)m

Next stages

- Cabinet 4th February 2016
- Council 22nd February 2016