



Initial Budget Proposals 2017/18

**Presentation by Portfolio Holders for
Performance & Efficiency and Corporate Services
& Asset Management**

**Overview & Scrutiny Committee
23rd November 2016**

Our priorities over the next four years are:



Environment and Place

Vision/Outcome

A sustainable environment and a great place to live, work and play

PRIORITIES

- Minimising the waste produced across the district
- Maintaining high quality green spaces for all to enjoy
- Reducing our energy consumption and carbon emissions and supporting others to do the same
- Keeping our district clean and tidy



Strategic Growth and Infrastructure

Vision/Outcome

A well connected and growing district with high quality homes and infrastructure

PRIORITIES

- Developing a Local plan that meets the future needs of the district
- Increasing the number of homes that meet the needs of our current and future residents
- Improving the availability of affordable homes in the district
- Supporting the delivery of strong sustainable transport infrastructure links



Economic Development

Vision/Outcome

A prosperous district that attracts business growth and provides high quality employment opportunities

PRIORITIES

- Enabling suitable employment sites and premises
- Providing support to help businesses to start and grow
- Developing educational attainment and skills that are attractive to employers
- Supporting our urban and rural economy
- Securing modern high speed broadband links throughout the district to support our businesses



Health and Communities

Vision/Outcome

Residents live well in healthy and resilient communities where residents feel supported

PRIORITIES

- Supporting our residents to be healthy and live well
- Protecting the vulnerable
- Improving services to meet the needs of older people in the district
- Encouraging independent and resilient communities
- Expanding access to services for young people



Finance and Performance

Vision/Outcome

A high performing organisation that delivers excellent and value for money services

PRIORITIES

- Regularly review our services and processes to ensure that they continue to offer value for money
- Strengthening the Council's financial independence
- Improving performance in services that are a priority for our customers
- Improving access to services through use of technology



Overall strategy and direction

Vision/Outcome

Delivering better outcomes for residents and businesses and reducing costs to taxpayers

PRIORITIES

- Working with Councils, other public bodies and the private sector across Essex, to achieve greater local control of decisions to enable us to deliver better outcomes for residents, businesses and customers
- We will continue to develop our strategic partnerships with public, private and voluntary organisations to provide excellent and cost effective services that are valued by our residents and businesses



Delivering the strategy

- Developing and governing organisation to meet the challenges of the future
- Delivering Customer Service Excellence
- Keeping people informed
- Emphasising our Business focus
- Robust and transparent performance management

Priorities for 2017/18

- 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

Budget Strategy

- Medium–Term Plan covering 4 year period
- Use New Homes Bonus for investment
- Reduce costs & increase income
- Maintain our good services
- Minimise impact on customers
- Manage our risks
- Deliver Investment Strategy

Financial Position September Cabinet

Anticipated Position:-

2017/18 - £359,000 shortfall

2018/19 - £406,000 shortfall

2019/20 - £548,000 shortfall

Main Changes - Positive

- Housing Benefits Overpayments
- Housing Benefits Admin Grant
- Car park income
- External Audit fees
- Annual leave purchase
- Council Tax sharing agreement
- Interest Pooled Funds

Main Changes - Positive

- Rental income from Medical Centre
- Environmental Services - Staff Restructure
- Liquid Fuels contract renewal
- Council Tax Collection Fund surplus
- Sponsorship income

Main Changes - Positive

Pension Fund : Triennial Review Results

- Liabilities:Assets 89.2% from 82.4%
- Ongoing employer contribution rate – 16.5% from 14.4%
- Overall contribution rate including deficit payment – 31.4% from 31.3%
- Deficit Recovery period – 10.5years from 14 years

Main Changes - Positive

Pension Deficit Payment Options:

- 5 options available
- Proposal to make single payment of £4.2m on 1st April 2017
- Achieves a saving of £218,000 compared to paying annually on 1st April (option agreed at last review)

Main Changes - Negative

- Rental income at Causeway House
- Anticipated income/savings from Solar Panels
- Sale of recyclates

Budget Demands

- Public toilets and Bocking Cemetery
- Town/Parish councils – collection fund surplus
- Operations' Training Budget
- Housing Staff resources
- Homelessness increased responsibilities, Benefits Cap, Welfare Reforms, etc.

Budget Demands

- Waste Management Agreement
- Apprenticeship Levy
- Braintree bypass - 2nd Litter pick and sweep
- Digital marketing and communications system
- Economic Growth and Capital project delivery – Staff Resources

Council Tax Support Scheme

Proposal to keep same as current year

- Minimum payment - 24%
- Non dependent deduction - £10 pw
- Back dated claims – Max 1 month
- Self employed minimum – Living Wage
- Earnings excluded - £40 per week
- Savings limit - £16,000

Updated Position

- 2017/18 - £108,000 withdrawal from balances
- 2018/19 - £611,000 shortfall
- 2019/20 - £524,000 shortfall
- 2020/21 - £234,000 shortfall

Issues Outstanding

- Autumn Statement – Today
- Essex CC contributions – Community Transport, Waste Management (incl. Food Waste vehicles)
- Essex CC – Supporting People
- Major Preceptors – council tax sharing agreement – expires 31/3/18
- Universal Credit – roll-out by 2020
- Review of Essex CC lease arrangements

Issues Outstanding

- New Homes Bonus – results of consultation outstanding – changes expected for 2017/18
- Business Rates Retention – New Scheme 2020/21
- Business Rates – appeals, growth, revaluation, pooling, etc.
- Council Tax taxbase

Issues Outstanding

- Council Tax Referendum level – maximum increase for district councils of £5 or 2%
- *Note: DCLG proposing referendum limit to apply to large town/parish councils i.e. precepts > £500k and council tax band D > £75.46. Witham precept £423k and Band D £54.00*

Balancing the books

- Commercialisation: reduce costs / increase income
- Investment strategy
- Housing Investment options
- Use of New Homes Bonus
- Using balances



Capital Programme

Capital Bids 2017/18

	£'000
• Maintain Council assets	444
• Community Transport -2 mini-buses	80
• Recycling bring bank pods	20
• Trade Waste module – ECHO system	17
• Parks & Open spaces - Site security	60
• Play Area surface maintenance	40
• Plant purchases (Wood chippers)	35
• Telephone System upgrade	70

Capital Bids 2017/18

	£'000
• Technology Replacement Programme	40
• Accessible Pool Pods at Braintree & Halstead pools	34
• Witham Sports Ground re-surface all weather pitch	150
• House Renovation Grants	30
• Disabled Facilities Grants (addition to Better Care Fund allocation via ECC)	250
Total	1,270

Capital Bids 2018/19

£'000

- Depot replace main diesel tank 25
- Upgrade car park infrastructure 17
- Parks & Open spaces - Site security 40
- George Yard MSCP – decoration prog. 55
- Technology Replacement Programme 40

Provisions:

- Affordable Homes 500
- Maintain council assets 400

Total

1,077

Existing Capital Programme

Balance of Provision allocated for:

	£'000
• Halstead Community Facility	686



Investments

District Investment Strategy

- Approved by Cabinet in May 2016
- £28m fund to support growth priorities
 - Work in partnership to improve health provision in the District
 - Improvements to our three Town Centres
 - Provide increased opportunity for new businesses and employment
 - Identify and deliver improvements to our most congested roads
 - Deliver investment opportunities in the District that support growth and provide a return for the District Council.

District Investment Strategy

Committed:

	£'000
• Land off Chapel Hill	1,250
• Braintree Town Centre	11,555
• Business Broadband	250
• Springwood Enterprise Centre	960
• Medical Centre Braintree	1,814

District Investment Strategy

Pipeline Projects attracting external funding:	£'000
• Witham Enterprise Centre	4,250
• A120 Access Improvements	2,500
• Acquisition & development of Eastlink 120	3,000
• Panfield Lane infrastructure	3,500
• Witham Investment	3,000

District Investment Strategy

£'000

Pipeline Projects:

- | | |
|----------------------------------|-----|
| • Freeport Office Village | 783 |
| • 15 Springwood Drive, Braintree | 498 |

Investments

Long-Term Cash Investments

Equity Funds:

- Threadneedle UK Equity Income £5m
- Schroders Income Maximiser £2.5m
- M&G Global Dividend £2.5m
- M&G Extra Income £1m

Property Fund:

- Local Authorities Property Fund £3m

Budget Process Timetable

- Autumn Statement 23rd November 2016
- O/S Committee 23rd November 2016
- Cabinet 29th November 2016
- Council 12th December 2016
- Business group consultation (tbc)
- O/S Committee 1st February 2017
- Cabinet 6th February 2017
- Council 22nd February 2017