



Date of Meeting	17 <sup>th</sup> October 2017
Portfolio	Cabinet Member for Corporate and Resources
Report Author	Victoria Bradshaw
Public/Private Document	Public

**Revenue Budget Update 2018/19 to 2020/21 and Saving Programme 2018/19 to 2019/20**

**Executive Summary**

1. This report provides Members with:
  - An update on the latest position regarding the Council's Revenue Budget for 2018/19 to 2020/21.
  - Update regarding Savings Proposals in order to meet the budget gap for 2018/19 and 2019/20.

**Recommendation**

- 2.1 Consider the Revenue Budget position for 2018/19 to 2020/21 and the potential risks around the Revenue Budget.
- 2.2 Consider the saving proposals contained in this report, for consultation, notes the consultation timetable and process detailed in the report.

**Reason for Recommendation**

- 3.1 Cabinet members are required to recommend a balanced Revenue Budget and Capital Programme 2018/19 to Budget Council and provisional budgets for 2019/20 to 2020/21. The Council is required to set a balanced budget for 2018/19 by the by 11<sup>th</sup> March 2018.

## Key Points for Consideration

### 4.1 Timetable

- 4.1.1 The Budget process begins in June with approval, by Cabinet, of the assumptions and principles on which the budget is to be based. These are used as a part of the determination of the overall budget position and are currently being incorporated into Service budgets.
- 4.1.2 Throughout the year we consult on the budget and savings proposals. Financial projections are updated as further information becomes available from Central Government and other changes, including local decisions. The updated budget and feedback from consultations are reported back to Cabinet in February with recommendations for Budget Council, who will in turn set the budget. The timetable for the Revenue Budget and Savings Programme is provided at Appendix 1.

### 4.2 Revenue Budget 2018/19 to 2020/21

- 4.2.1 This report provides an update on the Council's revenue budget position for 2018/19 to 2020/21.
- 4.2.2 This report is based on current information following the Spring Budget 2017 and Queen's Speech. Updated information from Central Government will become available following the Autumn Budget 2017 and Provisional 2018/19 Local Government Finance Settlement which will be published November/December 2017. This will have potential implications for Council funding, noting these may be reductions or increases.
- 4.2.3 The latest economic surveys indicate that:
- inflation continues to rise, currently forecast at 2.6% and likely to rise to 3% by the end of the year. On this basis the Bank of England has updated its forecast for inflation from 2% in 2017 to 3% by the end of the year.
  - pay rises, however, continue to lag behind inflation at less than 2%.
  - the economy is growing below the forecast set by Central Government in the Spring Budget 2017. Growth is currently 1.6%, 0.4% below the Spring Budget forecast of 2%.
  - Growth forecasts for 2018 also indicate a decline from the Spring Budget down 0.2% from 1.6% to 1.4%.
- 4.2.4 At a local level these economic indicators highlight a continuation in the gap between the cost of living and pay rises as inflation and energy costs continue to grow faster than wages. This is likely to continue the trend of rising household debt levels and additional pressures on local welfare services.
- 4.2.5 A downturn in economic growth may impact on central government revenues which could have implications for Local Government funding settlements particularly if the demands for increased funding for Health services remain a priority for the Government.

- 4.2.6 Based on current assumptions and the Spring Budget 2017, the Budget forecast for 2018/19 – 2019/20 has been updated from the position reported to Council in March 2017. In March 2017 the Council set a three year budget for 2017/18 to 2019/20. This budget identified a budget gap of £9.9m in 2018/19 and £5.5m in 2019/20.

Based on the current assumptions the estimated budget gap has been revised to £15.9m in 2018/19; £8.0m in 2019/20; and £9.6m in 2020/21.

Table 1 summarises the changes in assumptions since Budget Council March 2017.

Table 1 : Movement in Budget Gap since Budget Council

	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Budget Gap at Budget Council</b>	<b>9,850</b>	<b>-400</b>	<b>5,531</b>	<b>0</b>	<b>8,912</b>	<b>0</b>
<b><u>Increased Resources</u></b>						
Changes in Budget Assumptions	-864	-1,237	-17	0	-18	0
<b><u>Decreased Resources</u></b>						
Government Changes	278	0	300	0	0	0
<b>Net (Increase)/Decrease in Resources</b>	<b>-586</b>	<b>-1,237</b>	<b>283</b>	<b>0</b>	<b>-18</b>	<b>0</b>
<b><u>Increase in Budget Requirements</u></b>						
Local Decisions	5,275	1,000	1,280	0	-248	0
Service Specific Pressures	1,377	0	954	0	945	0
<b>Net Increase/(Decrease) in Budget Requirements</b>	<b>6,652</b>	<b>1,000</b>	<b>2,234</b>	<b>0</b>	<b>697</b>	<b>0</b>
<b>Revised Budget Gap</b>	<b>15,916</b>	<b>-637</b>	<b>8,048</b>	<b>0</b>	<b>9,591</b>	<b>0</b>

- 4.2.7 Table 2 shows the split of the Revised Budget Gap between the Locality Plan and Non-Locality Plan budgets.

Table 2 Split of Revised Budget Gap

Updated Gap before Savings Proposals	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
Locality Plan	13,892	-427	5,200	0	7,356	0
Non-Locality Plan	2,024	-210	2,848	0	2,235	0
<b>Total</b>	<b>15,916</b>	<b>-637</b>	<b>8,048</b>	<b>0</b>	<b>9,591</b>	<b>0</b>

- 4.2.8 The latest budget for 2018/19, 2019/20 and 2020/21 is continually being updated throughout the budget process.

- 4.2.9 The major factors influencing the Council's Budget are covered in Part 2 of the Medium Term Financial Strategy (see section 4.4). The key factors being :

- The level of resources received by the Council, both locally generated and government grants;
- Health and Social Care integration;
- Budget pressures and costs increasing our spend.

### 4.3 Savings Programme 2018/19 to 2020/21

4.3.1 During April to September Directorates have engaged in producing the saving proposals contained in this report for Cabinet Members to consider. A number of Budget Challenge Sessions have been held where officers and members have scrutinised service functions, finance and performance matters for each Directorate to inform the process and support the delivery of a balanced budget for 2018/19.

4.3.2 Saving Proposals are classified as follows:

- Saving proposals not requiring service consultation
- Workforce proposals

4.3.3 Table 3 details the savings proposals being considered within this report towards meeting the budget gap for 2018/19 to 2020/21.

Table 3 Budget Gap after Savings Proposals 2018/19 to 2020/21

	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
Updated Gap before Savings Proposals	15,916	-637	8,048	0	9,591	0
Service Savings Proposals not requiring consultation	-1,301	-11,111	-401	-14,317	0	-25,260
<b>Service Savings Proposals requiring consultation</b>						
Workforce	-140	0	0	0	0	0
<b>Total</b>	<b>-140</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gap after Savings Proposals</b>	<b>14,475</b>	<b>-11,748</b>	<b>7,647</b>	<b>-14,317</b>	<b>9,591</b>	<b>-25,260</b>
Ongoing Gap from previous year	0		14,475		22,122	
<b>Ongoing Gap after Savings Proposals</b>	<b>14,475</b>		<b>22,122</b>		<b>31,713</b>	
<b>In-year Gap after Savings Proposals</b>	<b>2,727</b>		<b>7,805</b>		<b>6,453</b>	

4.3.4 The proposals not requiring service consultation are proposals which:

- Identify alternative financial resources to continue providing the service;
- Realign budgets to match updated information;
- Generate additional income for the Council without impacting on users;
- Improve the efficiency of delivering a service;
- One-off proposals from the integration of Health and Social Care.

4.3.5 The reductions with no service delivery or workforce implications do not require consultation. These proposals generate on going savings of £1.301m

in 2018/19 and a further £0.401m in 2019/20. Saving proposals with Workforce implications totaling £0.140m in 2018/19 will be subject to consultation with staff and Trade Unions from the 18<sup>th</sup> September 2017.

#### 4.3.6 *Integration of Health & Social Care*

- 4.3.6.1 From 2018/19 the Local Authority will be moving into a formal pooled budget arrangement for health and social care. Greater Manchester is moving towards taking full control and responsibility of the £6bn Health & Social Care Budget and the creation of its own sustainable Health & Social Care system by 2021. To deliver the devolved health and social care initiative, a Greater Manchester Strategic Plan has been developed and each local area sets out a Locality plan to support this Strategic Plan focussing on the integration of health, social care and public health/prevention.
- 4.3.6.2 The integration of services is key to improving the quality of care and outcomes for people within the funding available. The pooling of resources across the locality will provide more opportunities to explore value for money, economies of scale, reduce duplication and streamline processes.
- 4.3.6.3 The pooled budget brings together resources from a range of organisations including the Clinical Commissioning Group and the Local Authority, Better Care Funds and GM level resources to invest in transformation of service delivery, (known as Transformation Funding).
- 4.3.6.4 The Pooled Budget is required to be operational by 2018/19. The MTFS and Budget report for Council service areas covered by the pool are reported within existing Directorates until the development of the Pool Budget reporting arrangements are confirmed. The savings proposals for the Locality Plan have been based on current assumptions for risk sharing for those organisations which form part of the Pooled Budget. The savings proposals currently identified for Health and Social Care are therefore subject to consideration and agreement as to the risk sharing basis being considered by Cabinet on the 24<sup>th</sup> October.
- 4.3.6.5 However, the 2018/19 – 2020/21 savings proposals include a number of savings proposals which are to be delivered through the efficiencies of integration. The budget gap and savings proposals have therefore been split to identify the budget gap and savings proposals attributable to the Locality Plan and those to be met from all non-locality services.
- 4.3.6.6 The Locality Plan covers Council services such as Adult Social Care, Public Health and elements of Children's Services. Non-locality Services include Economy, Neighbourhoods, Resources and Wellbeing.
- 4.3.6.7 Table 4 shows the Budget Gap after savings proposals for the Locality Plan budgets. This shows that £13.465m of the budget gap is attributable to the Locality Plan services and that savings have been identified of £11.269m to bridge this budget gap, leaving an in-year budget gap of £2.196m attributable to Health and Social Care.
- 4.3.6.8 Table 4 Budget Gap after Savings Proposals – Locality Plan

Locality Plan	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
Updated Gap before Savings Proposals	13,892	-427	5,200	0	7,356	0
<b>Service Savings Proposals</b>						
Health & Social Care	0	-10,933	0	-14,182	0	-25,260
Children's Services	-251	-85	-125	-85	0	0
	-251	-11,018	-125	-14,267	0	-25,260
<b>Gap after Savings Proposals</b>	<b>13,641</b>	<b>-11,445</b>	<b>5,075</b>	<b>-14,267</b>	<b>7,356</b>	<b>-25,260</b>
Ongoing Gap from previous year			13,641		18,716	
Ongoing Gap after Savings Proposals			18,716		26,072	
<b>In-year Gap after Savings Proposals</b>	<b>2,196</b>		<b>4,449</b>		<b>812</b>	

4.3.6.9 The Transformation Fund benefits and savings required to be delivered by the Pool Budget in relation to Health and Social Care Integration generate one-off savings of £10.933m in 2018/19, £14.182m in 2019/20 and £25.260m in 2020/21. There is a risk that delivery of the planned benefits may not arise within the timescale forecasts which could provide a risk to the Council's budget.

4.3.7 Financial reporting and monitoring of the delivery of the Transformation Fund benefits, Locality Plan and Pooled Budget savings proposals will be submitted to the Integrated Commissioning Board (ICB). The ICB brings together the joint commissioning activities of the Council and the Clinical Commissioning Group. The aim is to oversee the delivery of health and social care services and control the pooled budgets of the Council and local health bodies, whilst seeking value for money and efficiencies from integration and joint working.

Table 5 shows the Budget Gap after savings proposals for the Non-locality Plan budgets which covers Neighbourhoods Services, Economy, Wellbeing and Resources. This outlines that £1.814m of the forecast budget gap relates to non-locality services and that savings proposed of £1.283m reduce the budget gap to £531k.

4.3.8 Table 5 Budget Gap after Savings Proposals – Non-Locality Plan

Non-Locality Plan	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
Updated Gap before Savings Proposals	2,024	-210	2,848	0	2,235	0
<b>Service Savings Proposals</b>						
Wellbeing	-104	0	0	0	0	0
Economy	-201	-50	-225	-50	0	0
Neighbourhoods	-435	-43	-51	0	0	0
Resources	-450	0	0	0	0	0
	<b>-1,190</b>	<b>-93</b>	<b>-276</b>	<b>-50</b>	<b>0</b>	<b>0</b>
<b>Gap after Savings Proposals</b>	<b>834</b>	<b>-303</b>	<b>2,572</b>	<b>-50</b>	<b>2,235</b>	<b>0</b>
Ongoing Gap from previous year			834		3,406	
<b>Ongoing Gap after Savings Proposals</b>			<b>3,406</b>		<b>5,641</b>	
<b>In-year Gap after Savings Proposals</b>	<b>531</b>		<b>3,356</b>		<b>5,641</b>	

Table 6 shows the overall Budget Gap after savings proposals.

Table 6 Budget Gap after savings proposals

Overall Position	2018/19		2019/20		2020/21	
	Ongoing	One-off	Ongoing	One-off	Ongoing	One-off
	£'000	£'000	£'000	£'000	£'000	£'000
Updated Gap before Savings Proposals	15,916	-637	8,048	0	9,591	0
Service Savings Proposals	-1,441	-11,111	-401	-14,317	0	-25,260
<b>Gap after Savings Proposals</b>	<b>14,475</b>	<b>-11,748</b>	<b>7,647</b>	<b>-14,317</b>	<b>9,591</b>	<b>-25,260</b>
Ongoing Gap from previous year			14,475		22,122	
<b>Ongoing Gap after Savings Proposals</b>			<b>22,122</b>		<b>31,713</b>	
<b>In-year Gap after Savings Proposals</b>	<b>2,727</b>		<b>7,805</b>		<b>6,453</b>	

4.3.9 The Revised Budget for 2018/19 to 2020/21, incorporating the savings proposals detailed in this report, is summarised in Appendix 2.

Over the coming months further work will be undertaken to identify and update the Medium Term Financial Strategy and Budget 2018/19 to 2020/21 making recommendations to Cabinet/Council in February 2017. This will be reported to Cabinet as part of the update following the Autumn Budget 2017 and provisional Local Government Finance Settlement.

#### 4.4 Alternatives Considered

4.4.1 The Council is legally obliged to set a balanced revenue budget. The budget setting process is complex and must be undertaken in a planned way. Whilst budgets are prepared in accordance with the approved guidelines a number of alternative options relating to savings proposals and budget pressures are considered as part of the overall budget setting process.

- 4.4.2 Consideration has been given to a number of options in putting forward the savings proposals contained in this report and the report outlines any alternatives. To do nothing was not considered to be an option as the Council is legally required to set a balanced budget.
- 4.4.3 Cabinet Members could decide not to implement these proposals and provide alternative options to enable a balanced budget to be achieved.

### **Costs and Budget Summary**

5. Financial implications are considered in the main body of the report.

### **Risk and Policy Implications**

- 6.1 The Council is required to set a lawful budget for 2018/19 by the by 11<sup>th</sup> March 2018 and there is a risk if we do not responsibly put forward proposals for consideration to meet the budget reductions/pressures.
- 6.2 Risk implications have been added where applicable within individual detailed reports. To manage this risk we have sought to supply Cabinet members with copies of all available implications to make informed decisions.
- 6.3 There are a number of risks and potential pressures in the Medium Term Financial Strategy and Budget 2018/19 – 2020/21 which have an impact on the budget but are outside of the control of the Council. The MTFS and Budget include pressures based on the latest information available. Key risk areas for the Budget and MTFS being :
- 6.3.1 Health and Social Care Integration
- A significant proportion of the savings proposals relate to the benefits to be delivered from the efficiencies from contract /commission renegotiations and integration of working between health and social care organisations. Delays in delivery and slippage in the development of new ways of delivery would negatively impact on the Budget position for the Council.
- 6.3.2 Business Rates Retention
- The appeals outstanding from 2010 and the current uncertainty following the level of appeals from the revaluation of business rates from 2017 continue to cause volatility in the level of resources available for the Council. The Council now collects and retains 99% of business rates under the retention pilot which therefore increases the volatility and risk of changes in resources available. The current assumptions provided in the Budget and MTFS assume business rates to remain at current levels with increases for inflation. No growth has been assumed in the level of business rates baseline until the impact of the revaluation 2017 are fully understood.



### 6.3.3 GM Waste Disposal Authority

The MTFS and Budget currently assume minimal savings from the current renegotiation for the delivery of a reduction in costs and operational improvements for the waste disposal contract. This budget pressure will be reviewed as more details as to the financial position become available during Autumn 2017.

### 6.3.4 Local Government Needs Formula review

Revenue Support Grant (RSG) is based on a set of formulas to identify the needs of each local authority which are complex and out of date. RSG is proposed to be phased out by the end of the four year settlement - 2019/20. Central Government are therefore seeking to bring proposals forward for a fairer and simpler method of determining “relative needs” for local government finance settlements. The principles will:

- Seek to measure need in a less complex way
- Focus on current key cost pressures for local authorities
- Reflect future need
- Have a transparent approach as to how the ability to generate resources locally is taken into account

6.4 One of the major changes including in the review is the proposal to recognise the other income generated by local authorities such as fees and charges and commercial income, thereby reducing the need assessment. The MTFS and Budget currently assumes that the changes to the calculation of relative need will have no detriment to the Local Authority. This will continually be reviewed as the Technical consultation papers are released to update the potential financial risks and assumptions for the MTFS and Budget.

Where relevant, specific legal issues have been identified in the individual savings proposal reports. Legal advice has also been provided in relation to the Equality Act duties, and recent case law decisions on both consultation requirements and equality impact assessments.

6.5 Advice has been provided on the following:

- The need to ensure that service reductions do not constitute a failure on the part of the Council to fulfill statutory duties.
- The need to be aware of contractual arrangements with third parties which can only be varied by agreement or which (if that does not prove possible) can only be terminated by substantial notice periods and consider the financial implications of any variations.
- The need to be aware of restrictions which affect property assets. Some have restrictions on usage, some have conditions attached to gifts and planning restrictions might apply. On this last aspect, there needs to be separation of the Council’s statutory role from that of property owner.
- Some proposals may ultimately involve the transfer of staff

- with the resultant need to undertake statutory consultations.
- Some proposals will involve potential redundancy. This will involve statutory consultations.
- Advice on contractual, procurement law matters (including staff related matters).

The personnel implications arising for the proposals contained within this report summarised below;

- Some of these proposals will/may result in a reduction in the number of established posts within the Council and depending on the outcome of consultation and final decisions made, these will be deleted as a consequence of these proposals.
- The Council will apply its established policies and procedures to identify which posts are identified as potentially redundant and which employees will be at risk of redundancy. This will include the application of the Council's redundancy selection criteria where this would need to be applied.
- Where posts proposed to be deleted are occupied the employee(s) concerned will become at risk of redundancy.
- All employees affected will be provided with support through the Council's established procedures for dealing with staff that are at risk of redundancy.
- Through the application of these policies and procedures, the Council will seek to minimize the number of employees who may be compulsory redundant. In this respect, the Council will seek to provide suitable alternative employment wherever this is possible and will seek to achieve reductions by voluntary measures wherever possible, by seeking volunteers for early retirement/voluntary redundancy in areas where staff are affected by the proposals.

6.6 The proposals will be subject to full consultation with staff and trade unions in line with statutory requirements. It is considered that the total number of jobs affected during the budget setting process is likely to be below 100. However, to ensure sufficient consultation takes place the Council is preparing to comply with the statutory minimum consultation period of 45 days (which is required where there is to be 100 or more redundancies as opposed to the 30 days required when 20 to 99 redundancies) before making final decisions on its proposals. In addition, the Council will also ensure that the consultation process is meaningful and commences when potential redundancies are contemplated, that full consideration is given to the outcome and any comments received before final decisions are made regarding implementation, which are also legal requirements.

## 6.6.1 Redundancy situation

6.6.2 If there is a genuine redundancy situation then RBC will need to follow a fair procedure.

6.6.3 It is anticipated that there will be consultation obligations with the trade unions before a decision on whether to make redundancies is made.

6.6.4 Once the decision is made to “propose” redundancies (no final decision should be made and RBC should remain open to alternative proposals) the first issue will be to establish the appropriate redundancy pool.

6.6.5 If a particular function/team is closing then the pool may be obvious. Otherwise the pool should consist of all of the team of employees (or whatever the applicable job title is) whose roles are “interchangeable”. There should be no distinguishing between full-time and part-time or fixed-term workers.

6.6.6 Upon the pool being identified there will be a need to engage in a consultation exercise. Consultation should be meaningful and will usually consist of an initial group meeting followed by individual consultation meetings. The redundancies should remain a proposal at this stage and RB should remain open to alternative suggestions.

6.6.7 The option of voluntary redundancy should be made available to employees before compulsory redundancies are made.

6.6.8 The selection criteria should be devised and also subject to the consultation process.

6.6.9 All individuals should then be scored against the criteria and recommendations for redundancy made. Those individuals selected should then be invited to a meeting to discuss their scores and potentially challenge before a final decision is made.

6.6.10 In the event that any employee who is on maternity leave is selected for redundancy then they should be given priority for any suitable alternative employment.

6.6.11 Once the potential redundant employees are selected RBC should consider whether suitable alternative employment is available or not. It would be advisable to send vacancy lists from the beginning of the consultation period. Posts at the same or a more junior level should be considered and no presumptions made as to whether an employee would consider it suitable or not. SAE should be considered up until the date that notice to terminate expires.

The outcome of consultations will be reported to Members of the relevant Committees to allow for full consideration of feedback and final decisions will be made on the proposals taking into account the outcome of consultation.

## 6.7 Equalities Impacts

### **Workforce Equality Impact Assessment**

A workforce impact assessment will be undertaken to understand how the overall proposals affect the make-up of the workforce.

The Council undertook a workforce EIA for the savings process in previous years. The same analysis will be undertaken for the cohort of staff affected by the savings proposals in 2018/19 and 2019/20. A full equalities impact assessment will be undertaken following the implementation of the savings proposals, at which point we may need to revisit our equalities action plan or other policies.

The full workforce implications for each workforce proposal are provided in the private report provided separately on this Agenda.

## Consultation

- 7.1 Consultation is to be undertaken with the, stakeholder groups, staff and service users as appropriate. Consultation will commence consultation on 18<sup>th</sup> September 2017 and follow the process outlined in Table 7.

Table 7 Consultation Timetable



**WF – Workforce;** savings proposals which affect staff employed by the Council

The report will be presented for consultation to :

- Corporate Overview and Scrutiny Committee on 17<sup>th</sup> October 2017
- Trade Unions at the Joint Consultative Negotiation Group (JCNG) on the 15<sup>th</sup> September 2016 and throughout the process.
- Heywood Township Committee 25<sup>th</sup> September 2017; Pennines Township Committee 27<sup>th</sup> September 2017; Middleton Township Committee 28<sup>th</sup> September 2017; Rochdale Township Committee 4<sup>th</sup> October 2017.

<b>Background Papers</b>	<b>Place of Inspection</b>
8. Background papers are held by the Chief Finance Officer	Floor 2, Number One Riverside, Rochdale
<b>For Further Information Contact:</b>	Victoria Bradshaw, Tel: 01706 925409, Victoria.Bradshaw@Rochdale.Gov.UK

**Revenue Budget and Savings Programme Timetable**

Date	Meeting	Report
<b>2017</b>		
September	Budget Cabinet 14th September	1. Discretionary Fees & Charges 2018/19 2. Capital Programme 2018/19 - 2020/21 } 3. Revenue Budget 2018/19 - 2020/21 } For Consultation 4. Savings Programme 2018/19 - 2019/20 } 5. Medium Term Financial Strategy 2018/19 - 2022/23
November	Cabinet 28th November	1. Discretionary Fees & Charges 2018/19 - Post Consultation 2. Savings programme 2018/19 - 2019/20 - Post Consultation
December	Council 13th December	Approval of: Council Tax base setting 2018/19 Business Rates baseline 2018/19
<b>2018</b>		
January	Budget Cabinet ( January)	1. Budget update 2018/19 - 2020/21 following Autumn Budget/Provisional Settlement
February	Budget Cabinet (20th February)	1. Local Government Act 2013 - 2. Budget 2018/19 including: - Council Tax setting 2018/19 - Revenue Budget 2018/19 and forecast 2019/20 and 2020/21 - Capital Budget 2018/19 and forecast 2019/20 and 2020/21 - Treasury Management Strategy 2018/19 - Pay Policy 2018/19 - Medium Term Financial Strategy 2018/19 - 2022/23 (Review)
February	Budget Council (28th February)	
March	Statutory Deadline to set Budget 11th March	

**GENERAL FUND REVENUE ESTIMATES 2018/19 – 2020/21**
**Appendix 2**

	SERVICE	2018/19 £'000	2019/20 £'000	2020/21 £'000
1	Adult Care	59,978	61,206	64,018
2	Children's Services	56,882	56,097	56,735
3	Economy	16,501	16,675	16,680
4	Neighbourhoods	49,071	49,868	50,212
5	Resources	5,745	5,845	5,989
6	Public Health and Wellbeing	22,057	22,081	22,107
<b>7</b>	<b>TOTAL</b>	<b>210,234</b>	<b>211,772</b>	<b>215,741</b>
8	Finance Control	15,859	16,547	16,522
9	Contingency	3,883	3,565	4,643
10	SERVICES SUB TOTAL	229,976	231,884	236,906
11	Budget Pressures Fund	500	1,000	1,500
12	Saving Proposals	-12,552	-16,159	-27,102
13	TOTAL REQUIREMENTS	217,924	216,725	211,304
14	Contribution To/(From) Reserves/Balances	1,160	1,236	1,236
15	Contribution To/ (From) Unusable Reserves	-20,607	-18,147	-18,147
16	NET EXPENDITURE REQUIREMENTS	198,477	199,814	194,393
17	BUDGET REQUIREMENT	198,477	199,814	194,393
	<b>RESOURCES</b>			
	<b>Locally Generated Funding</b>			
18	Council Tax	-81,538	-83,160	-84,816
19	Business Rates Retained	-53,164	-54,148	-54,463
20	Collection Fund Surplus	-1,237	0	0
21	TOTAL LOCALLY GENERATED FUNDING	-135,939	-137,308	-139,279
	<b>Government Grants</b>			
22	Revenue Support Grant	0	0	0
23	General Grants	-17,163	-18,848	-18,519
24	Business Rates Top-Up Grant	-42,648	-35,853	-30,142
25	TOTAL GOVERNMENT GRANTS	-59,811	-54,701	-48,661
26	TOTAL RESOURCES	-195,750	-192,009	-187,940
27	<b>BUDGET REQUIREMENTS</b>	<b>2,727</b>	<b>7,805</b>	<b>6,453</b>
28	Less funding from one year only savings	11,748	14,317	25,260
29	<b>UNFUNDED ONGOING REQUIREMENT</b>	<b>14,475</b>	<b>22,122</b>	<b>31,713</b>

Subject to approval of Savings Proposals submitted for consultation purposes