

Recommendations:

The County Council is asked to agree the following:

- (a) Revenue budget requirement of £940.313m for 2014-15
- (b) Capital investment proposals of £634.6m over three years from 2014-15 to 2016-17 together with the necessary funding and subject to approval to spend arrangements
- (c) The Treasury Management Strategy as per section 5 of the Medium Term Financial Plan
- (d) Prudential Indicators as set out in Appendix B to the Medium Term Financial Plan
- (e) The Revised Minimum Revenue Provision (MRP) Statement as set out in Appendix C to the Medium Term Financial Plan including the revised policy regarding debt repayment
- (f) The directorate revenue and capital budget proposals as set out in draft Budget Book and delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations
- (g) The single pay and reward approach outlined in paragraph 4.2 and delegate authority to the Cabinet Member for Corporate and Democratic Services to agree the reward thresholds for staff assessed as achieving and above, and to set the recalibration of the pay ranges, within the funding approved in the budget
- (h) The total Council Tax requirement of £529,125,091 to be raised through precepts on districts and the Council Tax rates set out in paragraph 2.2 (band D £1,068.66)

In addition:

- (i) The County Council is asked to note the financial outlook for 2015-16 and 2016-17 with further funding reductions and spending demands necessitating additional savings under the Facing the Challenge programme

Section 4 - New Directorate Revenue Budget Summary												
WHO IS RESPONSIBLE FOR THE BUDGET?												
REVENUE SPENDING												
2013-14		2014-15 Proposed Budget										
Ref	Adjusted Approved Budget (Net Cost)	New Directorate	Staffing	Non staffing	Gross Expenditure	Service Income	Net Expenditure	Grants	Net Cost	Net Change		
	£000s		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
1	104,469.4	Education and Young People Services (excluding delegated budgets)	61,393.3	227,518.1	288,901.4	-42,171.8	246,729.6	-152,770.8	93,958.8	-10,510.6		
2	0.0	Education and Young People Services - delegated budgets for schools and pupil referral units	566,046.8	178,639.2	744,686.0	-50,799.1	693,886.9	-693,886.9	0.0	0.0		
3	177,302.2	Place	50,458.0	150,590.3	201,048.3	-27,939.4	173,108.9	-2,185.6	170,923.3	-6,378.9		
4	487,479.6	Social Care and Public Health	130,082.2	532,504.7	662,586.9	-120,537.6	542,049.3	-77,119.9	464,929.4	-22,550.2		
5	85,831.3	Strategic and Corporate Services	70,310.1	68,088.4	138,398.5	-49,445.9	88,952.6	-7,808.2	81,144.4	-4,686.9		
6	99,221.5	Financing Items	2,125.0	143,472.7	145,597.7	-16,205.0	129,392.7	-36.0	129,356.7	30,135.2		
7	954,304.0	BUDGET REQUIREMENT	880,405.4	1,300,813.4	2,181,218.8	-307,098.8	1,874,120.0	-933,807.4	940,312.6	-13,991.4		
8	954,304.0	BUDGET REQUIREMENT (excl Schools Budgets)	314,358.6	1,122,174.2	1,436,532.8	-256,299.7	1,180,233.1	-239,920.5	940,312.6	-13,991.4		
		Funded by:										
9	-509,636.0	Council Tax Yield							-529,125.1			
10	-2,239.0	Council Tax Collection Fund							-4,017.5			
11	-45,804.0	Retained Business Rates							-46,923.8			
12	0.0	Business Rates Collection Fund (estimated deficit)							1,235.5			
		<u>Un-ring-fenced Grants</u>										
13	-246,733.0	Revenue Support Grant						-213,091.8	-213,091.8			
14	-118,329.0	Business Rate Top-Up						-120,633.9	-120,633.9			
15	0.0	Business Rate Compensation Grant						-2,000.0	-2,000.0			
16	-20,642.0	Education Services Grant						-17,000.0	-17,000.0			
17	-5,820.0	Council Tax Freeze Grant						0.0	0.0			
18	-4,473.0	New Homes Bonus Grant						-6,043.0	-6,043.0			
19	0.0	New Homes Bonus Adjustment						-567.0	-567.0			
20	-628.0	Other Un-ring-fenced Grant						-2,146.0	-2,146.0			
21	0.0	TOTAL	880,405.4	1,300,813.4	2,181,218.8	-307,098.8	1,874,120.0	-1,295,289.1	0.0	0.0		

Appendix A (i) – High Level 3 Year Plan

2013-14 (revised) £000s	2014-15 £000s	2015-16 £000s	2016-17 £000s	2017-18 £000s
991,818	954,304	940,313	896,018	880,989
Revised Base Budget				
Additional Spending Pressures				
Pay & Prices	11,472	15,811	19,000	0
Legislative & New Responsibilities	11,352	280	0	0
Demand/Demographic	10,487	7,000	11,000	0
Impact of Local Decisions	18,954	8,151	7,140	0
Emerging Pressures	0	4,000	10,000	0
Total Additional Spending	52,265	35,242	47,140	47,140
23,512 Reversal of One-Off Savings	24,870	7,600	0	0
Total Pressures	77,135	42,842	47,140	47,140
Income & Savings				
Income Generation	-5,127	-4,816	-1,700	0
Increases in Grants and Contributions	-10,984	0	0	0
Removal of one-off spending in previous year				
Efficiency Savings				
Staff Pay, Travel & Other	-9,982	-7,256	0	0
Premises	-422	-2,893	-906	0
Contracts / Procurement	-13,693	-1,341	-300	0
Financing the Capital Programme	-3,000	0	0	0
Service Reviews, Transformation & Demand Management				
Adults transformation	-13,050	-7,000	-4,000	0
Specialist Children's Services	-4,700	-2,700	0	0
Children's Centres	-2,000	-500	0	0
Adolescent Services	-3,629	-4,198	-7,357	0
Early Years Services	-293	-2,912	-1,395	0
Supporting People	-2,400	-1,000	0	0
Highways	-3,652	0	0	0
Home to School Transport	-2,575	-3,925	0	0
Community Safety	0	-1,280	0	0
Economic Development	-640	-240	0	0
Community Engagement & Localism	-1,801	-234	-235	0
Reduction and review of non front line support activities	-2,850	-3,866	-1,344	0
Other Service Reviews	-2,728	-875	0	0
Savings still to be identified	-40,318	-28,730	-14,331	0
One-off savings and release of reserves	0	-42,100	-44,933	0
Total Income & Savings	-7,600	0	0	0
Proposed Annual Budget	940,313	896,018	880,989	880,989
Funded by				
Council Tax Yield	529,125	542,385	555,989	0
Council Tax Collection Fund	4,018	0	0	0
Retained Business Rates	46,924	47,978	49,200	0
Business Rate Collection Fund (est)	-1,236			
Un-ring-fenced Grants				
Revenue Support Grant	213,092	158,726	127,000	0
Business Rate Top-Up	120,634	123,964	127,000	0
Business Rate Compensation Grant	2,000	2,000	0	0
Education Services Grant	17,000	13,000	13,000	0
Council Tax Freeze Grant	0	0	0	0
New Homes Bonus Grant	6,043	7,400	8,800	0
New Homes Bonus Adjustment	567	567	0	0
Other Un-Ring-Fenced Grant	2,146	0	0	0
Total Funding	940,313	896,018	880,989	880,989