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Rutland County Council

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Meeting: **SPECIAL PEOPLE (ADULTS & HEALTH) SCRUTINY
PANEL**

Date and Time: **Thursday, 14 January 2016 at 6.00 pm**

Venue: **COUNCIL CHAMBER, CATMOSE, OAKHAM,
RUTLAND, LE15 6HP**

Clerk to the Panel: **Corporate Support 01572 758311
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Helen Briggs
Chief Executive

A G E N D A

APOLOGIES FOR ABSENCE

1) DECLARATIONS OF INTEREST

In accordance with the Regulations, Members are invited to declare any personal or prejudicial interests they may have and the nature of those interests in respect of items on this Agenda and/or indicate if Section 106 of the Local Government Finance Act 1992 applies to them.

2) PETITIONS, DEPUTATIONS AND QUESTIONS

To receive any petitions, deputations and questions received from Members of the Public in accordance with the provisions of Procedure Rule 217.

The total time allowed for this item shall be 30 minutes. Petitions, declarations and questions shall be dealt with in the order in which they are received. Questions may also be submitted at short notice by giving a written copy to the Committee Administrator 15 minutes before the start of the meeting.

The total time allowed for questions at short notice is 15 minutes out of the total time of 30 minutes. Any petitions, deputations and questions that have been submitted with prior formal notice will take precedence over questions submitted at short notice. Any questions that are not considered within the time limit shall receive a written response after the meeting and be the subject of a report to the next meeting.

3) QUESTIONS WITH NOTICE FROM MEMBERS

To consider any questions with notice from Members received in accordance with the provisions of Procedure Rule No 219 and No 219A.

SCRUTINY

Scrutiny provides the appropriate mechanism and forum for members to ask any questions which relate to this Scrutiny Panel's remit and items on this Agenda.

4) REVENUE AND CAPITAL BUDGET 2016-17 AND MEDIUM TERM FINANCIAL PLAN

To receive Report No.19/2016 from the Director for Resources.

Members are requested to bring their copy, distributed under separate cover.

- The above report was presented at Cabinet on 12 January 2016.
- Cabinet has requested that Scrutiny review and comment on proposals before the Cabinet meeting on 9 February 2016 so as to inform the decision-making process.
- The report and its proposals and the date which it is presented to Cabinet may be amended following the outcome of the Scrutiny panel. Scrutiny is therefore asked to consider the report and provide feedback to the Portfolio Holder and Director.

(Pages 5 - 118)

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TO: ELECTED MEMBERS OF THE PEOPLE (ADULTS & HEALTH) SCRUTINY PANEL

Mrs L Stephenson (Chairman)

Miss R Burkitt

Mr W Cross

Mr A Mann

Mr A Stewart

Mr A Walters

Mr G Conde

Mr R Gale

Mr C Parsons

Miss G Waller

CABINET

12 January 2016

REVENUE AND CAPITAL BUDGET 2016/17 AND MEDIUM TERM FINANCIAL PLAN

Report of the Director for Resources

Strategic Aim:	All	
Key Decision: Yes	Forward Plan Reference: FP/210815/03	
Exempt Information	Appendix 8 is exempt as it contains exempt information and is not for publication in accordance with Part 1 of Schedule 12A of the Local Government Act 1972.	
Cabinet Member(s) Responsible:	Mr T C King, Deputy Leader and Portfolio Holder for Places (Development and Economy) and Resources	
Contact Officer(s):	Saverio Della Rocca, Assistant Director (Finance)	01572 758159 sdrocca@rutland.gov.uk
	Debbie Mogg, Director for Resources	01572 758358 dmogg@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Cabinet:

1) approves for consultation:

- The General Fund Budget for 2016/17 detailed in Section 3 of Appendix 1
- The savings proposals set out in Appendix 6
- The service pressures contained within Appendix 7 and other pressures listed in 3.5.1 of Appendix 1 including the interim cost reduction programme
- The indicative Directorate budgets per Appendices 3 - 5
- That Council tax for 2016/17 is increased by 3.99% including a 2% social care precept
- The capital programme as detailed in Section 4 of Appendix 1 including a new capital project as per Appendix 11
- That an amount of £38k of Revenue Support Grant is transferred to parish councils to compensate them for the loss of tax base arising from the delivery of council tax support as a discount

2) notes:

- The Medium Term Financial Plan at Appendix 2 and underlying assumptions

- That the funding position may change when the NNDR (business rates) tax base and local government finance settlement are finalised
- That other than the one new project proposed there have been no substantive changes to the existing capital programme and that schemes will be added subject to formal appraisal and approval
- That additional revenue or capital expenditure may be incurred in 2016/17 funded through 2015/16 budget under spends to be carried forward via earmarked reserves. The use of reserves for budget carry forwards is not currently shown in the budget but will have no impact on the General Fund
- The estimated surplus of £172,000 on the Collection Fund as at 31 March 2016 (2.8 of Appendix 1) of which £148,500 is the Rutland share
- That Council will be approving the Treasury Management Strategy separately and that any implications arising from it are already covered in the draft budget.

1 PURPOSE OF THE REPORT

- 1.1 The Council is required to set a balanced budget and agree the level of Council tax including whether a social care precept of up to 2% should be levied for 2016/17. This report presents a draft budget for consultation prior to the budget being formally set in February 2016.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The budget for 2016/17 is set within a changing financial context. In November 2015 the Government announced the outcome of its Comprehensive Spending Review and followed that in December with the provisional local government finance settlement which included its first 4-year settlement offer to local authorities.
- 2.2 The details of the Settlement and what it means for Rutland are given in Appendix 1 (sections 2.1 and 2.2). The Sections set out how the Council's government funding will reduce substantially over time on the assumption that the Government expects local authorities to raise council tax by 3.75% including a new 2% social care precept.
- 2.3 This assumption has a significant impact on the Council's Medium Term Financial Plan (MTFP) as both the level of government cuts and how they have been applied penalise those local authorities with a high tax base i.e. those that have the greater ability to generate revenue locally.
- 2.4 One of the Council's aims in setting the budget is to deliver services within its MTFP. In this regard, there are two key principles that the Council must achieve over the medium term:
- First, the Council must not spend more than the resources it has available – it must set a balanced budget and one that does not rely on the ongoing use of reserves;
 - Second, the Council must ensure that its level of General Fund balances remains above the minimum level of £2m as advised by the Council's Chief Finance Officer (para 2.5 of Appendix 1 refers).

- 2.5 In the medium term, the MTFP shows the challenge facing this Council – namely that assuming the Council raises Council tax by 3.99% each year (including levying the additional 2% social care precept) it will still have to reduce net expenditure by over £2m to ensure that it is spending within its available funding. The earlier the Council takes action then the less severe it will need to be. If it does nothing then by 20/21 the Council will have less than the £2 minimum recommended reserve level.
- 2.6 The draft revenue budget for 16/17 is therefore proposed in the acknowledgement that further reductions in net expenditure either through savings or income generation will be required in time without drastic action today.
- 2.7 The key points to note in the draft revenue budget are:
- The net cost of services is £33.773m, only 0.78% higher than the 15/16 approved budget of £33.509m;
 - The 16/17 budget includes a provisional pay award of 2%, a contract inflation contingency to cover costs of the living wage, other service pressures and other provisions;
 - Net capital financing costs are £1.718m compared to £1.903m last year;
 - RSG funding has reduced by £1.6m from 15/16;
 - The Council has identified service pressures of £502k, other uncontrollable pressures e.g. pay inflation, NI increases of £425k, a provision an interim cost reduction programme of £80k and contracts/activity increase of £350k;
 - The predicted surplus on the Collection Fund for 15/16 to be taken into account in the 16/17 budget is £172k of which the Councils share is £148k;
 - The Council is planning to save £1.256m in year; and
 - The overall budget position is balanced by using £853k of General Fund reserves for 16/17.
- 2.8 The capital programme for 16/17 comprises three strands:
- Capital projects already approved that will span across more than one financial year. Any projects already approved which are not yet completed will continue into 16/17 – the total 16/17 budget for these projects is £1.76m;
 - New projects to be approved – total £100k; and
 - Funding set aside for specific areas/projects – total £9.56m. In these areas detailed plans will be brought forward in due course.

3 CONSULTATION

- 3.1 The Council is required to consult on the budget as set out in Section 7 of Appendix 1 and has plans in place to meet those requirements.

4 ALTERNATIVE OPTIONS

4.1 There are three key areas where the Council has choices: revenue savings/pressures, the capital programme and funding decisions. These are considered separately.

4.2 Revenue savings/pressures

4.2.1 Option 1 - In terms of revenue savings/pressures Members could approve all savings/pressures for consultation – this is the recommended option. Where savings have been put forward Officers are of the view that these are achievable without impacting on front line services. The budget includes very few service pressures most of which arise from a need to respond to statutory requirements.

4.2.2 Option 2 - Members could reject all savings/pressures – this would mean that in those areas where savings have been put forward officers would revert back to original spending plans. In light of the future funding outlook this is not advisable. In terms of pressures, then where these are included to respond to statutory requirements, Officers would need to find alternative savings either before the budget was set or in-year; otherwise it is likely that the budget would be overspent. Some non-statutory pressures such as senior management pay are effectively savings proposals in that they reduce a reliance on high cost interims which have placed an undue burden on previous years budgets. The rejection of all proposals is not recommended.

4.2.3 Option 3 – Members could approve savings/pressures with amendments. Members would need to be mindful of the financial implications of doing this on the overall financial position.

4.3 Capital programme

4.3.1 There is one new capital project in the Capital Programme for consideration. This is an Invest to Save project proposing the introduction of solar panels at Oakham Enterprise Park. The capital outlay of £100k is projected to have a beneficial revenue impact over time through the reduction of energy costs. This project will be funded from prudential borrowing. Members could choose not to pursue this project or fund it differently but given that it has a revenue payback, this is not recommended.

4.4 Funding

4.4.1 The MTFP includes funding assumptions. The majority are based on the professional judgement of officers taking into consideration the settlement allocation and all other available information. There are three key funding decisions that Full Council has to make:

- a) Should the Council increase Council tax levels?
- b) Should the Council levy up to an additional 2% precept for social care?
- c) Should the Council passport some RSG funding to parishes?

4.4.2 Decisions a) and b) are fundamental to the amount of funding the Council will have available over the next five years given the cuts in Government funding. In making

these decisions, Members need to be aware of the following issues:

- **Government funding is reducing** – RSG reduces effectively by 122% over the next 4 years (Appendix 1, 2.1 gives details);
- **Government’s funding allocations** assume Council will raise council tax by 1.75% and levy the 2% social care precept. In previous years the Government offered a council tax freeze grant to compensate those Councils who did not increase council tax. This grant was one of the key factors behind the Council’s decision not to increase council tax – this offer is no longer available;
- **All decisions have a cumulative impact** – for example, the ‘loss’ of funding by retaining Council tax at its current level may be c£400k in 16/17 but over a 4 year period the loss is in excess of £2m (even if 2% increases are applied from 17/18 onwards); and
- **Making savings is unlikely to compensate for funding reductions** – the MTFP already assumes substantial savings have to be made over the life of the MTFP, over £2m by 19/20.

4.5 It is strongly recommended that the Council increases council tax by 1.99% and levies the social care precept at 2%.

4.6 In terms of funding parishes, in 13/14 Cabinet agreed to compensate the parish and town councils for any net loss arising from the delivery of council tax support as a discount. The amount of compensation was £38,000. This was repeated in 14/15 and 15/16 and the Council proposes to do the same again in 16/17. In light of RSG reductions it is proposed that this will be the final year the grant is transferred.

5 FINANCIAL IMPLICATIONS

5.1 The draft budget as presented relies on a contribution of £853k from the General Fund. As set out above, this is affordable in 16/17 but in the medium term net expenditure needs to be reduced by c£2m.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

6.1 The Council is on course to agree its budget and set its Council Tax for 2016/17 within the timetable required by statute and the constitution.

6.2 Under section 25 of the Local Government Act 2003 the Section 151 Officer is required to report to the Council on the robustness of the estimates made for the purpose of setting the Council Tax and the adequacy of the proposed financial reserves. This report meets that requirement.

6.3 The Council is also required by the Local Authorities (Funds)(England) Regulations 1992 in exercise of the powers under section 99(3) of the Local Government Finance Act 1988, to make an estimate on 15 January of the amount of the deficit or surplus on the Collection Fund as at 31st March 2016. This report sets out an indicative figure to be formally confirmed in the February budget.

6.4 A full list of legal and governance considerations and how the Council meets them is covered in Appendix 1, Section 8.

7 EQUALITY IMPACT ASSESSMENT (EIA)

7.1 An initial EIA screening was carried out on all new saving/pressure proposals covering the following questions:

- Could the impact of the report affect one group less or more favourably than another on the basis of Age, Disability, Gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation
- Is there any evidence that some groups are affected differently?
- If you have identified potential discrimination, are any exceptions valid, legal and/or justifiable?
- Is the impact of the policy/guidance likely to be negative?
- If so can the impact be avoided?
- Are there alternatives that achieve the policy/guidance objectives without the impact?
- Can we reduce the impact by taking different action?

7.2 This initial screening identified that none of the service proposals contained within the report required a full EIA to be completed.

8 COMMUNITY SAFETY IMPLICATIONS

8.1 There are no community safety implications.

9 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications.

10 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

10.1 The Council is required to set a balanced budget and agree the level of Council tax for 2016/17.

10.2 The draft budget for consultation is affordable within the context of the MTFP and will allow the Council to meet service aims and objectives for the coming year.

10.3 The Council's future aims and objectives, currently under review, will need to be delivered in the context of a revised MTFP.

11 BACKGROUND PAPERS

11.1 There are no additional background papers to the report.

12 APPENDICES

Appendix 1	Budget Report 2016/17
Appendix 2	Medium Term Financial Plan and assumptions

Appendix 3.1	People Directorate – functional analysis
Appendix 3.2	People Directorate – subjective analysis
Appendix 4.1	Places Directorate – functional analysis
Appendix 4.2	Places Directorate – subjective analysis
Appendix 5.1	Resources Directorate – functional analysis
Appendix 5.2	Resources Directorate – subjective analysis
Appendix 6	Savings
Appendix 7	Pressures
Appendix 8	Senior Management pay model
Appendix 9	Better Care Together – Impact on social care
Appendix 10	Capital programme
Appendix 11	New Capital project – Solar Panels at OEP

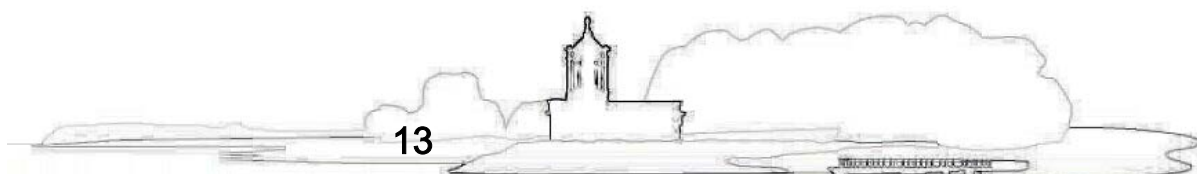
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Rutland County Council

The Budget
2016 - 17



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1 EXECUTIVE SUMMARY

1.1 Introduction from Portfolio Holder – Cllr King

- 1.1.1 The budget process for 2016/17 will be a challenge for the Council and more importantly the County and its residents. Although the budget for the particular year ahead has been in the process of development for at least 4 years as part of the Medium Term Financial plans that have been developed over those years, we have now had a Government announcement of indicative funding for the next 4 years which will prove challenging to many Councils.
- 1.1.2 Councillors have helped guide the Council through the years since Independence against the challenges of poor funding, and will over the next 4 years deal with similar challenges again. The basic assumption by the Treasury for Rutland, as with other Upper Tier Councils, is to encourage them to increase Council Tax by 3.75%, 1.75% to cover inflation and 2% to cover increases in the costs of Care. This would result in an overall 16% increase in Council tax over the next 4 years, and while it is too early at this stage to confirm that situation, the funding provided by Government is based upon that assumption. The 3.75% would be a sound approach towards dealing with inflationary pressures, both general and specific to care pressures, had this been the only change proposed in funding.
- 1.1.3 At the same time the main funding for the Council, known as Revenue Support Grant (RSG) provided to Rutland which is already the 6th lowest of all Unitary Councils, will be cut to zero over the 4 years. However in addition Rutland will be expected to pay Government almost a million pounds in the 4th year as they would like to cut our RSG more, but it is already too small to do so, hence the request for Rutland to pay to Government. In addition to this major change in funding, estimated to be a reduction in annual income of over £5 million by the end of the 4 years, a consultation will take place on cutting another area of the Councils funding. This area is called New Homes Bonus, when it was introduced it was monies taken from the RSG and pooled to provide compensation and encouragement to communities dealing with higher than average housing growth, of which Rutland is one. Currently a 6 year bonus is received, that may now be cut to 4 years, so reducing funding even more.
- 1.1.4 We will now benefit from a new small rural sparsity grant, and thanks must go to the SPARSE Council network for that, a body that Cllr Roger Begy has worked on for a number of years to lobby Government about the increased costs of operating over rural areas.
- 1.1.5 While understanding that Government wants to deal with the overall National debt and sees Local government as a partner who has shown it can change and make savings we will none the less lobby with other Councils over the degree to which the impact of these cuts will have on some Councils is disproportionate.

1.1.6 Most of my comments above relate to the 4 year funding plan, the position and budget 2016/17 needs to confirmed and remains at this stage a sound plan, it will allow time to work on the plan for the years beyond. The financial stability that Councillors and Officers of the Council have put in place over recent years means we have time to do the work to deal with the 4 year pressures. Many Councils are in a similar, or worse position, than ourselves and therefore as part of the work to be we will not be alone in seeking some changes to the funding for years to come.

1.2 Overview from s151 Officer

1.2.1 Last year, I commented that whilst the Council's financial position continues to look stable in the short term, the financial landscape still looks uncertain. Following the Comprehensive Spending Review (CSR) and first Local Government Finance Settlement of the new Parliament some uncertainty remains but the direction of travel is very clear. In brief, the 4-year provisional settlement indicates that the Council's government funding will reduce more than previously expected with Government making the assumption that Elected Members will raise revenue locally through council tax and a new social care precept to make up the shortfall. Members are left having to balance decisions between cutting local services and raising more revenue as Central Government passes on the fiscal responsibility to Local Government. The outcome will undoubtedly be a balance between both.

1.2.2 In the Spending Review, the Chancellor announced that the local government finance system will be reformed with the main government grant (RSG) removed. In 18/19 and 19/20 our RSG will technically be negative (£30k and £960k) compared to c£4m in 2015/16 although this is offset in part by the receipt of an extra £1.8m (over 4 years) of Rural Delivery Grant. The Government will also reform New Homes Bonus with consultation already in progress – whatever is decided our funding will reduce by nearly £1m over 4 years. Local authorities will also be allowed to retain all business rates but the initial 4 year-settlement figures indicate that this Council will not be allowed, in real terms (ignoring inflation), to keep any more than it does now. In fact in 18/19 and 19/20, our negative RSG will actually be paid from Business Rates. The Chancellor also announced more investment in the Better Care Fund but in the detail this Council will actually receive nothing on the proviso that it can generate extra funds through the social care precept.

1.2.3 All these changes will lead to a significant reduction in Government funding for this Council. If we use the Governments own figures on spending power government funding (grants, NHB etc) reduces from representing 17.7% of spending power in 2015/16 to 1.7% in 2019/20.

1.2.4 At the same time, the Government has made it clear that local authorities have the power to raise council tax and take advantage of flexibility given to implement the new 2% social care precept thereby minimising the 'loss' of funding. If Elected Members do this then the Government asserts that our spending power will be slightly better in cash terms than it is today. Whilst decisions around council tax and the social care precept are a matter for Members, any decision to not increase council tax or apply the social care

precept would leave the Council with significant financial problems in the medium term.

1.2.5 Alongside funding cuts and some uncertainty, the Council continues to see:

- housing and population growth;
- the demand for adult and social care services increasing not only through demographic changes but through the national drive to keep people in their communities and outside of hospitals and residential care;
- cost pressures arising from the National Minimum Wage, pension changes, legislative changes in areas such as deprivation of liberties (where a local authority is asked by a third party e.g. a care home or hospital to deprive a person of their liberty for their own benefit).

1.2.6 Taking all the available information including the draft budget for 16/17, I have made assumptions to arrive at a best estimate of what the financial future will look but this could change again as the Government consults on various issues and ploughs ahead with reforms. The medium term overall position shows that the Council's General Fund reserves will have reduced significantly by 19/20 and by 20/21 will be below the recommended level of £2m and the Council will, without savings, be spending £2.6m more than available resources.

1.2.7 In these circumstances the Council has little choice but to work towards reducing its deficit position by:

- focusing its resources on priority areas;
- continuing to ensure that it focuses on achieving value for money/best value;
- continuing with its plans to identify and deliver savings, increase income and external funding; and
- embracing the flexibility given by the Government to raise council tax and the social care precept.

1.2.8 Through the prudent financial planning of Officers and Members, the Council is in a position where it does not need to take any drastic measures. Its proposed budget for 2016/17 is robust and balanced with use of General Fund reserves. Over the medium term, the position becomes increasingly challenging as noted above. This position is not affected by the loss of Section 106 funding from the Oakham North Development which was set aside for capital purposes. My summary of the position for 16/17 is as follows:

- The budget for 16/17 represents in cash terms a 0.78% increase from the original budget for 15/16. This increase is low in the face of the

additional pressures the Council faces some of which were highlighted above;

- The 16/17 budget results in the use of General Fund reserves of c£850k. The 'deficit' position is affordable for now but will of course need to be addressed in future years;
- The budget includes the Better Care Fund allocation of c£2m as per the prior year although some of this allocation will continue to be spent by Health and some will go towards protecting existing services rather than investing in new services;
- the Council has delivered its year 1 People First savings and the budget and MTFP includes some further savings to be achieved in year alongside; and
- an increase in council tax of 3.99% is proposed for the first time in six years which includes a 2% social care precept.

1.2.9 From 17/18 onwards, the financial position begins to deteriorate:

- RSG will reduce from £2.4m in 2016/17 to only £944k in 17/18;
- It is predicted that any NHB reforms will also be applied from 2017/18 – the initial estimate is a funding loss of £250k in that year;
- the Council's annual deficit is in the region of £1.5m as it spends more than the resources it has available despite limited increases in expenditure;
- the Council plans to make further savings from PeopleFirst but the level of savings is not sufficient to prevent a drop in reserve levels by 17/18 to £7.7m compared to c£10m today.

1.2.10 The Council's position is therefore both stable (on the assumption that Council tax/Social care precept rises are applied) but nonetheless very challenging.

1.3 Key questions and answers

1.3.1 Delivering Council Services within the MTFP is a key priority for the Council. The remainder of this report gives Members answers to some of the key questions relevant to the budget setting process. Further detail can be found in individual sections.

Key questions	Status	Ref
<i>Statutory and constitutional requirements (section 8)</i>		
1. Overall Position – Is the Council on track to meet its constitutional and statutory requirements?	Statutory requirements yes, but the draft budget has been pushed back to January 2016 to give an opportunity for the CSR and the detailed local government settlement (received 17 th December) to be processed.	Section 8
<i>Funding and MTFP (section 2)</i>		
2. What resource does the Council have available in 16/17 and over the next five years and how certain is it?	The Council's resources have reduced from 15/16 and are predicted to reduce further. RSG is reducing by £1.6m in 16/17 and is negative by 19/20, New Homes Bonus funding will reduce and business rates income will not increase in real terms as the local government finance system is reformed. Other funding also remains uncertain.	2.1 and Appendix 2 MTFP
3. What level of reserves should the Council be aiming to retain?	It is proposed that the minimum level is retained at £2m but given the increased level of uncertainty and the risk profile of funding the Council will need to monitor this position. The short term position affords the Council time to reduce expenditure to match funding levels.	2.5
4. What choice does the Council have over the level of Council tax?	The Council can decide to keep Council tax at the current level or increase it by up to 1.99%. Increases in excess of 1.99% require a referendum but the Government is allowing Councils to raise an extra 2% (so the limit becomes 3.99%) to fund social care. Whilst Members do have a choice, the impact of not doing so is significant. The budget assumes a 3.99% increase in council tax.	2.6-2.7
5. Is the Council in a healthy financial position?	In the short term the position is stable but from 2017/18 the Council's current forecasts indicate that spending plans exceed available resources by £1.5m and therefore action is required in the next 2 to 3 years before General Fund reserves are depleted.	1.2 and 2.1

Key questions	Status	Ref
<i>16/17 budget (section 3)</i>		
6. What does the overall budget look like and how does it compare to prior year?	The 16/17 budget is in cash terms 0.78% higher than 15/16. In achieving this position a number of pressures have been absorbed.	3.1
7. Priorities – how does the proposed budget support the Council’s priorities?	The priorities are under review but the Council’s spending plans continue investment in infrastructure (Digital Rutland, Highways), economic development (Oakham Enterprise Park), school improvement and those in greatest need through the Local Council tax support scheme and social care spending.	3.3
8. What new savings is the Council planning to make in 16/17?	About £1.256m of savings across a number of areas, none of which have an impact on front line savings. The main revenue saving is in Highways.	3.4
<i>Capital (section 4)</i>		
9. Are there any additions/amends to the current capital programme?	Most schemes continue into 16/17. Some funding, e.g. highways, has been set aside and spending plans will be presented and approved in due course. There is one new capital project for approval – the introduction of solar panels at OEP (an invest to save project).	4.2
<i>Consultation (section 7)</i>		
10. How will the Council consult on the budget?	On-line consultation, a meeting with local business and the local parish council forum.	7.1

1.4 Key facts and figures

1.4.1 The key points to note are:

- The net cost of services is £33.773m, 0.78% higher than the 15/16 approved budget of £33.509m;
- The 16/17 budget includes pay award of 2%, a contract inflation contingency and other provisions;
- Net capital financing costs are £1.718m compared to £1.903m last year;
- RSG funding has reduced by £1.7m from 15/16;

- The Council has identified service pressures of £502k, other uncontrollable pressures e.g. pay inflation, NI increases of £425k, a provision for the interim cost reduction programme of £80k and contracts/activity increase of £350k;
- The Council is planning to save £1.256m in year;
- The overall budget position is balanced by using £853k of General Fund reserves for 16/17; and
- The Council will be lobbying Government to reconsider how government funding is distributed.

2 FUNDING AND MEDIUM TERM FINANCIAL PLAN (MTFP)

2.1 The settlement - what is the overall position for Rutland?

- 2.1.1 In November 2015 the Government announced the outcome of its Comprehensive Spending Review (CSR) and followed that in December with the local government finance settlement. The Spending Review determines how the Government will spend public money over the course of this Parliament by setting budgets for each central government department. This is reviewed in the Autumn Statement which is an annual update of the Government's plans for the economy.
- 2.1.2 The overall objective of the review from a macroeconomic perspective was to return Government spending to a net surplus position (£10bn by 19/20) thereby reducing net debt as a % of GDP. If spending plans are adhered to and assumptions hold true then this will be achieved.
- 2.1.3 Within the figures, Government spending plans prioritise and protect some areas such as the NHS, Police and Defence whereas other areas pick up a disproportionate share of spending reductions. Local government falls into the latter category. The CSR delivers consolidation of £12 billion through savings to departmental resource spending by 19/20. This is made up of £21.5 billion of savings from unprotected departments (including Department of Communities and Local Government - DCLG), of which £9.5 billion will be reinvested in priorities.
- 2.1.4 In the CSR, the Government presented detailed figures which showed that core central government funding will fall by c60% in real terms over the Spending Review period but local government spending will broadly be the same in cash terms.

	15/16 billion	16/17 billion	17/18 billion	18/19 billion	19/20 billion
DCLG LG DEL (1)	11.5	9.6	7.4	6.1	5.4

	15/16 billion	16/17 billion	17/18 billion	18/19 billion	19/20 billion
Locally Financed Expenditure (2)	28.8	29.0	31.5	33.6	35.1
Local government spending	40.3	38.6	38.9	39.7	40.5
(1) Includes RSG, New Homes Bonus (2) Includes Council tax, business rates and other local income <i>Source: Table 2.17, page 100 of the CSR</i>					

- 2.1.5 This situation arises because the Government uses the term “local government spending”. “Local government spending” includes locally generated income like council tax and business rates. It asserts that “local government spending” will be higher in cash terms by 19/20 than in 15/16 at £40.5bn thereby giving a real term (i.e. after inflation) reduction of only 1.7% a year. In simple terms, the Government concludes that if all local authorities increase Council tax by 1.75% per annum and those with social care responsibilities levy the additional 2% precept and local authorities deliver growth then the Government will be able to reduce core funding (ignoring the reform of the business rates retention scheme) without local authorities feeling substantial reductions. The way the Government calculates local government spending, it has transferred “funding risk” to locally elected members. This is evident in our settlement.
- 2.1.6 The local government provisional finance settlement was announced on 17th December 2015. It ‘offered’ Councils a 4-year settlement subject to an annual ‘refresh’ and the publication of an efficiency plan – what this means is not clear but many commentators believe that it could include an expectation that Councils use reserves to support spending plans. The Settlement was unclear on whether the 4-year settlement might change for those Councils not wishing to accept the offer. Whilst the information and figures are presented differently from the CSR and include adjusted council tax figures, the overall message is consistent.
- 2.1.7 In the settlement the Government has introduced a new concept of core spending power comprising:
- Settlement Funding Assessment (RSG and Business rates);
 - Council Tax (including CPI rises of 1.75% and growth based on average movements on the tax base between 13/14 and 15/16);
 - 2% social care precept (an extra 2% on council tax);

- additional funding for the Better Care Fund;
- New Homes Bonus (NHB) (actuals for 16/17 and achieved payments only for years beyond that); and
- a new Rural Delivery Grant (RDG).

2.1.8 DCLG asserts that it has cut core spending power for England by only 3.9% on average in cash terms (c7% in real terms assuming 1.75% CPI each year) over the 4-year period. However, what this Council would call Government funding (RSG, BCF, NHB and RDG) has been cut by c58% on average with the main grant RSG cut by 78%. The national position is shown overleaf.

Core Spending Power of Local Government; ENGLAND						
	2015-16 (adjusted)	2016-17	2017-18	2018-19	2019-20	% change
		£ millions	£ millions	£ millions	£ millions	
Modified Settlement Funding Assessment; of which	21,249.94	18,601.46	16,621.62	15,536.04	14,499.70	-32%
RSG	9,926.80	7,183.90	4,979.50	3,550.40	2,218.00	-78%
Business Rates	11,323.20	11,417.50	11,642.10	11,985.60	12,368.60	9%
Council Tax of which;	22,035.88	23,148.30	24,435.52	25,821.26	27,314.16	24%
<i>Council Tax Requirement excluding parish precepts (including base growth and levels increasing by CPI)</i>	22,035.88	22,748.55	23,601.84	24,512.95	25,486.08	16%
<i>additional revenue from 2% referendum principle for social care</i>	-	392.75	820.87	1,289.80	1,803.95	
<i>additional revenue from £5 referendum principle for lower quartile districts Band D Council Tax level</i>	-	6.99	12.80	18.51	24.13	
Improved Better Care Fund	-	-	105.00	825.00	1,500.00	
New Homes Bonus and returned funding	1,200.00	1,485.00	1,493.00	938.00	900.00	-25%
Rural Services Delivery Grant	15.50	20.00	35.00	50.00	65.00	319%
Core Spending Power	44,501.3	43,254.8	42,585.1	42,345.3	42,778.9	
Change over the Spending Review period (£ millions)					-1,722.5	
Change over the Spending Review period (% change)					-3.9%	
Change for Settlement Core Funding (£ millions)					-1,472.0	
Change for Settlement Core Funding (% change)					-3%	

2.1.9 The change for Rutland is an increase in core spending power of 4.3% but as the method for applying government funding reductions has sought to distribute funds away from those Councils with high tax base and hence high revenue (relative to their level of overall funding), Government funding has virtually disappeared.

Core Spending Power of Local Government; RUTLAND						
	2015-16 (adjusted)	2016-17	2017-18	2018-19	2019-20	% change
		£ millions	£ millions	£ millions	£ millions	
Modified Settlement Funding Assessment; of which	8.39	6.47	5.05	4.25	3.46	-59%
RSG	4.34	2.39	0.88	-0.03	-0.96	-122%
Business Rates	4.04	4.07	4.15	4.28	4.41	9%
Council Tax of which;	20.69	21.90	23.31	24.82	26.46	28%
<i>Council Tax Requirement excluding parish precepts (including base growth and levels increasing by CPI)</i>	20.69	21.48	22.41	23.41	24.48	18%
<i>additional revenue from 2% referendum principle for social care</i>	-	0.42	0.89	1.41	1.98	
<i>additional revenue from £5 referendum principle for lower quartile districts Band D Council Tax level</i>	-	-	-	-	-	
Improved Better Care Fund	-	-	-	-	-	
New Homes Bonus and returned funding	0.82	1.24	1.25	0.78	0.75	-9%
Rural Services Delivery Grant	0.16	0.21	0.37	0.52	0.68	319%
Core Spending Power	30.1	29.8	30.0	30.4	31.4	
Change over the Spending Review period (£ millions)					1.3	
Change over the Spending Review period (% change)					4.3%	
Change for Settlement Core Funding (£ millions)					0.84	
Change for Settlement Core Funding (% change)					3%	

2.1.10 Individual allocations have been determined by cuts to what the Government call Settlement Core Funding (RSG, Business Rates and Council tax). On the assumption that Council tax increases (see 2.1.7) and business rates increases by RPI, then the cuts have been primarily made to RSG. Rutland's % cut is 122% compared to the average of 78% reflecting its high council tax base and revenue.

2.1.11 The headlines from the detailed settlement are:

- RSG has been reduced by 40% from 2015/16 and will technically be minus £960k by 19/20;
- Business Rates baseline is broadly the same as last year and will increase by RPI for the next 4 years but it appears that the Council will not be keeping any extra business rates at this stage (technically it will pay the negative RSG through an additional tariff applied to Business Rates);
- The Government assumes the Council will generate an extra £1.2m in 2016/17 (and over £6m for the next 4 years) from Council taxpayers through raising Council tax and levying a 2% social care precept. This is a local decision but the Government expectation is clear;
- The settlement shows no increase in the Better Care Fund in any of the next 4 years;
- The New Homes Bonus payment for 16/17 is secured. Future figures assume that the current regime will continue to apply – this is unlikely

to be the case as consultation is already underway to change the current system;

- The Council will receive increases in Rural Delivery grant to reflect the extra costs of rural service delivery; and
- Inflation will be c1.75% pa over the next 4 years but the settlement does not provide funding to meet those additional costs.

2.1.12 Whilst the Government would assert that the Council is no worse off, this is in reality not the case. The Council works to a 5-year MTFP and whilst the Council has always anticipated significant cuts, including a 52% reduction to RSG, the various changes announced through the CSR and settlement mean that the cuts in the MTFP did not go far enough.

2.1.13 In putting together the latest MTFP the Council can only make prudent assumptions in light of the information available. The latest MTFP is shown in Appendix 2. The table overleaf compares the status of two key targets pre settlement (Quarter 2 15/16) and post settlement. The two key targets are:

- The deficit/surplus – the Council aims to have a nil deficit i.e. it is spending within available resources; and
- Minimum reserve levels – the Council's minimum level is £2m.

2.1.14 The analysis uses 19/20 as the benchmark as that year is the last year of the Q2 MTFP. It also highlights the expected position as at 20/21 (the final year of the new MTFP) although it should be noted that the Government will be reforming the local government finance system before then so funding figures for 20/21 are illustrative at best.

2.1.15 The Council finds itself in a worse financial position than expected as show below:

	Pre settlement (Q2)	Post settlement	Target
19/20 deficit (reliance on reserves)	£1,295,512	£2,424,144	£0
19/20 General Fund reserves	£6,870,386	£3,225,532	>£2,000,000
20/21 deficit (reliance on reserves)	N/A	£2,657,755	£0
20/21 General Fund reserves	N/A	£567,777	>£2,000,000

2.1.16 The change in expected balances in 19/20 between the Q2 MTFP and the latest version represents an additional £1.1m of net cost pressures (living wage, contract inflation, apprenticeship levy etc) and net key funding differences of £2.5m are as follows:

- The Council estimates it will lose £740k from New Homes Bonus (see 2.2) subject to the outcome of consultation – the loss might be greater;
- The Council’s government funding loss is £6.2m (this covers the loss of RSG, Business rates, Council tax freeze grant, and Care Act funding which has been rolled into adjusted RSG offset by additional Rural Delivery Grant);
- £4.3m of the above loss is compensated for by the new 2% social care precept leaving a net £1.9m loss from grant and social care precept; and
- Other minor differences include additional Collection Fund surplus (£50k) and use of earmarked reserves (£100k).

2.1.17 In summary, the impact of the overall settlement on Rutland can be summarised as follows:

- The Council will receive less in government funding than what it does today – whilst significant reductions were built into the MTFP, the cuts are greater than expected;
- The Government assumes the Council will raise council tax and levy a social care precept – if it does then its overall spending power will be broadly the same in 19/20 as it is today;
- The Council’s General Fund reserves will reduce from £10m to c£3.2m by 19/20 if no more savings are made beyond PeopleFirst – the settlement has not changed this trajectory; and
- By 2019/20 the Council is spending £2.4m more than the resources it has available – this position is much worse than anticipated because cuts are greater in that year.

2.2 The settlement detail - what do the detailed changes mean for Rutland?

2.2.1 The table below goes into more detail about the Spending Review and Settlement. A range of announcements were made that directly or indirectly affect local government and this council.

Announcement	Impact
The main local government grant will be phased out and additional responsibilities devolved to local authorities, empowering them to drive local	RSG will be phased out by 19/20 but for this Council the £4m received in 15/16 will be effectively negative by 18/19. As the Council cannot receive negative RSG it will simply pay more to

Announcement	Impact
<p>economic growth and support their local community.</p> <p>By the end of the Parliament local government will retain 100 per cent of business rate revenues</p> <p>The system of top-ups and tariffs which redistributes revenues between local authorities will be retained.</p> <p>The government will consider transferring responsibility for funding the administration of Housing Benefit for pensioners and Attendance Allowance and consult on options to transfer responsibility for funding public health.</p>	<p>the Government from its business rates.</p> <p>The 4 year-settlement indicates that the Council will not keep any more business rates but will in fact pay more over to the Government but this still has to be confirmed. The amount will be decided via a revised 'needs' formula which is required as some authorities collect more than 'needed' and others less.</p> <p>The MTFP assumes no transfers of responsibility and funding for now. Historically, where there have been transfers, the Council has "lost" funding e.g. council tax benefit.</p>
<p>The Spending Review creates a social care precept to give local authorities who are responsible for social care the ability to raise new funding to spend exclusively on adult social care. The precept will work by giving local authorities the flexibility to raise council tax in their area by up to 2 per cent per year above the existing threshold.</p>	<p>The MTFP assumes in line with Government expectations that the Council will take the opportunity to levy a precept of 2%.</p> <p>An additional 2% on Council tax is worth c£400k pa.</p>
<p>From 2017 the Spending Review makes available social care funds for local government, rising to £1.5 billion by 19/20, to be included in an improved Better Care Fund.</p>	<p>The Council can now build the BCF into its MTFP with certainty but the 4-year settlement indicates there will be no increases in the BCF for Rutland.</p>
<p>There has been no announcement on how funding earmarked for Phase 2 of the Care Act will be used in the interim period while the introduction of reforms is</p>	<p>The MTFP included the separate Care Act grant received in 15/16. The grant of £180k is now included into the adjusted settlement funding (RSG/business rates). The Council assumed this grant would continue but</p>

Announcement	Impact
<p>delayed.</p> <p>The Government remains committed to introducing the Dilnot reforms to social care, with funding provided in 19/20 to cover the costs of local authorities preparing for these changes. The cap on reasonable care costs and extension of means tested support will then be introduced and funded from April 2020.</p>	<p>as it is now within RSG it has been effectively lost.</p> <p>The Council assumes that Dilnot reforms will be fully funded although there is a £200k contingency built into the MTFP (£100k in 17/18 and a further £100k in 18/19).</p>
<p>The Government will consult on reforms to the New Homes Bonus, including means of sharpening the incentive to reward communities for additional homes and reducing the length of payments from six years to four years. This will include a preferred option for savings of at least £800 million.</p>	<p>The MTFP did assume funding is received for six years. The Government have stated that any changes will take effect from 17/18. Options being considered include moving payments from 6 to 4, 3 or 2 years but including some transitional period.</p> <p>The consultation document itself includes various options for making payment deductions including:</p> <ul style="list-style-type: none"> • if local authorities do not have a local plan; • a lower tariff being applied to homes built on appeal; • only making payments above a baseline representing deadweight (normal growth). <p>The MTFP already highlighted NHB as a funding risk and pending the outcome of reforms it is assumed all funding will be received for 4 rather than 6 years.</p>
<p>The Government will make savings in local authority public health spending averaging annual real terms savings of 3.9 per cent over the next five years.</p> <p>The ring fence on public health</p>	<p>PH funding announcements have not yet been made. The MTFP assumes that any public health funding reduction will be absorbed and will work with the Director of Public Health to make further savings without compromising the initial £200k saving built in for</p>

Announcement	Impact
<p>spending will be maintained in 16/17 and 17/18.</p>	<p>PeopleFirst.</p>
<p>The apprenticeship levy will be introduced in April 2017 at a rate of 0.5 per cent of an employer's pay bill, to deliver 3 million apprenticeship starts by 2020. The levy will be paid through PAYE by 19-20, and raise £3 billion in the UK.</p>	<p>This represents a £50k levy for every £10m from April 2017. An appropriate amount, £54k, has been built into the MTFP from 17/18. This adds over £200k of cost to spending plans over the life of the MTFP.</p>
<p>The Government will introduce a national funding formula for schools, high needs and early years. The new formulae will be implemented from 17/18.</p> <p>Around £600 million savings will be made from the Education Services Grant (ESG) including phasing out the additional funding schools receive through the ESG. The government will reduce the local authority role in running schools and remove a number of statutory duties.</p>	<p>Schools funding is outside of the Revenue Account and is ring fenced.</p> <p>The ESG general funding rate for local authorities in 16/17 is £77 per pupil in mainstream schools and £288.75 and £327.25 per place in pupil referral units and special schools respectively.</p> <p>The Council has 14 academies which receive funding directly and 7 LEA schools. Its 16/17 allocation is £154k but the MTFP assumes this will diminish over time.</p> <p>ESG is not ring fenced but traditionally is used to fund the following:</p> <ul style="list-style-type: none"> • Education welfare services • Monitoring national curriculum assessment • Pupil support • School improvement • Statutory/regulatory duties • Therapies and other health related services
<p>As announced at Summer Budget, to help protect jobs and the quality of public services the Spending Review funds public sector workforces for an average pay award of 1% for 4 years from 16-17.</p>	<p>The MTFP assumes an annual 2% pay award and as the Council is part of the national bargaining agreement no change is proposed. The latest offer from the employers is c1% with some adjustments at lower levels for the National Minimum Wage but this is yet to be accepted.</p>

Announcement	Impact
Local authorities will have flexibility to spend capital receipts from asset sales on the revenue costs of reform projects, subject to conditions.	The Council assumes that no capital receipts will be used to fund revenue over the life of the MTFP.
The Spending Review includes over £500 million by 19-20 for the Disabled Facilities Grant , which will fund around 85,000 home adaptations that year	DFG's are part of the BCF. The Council has historically topped up the DFG allocation with Section 106 funding. This may change depending on the Council's individual allocation.
The Government has made a number of announcements in relation to planning and housing in particular the proposal for a delivery test on local authorities, to ensure delivery against the homes set out in local plans within a reasonable timeframe.	The Council will be considering the impact of these proposals and whether they will impact on planned housing growth. At this stage, there is no change to the MTFP.

2.3 Funding settlement – how does our settlement compare to others?

2.3.1 The Councils spending power is above average when compared to the Unitary average for 16/17.

Measure	Unitary average	Rutland	Leicester City	Highest and Lowest
Spending power per household	1,651	1,788 (Rank 8 th highest)	1,925 (Rank 1 st)	Leicester (H) Windsor and Maidenhead (1,344)
Government funding per household (i.e. all funding except council tax/business rates)	339	230 (Rank 6 th lowest)	540 (Rank 1 st)	Leicester (H) Wokingham (169)
Council tax dependency (% of spending)	51.6%	69.36% (Rank 3 rd highest)	33.54% (Rank 2 nd lowest)	Wokingham 74.58% Kingston Upon

power generated by council tax)				Hull 32.35%
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2.3.2 Spending power includes resources generated by Council's themselves, notably Council tax. The above table shows that the Government funding per household is significantly below the national average reflecting the Council's dependency on council tax income.

2.4 Spending Plans – How may spending plans change over time?

2.4.1 The MTFP at Appendix 2 sets out the forecast spending profile of the Council over the medium term and estimates the level of resources it will have available. The budget for 16/17 is discussed in Section 3. This section focuses on the factors that may have a significant impact on spending plans over the next 5 years.

PeopleFirst review

2.4.2 Full Council approved the PeopleFirst review and associated recommendations and conclusions in September 2014. PeopleFirst has delivered savings in Year 1 as reported in the Quarterly Finance Reports to Cabinet during 15/16.

2.4.3 Savings targets for 16/17 and beyond are as set out below (the profiling is indicative and will depend on detailed project timetables and any statutory consultation requirements).

	15/16 £000	16/17 £000	17/18 £000	18/19 £000
MTFP target	500	600	900	1500
PeopleFirst already savings achieved (pre 15/16)	253	253	216	216
Revised target	300	600	825	1100
Transport	0	0	50	100
Service Review	76	169	659	709
Structure Review	123	220	220	220
Public Health	200	200	200	200
Total	399	589	1129	1229
Less: already saved (in Directorate budgets)	283	354	354	354
Savings to be achieved	N/A	235	775	875

2.4.4 In Q1 of 15/16 the Director of People agreed with the Director of Public Health that **public health** resources can be redeployed to fund initiatives which have a public health benefit currently funded outside of public health. In order to allow time for contractual issues to be resolved, £200k of public health earmarked reserves was used to fund core expenditure in 15/16 and

this will be repeated in 16/17 – this represents a saving to the General Fund.

- 2.4.5 The **Transport** review is underway. The Council spends over £2.6m on Transport across a range of areas (SEN, Home to School Transport, Concessionary Travel etc) and is seeking to ensure that this spend is optimised. The Council has secured external funding of £100k to bring in external consultants, JMP, to help undertake a holistic assessment of transport needs and identify the most efficient delivery model going forward. The work of JMP is expected to produce recommendations for consideration by May 2016.
- 2.4.6 The original plan included a new Directorate **structure** which will be implemented in full in 16/17. The structure yields a saving of £0k net of the cost of introducing market supplements for hard to recruit positions, namely social workers to maximise retention and avoid expensive interims. The final value of savings to be made will be subject to a separate Cabinet decision re Youth Services.
- 2.4.7 The **service review** savings comprise changes to the existing charging framework which will be progressed through Cabinet, future review of the approach to placement commissioning by an external third partner to be appointed on a contingent fee basis and a review of grant funding to the voluntary sector. A shift of service delivery into the sector itself should mean that overall funding levels will not reduce.

Better Care Together (BCT) and Better Care Fund (BCF) and integration with Health

- 2.4.8 This is the second year of the BCF – this is a pooled budget to improve the way health services and social care services work together, starting with services for older people and people with long term conditions. The BCF aims to drive forward health and social care integration so that people receive the right care and support at the right time, in the right place.
- 2.4.9 The BCF is a key part of the BCT programme. In June 2014 the Local Health and Social Care Economy (LHSCE/LLR) developed a 5 year strategic plan setting out its ambition to transform local services in line with the models of care set out by the BCT programme.
- 2.4.10 BCT sets out a vision to improve health and social care services across LLR, from prevention and primary care through to acute secondary and tertiary care. Successful delivery of this programme will result in greater independence and better outcomes for patients and service users, supporting people to live independently in their homes and out of acute care settings. This vision is consistent with the BCF.
- 2.4.11 Part of the BCT strategy is to 'left shift' activity from secondary to primary care. Over the past few months, Council officers have been working with BCT colleagues to assess the impact on Adult Social Care (ASC) of planned changes across a range of work streams e.g. planned care, urgent care, learning disability etc. Meetings have been held where Local Authority

partners have the opportunity to assess any capacity and financial impacts to their ASC responsibilities as a result of the programme and to assess whether they are able to deliver any proposed changes.

2.4.12 The table in Appendix 9 summarises the expected impact in more detail. In summary, the outcome thus far of these meetings is that there is likely to be some impact. However, quantifying the extent of the impact (positively or adversely) in advance of changes is difficult because it will depend on individual patient needs and how care needs are met, whether patients meet the financial thresholds for Council support, and the success or otherwise of prevention work. The Council believes that further work is needed and has recently met with BCT colleagues requesting greater clarity over proposed changes so that social care impacts can be assessed. At this stage, the Council plans to:

- assess whether the impact of any changes can be monitored through a “tracking” system which shows how patients move through the health and social care services and the costs of interventions at each point;
- maintain a contingency fund of £200k alongside the ASC earmarked reserve so that it can respond to increased demand if necessary; and
- raise the issue of funding transfers should changes simply displace activity from health to social care.

2.4.13 The BCF continues into 16/17 and supports this vision as it will fund some existing services (because there is a clear link that these contribute to better health outcomes).

2.4.14 BCF schemes all have performance targets. Failure to deliver targets and demonstrate a contribution to the achievement of national outcomes may result in funding being withdrawn, reduced or redirected. In 2015/16 c£100k was linked to achievement of non election admissions but it is likely that this link will be removed in 2016/17.

2.4.15 The Council believes that building on the work done to date, there is a real opportunity to increase the size of the BCF and further integrate service provision with Health maximising the use of joint resources and making savings. Over the next few years, this could manifest itself in various different ways be it co-location of teams, joint commissioning and contracting, joint teams etc. This direction is consistent with the CSR which requires that “health and social care must have a plan” for integration by 2017, to be implemented by 2020.

Corporate Savings

2.4.16 One of the key principles of delivering services within the MTFP is “living within your means” i.e. not spending more than the resources available. Whilst the Council has a very good track record of spending within its allocated annual budget, the MTFP shows that in 16/17 and beyond the Council is spending more than the funding it has available and is therefore

reliant on using General Fund reserves to balance the budget. The Council is aware of the problem and has a plan to 'save' which comprises the following elements:

- Income maximisation – the Council is looking at ways of generating more income from property assets, 'selling' services and through modifying its existing charging framework;
- Invest to Save proposals – the Council is considering a range of proposals which involve some up-front investment but a medium term payback in the form of reduced revenue costs. Investment in solar panels at Oakham Enterprise Park is a current example;
- Partnering – recognising the inherent difficulties of delivering some services in isolation, the Council is seeking to work with other partners to build resilience in service delivery whilst reducing cost and improving performance. The provision, support and maintenance of Agresso is an example being pursued;
- Commissioning – achieving better value for money through smarter commissioning or joint commissioning where possible to obtain the benefits of economies of scale is a key priority given the Council's level of third party expenditure. The budget includes bringing in some external support in the People Directorate to pursue this line;
- Service/corporate reviews – alongside specific service reviews in areas such as Revenues/Benefits, there is a corporate admin review being kicked off alongside the website/digital project which will be done in 16/17 all of which are aimed at driving efficiencies. The Council will also be undertaking a review of the Places Directorate – a zero based budget review mirroring the work done on the People Directorate in 2014;
- External funding – the Council has a good track record of obtaining external funding whether it be through Sport England, LEP or the Department for Transport and now has access to GRANTfinder which is a user-friendly, professional funding tool highlighting millions of pounds' worth of support; and
- Vacancy control – the Council has an approach to vacancies whereby the Chief Executive has to approve the business rationale to fill all vacancies. As the Council reduces its reliance on interims (funded in part by vacancy management and alternative ways of working), it is expected that staff savings will accrue over time to the extent that a small vacancy target of £75k is built into the budget.

Potential service and spending pressures

2.4.17 The MTFP has been regularly updated throughout the year and shows the baseline position, assuming a continuation of existing services with allowances for service pressures, inflation etc. While the MTFP provides a

useful modelling tool that can be used to demonstrate the effect of a range of variables on the Council's financial stability over the medium term, there are a number of inherent risks that could impact on spending plans that are outside of the Council's control (these are covered below):

Risk	Action to mitigate risk
<p>There is a risk that the Council will bear the financial burden of any increase in the number of residents claiming council tax support. In the last two years the number of people claiming council tax support has reduced as the County has reached full employment. However, the Governments welfare reform changes (notwithstanding the deferral of tax credit reductions) will reduce income of those receiving support and may increase the demand for council tax support, discretionary fund, crisis loans and discretionary housing payments.</p> <p>In addition, there is a risk that council tax collection levels will be lower than estimated particular if council tax increases of 2% are applied with a subsequent impact on the future financial position of the Collection Fund.</p>	<p>Proactive monitoring of demand for funding and collection levels for council tax will provide early indicators of any risks materialising.</p> <p>The council tax support scheme and crisis loans will be reviewed in 16/17.</p>
<p>The MTFP assumes that some service pressures can be contained within the forecast budgets as growth is only built in where there is a degree of certainty. As part of the 15/16 budget setting process, the following potential pressures have been highlighted:</p> <ul style="list-style-type: none"> • <i>Internal Audit</i> – the team is without a Head of Audit and Deputy Head and arrangements are in place with LGSS providing that cover. Options are being considered to deliver the service within the current budget but there could be a financial impact of up to £10k if this cannot be achieved. • <i>By-elections</i> – the Council has been in the position previously where it has had to hold an unexpected by-election. The Council does not routinely budget for these costs which tend to be c£5k 	<p>These will be monitored through the monthly monitoring process and quarterly reports to Cabinet. Variances identified as recurring are highlighted to Cabinet and the longer term implications assessed.</p> <p>Sufficient balances will be maintained to cope with unforeseen cost pressures in the short-term.</p>

Risk	Action to mitigate risk
<ul style="list-style-type: none"> • <i>Fostering and adoption</i> – Costs will depend on the number of children currently in care and how this changes in the future but this position is volatile. On 26 October, Council's also assumed new statutory duties to accommodate 17 year olds charged and bailed from police custody. This could cost up to £2k per young person per week. • <i>Psychologist services</i> - Education psychology services are being piloted to offer a more comprehensive and targeted approach. As a demand led service, there is a risk that demand pressures exceed the available budget. 	
<p>Whilst inflation has been low for some time, there are emerging issues that may cause pressure on prices the Council pays for goods and services although the CSR indicates that CPI will remain below 2% over the review period.</p> <p>The Government will introduce a new National Living Wage (NLW) for workers aged 25 and above. From April 2016, the new NLW will be set at £7.20 – a rise of 70p relative to the current NMW rate, and 50p above the NMW increase coming into effect in October 2015.</p> <p>The Council believes that there will be a pressure as many private sector organisations have already publicly announced that increases in costs are likely to be passed onto consumers. As key contracts are tendered and negotiated there may be an impact.</p>	<p>The Council will monitor the position on key contracts and has inflation built into the MTFP.</p> <p>The Council is tendering for services so it can ensure value for money and does allow for inflationary cost increases and will aim where possible to keep costs within the current budget.</p>
<p>Interest rates may change thereby reducing the Council's ability to earn investment income.</p>	<p>Regular review of the position and consideration of the balance between investing surplus cash and using it to repay long term debt. Advice from Capita is used to forecast investment income.</p>
<p>Capital financing costs have been estimated based on the assumption that no</p>	<p>Corporate analysis of existing</p>

Risk	Action to mitigate risk
further external borrowing is undertaken during the life of the MTFP.	and potential new projects.
The Council can be impacted by changes arising from partner bodies such as the Police and Fire as they, like the Council, aim to reduce costs. Any decision to reduce or reconfigure services in this County could result in additional demands on the Council.	The Council is working with partners to understand the impact of any changes and support changes where possible.
<p>The Independent Living Fund (ILF) closed on 30 June 2015. From 1 July 2015, the funding and responsibility of ILF care and support needs transferred to local authorities.</p> <p>The Council has three residents who obtain funding from the ILF. The Council received a grant to cover costs in 15/16 but it is not known whether this will be received this year.</p>	The Council has included a pressure in the MTFP for 16/17 to mitigate the potential loss of funding due to the closure of the ILF.
<p>The Council has a contract with Care Home providers for 15/16. This agreement assumed CPI increases in 15/16. The CPI rate is effectively 0%. Care Home providers are seeking to renegotiate this for 15/16 and for 16/17.</p> <p>The challenge is to negotiate a fair rate for the cost of care that allows the market to remain healthy and competitive.</p>	The Council will be seeking to ensure that any increases are limited to what is reasonable.
<p>The Council has seen demographic changes over time and will do so again in the future. Changes in population and number of households have not always translated into increases in service costs.</p> <p>This issue is relevant to Adult Social Care where many authorities assume that increases in population and in particular in 65+ age groups will place extra demand on social care budgets. Future budgets therefore typically include an “allowance” to compensate for this.</p> <p>The Council is expecting to see population</p>	The Council has a Social Care Reserve and a £200k Adult Social Care contingency to allow it to respond to changes in demand.

Risk	Action to mitigate risk
<p>changes over the next 5 years but in line with its Adult Social Care strategy it will seek to respond to any changes by helping people to live independently as far as possible.</p>	
<p>One of the biggest risks for Adult Social Care relates to cases which receive NHS Continuing HealthCare funding. NHS continuing healthcare is the name given to a package of care that is arranged and funded by the NHS for individuals who are not in hospital and have been assessed as having a "primary health need". Some packages involve elements of health and social care. In these cases costs are shared on an agreed % basis as determined by a Panel.</p> <p>As the content of care packages changes (i.e. the mix of social and health care required) so does the flow of funding which means that cases previously 100% NHS funded can suddenly require a substantial contribution from social care and vice versa. One complicating factor is that the Council only picks up the social care costs if the patient is eligible for support in line with financial thresholds.</p> <p>The Council has both benefitted and lost from this practice in the past and it serves to make social care budgets very volatile.</p>	<p>Budgeting for the potential changes in Continuing HealthCare funding is almost impossible as it will depend on individual patient circumstance.</p> <p>The Council holds a Social Care reserve from which it can drawdown funding to meet the peaks and troughs of demand and other changes.</p>
<p>The Council's net pension liability for the Local Government Pension Scheme (controlled by Leicestershire County Council as the Pension Fund administrator) has increased from £34.5 million (2014) to £42.0 million in the year to 31 March 2015. There are two main elements that create this liability: the value of assets held by the pension fund, and the estimated future demands for pension payments. While the value of assets has increased by £6.7 million during the year, liabilities have also increased by £14.2 million.</p> <p>Should investment returns not narrow the</p>	<p>The position will be monitored but the Council has made a marginal adjustment to future rates in anticipation of the triennial review.</p>

Risk	Action to mitigate risk
gap in the future, it is likely that contribution rates may increase creating a demand on the General Fund. Current contribution rates will be reviewed again in a years' time. The Council has been informally advised through Pension Fund officers that contribution rates will rise again.	
The pay award for 16/17 will be subject to national agreement.	The Council will retain its pay assumption of 2% for 16/17 and beyond.

2.4.18 As further information becomes available an update on these risks will be provided in Quarterly reports.

2.5 Reserves – What level of reserves should the Council retain?

2.5.1 Reserves can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves; and
- a means of building up funds to meet known or predicted liabilities.

2.5.2 The level of reserves is set to take account of:

- strategic, operational and financial risks facing the Council;
- key financial assumptions underpinning the budget; and
- quality of the Council's financial management arrangements.

2.5.3 There are a range of risks that may arise that the reserves are held for in order to maintain the Council's sound financial position. These risks include the following:

Risk factor/issue	Potential cost
Loss of business rates income before Safety Net reached – the Council has not seen any substantial growth in business rates and a small number of businesses account for the majority of rates levied	£0 - £300k
Other service pressures or overspends – 1% of	£0 - £300k

Risk factor/issue	Potential cost
net spending e.g. winter maintenance	
Grant uncertainty – further reductions in funding greater than anticipated (this is a risk in relation to Public Health, New Homes Bonus)	£0 - £500k
Education redundancies no longer paid for through DSG	£0 - £150k
Above inflationary increases including the Living Wage or shortfalls in discretionary income	£0 - £300k
Social care demand - the Council could be adversely impacted by demographic changes and/or the shift of activity from acute or primary care to social care	£0 - £500k
Failure of key service provider	£0 - £200k
Legislative or policy changes that may or may not be funded	£0 - £200k
Potential growth in demand for general services	£0 - £200k

2.5.4 The Council's minimum reserves target is currently set at £2m which equates to about 6% of net spending. There is no specific guidance in respect of minimum reserve levels but it is Chief Finance Officers view that a level between £2m and £3m is adequate based on professional judgement and a risk assessment taking into account the following factors:

- despite existing savings plans, the Council is still using reserves to balance the budget;
- there are potential cost pressures which are only partly factored into spending plans (see 2.4.17);
- whilst the Council has some savings targets built into the MTFP and has a very good track record of delivering savings, there is no guarantee that this will continue.

2.5.5 Presently, the Council's general fund balances (and useable earmarked reserves) are above the minimum level. This gives the Council time to address the issues raised above and respond in a measured way to funding cuts.

2.5.6 To give Members a comparative view, analysis has been undertaken of the Council's relative position on total reserves (earmarked and general fund). Using the Government Revenue Budget return forms, the Unitary Authority average (as at 1 April 2015) holds approximately the equivalent of 28% of its

Net Revenue Expenditure (the Government defines NRE as expenditure less some specific grants) in reserves. The range is 7% to 68% (Leicester City for example runs at 68%, but Peterborough City, York, Thurrock, Wiltshire and Middlesbrough are all below 11%) with RCC at 39%.

	Unitary average	Rutland
Average General Fund Balance as % of Net Revenue Expenditure	7%	29%
Average Earmarked Reserves as % of Net Revenue Expenditure	20%	10%
Total Reserves as % of Net Revenue Expenditure	28%	39%

2.6 Level of Council tax – what choice does the Council have?

2.6.1 The tax levied by the Council constitutes only part of the tax Rutland citizens have to pay (albeit the major part). Separate taxes are raised by the Office of the Police and Crime Commissioner and the Fire Service. These are added to the Council's tax to constitute the total tax charged.

2.6.2 The Government has in recent years established a 1.99% limit on raising Council Tax before a referendum must be called. The MTFP assumes, council tax rises of 1.99% in line with Governments expectations from 16/17 onwards and includes some tax base growth as described in Appendix 2. No decision will be made on council tax levels until Full Council on 23rd February.

2.6.3 The table below gives examples of the different tax rate increases that could be applied in 2016/17, the new Band D rate and the extra revenue this generates over 5 years.

	Council tax rate	16/17 council tax revenue £000	extra revenue generated for 16/17 – 20/21 £000
Band D – current	£1,430.51	£21,083	-
+0.5%	£1,437.66	£21,189	£562
+0.75%	£1,441.24	£21,241	£842
+1%	£1,444.82	£21,294	£1,122
+1.25%	£1,448.39	£21,347	£1,403
+1.5%	£1,451.97	£21,399	£1,684

+1.75%	£1,455.54	£21,452	£1,964
+1.99%	£1,459.12	£21,505	£2,245

2.6.4 Members should note that should Council tax not be increased in 2016/17, the 'loss' of funding of £2.2m would mean that the MTFP General Fund balance would be below the recommended level by 19/20 and would be negative (which is not allowed) by 20/21 unless of course substantial savings were made.

2.6.5 Members are aware that the Council's Band D tax levels are amongst the highest of other Unitary councils but this does not mean that the Council is high cost or inefficient. The Council's service expenditure per head is low as is Government funding per head. The average service expenditure per head is £1,387. The Council is the second lowest after Thurrock. In light of the Government's expectations as set out earlier, the high council tax position will not change.

Council	Band D 14/15	Band D 15/16 (1) (4)	Service Expenditure per head (2)
Nottingham	1431.8	1459.67	1883.42
Rutland	1430.51	1430.51	1095.74
Northumberland	1399.77	1427.63	1433.85
Bristol	1391.87	1419.01	1318.78
Hartlepool	1418.7	1418.70	1650.66
Middlesbrough	1355.03	1380.12	1670.66
Redcar and Cleveland	1390.14	1376.19	1557.98
Reading	1338.25	1365.00	1395.35
Isle of Wight	1315.47	1341.64	1545.25
Brighton & Hove	1312.89	1339.02	1539.76
(1) Band D rates show those Councils freezing Council tax between 14/15 and 15/16			
(2) Service expenditure obtained from Government RA returns for 15/16			
(3) Core Funding includes RSG and Business Rates only (based on 15/16 figures)			
(4) A number of the above authorities also charge for green waste collection			

2.7 Social Care precept - What choice does the Council have?

2.7.1 The Spending Review creates a **social care precept** to give local authorities who are responsible for social care the ability to raise new funding to spend exclusively on adult social care. The precept will work by giving local authorities the flexibility to raise council tax in their area by up to 2 per cent per year above the existing threshold (in effect allowing 3.99% council

tax increases).

- 2.7.2 The CSR document states that the extra funds will, alongside the BCF, “support Council’s to continue to focus on core services and to increase the prices they pay for care, including covering the costs of the National Living Wage”.
- 2.7.3 This Council, like many others, has a strong case for levying the 2% precept:
- The costs of care have gone up over the past few years and are very likely to increase again as the Government recognises;
 - The Council has reviewed its charging policy and is currently consulting on further minor changes – while the costs of care will increase the Council will be unable to recover all of the extra costs from service users who are eligible for financial support;
 - The Council has a growing elderly population and this is likely to place additional demands on social care services;
 - The Council is working with Better Care Together colleagues to assess the impact of changes to the health system on social care (para 2.4.12 gives details). As there is an aim to keep people in their own homes and out of hospital, there will inevitably be a shift from secondary to primary and social care.
- 2.7.4 The Governments own figures indicate that the Council will generate in excess of £2m over a 4-year period to contribute towards social care costs. The same principle for council tax can be applied to the social care precept. If the Council does not apply the increase year on year, General Fund balances will fall below recommended levels.
- 2.7.5 Should the Council levy the additional precept, the Section 151 Officer will be required to provide information via a national template form to demonstrate that an amount equivalent to the additional council tax has been allocated to social care.

2.8 Collection Fund – What is the estimated surplus for 2015/16?

- 2.8.1 The Council, as a billing authority, is required to keep a special fund, known as the Collection Fund. The fund is credited with the amount of Council tax it collects. Expenditure from the fund is in respect of Rutland County Council’s own demand (i.e. General Fund expenditure net of RSG and share of Business rates) and the precepts payable to the Police Authority and Fire Service.
- 2.8.2 If a surplus or deficit remains in the Collection Fund at the year-end it is subsequently distributed to, or borne by the billing authority (in this situation the Council) and the preceptors (Police and Fire Authorities). Billing authorities are required to estimate the expected Collection Fund balance for the year to 31 March in order that the sum can be taken into account by

billing authorities and preceptors in calculating the amounts of Council Tax for the coming year. The difference between the estimate at 15 January, and actual position at 31 March will be taken into account in the following financial year. The estimated financial position on the Collection Fund at 31 March 2016 is set out below:

Estimated surplus at 31 March 2016	£172,000
Share of surplus	
Rutland County Council	£148,500
Leicestershire Police Authority	£17,500
Leicestershire Fire Service	£6,000

2.8.3 The Regulations provide for the Council's share of the estimated surplus to be transferred to the General Fund in 16/17.

2.9 Parish Councils – Should the Council passport RSG to parishes?

2.9.1 In 13/14 Cabinet agreed to compensate the parish and town councils for any net loss arising from the delivery of council tax support as a discount. The amount of compensation was £38,000. This was repeated in 2014/15 and 2015/16 and the Council plans to passport the same amount in 2016/17. However, in light of the overall funding position, this will be the final year that any grant is transferred to parish councils as it is included in the RSG base but cannot be seen.

3 REVENUE BUDGET PROPOSALS

3.1 Overview – what is the overall revenue budget and how does it compare?

3.1.1 The table below show the net cost of services by Directorate in the draft budget for 16/17:

Directorate	Draft budget 2016/17 £000
People	15,777
Places	12,318
Resources	5,232
Pay Inflation Contingency	331
Contract Inflation Contingency	150
BCF Contingency	200
People First Savings	(235)
Net cost of services	£33,773

3.1.2 The movement from the approved budget for 2015/16 at Q1 (£34.386m) to the draft budget for 16/17 can be seen in Directorate appendices 3 – 5 and is summarised in broad terms below. The Q1 budget, rather than the approved budget, was selected as the start point for comparisons as it reflects both the inclusion of grants received late after the budget was approved and budget carry forwards but comparisons to the original approved budget are given later.

3.1.3 In reviewing the Directorate Budgets, readers can also refer to the functional budget monitoring workbooks available on the website that are available as part of budget monitoring for background information about services. These can be found on the following link:

http://www.rutland.gov.uk/council_and_democracy/council_budgets_and_spending/2015-16_budget_min.aspx

3.1.4 The movement between budgets can be explained as follows:

Area	Amount £000	Detail
Q1 15/16 budget	34,386	Total cost of Service budget excluding Inflation contingency and People First Savings
Reversals	(1,451)	Primarily one off budgets in 15/16 no longer needed, including budget carry forwards and use of earmarked reserves
Savings	(668)	Savings put forward by Directorates (see 3.4)
Other Savings	(354)	Other Peoples First Savings built already in the budget (see 2.4 and 3.4)
People First	(235)	Savings as yet not built into Directorate

Area	Amount £000	Detail
Savings		budgets (see 2.4)
Pressures	502	Service pressures put forward by Directorates (£232k) and one-off pressures funded from earmarked reserves of £270k
Adjustments	335	Depreciation adjustment - £42k Single Tier State Pension - £174k Pay regrades and auto enrolment in Pension scheme - £119k
Inflation	577	1% superannuation adjustment - £94k Staff Increments - £104k Non pay Inflation - £379k
Pay Inflation Contingency	331	The Council has retained its pay assumption of 2% for 16/17 and beyond and has set aside a provision for the interim cost reduction programme (see 3.5.4 to 3.5.12)
Contract Inflation Contingency	150	The Council has built in additional provision for contract inflation (see 3.5.13)
Adult Social Care Contingency	200	To cover demographic growth and any extra activity emanating from changes in healthcare system (see 2.4.17)
2016/17 budget	33,773	

3.1.5 The 16/17 budget is just 0.78% higher than on 15/16 (33,509k). The Council's 16/17 budget has had to absorb a number of additional pressures most of which are uncontrollable:

- 174k – single state pension (extra NI costs);
- 379k – non pay inflation;
- 94k – 1% superannuation adjustment;
- 200k – staff increments and regrades (not senior management related) and pension adjustment e.g. a new person in post joining pension scheme when outgoing person was not in it;
- 150k – extra contract inflation contingency; and
- 331k – pay inflation contingency – assumes 2% pay award and a provision for the interim cost reduction programme.

3.2 The budget process – how has the revenue budget been developed?

3.2.1 The starting point is the Q1 approved Budget 2015/16 which is updated for any approved changes and adjustments as reported at Q1 financial monitoring. Minor adjustments are made to individual budgets as part of the

normal annual budget process. These include changes to:

- employee costs to align budgets to known pay rates of staff in post and corresponding employer National Insurance and Superannuation contributions. The employee budgets have also been adjusted to take into account the increase in National Insurance contributions due to the introduction of the single tier state pension (see 3.5.14) and Superannuation budgets have been adjusted to reflect the impact of auto enrolment for new starters (especially where the staff leaver was not in the pension scheme). Salary costs on vacant posts have also been moved to the top of the scale;
- external funding streams resulting in adjustments to service spending levels;
- reflect use of reserves and external contributions which have been set aside for specific services;
- remove one-off budgets from 2015/16 and to reflect decisions made since the last budget setting relating to virements and budget additions;
- provide for inflation (the percentage applied depends on the type of budget);
- encompass agreed savings – details are provided in Appendix 6;
- meet service specific pressures – details are provided in Appendix 7;
- rebase budgets in line with new functional budget reporting – the functional budgets now help the Council have a better understanding of the services being provided and what is being spent on those services but the new approach also highlighted variances not previously seen as budgets are presented differently. For 16/17 budgets have been rebased. The rebasing has a 'nil' impact and should not be read as the Council disinvesting/investing in certain services.

3.2.2 There are a number of budgets where expenditure is likely to be incurred where the current budget is set as 'nil'. The reason for this is that the amount to be spent in 2016/17 will be determined by the budget unspent in 2015/16. For example, if the Digital Rutland budget of £200k is underspent by £50k, then this amount (£50k) will be carried forward and become the new budget for 2016/17. The budgets in this category include:

- Travel for Rutland;
- Tourism; and
- Planning Delivery Grant.

3.3 Priorities – how does the budget support the Council’s priorities?

3.3.1 The Council continues to focus on delivering and maintaining core services during difficult financial times whilst investing in economic growth, infrastructure and those services which support those who are vulnerable/in greatest need. Examples include:

- the continued support of the Local Council tax support scheme, the Discretionary Fund and Crisis Loans (for which Government funding has been subsumed within RSG) recognises the need to support those in greatest financial need despite reductions in government grant funding. The Council has resisted reducing the support offered to those with financial hardship recognising the wider changes taking place in the Welfare system;
- the continuation of Better Care Fund schemes in the budget in 2016/17 demonstrate the Council’s commitment to putting residents first through integrating services with health ignoring organisational boundaries. Whilst still early, the BCF schemes are working well with the number of admissions to residential care below target, the number of people still at home 91 days after receiving reablement services increasing and an overall reduction in non elective admissions to hospital;
- the proposed work programme (and savings that have been delivered to date) from the PeopleFirst review demonstrate support for the delivery of the MTFP alongside a commitment to re-engineer service provision and refocus service focus to those in greatest need;
- Oakham Enterprise Park (OEP) has over 98% of units let (in sq ft terms) and is now supporting the Councils budget whilst delivering diverse economic benefits to the people of Rutland. In 16/17 OEP makes a contribution of £171k to support the rest of the Council’s spending;
- development of our infrastructure through the ‘Digital Rutland’ project which is rolling out superfast fibre broadband across businesses and local communities. The Council has achieved c86% connectivity and is working with its partner on how to deliver the remainder.
- the Council invested £50k in school improvement last year which continues into 16/17. Analysis of school performance indicated that a sustained focus needs to be placed on improving attainment mainly at Key Stage 2 but also at Key Stage 4 to bring the county performance in line with regional and national performance, but also in terms of specific curricular developments such as primary mathematics, school leadership development including governance and continued work on safeguarding and child protection. Work undertaken in 15/16 continues this year.

3.4 Savings – what new savings are being proposed?

3.4.1 The 2016/17 budget includes:

- savings built into service budgets pre 16/17 budget process £384k; People First savings of £354k and new savings put forward £284k (see Appendix 6).
- a further savings target of £234k for PeopleFirst which was explained in 2.4.13.

3.4.2 It is considered that savings proposals do not have any significant adverse impact on Front Line services and in all cases an Equalities Impact Assessment has been considered.

3.5 Pressures – what service issues or factors are causing pressures?

3.5.1 There are various pressures reflected in the 2016/17 budget and beyond:

- Service pressures – para 3.5.2 - £502k of which £270k are one-off pressures funded from earmarked reserves;
- Pay inflation – para 3.5.4 to 3.5.12 - £331k
- Contract inflation contingency – para 3.13 - £150k
- Changes to National Insurance contributions – para 3.14 to 3.15 - £174k
- Adult Social care contingency – para 2.4.12 - £200k.

3.5.2 **Service pressures** may arise from increased demand from service users, legislative changes that place additional duties or responsibilities on the Council or from policy changes. The Council aims to contain service pressures within existing budgets where possible. In section 2, some of the areas where there are risks were discussed. Budgets have not been increased for 2016/17 for these pressures.

3.5.3 Pressures of £502k have been built into service budgets. These include pressures already built into the MTFP pre the 16/17 budget process (£339k); service pressures identified of £113k; one-off pressures funded from earmarked reserves of £270k; less pressures built into the budgets pre 2016/17 that are no longer required (£219k). Details are shown in Appendix 7.

3.5.4 The Council also includes **pay inflation** contingency in the budget on the assumption that pay increases by 2% per annum. The Council is subject to a national pay agreement but historically this contingency has been sufficient to meet costs.

3.5.5 In 2016/17, the pay contingency budget includes a provision for an interim cost reduction programme. Members are aware from our Quarterly Monitoring reports that throughout 2015/16 directorate budgets have come under pressure from the additional costs relating to the use of interim and agency staff. This is particularly the case within the People Directorate. This is not a local issue. The recruitment and retention of staff in key roles for both Adults and Children’s services has over the past 2/3 years become more and more challenging. Demand outstrips supply creating salary pressures and increasingly in order to attract good quality candidates for key roles the Council has been forced to pay market supplements.

3.5.6 The additional cost to the Council along is c£350k and shown in the table below:

	Salary savings	Interim/agency costs
Resources	437,976	336,534
Places	275,797	164,036
People	1,364,875	1,921,776
	2,078,648	2,422,347

3.5.7 The excess cost over budget has been largely covered in year by holding other posts vacant, using one off (fortuitous) sources of funding or through budget top ups. For example, in the case for the some senior management posts included within the overall costs, they were funded by a budget top up of £250k plus one senior post being held giving extra savings of £50k. These budget top ups have been removed for 2016/17 and the vacant post removed from the structure.

3.5.8 Clearly this position is not sustainable for a number of reasons:

- a) Uncertainty relating to management and service delivery is crucial in all areas to build knowledge and confidence. This is challenging where there is a high turnover of staff in key roles and stability cannot be assured when using Interims and Agency staff. Quite simply we need to be able to recruit permanent high quality staff;
- b) The temporary funding mechanism is far from ideal. Vacant posts will all be reviewed and if no longer required they will be deleted longer term. We cannot rely on one off funds to support staffing costs within the base budget;
- c) The payment of market supplements creates a situation where the Senior Managers Pay structure is out of alignment with pay differentials impacted; and

- d) The costs associated with failed recruitment exercises are significant in themselves. Some vacancies have been advertised up to 4 times each failing to attract suitable candidates.
- 3.5.9 In order to facilitate a Senior Management pay structure that addresses the issues highlighted above the Chief Executive commissioned a Job Evaluation exercise to review and recommend a pay structure that reflects the current market pressures. The Exempt Appendix (see Appendix 8) provides a comparison of the current and proposed salary ranges for all posts covered by the exercise and the projected costs associated with the proposed salary bands and the impact on our MTFP.
- 3.5.10 It is proposed that the new salary bandings are effective from 1st April 2016. In relation to the People Directorate it is also proposed that a vacancy target of £50k is included within the 2016/17 budget to allow the Director to review posts that have been held vacant funding the additional costs of Interims. A further Corporate Vacancy target of £25k will be managed in the same way by the Chief Executive across Places and Resources Directorates.
- 3.5.11 The MTFP has been adjusted for the impact of the revised pay structure. This is estimated at £80k for 2016/17 rising to £157k in 2019/20 on the assumption that there is an annual 2% pay increase which is unlikely.
- 3.5.12 The amended pay and grading structure will represent a change of terms and conditions to those staff within scope – however, no employee will suffer a detriment as a result of this process. The Council is therefore required to undertake consultation with Unison and the individuals affected in order to achieve an acceptance to a variation of contract. Preliminary discussions have taken place and will be formalised following approval of this paper.
- 3.5.13 The budget also includes £150k to cover **contract inflation** contingency. This represents an amount set aside to cover above inflation rises should they materialise on key contract, supplies etc. It is important to note that inflation is not included automatically on all items so this contingency provides some cover in the event of pressures from suppliers passing on the cost of the living wage, pension changes etc.
- 3.5.14 State pension contracted out arrangements will end from April 2016. What this means for individuals is that currently employees who are paying into a contracted out occupational pension scheme do not receive the state second Pension and pay a lower rate of **National Insurance Contributions (NICs)**, along with their employers. With the end of this practice and the introduction of the single tier state pension, Local Government Pension Scheme (LGPS) employers and their pension scheme members will see their NICs go up in April 2016, whilst their occupational pension contributions will remain the same.
- 3.5.15 The Council will in effect lose a 3.4% rebate which is calculated on the eligible salary costs. The total cost to the Council in 2016/17 is £174k.

3.6 Earmarked Reserves – how will they be used?

3.6.1 Earmarked reserves are used as a means of building up funds to meet known or predicted liabilities. Their establishment and use is subject to Council approval and movements are reported as part of the quarterly financial monitoring reports.

3.6.2 The balances held in Earmarked Reserves at 1st April 2015 and estimated balances as at March 2016 (as estimated at Q2) are shown below and total c£2.8m (ring fenced balances such as Public Health and s106 are excluded because the Council cannot choose to change the intended use of such reserves).

3.6.3 The table below shows whether reserves are still required and whether there are spending plans in place for 2016/17 and beyond.

	Balance at 01 April 2015	Balance at 31 March 2016	Required?	To be used in 2016/17 and beyond?
Reserve (ceiling)	£000	£000		
Invest to Save (£500k)	357	417	Yes	Yes
Invest to Save Reserve is used to fund investment projects, costs of restructuring and other one-off projects that will yield economic or efficiency gains in future years. It has been used and will continue to be used.				
Planning Delivery Grant (current balance)	74	39	Yes	Yes
Reserve held to support continued development of Local Planning Framework				
Internal Audit (unlimited)	5	5	Yes	Yes
Reserve held to support shared Welland Internal Audit service. It can be used to support additional support costs if needed.				
Welfare Reserve (£150k)	130	143	Yes	Yes
The Welfare Reserve combines the under spend on the Discretionary Fund, Crisis Loans and unused grant given by Government to fund welfare reform administration. Funds can also be used to support any changes to Local Council Tax support in the future.				
Training (£80k)	80	80	Yes	Yes
Created from underspends on the training budget and investment in a leadership				

	Balance at 01 April 2015	Balance at 31 March 2016	Required?	To be used in 2016/17 and beyond?
programme for senior managers and customer service is a priority for 2016/17.				
Highways (£300k)	297	254	Yes	Yes
The Highways reserve combines external funding received from Government for Sustainable Drainage Schemes (which is partly on hold); S38 Income being matched to expenditure over the next few years; and the Winter Maintenance reserve to be utilised as necessary to cover periods of extreme weather conditions.				
NNDR (unlimited)	287	0	Maybe	Maybe
The Council is allowed to retain a proportion of NNDR income based on the amount it might collect in any given year with the remainder paid to Government. Any amounts in this reserve reflect receipts received in excess of the agreed amount and must be paid over to Government.				
Tourism (limited to available funding)	68	52	Yes	Yes
Continued funding of tourism initiatives from Anglian Water funding.				
Adoption Reform Grant (£57k)	57	57	Yes	Yes
The Adoption Reform Grant has been given to local authorities to: a) introduce structural reform of adopter recruitment to increase the supply of adopters; and, b) reduce the backlog of children waiting for adoption, particularly by developing innovative ways of finding adoptive families for children who traditionally wait longer than average to be adopted.				
SEN Grant (£grant received)	170	107	Yes	Yes
The SEN reform Grant is required to complete the transfer of Statements of SEN to Education, Health & Care Plans (EHCP) as defined by the Children & Families Act 2014.				
Travel4Rutland (current balance)	50	50	Yes	Yes
This is the revenue generated by the ShoreLink and WorkLink services during the				

	Balance at 01 April 2015	Balance at 31 March 2016	Required?	To be used in 2016/17 and beyond?
first 18 months of operations.				
SEND Grant (current balance)	104	104	Yes	Yes
This is an additional grant covering the same as SEN Reform Grant for disabled children.				
Insurance and Legal (£200k)	100	100	Yes	Yes
A new reserve set up to meet any additional costs from claims, appeals or other legal claims. Legal costs associated with the Oakham North Development will be funded from this reserve.				
Digital Rutland (£current balance)	292	339	Yes	Yes
As agreed by Cabinet, amount set aside for completion of Digital Rutland works, a substantial amount is to be used in 16/17.				
Social Care (£750k)	999	462	Yes	Yes
The remit of this reserve is to provide additional funds as and when required for care packages and other exceptional costs arising from the Council's safeguarding and care work. There are risks on the horizon arising from changes in the health sector, the Care Act and demographic pressures. It will be used in 16/17 to fund external support to help try and reduce placement costs.				
Other Reserves	450	206	No	No
'Other' Reserves includes those set up for Budget Carry Forwards which have now been used or are no longer required. The residual amount will be transferred to General Fund Reserves.				
Earmarked reserves total sub total	3,520	2,415		
Public Health (unlimited)	559	359	Yes	Yes
Ring fenced reserve which must be spent on public health objectives				
Total	4,079	2,774		

3.6.4 The MTFP currently shows transfers from reserves of £543k for 2016/17 which consist of:

- £60k from the Adult Social Care Reserve to fund external support to help reduce placement costs;
- £210k use of Public Health Reserve to fund Oral Hygiene programme and support the People First programme;
- £180k use of Digital Rutland Reserve to fund Capital expenditure;
- £20k use of s38 Highways income as part of 5 year funding programme;
- £25k from SEN reform grant reserve to continue to fund fixed term post as approved in 2015/16;
- £14k use of tourism reserve;
- £25k use of welfare reserve fund for continued to support to those in financial crisis;
- £9k from the Adult Social Care reserve to fund ongoing maintenance of web based system as approved in 2015/16

3.6.5 A further £36k will be used from Commuted Sum reserves to fund revenue expenditure.

4 CAPITAL PROGRAMME

4.1 Overall Programme – what does the overall programme look like?

4.1.1 The Capital Programme is developed around specific projects. The programme comprises three strands:

- Capital projects already approved that will span across more than one financial year. Any projects already approved which are not yet completed will continue into 16/17;
- New projects to be approved; and
- Funding set aside for specific areas/projects – in these areas detailed plans will be brought forward in due course.

4.1.2 The table below is an update of that reported in Report 206/2015 Q2 finance report where details of all schemes can be found. Further detail can be seen in Appendix 10.

Portfolio	Project Budget £000	Project Forecast £000	Spend to Date £000	Budget 2015/16 £000	Budget 2016/17 £000	Budget 17/18 to 20/11 £000
Approved Projects						
People	1,841	1,830	653	929	205	704
Places	16,365	16,371	9,018	7,418	1,564	0
Resources	0	0	0	0	0	0
Total Approved	18,206	18,201	9,671	8,347	1,769	704
Uncommitted Projects						
People	4,851	4,851	0	0	3,491	1,360
Places	11,213	11,213	0	0	2,707	8,133
Resources	0	0	0	0	0	0
Other	3,370	3,370	0	0	3,370	1,653
Total Uncommitted	19,434	19,434	0	0	9,568	11,146
Total Capital Programme	37,640	37,635	9,671	8,347	11,337	11,850
				Budget 2015/16 £000	Budget 2016/17 £000	Budget 17/18 to 20/11 £000
Financed By						
Grant Funding				(6,732)	(6,525)	(10,081)
Section 106				(681)	(1,477)	(116)
Prudential Borrowing				(257)	(1,204)	0
Usable Capital Receipts Reserve				0	0	0
Revenue Contribution to Capital Outlay (RCCO)				(521)	(180)	0
Oakham North Agreement				(156)	(1,951)	(1,653)
Total Financing				(8,347)	(11,337)	(11,850)

4.2 Changes – what approved projects continue or stop in 2016/17?

4.2.1 A number of 2015/16 capital programmes are expected to complete by 31st March 2016. It is likely that the following projects will be completing in 2015/16 and therefore not request a carry forward into 2016/17.

- Autism Innovation – Rutland County Council received funding of £18.5k to improve local autism services and increase awareness within Rutland in March 2015. This project has already completed with works undertaken at Libraries, Museum and Rutland Adult Learning Service (Oakham Enterprise Park).
- Special Guardianship Order – The capital project was a contribution to a house extension for special guardianship carers. The three children had been discharged from the care of Rutland County Council. The work to the extension is expected to complete by March 2016.
- Oakham Enterprise Park – Phase 1 of the Oakham Enterprise Park was completed mid 2015/16. Further capital funding may be requested to develop the site further in due course.
- Active Rutland Hub – The final grant claim was submitted to Sports England in May 2015, a retention of £7.5k will be received within 12 months of the completion date (May 2016).
- Rutland Museum – The capital project was to install a new boiler at the museum which was completed in November 2015.
- Replacement CCTV – the replacement of the CCTV system with new high definition units in Oakham and Uppingham town centres is expected to be completed by March 2016.

4.2.2 Some of the capital projects will span across more than one financial year. Any projects already approved which are not yet completed will continue into 16/17. The estimated spend in 16/17 will depend primarily on the outturn (the amount spent) for 15/16. The following capital projects are expected to request a carry forward budget to 2016/17 or use allocations received in 2016/17.

- Disabled Facilities Grant – The funding is to help disabled residents remain in their home by providing equipment and adaptations based on individual needs. The process can often take many months to complete.
- Adult Social Care System Replacement – The replacement of the social care case management system for adults is expected to be completed early 2016/17.
- Capital Allocation Project Board (CAPB) – Report numbers 82/2015 and 81/2015 have been approved by Cabinet covering a number of schemes on schools within the County. Some of the projects have

been delayed and it is expected that a carry forward will be required for the completion of the schemes.

- Highways Maintenance – The programme of works for 2015/16 (Report 154/2015) is primarily for improvements, such as new roads, or redesign such as additional lanes, new traffic information and control systems or structural renewal. The 2015/16 capital programme was not approved until October 2015 and therefore a carry forward is likely to be requested.
- Sports Grant - Bids for the Section 106 sport, leisure and recreation funding can be made for capital spend of open space for play, pitches, sports buildings, village/community halls, scout huts, art facilities etc. The capital programme has been allocated a maximum of £500k for the project. Any under spends could be carried forward into future years.
- Oakham Castle Restoration – The restoration for Oakham Castle is expected to be completed by April 2016. The Oakham Castle restoration is predominantly funded by Heritage Lottery with the remainder funded by revenue contributions and Section 106.

4.3 Funding set aside – what funding is set aside for future projects?

4.3.1 The Council holds funding pending further reports to Cabinet / Council to get formal approval for the use of these funds including:

- Education Grants - Already holding (£1.927m) - This grant is being held to fund any projects coming forward to deal with the increase in demand for school places. Further expected grant funding is £1.273m for 16/17 and £1.360m for 17/18.
- Highway Grants - Already holding (£501k) - This grant is being held to fund future highways projects. Further expected grant funding is £2.206m for 16/17, £2.154m for 17/18 and £1.993m 18/19 – 20/21. The figures are indicative figures issued in 2015/16.

4.4 Funding Available – what other funding is held and available for use?

- Adult Social Care Grants (£291k);
- S106 – (£1.419m) representing the current holding balance. Projects will be developed to deal with infrastructure demands from new/existing developments.

Oakham North Agreement - £1.951m representing the current holding balance and £1.654m due to be received over the next 3 years. The Council has some flexibility on how this funding is used to support the development.

4.5 New projects – what new projects are being submitted for approval?

- 4.5.1 Any new projects or schemes are approved by Cabinet or Council depending on the size of the project. Approval is required for the new 2016/17 capital programme for the procurement and installation of solar photovoltaic panels at Oakham Enterprise Park (£100k). The objective of the project is to generate both financial and energy savings by driving down the cost of electricity consumed on site. Further details for this project can be found in Appendix 11.

5 TREASURY MANAGEMENT

5.1 Prudential indicators – what prudential indicators will we adhere to?

5.1.1 Local authority capital expenditure is based on a system of self-regulation, based upon a code of practice (the “prudential code”).

5.1.2 Council complies with the code of practice, which requires us to agree a set of indicators to demonstrate that any borrowing is affordable, sustainable and prudent. To comply with the code, the Council must approve the indicators at the same time as it agrees the budget. The indicators including the limit on total borrowing (currently set at £28m) are approved through the Treasury Management Strategy, taken separately to this report.

5.2 MRP – How will we calculate the Minimum Revenue Provision?

5.2.1 By law, the Council is required to charge to its budget each year an amount for the repayment of debt. This is known as “minimum revenue provision” (MRP). The purpose of this section of the report is to propose a policy in respect of calculating MRP.

5.2.2 CLG Guidance issued requires full Council to approve an MRP Statement in advance of each year. Council will be asked to approve the MRP Statement as part of the Treasury Management Strategy.

6 SCHOOL FUNDING

6.1 Overview – How are schools funded?

6.1.1 Schools are funded from ring fenced grants, the most notable of which is the Dedicated Schools Grant (DSG). This funding cannot be used for any other Council function, and essentially schools operate within their own fund with any under or over expenditures being taken forward into future years. DSG can be divided into three main areas:

- Schools block - approximately £22.0m for Rutland County Council which essentially funds schools' budgets. This includes approximately £18.8m for academies which is determined by the local Schools Forum and Council but paid to the Education Funding Agency (EFA).
- High Needs block - approximately £4m which primarily supports Special Educational Needs expenditure including maintained special schools.
- Early Years block - approximately £1.4m, which funds educational provision for 2 to 4 year olds in both Local Education Authority (LEA) Schools and Private, Voluntary and Independent (PVI) settings.

6.1.2 Locally, the Schools Forum, which comprises of representatives from Early Years Settings, Primary, Secondary and Special Schools, will make recommendations to the Council on how much funding should be allocated to the three blocks and also the formula that should be used to distribute monies to individual schools and Early Years Settings.

6.1.3 Schools are protected by a nationally set Minimum Funding Guarantee (MFG). This is set at -1.5% per pupil for 2016/17. This means that a school's budget cannot fall by more than 1.5% per pupil from the previous year, regardless of any formula changes that are made.

6.1.4 Schools have reserves they can call on, and the Council will work closely with any maintained school that is experiencing financial difficulty to draw up a recovery plan. Short term loans are available based upon a balanced recovery plan.

6.1.5 The Government has announced that the future of schools funding is set to change. The Government will introduce a national funding formula for schools, high needs and early years. The new formulae will be implemented from 2017/18 and is expected to be fairer so that pupils with similar needs will receive the same funding irrespective of where they live.

6.1.6 At the same time, the Government will be reviewing the statutory responsibilities of local authorities as part of its next step of ending local authorities' role in running schools and all schools becoming an academy. To this end, the Education Services grant which contributes towards funding the Council' statutory responsibility is also reducing.

6.1.7 The Council's priority for 16/17 is therefore to continue to embed the work it is doing on school improvement and to respond to the school funding consultation taking the opportunity to influence how the future arrangements might look.

6.2 Allocations – What funding is received and how is it allocated?

DSG

6.2.1 The DSG is apportioned between authorities largely based on pupil numbers and a set fee per pupil which was adjusted last year to take into account the fact that some authorities have in the past been unfairly funded, of which Rutland was one of them. The Department for Education (DfE) have published the final grant allocations for 2016/17 based on the schools census data for October 2015. The allocations for the Schools and Early Years blocks have remained at the same per pupil funding level as for 2015/16 with only the number of pupils recorded on the census impacting on the funding.

6.2.2 For Early Years, the pupil numbers have remained static and therefore the funding has remained at £1.4m. Schools Forum has agreed to fund from the Schools Block and increase in hourly rate for the Early Years settings from £4.20 per hour to £4.60 per hour. This will require a transfer of funding amounting to £117k from the schools block.

6.2.3 For the Schools block, the pupil numbers have increased by 84 pupils since the previous October census and this has led to an increase in total block allocation to £22.4m. After the transfer of funding to the Early Years Block, it will leave £22.3m to be allocated to the schools via the updated funding formula.

Pupil Premium Grant (PPG)

6.2.4 The DfE have announced that the level of Pupil Premiums for 2016/17 will remain the same as for 2015/16, as follows:

- Primary disadvantaged pupil Premium is £1,320 per pupil;
- Secondary disadvantaged pupil premium is £935 per pupil;
- Looked after children pupil premium is £1,900 per pupil;
- children no longer looked after due to adoption, special guardianship order etc is £1,900 per pupil; and
- Service children pupil premium is £300 per pupil.

Universal Infant Free School Meals (UIFSM)

6.2.5 From September 2014 every infant (key stage1) pupil is entitled to a free school meal. This is funded by an additional specific grant amounting to £2.30 per pupil. The funding for 2016/17 is yet to be announced.

7 CONSULTATION

7.1 Consultation – how will we consult and when?

7.1.1 The Council has a statutory duty to consult on its budget proposals with representatives of non-domestic ratepayers and local persons.

7.1.2 It is proposed that consultation for 16/17 includes:

- consideration by each of the Scrutiny Panels at special meetings in January 2016;
- a meeting with representatives of the local business community in February 2016;
- a presentation of the budget to the Parish Council Forum on 28th January 2016; and
- consultation online, static displays at libraries and publicity through the local print and broadcast media.

7.1.3 As part of consultation and in order to support the Council's corporate savings work, Cabinet is seeking to agree with Scrutiny Panels any areas where they may wish to take a 'deep dive' into particular budgets.

7.1.4 The outcome of the consultation will be reported to Cabinet on 9th February 2016 or Council on 22nd February depending on the timing of events to enable it to consider the views expressed when making its recommendation to Council on the budget.

7.2 Consultation – what key questions will we ask?

7.2.1 In order to encourage a high level of response to the consultation it is suggested that one open question below is asked giving the opportunity for respondents to add their own views on any issues of particular interest to them.

Have you any comments or suggestions about the Council's draft budget proposals?
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8 STATUTORY AND CONSTITUTIONAL REQUIREMENTS

8.1 Constitutional and statutory requirements – will we meet them?

8.1.1 In setting a budget and level of council tax, the Council has to meet a number of statutory requirements and also ensure compliance with its constitution. The table below sets out how the Council intends to meet those requirements.

Requirement	Status
<i>Statutory requirements under Local Government Finance Act 1992:</i>	
To levy and collect council tax	To be reported to Council 22/02/2016
To calculate budget requirements and levels of council tax	To be reported to Council 22/02/2016
To consult representatives of persons subject to non-domestic rates about proposals for expenditure	Discussed in Section 7 of this paper.
To approve the budget and set Council Tax by 11th March in each year	To be approved at Council 22/02/2016
<i>Statutory requirements under Local</i>	
Under section 25 of the Local Government Act 2003 the Section 151 Officer is required to report to the Council on the robustness of the estimates made for the purpose of setting the Council Tax and the adequacy of the proposed financial reserves.	Within this report
<i>Statutory requirements under Local Government Act 1999:</i>	
To consider, as a matter of course, the possibilities for provision of information to, consultation with and involvement of representatives of local persons across all authority functions.	Discussed in Section 7 of this paper

Requirement	Status
<i>Requirements under constitution:</i>	
Cabinet to recommend the budget to the Council	Draft to Cabinet will be presented 9/02/2016
Council to approve the budget and set Council Tax	To be approved at Council 22/02/2016
The Chief Finance Officer shall report to Cabinet for consideration not later than 31st December in each year on draft budgets for the following financial year to be subject to consultation	The draft budget has been pushed back to January 2016 with the agreement of Cabinet as the local government settlement was not received until 17 th December leaving no time for that to be processed and the draft budget produced and presented pre the end of December.
After the completion of the consultation period the Chief Finance Officer shall report for consideration by Cabinet not later than 28th February in each year on draft budgets for approval by the Council.	To be approved at Council 22/02/2016

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available on request**



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Medium Term Financial Plan for Budget Setting									
Ref		2014/15 Q4 Outturn £	2015/16 Approved £	2015/16 Q2 Forecast £	2016/17 Proposed £	2017/18 Proposed £	2018/19 Proposed £	2019/20 Proposed £	2020/21 Proposed £
1	People	14,173,000	15,651,300	15,634,100	15,777,100	16,036,200	16,595,400	16,904,100	17,315,700
1	Places	11,620,000	12,368,500	12,155,800	12,318,200	12,539,400	12,791,500	13,073,000	13,345,400
1	Resources	4,895,000	5,713,800	5,445,500	5,231,700	5,390,400	5,501,000	5,613,200	5,717,400
4	Pay Inflation Contingency	0	0	0	330,700	707,800	1,116,700	1,547,800	1,990,800
5	Contract Inflation				150,000	153,000	156,100	159,200	162,400
	Fire Authority Support		75,000	0	0	0	0	0	0
6	Adult Social Care Pressures			200,000	200,000	200,000	200,000	200,000	200,000
	People First Savings		(300,000)	0	(234,800)	(774,800)	(874,800)	(874,800)	(874,800)
	Net Cost of Services	30,688,000	33,508,600	33,435,400	33,772,900	34,252,000	35,485,900	36,622,500	37,856,900
7	Capital Financing	2,141,000	2,019,821	1,897,263	1,930,601	1,905,715	1,881,825	1,858,890	1,912,184
8	Interest Receivable	(154,000)	(116,000)	(225,000)	(213,000)	(299,000)	(314,000)	(338,000)	(282,000)
	Net spending	32,675,000	35,412,421	35,107,663	35,490,501	35,858,715	37,053,725	38,143,390	39,487,084
	<u>Resources</u>								
15	Education Services Grant	(1,594,000)	(331,200)	(560,100)	(154,200)	(101,800)	(50,900)	0	0
13	New Homes Bonus	(538,000)	(808,638)	(808,606)	(1,230,055)	(1,295,755)	(1,529,255)	(1,520,217)	(1,341,100)
17	Better Care Fund	(814,000)	(2,046,000)	(2,046,000)	(2,046,000)	(2,046,000)	(2,046,000)	(2,046,000)	(2,046,000)
14	Social Care In Prisons		(294,198)	(294,198)	(70,138)	(70,138)	(70,138)	(70,138)	(70,138)
16	Rural Delivey Grant				(162,366)	(366,634)	(523,763)	(680,891)	(680,891)
	Council tax freeze grant	(217,000)	(219,200)	(218,634)	0	0	0	0	0
9	Revenue Support Grant	(5,080,000)	(4,060,409)	(4,060,409)	(2,353,919)	(944,527)	(270,646)	0	0
10	Retained Business Rates Funding	(4,070,000)	(4,250,600)	(4,250,600)	(4,250,800)	(4,374,100)	(4,287,200)	(4,085,000)	(4,215,800)
12	Council Tax	(20,464,000)	(20,685,300)	(20,685,300)	(21,504,800)	(22,234,200)	(22,907,000)	(23,572,400)	(24,255,200)
11	Adult Social Care Precept				(421,700)	(857,600)	(1,306,800)	(1,769,000)	(2,244,600)
21	Collection fund surplus	(495,000)			(148,000)	0	0	0	0
22	Capital met from Direct Revenue	46,000	880,000	520,000	180,000	0	0	0	0
20	Transfers to/from earmarked reserves	821,000	(1,166,984)	(1,263,000)	(578,500)	(124,800)	(124,800)	(78,600)	(78,600)
	Appropriations	(1,883,000)	(1,854,900)	(1,854,900)	(1,897,000)	(1,897,000)	(1,897,000)	(1,897,000)	(1,897,000)
	(Surplus)/Deficit for year	(1,613,000)	574,992	(414,084)	853,023	1,546,162	2,040,223	2,424,144	2,657,755
	Balance brought forward	(8,062,000)	(9,226,600)	(9,675,000)	(10,089,084)	(9,236,061)	(7,689,900)	(5,649,676)	(3,225,532)
	Balance Before New Homes Bonus	(9,675,000)	(8,651,608)	(10,089,084)	(9,236,061)	(7,689,900)	(5,649,676)	(3,225,532)	(567,777)
	New Homes Bonus (2 Years at Risk)					(251,900)	(265,900)	(425,138)	(705,655)
	Balance carried forward with NHB	(9,675,000)	(8,651,608)	(10,089,084)	(9,236,061)	(7,941,800)	(6,167,476)	(4,168,470)	(2,216,369)

The MTFP assumptions

The MTFP shows spending plans and funding position for the next 4 years.

Ref	Expenditure /Funding	Assumptions/Commentary
1	Directorate Costs	<p>Directorate costs for 2017/18 assume 2016/17 as a starting point and build in inflation and any changes to National Insurance contributions.</p> <p>Inflation is built into the MTFP to cover potential cost increases. The level of inflation ranges from 8% for fuel (gas, electric etc.) to 2% for general inflation (supplies and services).</p>
2	Pension contributions	The Council's contribution rate to the Local Government Pension Scheme (LGPS) is expected to increase by approximately 1% per annum. The following rates are built in to the MTFP 20.7% 2015/16, 21.7% 16/17, 22.7% 17/18 23.7% 18/19 and 24.7% 19/20
3	Apprenticeship Levy	As part of the Comprehensive Spending Review (CSR) the government announce the introduction of the apprenticeship levy at % of the total pay budget. An appropriate amount, £54k, has been built into the MTFP from 17/18 and beyond.
4	Pay Inflation Contingency	Council assumes pay inflation will be 2% pa.
5	Contract inflation	This is an amount set aside to cover above inflation rises should they materialise on key contract, pay, supplies etc.
6	Adult Social Care pressures	This is set aside to cover demographic and demand pressures on Adult and Social Care. Rather than increase individual budgets the Council will hold a contingency and allocate it when it knows where the demand pressure is e.g. home care, residential care etc
7	Capital financing	<p>The capital financing charges are made up of 2 amounts;</p> <ul style="list-style-type: none"> • Interest Payable – this is fixed over the life of the MTFP at c£1m per annum. This is all payable to the Public Works Loan Board (PWLB) • Minimum Revenue Provision (MRP) - An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.
8	Interest	This represents the amount the Council expects to earn from investing cash balances held.

Ref	Expenditure /Funding	Assumptions/Commentary
9	RSG	Quarter 2 assumptions replaced with the 4-year settlement 'offer' figures. The MTFP assumes that RSG reduces to £0 by 2019/20.
10	Business rates	<p>The amount to be retained under "Business Rates Retention" (BRR) scheme has been updated in line with the current year forecast, a view about growth for 16/17 and the baseline and tariff figures given by Government.</p> <p>The Council has seen little growth this year and it is not envisaged that this will have a material change on NNDR yield given likelihood of appeals and increased level of reliefs. The Council's NNDR1 return will not be completed until late January (when the form is issued) so all NNDR figures are provisional.</p> <p>A 5% increase in growth would yield approx. £300k for the Council. Conversely, the Council could lose up to £350k before the Government provides safety net funding. The potential loss of income through appeals remains a risk and could have a significant impact on business rates revenue.</p>
11	Social care precept	The MTFP contains an additional social care precept on council tax built in at 2% to deal with the rising costs of social costs care.
12	Council tax	<p>Tax rises built in at 1.99%. The tax base continues to increase with housing growth and over the next 4 years it is assumed that the number of Band D equivalents will increase by c80-90.</p> <p>An increase in local council tax support claims could dampen this growth but in 15/16 the number of claimants has reduced.</p>
13	New Homes Bonus	<p>The MTFP uses projections from Planning on new homes and damping of 10%.</p> <p>The NHB scheme is under review. The MTFP assumes NHB payments will be received for 4 years starting from 2017/18.</p>
14	Social Care in prisons	The only Care Act funding not part of RSG is the funding for social care in prisons which is funded by a Department of Health grant.
15	Education Services Grant	The ESG allocation is £154k in 16/17 but is assumed to go to £0 by 19/20.
16	Rural Delivery Grant	The MTFP builds in grant as per the Government 4-year offer.
17	Better Care Fund	The Better Care Fund (BCF) allocations are built in based on 2015/16 figures as the settlement indicated that no further BCF

Ref	Expenditure /Funding	Assumptions/Commentary
		will be given to Rutland
18	Non-ring fenced grants	<p>The only non-ring fenced grant included within the MTFP is the ESG grant (see row 14).</p> <p>The council generally receives additional grants during the year and these will be reported as the council is notified e.g. Small Business Rates Relief Cap.</p>
19	Ring fenced grants	These grants are included within cost centres and not shown with other funding streams. The biggest ring fenced grant is for Public Health. Grant level is based on 15/16 allocation.
20	Earmarked Reserves	The Council earmarked reserves set aside for specific purposes. Where these are planned to be used the spending has been included within the relevant Directorate costs and the total funding used is shown as a Transfer from earmarked reserves in the MTFP.
21	Collection Fund Surplus	<p>The Collection Fund is the collective name for the financial management of the collection of Business Rates and Council Tax.</p> <p>If a surplus or deficit remains in the Collection Fund at the year-end it is subsequently distributed to, or borne by the billing authority (in this situation the Council) and the preceptors (Police and Fire Authorities). Billing authorities are required to estimate the expected Collection Fund balance for the year to 31 March in order that the sum can be taken into account by billing authorities and preceptors in calculating the amounts of Council Tax for the coming year. The difference between the estimate at 15 January, and actual position at 31 March will be taken into account in the following financial year.</p>
22	Capital met from Direct Revenue	<p>This represents the amount of revenue expenditure that is funding capital projects.</p> <p>In 2016/17 the £180k represents the funding for Digital Rutland which is being met from an Earmarked Reserve (see reference 20 above).</p>

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments £	Savings £	Pressures £	Inflation £	2016/17 Budget £	Increase / (Decrease) £
4489	BCF: Assistive Technology	98,000	0	0	0	0	0	0	98,000	0
4494	BCF: Crisis Response	450,000	0	7,800	0	0	0	0	457,800	7,800
4510	BCF: Integrated Hub 15/17	405,000	0	0	0	0	0	0	405,000	0
4512	BCF: Hospital Discharges	50,000	0	0	0	0	0	0	50,000	0
4505	BCF: Reablement	536,000	0	0	0	0	0	0	536,000	0
4509	BCF: Falls	84,000	0	0	0	0	0	0	84,000	0
	BCF Supporting Independence	1,623,000	0	7,800	0	0	0	0	1,630,800	7,800
	BCF Adult Social Care									
4511	BCF: Care Act Enablers	34,000	0	0	0	0	0	0	34,000	0
4498	BCF: Dementia Services	100,000	0	0	0	0	0	0	100,000	0
5609	Joint Integrated Care Project	39,000	0	(7,800)	0	0	0	0	31,200	(7,800)
	BCF Adult Social Care	173,000	0	(7,800)	0	0	0	0	165,200	(7,800)
	Non BCF Care Bill Transformation Programme									
4500	Transformation Team	160,600	(160,600)	0	0	0	0	0	0	(160,600)
4501	Care Act (ASC New Burdens)	60,200	(60,200)	0	0	0	0	0	0	(60,200)
	Non BCF Care Bill Transformation Programme	220,800	(220,800)	0	0	0	0	0	0	(220,800)
	Non BCF Contract & Procurement									
4119	Local Involvement Networks	69,600	0	0	0	0	0	1,400	71,000	1,400
4503	Better Care Together Programme	14,000	0	0	0	0	0	0	14,000	0
4703	Contracts and Procurement	290,600	(36,500)	(49,700)	3,400	0	60,000	4,100	271,900	(18,700)
4670	Voluntary Sector Grants	267,700	0	0	0	(24,100)	0	0	243,600	(24,100)
	Non BCF Contract & Procurement	641,900	(36,500)	(49,700)	3,400	(24,100)	60,000	5,500	600,500	(41,400)
	ASC - Community Inclusion									
4442	ASC Community Inclusion - Community Support Service	382,400	0	0	(3,500)	0	0	5,400	384,300	1,900
5604	Community Support - Learning Disability Management	50,500	0	(50,500)	0	0	0	0	0	(50,500)
4460	ASC Community Inclusion - Day Opportunities Services	282,100	0	(27,500)	(6,000)	0	0	7,200	255,800	(26,300)
4470	Inclusion Development	38,000	0	(38,100)	700	(1,400)	0	800	0	(38,000)
4480	Advocacy Contract	8,400	0	0	0	0	0	200	8,600	200
	ASC - Community Inclusion	761,400	0	(116,100)	(8,800)	(1,400)	0	13,600	648,700	(112,700)
	ASC Prevention and Safeguarding									
4108	Direct Payments - Carer Support	231,500	0	(6,000)	0	0	(40,000)	0	185,500	(46,000)
4130	Homecare - Carers Support	18,400	0	0	0	0	0	400	18,800	400
4135	Carers Support Income	(20,500)	0	0	0	0	0	0	(20,500)	0
4136	Respite - Mental Health	10,500	0	0	0	0	0	200	10,700	200
4137	Respite - Older People	24,700	0	0	0	0	0	500	25,200	500
4138	Respite - Physical Disabilities	0	0	0	0	0	0	0	0	0
4138	Respite - Physical Disabilities	7,900	0	(7,900)	0	0	0	0	0	(7,900)
4140	Other - Mental Health	8,500	0	0	0	0	0	0	8,500	0
4371	Prison Assessments	68,000	0	(28,000)	0	0	0	1,400	41,400	(26,600)
	ASC Prevention and Safeguarding	349,000	0	(41,900)	0	0	(40,000)	2,500	269,600	(79,400)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments £	Savings £	Pressures £	Inflation £	2016/17 Budget £	Increase / (Decrease) £
	ASC Prevention and Safeguarding - Staffing									
5857	ASC Prevention and Safeguarding - Staffing	0	0	459,500	2,600	0	9,500	0	471,600	471,600
4263	Disabilities Staffing	236,000	0	(241,500)	3,100	(1,400)	0	3,800	0	(236,000)
5603	Disabilities Management	116,700	0	(116,700)	0	0	0	0	0	(116,700)
	ASC Prevention and Safeguarding - Staffing	352,700	0	101,300	5,700	(1,400)	9,500	3,800	471,600	118,900
	ASC Support and Review - Daycare									
4282	Daycare - Older People	101,300	0	(24,400)	0	0	0	3,000	79,900	(21,400)
4283	Daycare - Physical Disabilities	3,500	0	14,300	0	0	0	500	18,300	14,800
4284	Daycare - Learning Disabilities	67,200	0	11,500	0	0	0	2,400	81,100	13,900
	ASC Support and Review - Daycare	172,000	0	1,400	0	0	0	5,900	179,300	7,300
	ASC Support and Review - Direct Payments									
4295	Direct Payments - Mental Health	25,600	0	(3,000)	0	0	0	0	22,600	(3,000)
4296	Direct Payments - Older People	271,000	0	(127,000)	0	0	0	0	144,000	(127,000)
4297	Direct Payments - Physical Disabilities	361,700	0	15,000	0	0	0	0	376,700	15,000
4298	Direct Payments - Learning Disabilities	190,100	0	0	0	0	50,000	0	240,100	50,000
4299	Direct Payments Income	(150,500)	0	(101,300)	0	0	0	0	(251,800)	(101,300)
75	ASC Support and Review - Direct Payments	697,900	0	(216,300)	0	0	50,000	0	531,600	(166,300)
	ASC Support and Review - Homecare									
4286	Homecare - Mental Health	33,200	0	0	0	0	0	700	33,900	700
4287	Homecare - Older People	612,400	0	99,000	0	0	60,000	14,200	785,600	173,200
4288	Homecare - Physical Disabilities	470,200	0	15,000	0	0	0	9,700	494,900	24,700
4289	Homecare - Learning Disabilities	154,100	0	34,500	0	0	0	3,800	192,400	38,300
4290	Homecare Income	(209,600)	0	(30,100)	0	0	0	0	(239,700)	(30,100)
4553	Homecare - Fairer Charging Income	(335,100)	0	75,000	0	0	0	0	(260,100)	75,000
	ASC Support and Review - Homecare	725,200	0	193,400	0	0	60,000	28,400	1,007,000	281,800
	ASC Support and Review - Other									
4258	Adult Social Care Contracts	118,500	0	24,400	0	(66,800)	0	0	76,100	(42,400)
	Dilnot Contingency	0	0	0	0	0	0	0	0	0
4262	Disabilities Contracts	107,900	0	0	0	0	0	2,200	110,100	2,200
4495	Deprivation of Liberty Safeguards	25,300	0	0	0	0	112,600	500	138,400	113,100
5608	Adult Social Care Management	49,100	0	(49,100)	0	0	0	0	0	(49,100)
4107	Support and Review - Capital Charges	3,800	0	0	0	0	0	0	3,800	0
5431	Transitions	5,000	0	0	0	0	0	0	5,000	0
4506	HSC Protocol	17,000	0	0	0	0	0	0	17,000	0
	ASC Support and Review - Other	326,600	0	(24,700)	0	(66,800)	112,600	2,700	350,400	23,800
	ASC Support and Review - Residential and Nursing									
4259	Residential - Older People	2,483,200	0	(25,000)	0	0	0	74,500	2,532,700	49,500
4260	Residential - Learning Disabilities	1,518,000	0	(38,600)	0	0	0	44,800	1,524,200	6,200
4280	Residential Income	(1,450,000)	0	131,400	0	0	0	0	(1,318,600)	131,400
4370	Residential - Physical Disabilities	89,800	0	(56,800)	0	0	0	1,000	34,000	(55,800)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments £	Savings £	Pressures £	Inflation £	2016/17 Budget £	Increase / (Decrease) £
5602	11-19 Early Intervention, CAF & Changing Lives Manage	50,800	0	(50,800)	0	0	0	0	0	(50,800)
5291	Play for All	4,300	0	0	0	0	0	0	4,300	0
4713	Youth Housing	82,100	0	0	(5,300)	(18,600)	0	1,000	59,200	(22,900)
5268	Early Intervention Team Staffing	326,000	0	0	4,300	0	0	5,200	335,500	9,500
5389	Health and Well-being	0	0	0	0	0	0	0	0	0
5272	Short Term Projects	15,000	0	0	0	0	0	0	15,000	0
5280	Rutland Youth Council	6,100	0	0	0	0	0	0	6,100	0
5281	Youth Options	13,600	0	0	0	0	0	100	13,700	100
	Early Intervention - Universal and Partnership	497,900	0	(50,800)	(1,000)	(18,600)	0	6,300	433,800	(64,100)
	Fostering and Adoption									
4211	Placements	726,200	0	0	0	0	0	13,900	740,100	13,900
4213	Adoption	82,200	0	0	0	0	0	1,600	83,800	1,600
5610	Fostering and Adoption Management	50,200	0	(50,200)	0	0	0	0	0	(50,200)
4225	Family Support Staffing	178,400	0	44,700	3,400	0	5,400	2,700	234,600	56,200
4202	CAMHS	10,400	0	0	0	0	0	200	10,600	200
	Fostering and Adoption	1,047,400	0	(5,500)	3,400	0	5,400	18,400	1,069,100	21,700
	Schools and Early Years									
5000	Primary Schools	439,700	0	0	(250,400)	0	0	0	189,300	(250,400)
5605	Learning and Skills Management	48,300	0	(48,300)	0	0	0	0	0	(48,300)
4265	SEN Staffing	106,300	0	54,500	7,100	0	0	4,900	172,800	66,500
5352	Early Senco (0-3yrs support)	12,600	0	0	0	0	0	300	12,900	300
5242	Personal Educational Allowance for LAC	15,500	0	0	0	0	0	200	15,700	200
5295	Secondary School Officer	57,400	(24,000)	0	0	0	0	600	34,000	(23,400)
5297	Rural Fund	45,200	0	0	0	0	0	0	45,200	0
5325	Governor Training	3,300	0	0	0	0	0	0	3,300	0
5336	Primary Officer	43,900	0	0	5,000	0	0	1,200	50,100	6,200
5360	School Improvement Consultancy	54,600	0	0	0	0	25,000	0	79,600	25,000
5395	Early Years Training	59,500	(11,000)	0	0	0	0	0	48,500	(11,000)
	Schools and Early Years	886,300	(35,000)	6,200	(238,300)	0	25,000	7,200	651,400	(234,900)
	Rutland Adult Learning and Skills Service (RALSS)									
5129	Community Learning	56,100	0	0	(3,600)	0	0	4,500	57,000	900
5202	Post Oct 2014 Rutland Adult Skills Budget	(56,100)	0	0	0	0	0	6,300	(49,800)	6,300
	Rutland Adult Learning and Skills Service (RALSS)	0	0	0	(3,600)	0	0	10,800	7,200	7,200
				0	0	0	0			0
		15,971,700	(738,500)	111,100	(113,500)	(292,700)	536,600	302,400	15,777,100	(194,600)

Appendix 3.2: Peoples Directorate Draft Budget 2016/17

Cost Centre	Cost Centre Description	Employees		Premises £	Transport £	Supplies & Services £	Third Party Payments £	Transfer Payments £	Recharges £	Capital Financing £	Total Expenditure £	Other Income £	Income from Gov't Grants £	2016/17 Budget £
		Employees Pay £	Other Expenses £											
	Directorate Management Costs													
5324	Directorate	723,200	23,800	0	4,000	13,400	5,600	0	(43,500)	0	726,500	(1,800)	0	724,700
5424	Operational Team Managers	649,900	300	0	2,500	1,300	0	0	0	0	654,000	0	0	654,000
3901	Vacancy Management	(50,000)	0	0	0	0	0	0	0	0	(50,000)	0	0	(50,000)
5403	Business Intelligence	93,700	0	0	0	0	0	0	0	0	93,700	0	0	93,700
	Directorate Management Costs	1,416,800	24,100	0	6,500	14,700	5,600	0	(43,500)	0	1,424,200	(1,800)	0	1,422,400
	Public Health													
4570	Public Health Department	0	0	0	0	1,200	135,500	0	22,300	0	159,000	0	(1,391,000)	(1,232,000)
4571	Sexual Health	0	0	0	0	0	207,100	0	0	0	207,100	0	0	207,100
4572	Health Check Programme	0	0	0	0	0	52,000	0	0	0	52,000	0	0	52,000
4574	Obesity Programme	0	0	0	0	0	4,500	0	0	0	4,500	0	0	4,500
4575	Physical Activity	0	0	0	0	0	0	0	62,800	0	62,800	0	0	62,800
4576	Substance Misuse	0	0	0	0	0	210,000	0	0	0	210,000	0	0	210,000
4577	Smoking & Tobacco	0	0	0	0	0	81,000	0	0	0	81,000	0	0	81,000
4578	Childrens Public Health 5-20	0	0	0	0	0	141,900	0	24,200	0	166,100	0	0	166,100
4579	Other Public Health Services	0	0	0	0	0	10,000	0	258,500	0	268,500	0	0	268,500
4580	Public Health Commissioning 0-5	0	0	0	0	0	377,000	0	13,000	0	390,000	0	0	390,000
	Public Health	0	0	0	0	1,200	1,219,000	0	380,800	0	1,601,000	0	(1,391,000)	210,000
	BCF Programme Support													
4504	BCF Programme Support	51,200	0	0	0	0	0	0	0	0	51,200	0	0	51,200
	BCF Programme Support	51,200	0	0	0	0	0	0	0	0	51,200	0	0	51,200
	BCF Community Agents													
4502	BCF: Community Agents	9,800	0	0	0	0	189,000	0	0	0	198,800	0	0	198,800
	BCF Community Agents	9,800	0	0	0	0	189,000	0	0	0	198,800	0	0	198,800
	BCF Supporting Independence													
4489	BCF: Assistive Technology	17,300	0	0	0	0	80,700	0	0	0	98,000	0	0	98,000
4494	BCF: Crisis Response	150,000	0	7,800	0	75,000	225,000	0	0	0	457,800	0	0	457,800
4510	BCF: Integrated Hub 15/17	0	0	0	0	0	405,000	0	0	0	405,000	0	0	405,000
4512	BCF: Hospital Discharges	25,000	0	0	0	0	25,000	0	0	0	50,000	0	0	50,000
4505	BCF: Reablement	0	0	0	0	0	0	0	536,000	0	536,000	0	0	536,000
4509	BCF: Falls	14,800	0	0	0	0	69,200	0	0	0	84,000	0	0	84,000
	BCF Supporting Independence	207,100	0	7,800	0	75,000	804,900	0	536,000	0	1,630,800	0	0	1,630,800
	BCF Adult Social Care													
4511	BCF: Care Act Enablers	0	0	0	0	0	0	0	34,000	0	34,000	0	0	34,000
4498	BCF: Dementia Services	42,700	0	0	0	0	57,300	0	0	0	100,000	0	0	100,000
5609	Joint Integrated Care Project	26,000	0	0	0	5,200	0	0	0	0	31,200	0	0	31,200
	BCF Adult Social Care	68,700	0	0	0	5,200	57,300	0	34,000	0	165,200	0	0	165,200
	Non BCF Contract & Procurement													
4119	Local Involvement Networks	0	0	0	0	71,000	0	0	0	0	71,000	0	0	71,000
4503	Better Care Together Programme	0	0	0	0	0	14,000	0	0	0	14,000	0	0	14,000
4703	Contracts and Procurement	210,600	0	0	900	400	60,000	0	0	0	271,900	0	0	271,900
4670	Voluntary Sector Grants	0	0	0	0	0	260,900	0	(17,300)	0	243,600	0	0	243,600
	Non BCF Contract & Procurement	210,600	0	0	900	71,400	334,900	0	(17,300)	0	600,500	0	0	600,500
	ASC - Community Inclusion													
4442	ASC Community Inclusion - Community Support Services	383,200	1,700	0	2,300	1,500	0	0	0	0	388,700	(4,400)	0	384,300
4460	ASC Community Inclusion - Day Opportunities Services	428,200	300	21,000	900	50,400	1,800	0	(19,900)	0	482,700	(226,900)	0	255,800

Cost Centre	Cost Centre Description	Employees		Premises	Transport	Supplies & Services	Third Party Payments	Transfer Payments	Recharges	Capital Financing	Total Expenditure	Other Income	Income form Gov't Grants	2016/17 Budget
		Employees Pay £	Other Expenses £											
4211	Placements	0	0	0	0	28,700	708,600	2,800	0	0	740,100	0	0	740,100
4213	Adoption	0	0	0	0	2,000	81,800	0	0	0	83,800	0	0	83,800
4225	Family Support Staffing	224,300	600	400	800	8,500	0	0	0	0	234,600	0	0	234,600
4202	CAMHS	0	0	0	0	0	10,600	0	0	0	10,600	0	0	10,600
	Fostering and Adoption	224,300	600	400	800	39,200	801,000	2,800	0	0	1,069,100	0	0	1,069,100
	Schools and Early Years													
5000	Primary Schools	0	0	0	0	0	0	0	0	189,300	189,300	0	0	189,300
4265	SEN Staffing	366,200	100	0	400	3,300	0	0	(197,200)	0	172,800	0	0	172,800
5352	Early Senco (0-3yrs support)	0	0	0	0	0	12,900	0	0	0	12,900	0	0	12,900
5242	Personal Educational Allowance for LAC	0	0	0	0	15,700	0	0	0	0	15,700	0	0	15,700
5295	Secondary School Officer	34,000	0	0	0	0	0	0	0	0	34,000	0	0	34,000
5297	Rural Fund	0	0	0	0	0	0	0	0	45,200	45,200	0	0	45,200
5325	Governor Training	0	0	0	0	3,300	0	0	0	0	3,300	0	0	3,300
5336	Primary Officer	87,200	0	0	0	0	0	0	(37,100)	0	50,100	0	0	50,100
5360	School Improvement Consultancy	0	0	0	0	28,100	1,500	0	50,000	0	79,600	0	0	79,600
5395	Early Years Training	0	0	1,000	0	47,500	0	0	0	0	48,500	0	0	48,500
	Schools and Early Years	487,400	100	1,000	400	97,900	14,400	0	(184,300)	234,500	651,400	0	0	651,400
	Rutland Adult Learning and Skills Service (RALSS)													
5129	Community Learning	272,200	0	11,600	0	26,500	6,100	0	29,500	0	345,900	(25,000)	(263,900)	57,000
5202	Post Oct 2014 Rutland Adult Skills Budget	0	0	0	0	7,500	321,400	0	0	0	328,900	(8,000)	(370,700)	(49,800)
	Rutland Adult Learning and Skills Service (RALSS)	272,200	0	11,600	0	34,000	327,500	0	29,500	0	674,800	(33,000)	(634,600)	7,200
		7,198,200	30,100	117,100	97,800	871,700	10,771,300	1,104,700	49,500	252,100	20,492,500	(2,586,300)	(2,129,100)	15,777,100

Appendix 4.1: Places Directorate Draft Budget 2016/17

This Appendix gives the detailed movement in cost centre budgets from the Approved 2015/16 Budget at Q1 to the proposed budget for 2016/17.

The reversal of one off entries column represents the removal of budgets such as one off transfers from earmarked reserves and budget carry forwards approved for 2015/16 but not required within the 2016/17 budget.

The Transfer column shows where functions have moved from one directorate to another since Q1 such as the Blue Badge service and also includes the rebasing exercise undertaken within the People Directorate

The Adjustments column shows other minor movements in budgets mainly due to changes in depreciation charges or changes to staff pay budgets as a result of regrades or new starters, including auto enrolment in pension scheme

The Savings and Pressures columns agree to the relevant columns within the Savings and Pressures summary (please see appendix 6 and 7)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
	Development Control									
1400	Building & Development Control Support	169,600	0	1,000	(15,800)	0	0	2,200	157,000	(12,600)
1401	Development Control	65,100	0	(1,000)	4,300	(1,200)	0	5,900	73,100	8,000
3350	Land Charges	(23,100)	0	0	2,500		0	600	(20,000)	3,100
	Total Development Control	211,600	0	0	(9,000)	(1,200)	0	8,700	210,100	(1,500)
	Directorate Management Costs									
3605	Operational Director - Places Asset Management	90,200	0	0	2,500	0	0	1,500	94,200	4,000
3606	Operational Director - Places Operations	89,600	0	0	2,500	0	0	1,500	93,600	4,000
	Total Directorate Management Costs	179,800	0	0	5,000	0	0	3,000	187,800	8,000
	Total Drainage & Structures									
1502	Drainage and Jetting	90,000	0	0	0	(5,000)	0	1,700	86,700	(3,300)
1503	Bridges and Culverts	53,400	(33,000)	0	0	0	0	400	20,800	(32,600)
1530	Structural Services - Bridges	14,600	0	0	0	0	0	0	14,600	0
1528	Sustainable Drainage	10,000	(10,000)	0	0	0	0	0	0	(10,000)
	Total Drainage & Structures	168,000	(43,000)	0	0	(5,000)	0	2,100	122,100	(45,900)
	Emergency Planning									
2985	Emergency Planning	28,500	0	0	0	0	0	600	29,100	600
	Total Emergency Planning	28,500	0	0	0	0	0	600	29,100	600
	Environmental Maintenance									
1524	Environmental Maintenance	208,600	0	0	0	0	0	1,000	209,600	1,000
2530	Street Cleaning	563,500	0	0	0	0	0	11,200	574,700	11,200
2613	Cemeteries	23,000	(15,000)	0	0	(8,200)	0	200	0	(23,000)
2615	Closed Churchyards	32,300	0	(2,000)	0	0	0	0	30,300	(2,000)
2617	Parish Expenses	8,700	0	0	0	(8,700)	0	0	0	(8,700)
2690	Amenity Grass (Urban Grass & Public Open Spaces)	99,500	0	(18,000)	0	0	0	0	81,500	(18,000)
2002	Waste And Amenities	236,700	0	0	3,900	0	0	3,700	244,300	7,600

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
	Total Environmental Maintenance	1,172,300	(15,000)	(20,000)	3,900	(16,900)	0	16,100	1,140,400	(31,900)
	Forestry Maintenance									
1526	Forestry Maintenance	95,700	0	20,000	0	0	0	1,900	117,600	21,900
1531	Forestry Advice	11,100	0	0	0	0	0	0	11,100	0
	Total Forestry Maintenance	106,800	0	20,000	0	0	0	1,900	128,700	21,900
	Highways Capital Charges									
1812	Highways Capital Charges	1,158,600	0	0	173,700	0	0	0	1,332,300	173,700
	Total Highways Capital Charges	1,158,600	0	0	173,700	0	0	0	1,332,300	173,700
	Highways Management									
1515	Highways Management	236,200	0	0	11,400	0	0	5,200	252,800	16,600
1527	Highways S38 Income	(25,800)	0	0	0	0	0	0	(25,800)	0
	Total Highways Management	210,400	0	0	11,400	0	0	5,200	227,000	16,600
	Home to School Transport									
1520	Home to School Transport	645,200	0	0	(45,000)	0	0	0	600,200	(45,000)
1521	Post 16 Transport	112,200	0	0	0	0	0	0	112,200	0
1522	Education SEN Transport	26,300	0	(27,100)	300	0	0	500	0	(26,300)
5300	SEN Transport	485,300	(75,000)	0	(25,000)	(4,900)	0	8,200	388,600	(96,700)
4680	Transport Fleet	60,800	0	61,500	118,600	0	0	2,000	242,900	182,100
	Total Home to School Transport	1,329,800	(75,000)	34,400	48,900	(4,900)	0	10,700	1,343,900	14,100
	Lighting & Safety Barriers and Traffic Signals									
1501	Safety	97,400	0	0	0	0	0	2,600	100,000	2,600
1506	Street Lighting	224,500	0	0	0	0	0	6,800	231,300	6,800
1507	Barriers	15,300	0	0	0	0	0	300	15,600	300
1536	Traffic Signal Maintenance	24,300	0	0	0	0	0	0	24,300	0
	Total Lighting & Safety Barriers and Traffic Signals	361,500	0	0	0	0	0	9,700	371,200	9,700
	Parking									
1600	Parking	(241,700)	0	0	6,700	0	0	4,100	(230,900)	10,800
	Total Parking	(241,700)	0	0	6,700	0	0	4,100	(230,900)	10,800
	Pool Cars and Car Hire									
1537	Pool Cars and Car Hire	104,300	0	0	(11,000)	0	0	1,100	94,400	(9,900)
	Total Pool Cars & Car Hire	104,300	0	0	(11,000)	0	0	1,100	94,400	(9,900)
	Public Protection									
2590	Dog Warden & Pest Control Ser	26,500	0	0	300	0	0	2,000	28,800	2,300
1408	Warm Homes for Rutland	28,000	(28,000)	0	0	0	0	0	0	(28,000)
2003	Env & Trading Standards	418,300	0	0	0	0	0	8,400	426,700	8,400
2542	Environmental Protection Act	(2,400)	0	0	0	0	0	0	(2,400)	0
2810	Licenses	(55,200)	0	0	0	0	0	0	(55,200)	0
	Total Public Protection	415,200	(28,000)	0	300	0	0	10,400	397,900	(17,300)
	Public Rights of Way									
1505	Public Rights of Way	117,600	0	0	0	0	0	2,100	119,700	2,100

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
	Total Public Rights of Way	117,600	0	0	0	0	0	2,100	119,700	2,100
	Public Transport									
1518	Public Transport	422,500	0	0	(12,500)	0	0	8,300	418,300	(4,200)
1519	Concessionary Travel	330,100	0	0	(10,000)	0	0	0	320,100	(10,000)
4103	Purchasing Transport Budget	61,600	0	0	0	0	0	0	61,600	0
5965	Community Vehicle	19,200	0	0	0	0	0	0	19,200	0
	Total Public Transport	833,400	0	0	(22,500)	0	0	8,300	819,200	(14,200)
	Road Maintenance									
1500	Surface Dressing	142,800	0	0	0	(142,800)	0	0	0	(142,800)
1508	Carriageway Patching	503,900	0	0	0	(157,200)	0	7,500	354,200	(149,700)
1509	Footway Patching	69,400	0	0	0	(30,000)	0	800	40,200	(29,200)
1510	Minor Repairs	154,800	0	0	0	(15,000)	0	2,800	142,600	(12,200)
1511	Fixed Contract Costs	270,900	0	0	0	0	0	7,300	278,200	7,300
1532	Scanner Survey	12,300	0	0	0	0	0	0	12,300	0
	Total Road Maintenance	1,154,100	0	0	0	(345,000)	0	18,400	827,500	(326,600)
	Transport Management									
1516	Transport Strategy	203,200	0	0	11,600	(12,400)	0	3,600	206,000	2,800
1517	Transport Management	149,400	0	0	9,700	0	0	1,900	161,000	11,600
1535	Local Transport Plan	2,000	0	0	0	0	0	0	2,000	0
1500	Total Transport Fund	100,000	(100,000)	0	0	0	0	0	0	(100,000)
1540	Traffic Analysis & Data Collection	2,000	0	0	0	0	0	0	2,000	0
1541	Safety Partnership Arrangement	11,000	10,000	0	(10,000)	0	0	0	11,000	0
1542	Travel4Rutland	0	0	0	0	0	0	0	0	0
	Total Transport Management	467,600	(90,000)	0	11,300	(12,400)	0	5,500	382,000	(85,600)
	Waste Management									
2490	Refuse Collection	992,700	0	0	(5,200)	0	0	20,600	1,008,100	15,400
2500	Waste Management	1,084,600	0	0	5,200	0	0	27,000	1,116,800	32,200
	Total Waste Management	2,077,300	0	0	0	0	0	47,600	2,124,900	47,600
	Winter Maintenance									
1504	Winter Maintenance	262,300	0	0	0	0	0	5,200	267,500	5,200
	Total Winter Maintenance	262,300	0	0	0	0	0	5,200	267,500	5,200
	Total Crime Prevention									
4112	Crime And Disorder	71,700	0	0	0	(2,200)	0	1,400	70,900	(800)
4115	CCTV	13,100	0	0	(4,700)	(100)	0	100	8,400	(4,700)
4231	Youth Offending Service	71,400	0	0	0	0	0	1,400	72,800	1,400
	Total Crime Prevention	156,200	0	0	(4,700)	(2,300)	0	2,900	152,100	(4,100)
	Planning Policy									
1403	Planning Policy	350,000	(15,000)	(800)	16,400	0	0	5,900	356,500	6,500
1405	Planning Delivery Grant	35,000	(35,000)	0	0	0	0	0	0	(35,000)
1409	Neighbourhood Planning	25,400	(25,400)	800	(800)	0	0	0	0	(25,400)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
	Total Planning Policy	410,400	(75,400)	0	15,600	0	0	5,900	356,500	(53,900)
	Housing									
4709	Floating Support - Housing	106,000	0	0	0	0	0	2,100	108,100	2,100
4710	Homelessness	30,800	0	0	0	(30,800)	0	300	300	(30,500)
	Total Housing	136,800	0	0	0	(30,800)	0	2,400	108,400	(28,400)
	Tourism									
5846	Tourism (Anglian Water)	13,600	0	0	200	0	0	100	13,900	300
	Total Tourism	13,600	0	0	200	0	0	100	13,900	300
	Health & Safety									
2100	Health & Safety	36,200	0	0	200	0	0	600	37,000	800
	Total Health & Safety	36,200	0	0	200	0	0	600	37,000	800
	Property Services									
2600	Public Conveniences	19,800	0	0	(2,900)	0	0	100	17,000	(2,800)
2900	Admin Buildings	399,700	0	0	42,700	0	0	10,100	452,500	52,800
3500	Central Maintenance	173,800	(5,000)	0	0	0	0	0	168,800	(5,000)
3850	Property Services	285,700	0	0	2,700	0	0	5,400	293,800	8,100
3859	Central Furniture and Equipment	5,700	0	0	0	0	0	0	5,700	0
5823	Oakham Bus Station	18,000	0	0	0	0	0	0	18,000	0
	Total Property Services	902,700	(5,000)	0	42,500	0	0	15,600	955,800	53,100
	Building Control									
1402	Building Control	(28,200)	0	0	0	0	(18,900)	0	(47,100)	(18,900)
	Total Building Control	(28,200)	0	0	0	0	(18,900)	0	(47,100)	(18,900)
	Commercial & Industrial Properties									
5817	Oakham Enterprise Park	(120,900)	0	0	0	(53,800)	0	3,400	(171,300)	(50,400)
5820	Pit Lane	(38,300)	0	0	(200)	0	0	0	(38,500)	(200)
5821	Ashwell Road Business Units	1,600	0	0	0	0	0	300	1,900	300
5822	No 7 Church Passage	(5,000)	0	0	0	0	0	0	(5,000)	0
5824	Residential Garages	0	0	0	0	0	0	0	0	0
	Commercial & Industrial Properties	(162,600)	0	0	(200)	(53,800)	0	3,700	(212,900)	(50,300)
	Total Economic Development									
3702	Digital Rutland	60,500	(60,500)	0	0	0	0	0	0	(60,500)
5810	Economic Development	102,700	0	0	42,400	0	0	1,300	146,400	43,700
	Total Economic Development	163,200	(60,500)	0	42,400	0	0	1,300	146,400	(16,800)
	Culture & Registration Services									
3420	Registration Service	(4,500)	0	0	1,000	(15,000)	0	(600)	(19,100)	(14,600)
5710	Arts Development	9,700	0	0	0	0	0	100	9,800	100
5842	Culture and Leisure	84,800	0	0	1,100	0	0	1,500	87,400	2,600
	Total Culture & Registration Services	90,000	0	0	2,100	(15,000)	0	1,000	78,100	(11,900)
	Libraries									
5700	Libraries	407,900	(15,000)	0	17,400	(15,000)	0	5,900	401,200	(6,700)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
5703	Mobile Library	42,300	0	0	300	0	0	700	43,300	1,000
5718	Prison Library Service - Stocken	1,200	0	0	(1,900)	0	0	700	0	(1,200)
	Total Libraries	451,400	(15,000)	0	15,800	(15,000)	0	7,300	444,500	(6,900)
	Museums Service									
5704	Museums Service	286,300	(25,000)	0	35,200	(1,000)	0	5,100	300,600	14,300
5706	Records Office	50,100	0	0	0	0	0	1,000	51,100	1,000
5707	Museum Trading Account	(4,300)	0	0	0	0	0	0	(4,300)	0
5715	Learning And Outreach	11,000	0	0	0	0	0	200	11,200	200
5721	Heritage Grants	0	0	0	0	0	0	0	0	0
	Total Museum Services	343,100	(25,000)	0	35,200	(1,000)	0	6,300	358,600	15,500
	Sports & Leisure Services									
5711	Recreation and Leisure	107,000	0	0	14,600	(91,500)	0	1,700	31,800	(75,200)
5714	Local Sports Alliance	0	0	0	0	0	0	0	0	0
5722	Active Rutland Hub	3,200	0	0	(5,600)	0	0	2,700	300	(2,900)
5875	School Sports/Games	500	0	0	(1,100)	0	0	600	0	(500)
	Total Sports & Leisure Services	110,700	0	0	7,900	(91,500)	0	5,000	32,100	(78,600)
	Total Places	12,740,900	(431,900)	34,400	375,700	(594,800)	(18,900)	212,800	12,318,200	(422,700)

Cost Centre	Cost Centre Description	Employees		Premises	Transport	Supplies & Services	Third Party Payments	Transfer Payments	Recharges	Capital Financing	Total Expenditure	Other Income	Income form Gov't Grants	2016/17 Budget
		Employees Pay	Other Expenses											
		£	£	£	£	£	£	£	£	£	£	£	£	£
1600	Parking	158,800	0	46,700	200	12,700	29,400	0	0	7,100	254,900	(485,800)		(230,900)
	Parking	158,800	0	46,700	200	12,700	29,400	0	0	7,100	254,900	(485,800)	0	(230,900)
	Pool Cars & Car Hire													
1537	Pool Cars and Car Hire	0	0	0	94,000	400	0	0	0	0	94,400			94,400
	Pool Cars & Car Hire	0	0	0	94,000	400	0	0	0	0	94,400	0	0	94,400
	Public Protection													
2590	Dog Warden & Pest Control Ser	0	0	0	2,500	26,300	0	0	0	0	28,800	0		28,800
2003	Env & Trading Standards	0	0	0	0	0	426,700	0	0	0	426,700	0		426,700
2542	Environmental Protection Act	0	0	0	0	0	0	0	0	0	0	(2,400)		(2,400)
2810	Licenses	0	0	0	0	900	0	0	0	0	900	(56,100)		(55,200)
	Public Protection	0	0	0	2,500	27,200	426,700	0	0	0	456,400	(58,500)	0	397,900
	Public Rights of Way													
1505	Public Rights of Way	0	0	0	1,700	7,200	112,800	0	0	0	121,700	(2,000)		119,700
	Public Rights of Way	0	0	0	1,700	7,200	112,800	0	0	0	121,700	(2,000)	0	119,700
	Public Transport													
5965	Community Vehicle	0	0	0	0	19,200	0	0	0	0	19,200			19,200
1519	Concessionary Travel	0	0	0	0	1,900	318,200	0	0	0	320,100			320,100
1518	Public Transport	0	0	0	0	8,200	410,100	0	0	0	418,300			418,300
4103	Purchasing Transport Budget	0	0	0	61,600	0	0	0	0	0	61,600			61,600
	Public Transport	0	0	0	61,600	29,300	728,300	0	0	0	819,200	0	0	819,200
	Road Maintenance													
1508	Carriageway Patching	0	0	0	0	0	354,200	0	0	0	354,200			354,200
1511	Fixed Contract Costs	0	0	0	0	0	278,200	0	0	0	278,200			278,200
1509	Footway Patching	0	0	0	0	0	40,200	0	0	0	40,200			40,200
1510	Minor Repairs	0	0	0	0	0	142,600	0	0	0	142,600			142,600
1532	Scanner Survey	0	0	0	0	12,300	0	0	0	0	12,300			12,300
	Road Maintenance	0	0	0	0	12,300	815,200	0	0	0	827,500	0	0	827,500
	Transport Management													
1535	Local Transport Plan	0	0	0	0	2,000	0	0	0	0	2,000	0	0	2,000
1541	Safety Partnership Arrangement	0	0	0	0	0	11,000	0	0	0	11,000	0	0	11,000
1540	Traffic Analysis & Data Collection	0	0	0	0	0	2,000	0	0	0	2,000	0	0	2,000
1517	Transport Management	137,500	0	0	21,200	2,300	0	0	0	0	161,000	0	0	161,000
1516	Transport Strategy	237,700	0	0	800	2,800	0	0	0	0	241,300	(22,100)	(13,200)	206,000
	Transport Management	375,200	0	0	22,000	7,100	13,000	0	0	0	417,300	(22,100)	(13,200)	382,000
	Waste Management													
2490	Refuse Collection	0	0	0	0	0	1,050,900	0	0	0	1,050,900	(42,800)		1,008,100
2500	Waste Management	0	0	34,200	0	24,500	1,197,700	0	0	0	1,256,400	(139,600)		1,116,800
	Waste Management	0	0	34,200	0	24,500	2,248,600	0	0	0	2,307,300	(182,400)	0	2,124,900
	Winter Maintenance													
1504	Winter Maintenance	0	0	0	0	0	267,500	0	0	0	267,500			267,500
	Winter Maintenance	0	0	0	0	0	267,500	0	0	0	267,500	0	0	267,500
	Crime Prevention													
4115	CCTV	0	0	600	0	3,500	3,700	0	0	4,600	12,400	(4,000)		8,400
4112	Crime And Disorder	0	0	0	0	6,100	64,800	0	0	0	70,900	0		70,900
	Youth Offending Service	0	0	0	0	0	72,800	0	0	0	72,800	0		72,800
	Crime Prevention	0	0	600	0	9,600	141,300	0	0	4,600	156,100	(4,000)	0	152,100
	Planning Policy													
1409	Neighbourhood Planning	0	0	0	0	66,000	0	0	0	0	66,000	9,000	(75,000)	0
1403	Planning Policy	361,800	300	0	1,200	13,900	23,500	0	0	0	400,700	(44,200)	0	356,500
	Planning Policy	361,800	300	0	1,200	79,900	23,500	0	0	0	466,700	(35,200)	(75,000)	356,500

Cost Centre	Cost Centre Description	Employees		Premises	Transport	Supplies & Services	Third Party Payments	Transfer Payments	Recharges	Capital Financing	Total Expenditure	Other Income	Income form Gov't Grants	2016/17 Budget
		Employees Pay	Other Expenses											
		£	£	£	£	£	£	£	£	£	£	£	£	£
	Housing													
4709	Floating Support - Housing	0	0	0	0	0	108,100	0	0	0	108,100	0		108,100
4710	Homelessness	0	0	0	0	21,000	12,800	0	0	2,400	36,200	(35,900)		300
	Housing	0	0	0	0	21,000	120,900	0	0	2,400	144,300	(35,900)	0	108,400
	Tourism													
5846	Tourism (Anglian Water)	14,800	0	0	0	3,000	0	0	0	0	17,800	(3,900)		13,900
	Tourism	14,800	0	0	0	3,000	0	0	0	0	17,800	(3,900)	0	13,900
	Health & Safety													
2100	Health & Safety	35,300	0	0	0	1,700	0	0	0	0	37,000	0	0	37,000
	Health & Safety	35,300	0	0	0	1,700	0	0	0	0	37,000	0	0	37,000
	Property Services													
2900	Admin Buildings	144,200	0	242,300	300	14,200	0	0	0	63,800	464,800	(12,300)		452,500
3855	Central Furniture and Equipment	0	0	0	0	5,700	0	0	0	0	5,700	0		5,700
3500	Central Maintenance	0	0	168,800	0	0	0	0	0	0	168,800	0		168,800
5823	Oakham Bus Station	0	0	18,000	0	0	0	0	0	0	18,000	0		18,000
3850	Property Services	352,900	0	0	1,200	2,700	0	0	0	0	356,800	(63,000)		293,800
2600	Public Conveniences	0	0	13,100	0	0	0	0	0	3,900	17,000	0		17,000
	Property Services	497,100	0	442,200	1,500	22,600	0	0	0	67,700	1,031,100	(75,300)	0	955,800
	Building Control													
1402	Building Control	0	0	0	0	140,900	0	0	0	0	140,900	(188,000)		(47,100)
	Building Control	0	0	0	0	140,900	0	0	0	0	140,900	(188,000)	0	(47,100)
	Commercial & Industrial Properties													
5821	Ashwell Road Business Units	0	0	22,900	0	3,200	0	0	0	0	26,100	(24,200)		1,900
5822	No 7 Church Passage	0	0	0	0	0	0	0	0	0	0	(5,000)		(5,000)
5817	Oakham Enterprise Park	75,300	200	157,400	500	98,100	0	0	0	0	331,500	(502,800)		(171,300)
5820	Pit Lane	0	0	6,300	0	6,200	2,000	0	0	5,000	19,500	(58,000)		(38,500)
5824	Residential Garages	0	0	25,000	0	0	0	0	0	0	25,000	(25,000)		0
	Commercial & Industrial Properties	75,300	200	211,600	500	107,500	2,000	0	0	5,000	402,100	(615,000)	0	(212,900)
	Economic Development													
5810	Economic Development	79,300	0	0	200	10,700	0	0	0	56,200	146,400	0		146,400
	Economic Development	79,300	0	0	200	10,700	0	0	0	56,200	146,400	0	0	146,400
	Culture & Registration Services													
5710	Arts Development	0	0	0	0	7,000	2,800	0	0	0	9,800	0		9,800
5842	Culture and Leisure	87,000	0	0	200	200	0	0	0	0	87,400	0		87,400
3420	Registration Service	97,000	0	0	1,500	700	0	0	0	0	99,200	(118,300)		(19,100)
	Culture & Registration Services	184,000	0	0	1,700	7,900	2,800	0	0	0	196,400	(118,300)	0	78,100
	Libraries													
5700	Libraries	226,800	300	54,300	4,400	95,400	14,100	0	0	41,600	436,900	(35,700)		401,200
5703	Mobile Library	22,800	0	0	8,400	600	0	0	0	11,500	43,300	0		43,300
5718	Prison Library Service - Stocken	55,100	100	0	500	18,000	0	0	0	0	73,700	(73,700)		0
	Libraries	304,700	400	54,300	13,300	114,000	14,100	0	0	53,100	553,900	(109,400)	0	444,500
	Museum Services													
5721	Heritage Grants	0	0	0	0	0	0	0	0	0	0	0		0
5715	Learning And Outreach	11,200	0	0	0	0	0	0	0	0	11,200	0		11,200
5707	Museum Trading Account	0	0	0	0	6,100	0	0	0	0	6,100	(10,400)		(4,300)
5704	Museums Service	161,000	0	76,200	1,300	13,000	0	0	0	83,000	334,500	(33,900)		300,600
5706	Records Office	0	0	0	0	0	51,100	0	0	0	51,100	0		51,100
	Museum Services	172,200	0	76,200	1,300	19,100	51,100	0	0	83,000	402,900	(44,300)	0	358,600
	Sports & Leisure Services													
5722	Active Rutland Hub	40,600	0	61,600	0	5,300	0	0	0	0	107,500	(107,200)		300

Cost Centre	Cost Centre Description	Employees		Premises	Transport	Supplies & Services	Third Party Payments	Transfer Payments	Recharges	Capital Financing	Total Expenditure	Other Income	Income from Gov't Grants	2016/17 Budget
		Employees Pay £	Other Expenses £											
5711	Recreation and Leisure	93,200	100	0	2,000	11,500	9,600	0	0	17,900	134,300	(102,500)		31,800
5875	School Sports/Games	42,700	0	0	500	100	0	0	0	0	43,300	(43,300)		0
	Sports & Leisure Services	176,500	100	61,600	2,500	16,900	9,600	0	0	17,900	285,100	(253,000)	0	32,100
		3,898,200	2,500	1,333,100	1,500,500	812,900	6,113,900	0	0	1,629,300	15,290,400	(2,884,000)	(88,200)	12,318,200

Appendix 5.1: Resources Directorate Draft Budget 2016/17

This Appendix gives the detailed movement in cost centre budgets from the Approved 2015/16 Budget at Q1 to the proposed budget for 2016/17.

The reversal of one off entries column represents the removal of budgets such as one off transfers from earmarked reserves and budget carry forwards approved for 2015/16 but not required within the 2016/17 budget.

The Transfer column shows where functions have moved from one directorate to another since Q1 such as the Blue Badge service and also includes the rebasing exercise undertaken within the People Directorate

The Adjustments column shows other minor movements in budgets mainly due to changes in depreciation charges or changes to staff pay budgets as a result of regrades or new starters, including auto enrolment in pension scheme

The Savings and Pressures columns agree to the relevant columns within the Savings and Pressures summary (please see appendix 6 and 7)

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
	Chief Executives Office									
3700	Chief Executive	220,100	(20,000)	0	(3,500)	0	0	3,000	199,600	(20,500)
3705	Business Manager	70,500	0	(72,600)	900	0	0	1,200	0	(70,500)
5845	Communication	64,400	0	0	1,600	(2,800)	0	600	63,800	(600)
	Total Chief Executives Office	355,000	(20,000)	(72,600)	(1,000)	(2,800)	0	4,800	263,400	(91,600)
	Directorate Management Costs									
3603	Director of Resources	106,500	0	0	0	0	0	1,700	108,200	1,700
3104	Assistant Director of Finance	83,600	0	0	2,300	0	0	1,400	87,300	3,700
	Total Directorate Management Costs	190,100	0	0	2,300	0	0	3,100	195,500	5,400
	Total Corporate Costs									
3106	Coroner	35,000	0	0	2,000	0	0	700	37,700	2,700
3903	Vacancy Management	0	0	0	0	(25,000)	0	0	(25,000)	(25,000)
3721	External Levies	44,900	0	0	0	0	0	900	45,800	900
3701	Welland Procurement	25,200	0	0	7,000	0	0	500	32,700	7,500
3714	Corporate Subscriptions	40,600	0	0	(8,000)	0	0	0	32,600	(8,000)
3722	Stationery	10,000	0	0	0	0	0	0	10,000	0
	Total Corporate Costs	155,700	0	0	1,000	(25,000)	0	2,100	133,800	(21,900)
	Pensions									
3455	Pension Costs	160,000	0	0	0	0	0	0	160,000	0
5322	Pensions	60,000	0	0	0	0	0	0	60,000	0
	Total Pensions	220,000	0	0	0	0	0	0	220,000	0
	Audit Services									
3720	External Audit & Inspection	75,000	0	0	0	0	0	0	75,000	0
3730	Internal Audit RCC Share	80,000	0	0	5,000	0	0	0	85,000	5,000
3713	Welland Internal Audit Consortium	0	0	0	(4,300)	0	0	4,300	0	0

Cost Centre	Cost Centre Description	2015/16 Q1 Budget £	Reversal of One off entries £	Transfers £	Adjustments	Savings	Pressures £	Inflation £	2016/17 Budget £	Increase/ (Decrease) £
3711	Human Resources	282,200	0	0	10,600	0	0	3,700	296,500	14,300
3718	Training, Confs & Seminars	130,700	0	0	0	(1,000)	0	0	129,700	(1,000)
	Total Human Resources	412,900	0	0	10,600	(1,000)	0	3,700	426,200	13,300
	Revenues and Benefits									
3000	Revenues	140,500	(10,000)	6,000	4,500	0	0	3,200	144,200	3,700
3001	AllPay	12,300	0	0	0	0	0	0	12,300	0
3010	Counter Fraud Section	20,000	0	(6,000)	0	(6,100)	0	0	7,900	(12,100)
3015	Benefit Processing	75,900	0	0	2,200	0	0	2,900	81,000	5,100
3021	Housing Benefit Payments	46,300	0	0	0	0	0	0	46,300	0
3250	Community Care Finance	94,200	0	0	700	0	(14,800)	1,900	82,000	(12,200)
	Total Revenues and Benefits	389,200	(10,000)	0	7,400	(6,100)	(14,800)	8,000	373,700	(15,500)
	Financial Support									
3002	Financial Crisis Support	25,000	0	0	0	0	0	0	25,000	0
3025	Discretionary Hardship Fund	50,000	0	0	0	0	0	0	50,000	0
	Total Financial Support	75,000	0	0	0	0	0	0	75,000	0
63	Total Resources	5,673,400	(280,800)	(145,500)	72,300	(134,900)	(14,800)	62,000	5,231,700	(441,700)

Appendix 5.2: Resources Directorate Draft Budget 2016/17

Cost Centre	Cost Centre Description	Employees		Premises £	Transport £	Supplies & Services £	Third Party Payments £	Transfer Payments £	Recharges £	Capital Financing £	Total Expenditure £	Other Income £	Income form Gov't Grants £	2016/17 Budget £
		Employees Pay £	Other Expenses £											
	Chief Executives Office													
3700	Chief Executive	187,700	700	0	1,500	7,700	2,000	0	0	0	199,600	0	0	199,600
5845	Communication	46,500	0	0	0	17,300	0	0	0	0	63,800	0	0	63,800
	Chief Executives Office	234,200	700	0	1,500	25,000	2,000	0	0	0	263,400	0	0	263,400
	Directorate Management Costs													
3104	Assistant Director of Finance	86,400	0	0	400	500	0	0	0	0	87,300	0	0	87,300
3603	Director of Resources	106,300	0	0	300	300	0	0	0	0	106,900	0	0	106,900
3603	Monitoring Officer	0	0	0	0	1,300	0	0	0	0	1,300	0	0	1,300
	Directorate Management Costs	192,700	0	0	700	2,100	0	0	0	0	195,500	0	0	195,500
	Corporate Costs													
3106	Coroner	0	0	0	0	0	37,700	0	0	0	37,700	0	0	37,700
3714	Corporate Subscriptions	0	0	0	0	32,600	0	0	0	0	32,600	0	0	32,600
3721	External Levies	0	0	0	0	0	45,800	0	0	0	45,800	0	0	45,800
3722	Stationery	0	0	0	0	10,000	0	0	0	0	10,000	0	0	10,000
3903	Vacancy Management	(25,000)	0	0	0	0	0	0	0	0	(25,000)	0	0	(25,000)
3701	Welland Procurement	0	0	0	0	0	32,700	0	0	0	32,700	0	0	32,700
	Corporate Costs	(25,000)	0	0	0	42,600	116,200	0	0	0	133,800	0	0	133,800
	Pensions													
3455	Pension Costs	0	160,000	0	0	0	0	0	0	0	160,000	0	0	160,000
5322	Pensions	0	60,000	0	0	0	0	0	0	0	60,000	0	0	60,000
	Pensions	0	220,000	0	0	0	0	0	0	0	220,000	0	0	220,000
	Audit Services													
3720	External Audit & Inspection	0	0	0	0	75,000	0	0	0	0	75,000	0	0	75,000
3730	Internal Audit RCC Share	0	0	0	0	85,000	0	0	0	0	85,000	0	0	85,000
3713	Welland Internal Audit Consortium	150,400	93,200	0	4,900	80,400	0	0	0	0	328,900	(328,900)	0	0
	Audit Services	150,400	93,200	0	4,900	240,400	0	0	0	0	488,900	(328,900)	0	160,000
	Insurance													
3458	Corporate Insurance	0	25,900	110,100	20,900	90,300	0	0	(16,600)	0	230,600	(20,300)	0	210,300
	Insurance	0	25,900	110,100	20,900	90,300	0	0	(16,600)	0	230,600	(20,300)	0	210,300
	Accountancy & Finance													
3813	Corporate Financial Expenses	0	0	0	0	63,300	0	0	0	0	63,300	(5,000)	0	58,300
3103	Finance	571,000	700	0	2,100	1,600	0	0	0	0	575,400	(9,000)	0	566,400
	Accountancy & Finance	571,000	700	0	2,100	64,900	0	0	0	0	638,700	(14,000)	0	624,700
	Information Technology													
3102	Head of Business Support	69,000	1,000	0	500	100	0	0	0	0	70,600	0	0	70,600
3740	Information Technology Dept	271,600	0	0	500	900	0	0	0	0	273,000	0	0	273,000
3820	IT Operational Support	0	0	0	0	671,300	0	0	0	0	671,300	0	0	671,300
5350	Performance & Application Support	143,800	0	0	200	500	0	0	0	0	144,500	0	0	144,500
3822	Telecommunications	0	0	0	0	54,900	0	0	0	15,600	70,500	0	0	70,500
	Information Technology	484,400	1,000	0	1,200	727,700	0	0	0	15,600	1,229,900	0	0	1,229,900
	Corporate Support Services													
4422	Blue Badge Scheme	30,300	0	0	0	0	0	0	0	0	30,300	(5,600)	0	24,700
3108	Corporate Support Services	338,200	0	0	300	2,000	0	0	0	0	340,500	0	0	340,500
3716	Reprographics & Post	0	0	0	0	144,600	0	0	0	0	144,600	0	0	144,600
	Corporate Support Services	368,500	0	0	300	146,600	0	0	0	0	515,400	(5,600)	0	509,800
	Members Services													
3715	Civic Expenses	0	0	0	0	5,900	0	0	0	0	5,900	0	0	5,900

Cost Centre	Cost Centre Description	Employees		Premises	Transport	Supplies & Services	Third Party Payments	Transfer Payments	Recharges	Capital Financing	Total Expenditure	Other Income	Income form Gov't Grants	2016/17 Budget
		Employees Pay £	Other Expenses £											
3710	Members Services	5,100	0	0	500	190,200	0	0	0	0	195,800	0	0	195,800
3107	Members Training	0	5,000	0	0	0	0	0	0	0	5,000	0	0	5,000
	Members Services	5,100	5,000	0	500	196,100	0	0	0	0	206,700	0	0	206,700
	Customer Services Team													
3450	Customer Services Team	184,800	200	0	0	500	1,000	0	0	0	186,500	0	0	186,500
4508	Information Administration	31,900	0	0	0	12,000	0	0	0	0	43,900	0	0	43,900
	Customer Services Team	216,700	200	0	0	12,500	1,000	0	0	0	230,400	0	0	230,400
	Elections													
3042	Elections - European	0	0	0	0	(33,600)	0	0	0	0	(33,600)	33,600	0	0
3040	Elections - General	10,000	0	0	0	6,900	0	0	0	0	16,900	0	0	16,900
	Elections	10,000	0	0	0	(26,700)	0	0	0	0	(16,700)	33,600	0	16,900
	Legal & Governance													
3105	Head of Corporate Governance	71,600	0	0	200	0	0	0	0	0	71,800	0	0	71,800
3840	Legal Services	0	0	0	0	50,400	244,800	0	0	0	295,200	(17,600)	0	277,600
3719	Standards of Conduct	0	0	0	0	6,000	0	0	0	0	6,000	0	0	6,000
	Legal & Governance	71,600	0	0	200	56,400	244,800	0	0	0	373,000	(17,600)	0	355,400
	Human Resources													
3711	Human Resources	250,300	15,400	0	0	39,000	0	0	0	0	304,700	(8,200)	0	296,500
3718	Training, Confs & Seminars	0	10,000	0	0	119,700	0	0	0	0	129,700	0	0	129,700
	Human Resources	250,300	25,400	0	0	158,700	0	0	0	0	434,400	(8,200)	0	426,200
	Revenues and Benefits													
3001	AllPay	0	0	0	0	12,300	0	0	0	0	12,300	0	0	12,300
3015	Benefit Processing	184,800	0	0	500	200	0	0	0	0	185,500	0	(104,500)	81,000
3250	Community Care Finance	84,600	0	0	100	1,300	0	0	0	0	86,000	(4,000)	0	82,000
3010	Counter Fraud Section	0	0	0	0	10,000	0	0	0	0	10,000	(2,100)	0	7,900
3021	Housing Benefit Payments	0	0	0	0	0	0	5,238,200	0	0	5,238,200	0	(5,191,900)	46,300
3000	Revenues	209,700	0	0	600	30,600	0	0	0	0	240,900	(96,700)	0	144,200
	Revenues and Benefits	479,100	0	0	1,200	54,400	0	5,238,200	0	0	5,772,900	(102,800)	(5,296,400)	373,700
	Financial Support													
3025	Discretionary Hardship Fund	0	0	0	0	0	0	50,000	0	0	50,000	0	0	50,000
3002	Financial Crisis Support	0	0	0	0	25,000	0	0	0	0	25,000	0	0	25,000
	Financial Support	0	0	0	0	25,000	0	50,000	0	0	75,000	0	0	75,000
		3,009,000	372,100	110,100	33,500	1,816,000	364,000	5,288,200	(16,600)	15,600	10,991,900	(463,800)	(5,296,400)	5,231,700

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Appendix 6: Savings Analysis

This Appendix gives a description of the savings on Functional Budgets, and should be used to support the Directorate summaries (Appendices 3-5). It includes a brief description of the planned saving.

Savings themselves can be categorised as follows:

1. Those already included in the MTFP – these represent savings arising from decisions already made by Council or Cabinet;
2. New savings greater than £5k – New saving proposals submitted by Officers;
3. New savings less than £5k – minor savings submitted by officers based on prior year forecasts; and
4. PeopleFirst savings – savings made since 1 April 2015 arising from the PeopleFirst review.

All savings have been subject to an Equality Impact Screening Assessment. This has indicated a full assessment is not required.

Cost Centre	Cost Centre Description	Savings Already within MTFP £	Savings Up to £5k £	Savings Over £5k £	People First Savings £	Total Savings £	Description of Saving
	Directorate Management Costs						
97							
5324	Directorate		(3,300)		(66,700)	(70,000)	Peoples Directorate re-structure savings
5424	Operational Team Managers		(1,200)			(1,200)	
3901	People Vacancy Management			(50,000)		(50,000)	In year vacancy target of £50k is included within the People budget to allow the Director to review posts that have been held vacant
	Directorate Management Costs	0	(4,500)	(50,000)	(66,700)	(121,200)	
	Non BCF Contract & Procurement						
4670	Voluntary Sector Grants	0	0	0	(24,100)	(24,100)	Citizen Advice Bureau Contract - funded provided from Public Health (People First Saving) £17k Cessation of the Deaf and Hard of Hearing agreement with Leicestershire County Council £7k
	Non BCF Contract & Procurement	0	0	0	(24,100)	(24,100)	
	ASC - Community Inclusion						
4470	Inclusion Development	0	(1,400)	0	0	(1,400)	
	ASC - Community Inclusion	0	(1,400)	0	0	(1,400)	
	ASC Prevention and Safeguarding - Staffing						
4263	Disabilities Staffing	0	(1,400)	0	0	(1,400)	

Cost Centre	Cost Centre Description	Savings Already within MTFP £	Savings Up to £5k £	Savings Over £5k £	People First Savings £	Total Savings £	Description of Saving
	ASC Prevention and Safeguarding - Staffing	0	(1,400)	0	0	(1,400)	
	ASC Support and Review - Other						
4258	Adult Social Care Contracts	0	(800)	0	(66,000)	(66,800)	Savings Against renegotiated contract for Housing Floating Support
	ASC Support and Review - Other	0	(800)	0	(66,000)	(66,800)	
	ASC Support and Review - Staffing						
5856	Support and Review - Staffing	0	0	0	(4,300)	(4,300)	Peoples Directorate re-structure savings
	ASC Support and Review - Staffing	0	0	0	(4,300)	(4,300)	
	Hospital and Reablement						
4421	H&R - OT's, Aids & Equipment	0	0	0	(43,000)	(43,000)	Healthy Homes service - funded provided from Public Health (People First Saving)
	Hospital and Reablement	0	0	0	(43,000)	(43,000)	
	Safeguarding						
4270	Safeguarding QA	0	(1,900)	0	0	(1,900)	
	Safeguarding	0	(1,900)	0	0	(1,900)	
	Early Intervention - Targeted Intervention						
5371	Children's Centres - Revenue	0	0	0	(10,000)	(10,000)	Savings from vacating Childrens Centre at Great Casterton
	Early Intervention - Targeted Intervention	0	0	0	(10,000)	(10,000)	
	Early Intervention - Universal and Partnership						
4713	Youth Housing	(18,600)	0	0	0	(18,600)	The transfer of £19k s106 funding for the youth housing project is no longer expected to be required. (Zero impact on GF as reserves reduced accordingly)
	Early Intervention - Universal and Partnership	(18,600)	0	0	0	(18,600)	
				0	0	0	
	Total People Directorate	(18,600)	(10,000)	(50,000)	(214,100)	(292,700)	
	Places Directorate						
	Development Control						
1401	Development Control	0	(1,200)	0	0	(1,200)	
	Total Development Control	0	(1,200)	0	0	(1,200)	
	Total Drainage & Structures						

Cost Centre	Cost Centre Description	Savings Already within MTFP £	Savings Up to £5k £	Savings Over £5k £	People First Savings £	Total Savings £	Description of Saving
1502	Drainage and Jetting	(5,000)	0	0	0	(5,000)	Highway Savings total £350k - increase in preventative works (as agreed by Cabinet in Report 154/2015).
	Total Drainage & Structures	(5,000)	0	0	0	(5,000)	
	Environmental Maintenance						
2613	Cemeteries	0	0	(8,200)	0	(8,200)	Saving from transferring responsibility for cemeteries to Parish Councils
2617	Parish Expenses	0	0	(8,700)	0	(8,700)	Saving from transferring responsibility for cemeteries to Parish Councils
	Total Environmental Maintenance	0	0	(16,900)	0	(16,900)	
	Home to School Transport						
5377	SEN Transport	0	(4,900)	0	0	(4,900)	
	Total Home to School Transport	0	(4,900)	0	0	(4,900)	
	Road Maintenance						
1500	Surface Dressing	(142,800)	0	0	0	(142,800)	Highway Savings total £350k - increase in preventative works (as agreed by Cabinet in Report 154/2015).
1508	Carriageway Patching	(157,200)	0	0	0	(157,200)	
1509	Footway Patching	(30,000)	0	0	0	(30,000)	
1510	Minor Repairs	(15,000)	0	0	0	(15,000)	
	Total Road Maintenance	(345,000)	0	0	0	(345,000)	
	Transport Management						
1516	Transport Strategy	0	0	0	(12,400)	(12,400)	Sustainable Transport Provision - funding provided from Public Health (People First Saving) £12.4k
	Total Transport Management	0	0	0	(12,400)	(12,400)	
	Crime Prevention						
4112	Crime And Disorder	0	(2,200)	0	0	(2,200)	
4115	CCTV	0	(100)	0	0	(100)	
	Total Crime Prevention	0	(2,300)	0	0	(2,300)	
	Housing						
4710	Homelessness	0	0	0	(30,800)	(30,800)	Homelessness Prevention - funding provided from Public Health (People First Saving)
	Total Housing	0	0	0	(30,800)	(30,800)	
	Commercial & Industrial Properties						

Cost Centre	Cost Centre Description	Savings Already within MTFP £	Savings Up to £5k £	Savings Over £5k £	People First Savings £	Total Savings £	Description of Saving
5817	Oakham Enterprise Park	(14,500)	0	(39,300)	0	(53,800)	Revised business plan shows that the project is ahead of the original budget. Adjusted to reflect current position.
	Commercial & Industrial Properties	(14,500)	0	(39,300)	0	(53,800)	
	Culture & Registration Services						
3420	Registration Service	0	0	(15,000)	0	(15,000)	Increase in Registration Fees for weddings to ensure full cost recovery. This has been benchmarked to other Local Authorities and the fees will be comparable.
	Total Culture & Registration Services	0	0	(15,000)	0	(15,000)	
	Libraries						
5700	Libraries	0	0	(10,000)	(5,000)	(15,000)	Library Provision - funding provided from Public Health (People First Saving) £5k Cease payment to Leicestershire County Council for the use of their server for Wifi as the Council is now operating its own Public Wifi server £10k.
	Total Libraries	0	0	(10,000)	(5,000)	(15,000)	
	Museums Service						
5704	Museums Service	0	(1,000)	0	0	(1,000)	
	Total Museum Services	0	(1,000)	0	0	(1,000)	
	Sports & Leisure Services						
5711	Recreation and Leisure	0	0	0	(91,500)	(91,500)	Active Recreation Provision - funding provided from Public Health (People First Saving) £91.5k
	Total Sports & Leisure Services	0	0	0	(91,500)	(91,500)	
	Total Places	(364,500)	(9,400)	(81,200)	(139,700)	(594,800)	
	Resources Directorate						
	Chief Executives Office						
5845	Communication	0	(2,800)	0	0	(2,800)	

Cost Centre	Cost Centre Description	Savings Already within MTFP £	Savings Up to £5k £	Savings Over £5k £	People First Savings £	Total Savings £	Description of Saving
	Total Chief Executives Office	0	(2,800)	0	0	(2,800)	
	Total Corporate Costs						
3903	Vacancy Management	0	0	(25,000)	0	(25,000)	A corporate in-year vacancy target of £25k is included within the Resource budget to allow the Chief Executive to review posts that have been held vacant
	Total Corporate Costs	0	0	(25,000)	0	(25,000)	
	Information Technology						
3820	IT Operational Support	0	0	(100,000)	0	(100,000)	Reductions in IT operations budget following review of all contracts and supplies.
	Total Information Technology	0	0	(100,000)	0	(100,000)	
	Human Resources						
3718	Training, Confs & Seminars	(1,000)	0	0	0	(1,000)	
	Total Human Resources	(1,000)	0	0	0	(1,000)	
	Revenues and Benefits						
3010	Counter Fraud Section	0	(6,100)	0	0	(6,100)	
	Total Revenues and Benefits	0	(6,100)	0	0	(6,100)	
	Total Resources	(1,000)	(8,900)	(125,000)	0	(134,900)	
	Total Savings	(384,100)	(28,300)	(256,200)	(353,800)	(1,022,400)	

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Appendix 7: 2016/17 Pressure Analysis

This Appendix gives a description of the net pressures on Functional Budgets, and should be used to support the Directorate summaries (Appendices 3-5).

Pressures themselves have been categorised as follows.

1. Those already included within MTFP - these represent additional pressures arising from Decisions already made by Council or Cabinet;
2. Reversal of Pressures - Reversing pressures already within the MTFP reversing existing pressures no longer required; and
3. New pressures - Represent new pressures identified through the budget setting process.

Cost Centre	Cost Centre Description	Pressures Already within MTFP £	Reversal of Pressure / Saving £	Pressures Over £5k £	Pressures Funded from Earmarked Reserves	Total Pressures 2016/17 £	Description of Pressure
	Directorate Management Costs						
5424	Operational Team Managers	13,500	0	0		13,500	Market Supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	Directorate Management Costs	13,500	0	0	0	13,500	
	Public Health						
103	Public Health	0	0	0	210,000	210,000	Director of People agreed with the Director of Public Health that public health resources can be redeployed to fund initiatives which have a public health benefit currently funded outside of public health. The public health earmarked reserves was used to fund core expenditure in 15/16 and this will be repeated in 16/17 – this represents a saving to the General Fund.
	Public Health	0	0	0	210,000	210,000	
	ASC Prevention and Safeguarding						
4703	Contracts and Procurement				60,000	60,000	To fund external support to help reduce placement costs
	Non BCF Contract & Procurement	0	0	0	60,000	60,000	
	ASC Prevention and Safeguarding						
4108	Direct Payments - Carer Support	0	(40,000)	0		(40,000)	Reversal of Care Act pressure for additional support to Carers from 2015/16 as the demand for additional services has not been as high as predicted.
	ASC Prevention and Safeguarding	0	(40,000)	0	0	(40,000)	
	ASC Prevention and Safeguarding - Staffing						
5857	ASC Prevention and Safeguarding - Staffing	9,500	0	0		9,500	Market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	ASC Prevention and Safeguarding - Staffing	9,500	0	0	0	9,500	
	ASC Support and Review - Direct Payments						
4298	Direct Payments - Learning Disabilities	50,000	0	0		50,000	New care package expected in 2016/17 as young person moves from Education to Learning Disability.
	ASC Support and Review - Direct Payments	50,000	0	0	0	50,000	
	ASC Support and Review - Homecare						
4288	Homecare - Physical Disabilities	60,000	0	0		60,000	Grant for Independent Living Fund not confirmed beyond 2015/16

Cost Centre	Cost Centre Description	Pressures Already within MTFP £	Reversal of Pressure / Saving £	Pressures Over £5k £	Pressures Funded from Earmarked Reserves	Total Pressures 2016/17 £	Description of Pressure
	ASC Support and Review - Homecare	60,000	0	0	0	60,000	
	ASC Support and Review - Other						
	Dilnot Contingency	100,000	(100,000)	0		0	Cost implications of the Dilnot Commission proposals for the future funding of adult social care. The expected pressure associated with these reforms are not now expected in 2016/17 as a result the pressure has now been slipped back a year to 2017/18.
4495	Deprivation of Liberty Safeguards	0	0	112,600		112,600	A large increase in Deprivation of Liberty (DoL) requests are expected after the Cheshire West judgement which changed the criteria to what constitutes a DoL and also expanded the catchment from residential establishments and hospitals to the community.
	ASC Support and Review - Other	100,000	(100,000)	112,600	0	112,600	
	ASC Support and Review - Staffing						
5835	Support and Review - Staffing	33,200	(6,700)	0		26,500	Care Act Pressure of additional 0.5 FTE staffing Post (As 2015/16 assumed part year) £20k. The £6.7k reverses a pressure built in for additional expenses associated with 2 members of of staff, but these costs have not materialised. £13.2k relates to market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	ASC Support and Review - Staffing	33,200	(6,700)	0	0	26,500	
	Hospital and Reablement						
4551	Hospital & Reablement - Staffing	7,600	(25,000)	0		(17,400)	Market Supplements for Social Workers approved within the Q2 Finance Report (206/2015). Pressure built in from 2015/16 to fund physiotherapist costs for reablement, this post is now funded through the Better Care Fund. Existing pressure reversed.
	Hospital and Reablement	7,600	(25,000)	0	0	(17,400)	
	Childrens Duty Social Care						
5719	Duty Desk for Childrens Referrals	6,700	0	0		6,700	Market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	Childrens Duty Social Care	6,700	0	0	0	6,700	
	Long Term Childrens Social Care						
4215	Children's Social Care Staffing	12,100	0	0		12,100	Market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	Long Term Childrens Social Care	12,100	0	0	0	12,100	
	Early Intervention - Targeted Intervention						
5296	Intensive Family Support	2,700	0	0		2,700	Market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	Early Intervention - Targeted Intervention	2,700	0	0	0	2,700	
	Fostering and Adoption						

Cost Centre	Cost Centre Description	Pressures Already within MTFP £	Reversal of Pressure / Saving £	Pressures Over £5k £	Pressures Funded from Earmarked Reserves	Total Pressures 2016/17 £	Description of Pressure
4225	Family Support Staffing	5,400	0	0		5,400	Market supplements for Social Workers approved within the Q2 Finance Report (206/2015).
	Fostering and Adoption	5,400	0	0	0	5,400	
	Schools and Early Years						
5360	School Improvement Consultancy	25,000	0	0		25,000	The Council has agreed with the Schools Forum to invest resources into school improvement given current performance levels.
	Schools and Early Years	25,000	0	0	0	25,000	
	Total People Directorate	325,700	(171,700)	112,600	270,000	536,600	
	Places Directorate						
	Building Control						
1402	Building Control	0	(18,900)	0		(18,900)	Contract dispute settled in full during 2015/16 rather than spread over three years. (2014/15 - 2016/17)
	Total Building Control	0	(18,900)	0	0	(18,900)	
	Total Places Directorate	0	(18,900)	0	0	(18,900)	
	Resources Directorate						
	Human Resources						
3711	Human Resources	0	0	0		0	The Council is revising its sickness policy and in particular changing the rules regarding when the payment of statutory sick pay begins. The existing policy has generated windfall income of c£20k pa (the Council does not budget for staff to be sick) which could be foregone under the change in rules.
	Total Human Resources	0	0	0	0	0	
	Revenues and Benefits						
3250	Community Care Finance	13,100	(27,900)	0		(14,800)	Within the 2015/16 Medium Term Financial Plan there were 1.5 FTE's to deal with additional demand on the service, with a further 0.5 FTE added in 2016/17 if demand was at expected levels. With delays to the Finance reforms 1 additional FTE was no longer required, with the pressure reversed.
	Total Revenues and Benefits	13,100	(27,900)	0	0	(14,800)	
	Total Resources Directorate	13,100	(27,900)	0	0	(14,800)	
	Total Pressures	338,800	(218,500)	112,600	270,000	502,900	

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By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Appendix 9 – Potential impact of BCT work streams on social care

	Proposals:	Leading to:	Impact on adult social care:
Urgent care	<p>A focus on demand, capacity management and prevention</p> <p>7 day working</p> <p>Focus on alternatives to admission</p> <p>Mobile technologies project</p> <p>Single points of access scheduling tool</p>	<p>Reductions in delayed transfers of care</p> <p>Reductions in length of stays</p> <p>Improvements in number of patients remaining home after discharge</p>	<p>Increased social care support may be required for the time patients would previously have been in hospital</p>
Frail older people	<p>These are contained within the three Better Care Fund projects</p>	<p>Reductions in admissions</p> <p>Reductions in delayed transfers of care</p> <p>Reductions in length of stays</p> <p>Reductions in falls</p>	<p>A wide range of interventions targeted at delivering against the targets set in the BCF working in partnership with CCG's across the area</p>
Planned care	<p>Decommissioning</p> <p>Shift to community based settings</p> <p>Repatriation of out of county outpatient and day case activity</p>	<p>Reductions in length of stay</p>	<p>Possible social care input in to pre-assessment for certain patient groups for example the frail elderly.</p> <p>Reductions in length of stay in an acute setting may increase the requirement for social care as patients move into social care settings more quickly.</p>
Children and young people, maternity and neonatal	<p>Consolidation of women's and neonatal services to be supported by a multi-disciplinary workforce that responds to</p>	<p>Ensuring the best possible start in life</p>	<p>Positive impact on demand for social care through improving children's prevention and early intervention and</p>

	Proposals:	Leading to:	Impact on adult social care:
	<p>changes in volume and complexity Improve the uptake of antenatal and parenting support</p> <p>Work towards achieving better perinatal outcomes Ensure neonates are cared for in the right cot and at the right time</p>		improving health and well-being of mothers, children and young people.
Long term conditions	<p>Promoting prevention, self-care, improving rehabilitation for patients Adoption of a Chronic Care Model Pathway review Service integration Introduction of PRISM Increased use of electronic referrals</p> <p>Up to one hour of generic social care support per patient per day may be delivered through the ICS model, depending on patient need</p>	<p>Integrated pathways Reduced health inequalities Improved experience of care Care provided in appropriate cost effective settings</p>	<p>Will have positive impacts on local social care Demand in the long term. As we move towards a greater emphasis on prevention and self-care Local authorities will need to support and the refocus</p>
Mental health	<p>Refocus the crisis response team</p> <p>Commission a new crisis house</p> <p>Improve flow through the inpatient service</p> <p>Commission a step down service</p> <p>Remodel CMHT's to</p>	<p>People should move through recovery to greater independence.</p> <p>Some will move into social care settings more quickly whilst others may avoid or move through social care more rapidly</p>	<p>The net effect will need to be assessed.</p> <p>Positive impact on social care, in reducing the time social workers spend on assessments and developing care packages. In particular Inpatient beds should be</p>

	Proposals:	Leading to:	Impact on adult social care:
	<p>strengthen support to primary care focus on people with a clinical need</p> <p>Social prescribing – 3 pilot sites</p> <p>MH first aid</p> <p>Mindfulness programme</p> <p>5 ways to well being</p> <p>Increasing recovery college sites</p>	<p>Earlier sustained discharges from statutory care, improved clinical outcomes and reduced use of secondary care costs</p>	<p>available to AMHPs when required as well as a PSAU that meets the required standards for all ages.</p> <p>A need to align health and social care commissioning particularly with the VCF Sector</p>
Learning disabilities	<p>Outreach - create a Multi-Disciplinary Outreach team increased from 5 day to a 7 day service supported by realigned pathways</p> <p>High cost placements review – all high cost placements to be reviewed and Care</p> <p>Funding Calculator applied to health</p> <p>Short Breaks – redesign</p> <p>Improve Health and WellBeing – engage the VCF Sector in health facilitation</p> <p>Market Position statement – a shift from residential and acute settings to community based provision</p>	<p>Reduced stays in hospital</p> <p>Potential reduction in CHC funding</p>	<p>Will lead to an increase in care and support required within the community</p> <p>Potential for Continuing Health Care Packages to cease leading impacting on Council Care Budgets</p> <p>Will lead to increased demand for community based social care</p>

	Proposals:	Leading to:	Impact on adult social care:
	Circle of support – a team to provide User led support		
End of life care	<p>Early recognition of patients in the last year of life Care planning</p> <p>Provision of appropriately co-ordinated 24/7 care for people at the end of life and those who are important to them</p> <p>Anticipatory medicine Strategic partnerships with the VCF Sectors Education – a lead GP in every practice</p>	Better support when life comes to an end	Possible increase in social care packages as a result of shifting from fast-track CHC route (social services will have access to unified care plans).

This appendix shows the detailed Capital Programme for both approved projects and capital funding awaiting allocation, and how the programme will be funded

Directorate	Project Number	Project Description	Budget 2016/17 £000	Budget 2017/18 £000	Budget 2018/19 £000	Budget 2019/20 £000	Budget 2020/21 £000
People	CB1005	Devolved Formula Capital (a)	43	43	43	43	43
People	CD1000	Disabled Facilities Grant (a)	162	162	162	104	104
People	Unallocated	ASC Unallocated Grant (h)	291	0	0	0	0
People	Unallocated	Schools Targeted Capital (h)	149	0	0	0	0
People	Unallocated	Basic Needs (h)	2,182	1,134	0	0	0
People	Unallocated	Capital Maintenance (h)	869	226	0	0	0
Total People capital Programme			3,696	1,565	205	147	147
Places	TBC	Oakham Enterprise Park Solar (a)	100	0	0	0	0
Places	CH1038	Digital Rutland (a)	1,464	0	0	0	0
Places	CAPB1	Capital Allocation Project Board (h)	0	0	0	0	0
Places	HCM	Highways Capital Project (h)	1,748	1,696	1,535	1,535	1,535
Places	ITP	Integrated Transport Project (h)	458	458	458	458	458
Places	Unallocated	Highways Grant (h)	468	0	0	0	0
Places	Unallocated	Rural capital (h)	33	0	0	0	0
Total Places capital Programme			4,271	2,154	1,993	1,993	1,993
Other	Unallocated	Section 106 (h)	1,419	0	0	0	0
Other	Unallocated	Oakham North Agreement (h)	1,951	551	551	551	0
			3,370	551	551	551	0
Total capital Programme			11,337	4,270	2,749	2,691	2,140

Key

a = Approved Projects

h = Funding Held awaiting Allocation

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New Capital Budget 2016/17	
Capital Project: Oakham Enterprise Park Solar	
Project Code: TBC	
What is the purpose and objective of the project?	The capital programme is for the procurement and installation of solar photovoltaic (PV) panels on existing buildings within Oakham Enterprise Park. The objective of the project is to generate both financial and energy savings by driving down the cost of electricity consumes on site, with the potential of exporting energy back to the grid in the near future (2017). It will also contribute to the Council's environmental action plan through carbon emission offset.
Is the approval for the design and/or land acquisition or construction of the asset?	Procurement & installation of PV panels on existing buildings
What is the estimated capital cost (including fees) of the project?	£100k
What is the expected cash flow of the project?	The project will hopefully commence in April 2016 (Subject to Cabinet & Council approval). Payments are expected to be split over during the installation stage, 50% on award of contract and 50% on completion
Who is the project officer for the project?	James Frieland
Are there any initial and on-going revenue implications?	Revenue savings at an average of £10k per annum over the next 5 years. The savings include a £330 annual maintenance charge on the solar panels. Further costs associated with prudential borrowing will also be required (Minimum Revenue Provision of c£7k based on 15 year life).
What are the key dates?	8 week lead time from the award of contract following a standard tendering exercise in line with contract procedure rules.
How will the project be financed?	The Council has various options including financing the project from revenue, invest to save reserve, capital receipts or prudential borrowing. The preferred option would be self financing

	(prudential borrowing) so the cost of the project would be spread over the life of the asset matched against the revenue savings.
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