

CITY OF PLYMOUTH

Subject: 2012/13 Updated Draft Budget (Revenue & Capital) allocated to corporate priorities

Committee: Cabinet

Date: 7 February 2012

Cabinet Member: Councillor Bowyer

CMT Member: Director of Corporate Services

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Ref: djn130112

Key Decision: No

Part: 1

Executive Summary:

The 2012/13 Indicative Revenue and Capital Budget Report, signed off by Cabinet 5 December 2011, built on the income assumptions set out in the latest published Medium Term Financial Strategy and its impact on the Council Tax. The report laid out the elements of the Council's income and expenditure strategy, summarised by each department, together with its Capital strategy.

At the time of preparing this budget, the Council has announced its intention to move from a five to a three directorate model progressively from 1 January 2012. The final proposed Budget Report for Full Council 27 February 2012, for comparative purposes, will be structured around the existing Directorates. However, we will also incorporate a summary indicating how the new budget will look under the revised three Directorate model.

At the time of publishing the December Indicative Budget report, the Council was still awaiting notification of its Government settlement for 2012/13 along with details of any significant changes anticipated to specific grants, both revenue and capital, which would have a material impact in certain service areas. The Settlement was in line with our predictions hence there is not a need to make major adjustments to the original budget assumptions and allocations. However, it should be noted that the Settlement figures quoted in this report are still subject to final approval by the Government. The decision is expected early February 2012.

This report identifies areas of the budget where there are either perceived timing issues in relation to the implementation of budget delivery plans, or forecasted pressures which require greater clarity on funding.

Officers and Cabinet must work through these areas in conjunction with the original budget allocations and ensure we have the correct alignment of resources to priorities. We will continue to work up plans to present a balanced budget to Council for sign off in February 2012. Following final analysis of all grants, there remains a funding shortfall of circa £0.800m for which we are developing final plans to address.

This report needs to be read in conjunction with the third quarter Performance and Finance Report (including Capital Programme update) presented to Cabinet 7 February 2012, and the Treasury Management Strategy Statement and Annual Investment Strategy 2012/13.

Corporate Plan 2012 - 2015:

The budget, and wider Medium Term Financial Strategy, is central to the successful delivery of the Corporate Plan 2012-15.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

Once approved the 2012/13 budget will become the base year for the Medium Term Financial Strategy (MTFS) 2012-15. The MTFS will be revised and updated soon after the adoption of the 2012/13 budget and will reflect the final settlement announcement. Human resources, ICT and asset implications have been fully considered and referred to throughout the report.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

All Departmental Delivery Plans are covered by Equalities Impact Assessments, signed off by the relevant Director. Each delivery action has considered the impact on: council priorities, legal obligations, customers and other services and partners. Each separate action has been risk assessed in terms of potential barriers to implementation with corresponding mitigation stated where relevant.

Recommendations & Reasons for recommended action:

It is recommended that:

- I. Cabinet consider the impacts of the funding requirements shown in this report, and note progress to date; and

- a. consider findings from consultation, plus feedback from budget scrutiny during February '12; and
- b. request officers to identify further savings in advance of the Full Council meeting on 27 February 2012 to arrive at the budget requirement; and
- c. recommend that a final version of the Revenue and Capital Budget for 2012/13 will be presented for sign off to Full Council on 27 February 2012.

Alternative options considered and reasons for recommended action:

It is a statutory requirement under Section 33 Local Government Finance Act 1992 for the Council to produce and deliver a balanced budget and to set a Council Tax.

Background papers:

- Finance Settlement Papers Department of Communities and Local Government
- Indicative Budget published December 2011
- Corporate Plan 2012-15 (draft published December 2011)
- The Prudential Code for Capital Finance in Local Authorities
- Equality Impact Assessments
- The Local Government Act 2003 and The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- Medium Term Financial Strategy
- Capital Financing Regulations
- Workforce development Strategy
- ICT Strategy
- Accommodation Strategy
- Third quarter Performance and Finance Report (including Capital Programme update) 7 February
- Treasury Management Strategy Statement and Annual Investment Strategy 2012/13.

Sign off

Fin	MC11 12.07	Leg	TH30/ 1/12A	HR	MG/AM	Asset Man.	n/a	IT	n/a	Strat. Proc.	n/a
Originating SMT Member Malcolm Coe											

I. Introduction and Contents

- I.1. This report details how the Council has allocated its revenue and capital resources across departments and priority areas for 2012/13 to improve outcomes for local people. It is fully linked and underpins the Council's Corporate Plan 2012-15.
- I.2. The proposed 2012/13 budget builds in the Settlement confirmed in December 2011. However, officers are still working through the detail of any changes to specific grant funding for the budget year.
- I.3. This report identifies areas of the budget where there are either perceived timing issues in relation to the implementation of budget delivery plans, or forecasted pressures which require greater clarity on funding.
- I.4. Any amendments required to this indicative budget, as a result of the December Settlement and after consideration of our consultation process and the proposals from the January 2012 Scrutiny, will be presented to Council for approval in February 2012.
- I.5. Funding allocations are made within the framework of the Council's Medium Term Financial Strategy, (MTFS), which sets targets and principles for setting three year revenue budgets and four year rolling capital budgets. The MTFS will be revised, updated, and published, following the approval of the 2012/13 budget and formal approval of the Council Tax.
- I.6. The December report included a summary report from each Director outlining the departmental context, detailing what the department intends to do to deliver a balanced revenue budget in 2012/13, and the plans for 2013-2015. Detailed delivery plan actions were also detailed. Readers should refer to the original report for this information.
- I.7. Appendix A to this report shows the impact of the changes identified to the Departmental Indicative Budgets.
- I.8. The Indicative Budget proposals have been subject to wide consultation culminating in Public Scrutiny by the Overview and Scrutiny Management Board on 11 and 16 and 18 January 2012. This updated budget report takes into account the recommendations of the consultation process.
- I.9. The proposed budget report in December outlined indicative budget targets to Departments based on initial budget planning and resource assumptions. The report however outlined the need to revisit the targets not least to update for a number of corporate adjustments and budget virements made during the latter part of 2011/12.

2. Resource review

- 2.1 The review of the budget assumptions for 2012/13 has considered all on-going funding allocations, together with any one-off funding allocations, plus the latest position on the 12/13 settlement and specific grants.
- 2.2 Our current Medium Term Financial Strategy makes no allowance for any changes to our Council Tax income arising from movements in our housing profile base assumptions. We have now been able to complete our analysis of the Council Tax Base for 2012/13 which indicates additional on-going income of £0.195m each year.
- 2.3 This additional income is based on existing tax levels and therefore before we apply any increase or freeze. This income together with the rest of the Council Tax will be added to the general fund resources, and be available for allocation to our priorities.
- 2.4 When setting the 2011/12 budget, there was an indication from Central Government that our lower paid employees should be allocated a £250 flat rate pay award. This was calculated to equate to an additional cost of £0.200m per annum.
- 2.5 This directive was later confirmed to relate to Civil Servants only, not including local authority staff. However, there was an allowance of £0.200m built into 2012/13 base figures which is now no longer required.
- 2.6 Officers continue to analyse detail of the specific grant funding allocation. This analysis is concentrating on the major blocks of funding which, prior to the changes announced in the 2010 Comprehensive Spending Review, (CSR), would have been ring-fenced. They are no longer ring-fenced, providing the flexibility for the Council to allocate any new resources to local priorities.
- 2.7 The latest funding position is shown in Appendix B. Officers continue to work through the implications of all grant funding.
- 2.8 For 2011/12 there has been a pay freeze for all local government employees.
- 2.9 However, there are recommendations from the Local Government Association (LGA) which suggest we can expect pressure to increase salaries anywhere between 1% and 3% over the next three years.
- 2.10 On advice from our HR department, and for budget setting purposes, it is prudent to set a provision for a 1% increase for 2012/13 and assume around 1.5%~2% for future years. A 1% increase would require an extra allocation of £1m for 2012/13
- 2.11 The three new directorates came into effect on 1 January 2012, and The Appointments Panel made appointments to the Assistant Director level during January 2012, to take effect from 1 March 2012.
- 2.12 Officers are currently working up a new Budget Delivery Plan to undertake a management de-layering at the 3rd tier management level. This plan will build on the synergies available as a result of the reduced directorates and greater span of control

for the Assistant Directors. At the time of going to print, the value of these savings was yet to be quantified.

3. Departmental Review

- 3.1 The current 2012/13 budget is year two of our three year rolling strategy. In setting the 2011/12 budget we set up a three year department delivery plan programme.
- 3.2 The savings required from these plans have been well documented, rising from savings of £13m in 2011/12 (year 1) to £20m in 2012/13 (year 2) and finally £30m cumulative savings by 2013/14 (year 3).
- 3.3 Plymouth City Council has continued to make tangible improvements to client facing services whilst driving efficiencies throughout 2011/12. This principle underlies the strategy for the budget for 2012/13. The Authority has to direct scarce resources away from the support functions and towards the frontline services, but maintain the ability to provide the necessary level of support, not just for 2012/13 but the coming years.
- 3.4 The latest outturn forecast for 2011/12 confirms we are making tangible savings, with around 95% of the in-year efficiency savings already either delivered or on schedule to be delivered by the end of the financial year.
- 3.5 However, the delivery plans require a major step change to achieve the full savings required for 2012/13. There are a number of areas where timing issues will require a further review of resource allocation.
- 3.6 In the following areas, and since the adoption of the relevant budget delivery plans as part of the 2011/12 budget process, there are one-off delays which will impact on the value of the 2012/13 savings. The plans will still be put in place and deliver full year savings from 2013/14 onwards. However, in order to activate these plans, we must be aware of the impact on the 2012/13 budget.
- 3.7 The opening of the Plymouth Life Centre, on time and on budget in March 2012, reinforces Plymouth City Council's ambitions for the city. The Plymouth Life Centre will offer a greater range of sports & leisure and family activities at a significantly reduced cost to the Council. A major strand of this project sees the outsourcing of our leisure management to a leisure contractor. The delivery plans assumed we would realise a saving of £0.250m each year for the next ten years.
- 3.8 We have successfully outsourced the leisure management contract during 2011/12 but have flagged that the current year (2011/12) savings would not be achieved. The Community Services Director has been working up alternative savings to cover the 2011/12 shortfall. This still leaves a savings shortfall for 2012/13.
- 3.9 Within the detail of the Leisure Management Contract, the business plan shows that the full £2.5m savings are still achievable over the next ten years. But there is a timing issue to be resolved for 2012/13.

- 3.10 The Director for People (formerly under the remit of the Director for Community Services) has indicated throughout the 2012/13 budget setting and challenge sessions at CMT that the council would need to allocate circa £0.800m to maintain the Pavilions funding for ice provision. Currently this is not reflected in the resource allocations.
- 3.11 The delivery plans set out for the Community Services Directorate includes a plan which is rated as “Red” under Environmental Services. This is another example of a timing delay which means that this plan is unlikely to deliver the full saving during 2012/13. The actions required to implement this plan will mean that the earliest we can expect to see savings will be early 2013/14. The value of this plan is £0.560m.
- 3.12 The Waste Reserve is potentially available to address this shortfall.
- 3.13 The Government has previously announced the introduction of a Carbon Reduction Commitment (CRC) tax. It has now been confirmed that the first such tax levy will fall due in 2011/12. The full estimated exposure is £0.400m. However, a proportion of this relates directly to the emissions from the city’s schools. Officers will therefore advise the Schools Forum to accept a charge of £0.160m, reducing the authority’s charge to £0.240m. The estimate is for the same charge for 2012/13; currently this is not reflected in the resource allocation.
- 3.14 The delivery plans set out currently for Corporate Support, but transferring for 2012/13 to the new Place Directorate, includes a £1.500m saving from the Corporate Accommodation Strategy.
- 3.15 Whereas this saving will still be realised in a full year, delays in securing a long term solution for the Civic Centre have meant that the savings anticipated will not now materialise in full for 2012/13. The shortfall is currently projected as £0.500m
- 3.16 Adult Health and Social Care Services continue to manage service transformation and drive integration with Health partners in order to mitigate future costs of social care against a challenging climate and changes to resourcing. Furthermore, in order to ensure we comply with government guidance we will be consulting with the market before setting care home fees.

4. Review of Reserves & Risk Management

- 4.1 In terms of Reserves, the council retains a prudent approach to risk management. Our core working balance, as at 31 March 2011, at £11.5m is 5.7% of our indicative net 2012/13 revenue budget. Our plans are to retain this Working Balance level throughout 2012/13 (compliant with the objectives set within our MTFs).
- 4.2 In addition to the Working Balance, specific earmarked reserves are forecasted at £23.0m at the end of March 2012 and forecasted to reduce to £20.0m by 31 March 2013. The balances are higher than estimated at this time last year as we now have to include, under IFRS requirements, the previously undisclosed Schools Balance (currently £5.5m) and unused year end Grants carry forwards (currently £3.0m)

- 4.3 Specific reserves are set to cover known or estimated future costs for specific activities and / or liabilities.
- 4.4 For example, a Waste Management Reserve of £2.4m was set up to meet the short term revenue costs of waste disposal, bridging the years 2011/12 to 2013/14 when the proposed Energy from Waste Incinerator comes into full operation.
- 4.5 This reserve was to cover the estimated increases in Landfill Tax and Gate fees. It is therefore now proposed to call down against this reserve in three equal instalments of £0.800m in each of the three years 2011/12, 2012/13 and 2013/14. The draw down for 2011/12 is subject to review once the final outturn position is confirmed.
- 4.6 The 2010/11 Outturn position enabled the set aside of three specific amounts to cover expenditure in 2011/12. These were £0.100m to support the cost of the America's Cup; £0.300m to cover urgent health and safety required demolitions; and £0.400m to support the introduction of the transformational Procure to Pay (P2P) project.
- 4.7 The target saving for the P2P project for 2012/13 steps up to a revised target of £1.300m. It is anticipated that it would be prudent at this stage to plan for a reduced savings target for 2012/13 of £1.050m, creating a pressure of £0.250m.
- 4.8 The council currently has monies set aside into a Pension Reserve, with a balance of £1.080m. This reserve was created to ensure we are able to meet future shortfalls in our contributions to the Pension Fund. In December 2011, the Pension Fund Administrator indicated the likely shortfall for 2011/12 to be circa £0.300m.
- 4.9 If our contributions remain at the same level for the next two years, the period of the last tri-annual valuation, we would anticipate further shortfalls for 2012/13 (and 2013/14.)
- 4.10 We must be mindful that, as staff numbers reduce, the pension contributions are likely to reduce. This may require larger draw-downs from the reserve in the future.
- 4.11 It is proposed to draw down the estimated £0.300m contribution shortfall for 2012/13 from the existing Pension Reserve.

5. Revenue Resources

- 5.1 Our resources for 2012/13 are based on confirmed assumptions and allocations. However, officers continue to review all areas of specific grant funding to ensure we are matching our resources to the correct areas of expenditure.
- 5.2 Central Government made a significant adjustment to the Council Tax Freeze Grant for the financial year 2011/12. We have confirmation that this grant will be available to authorities for the period of the CSR. This means we are guaranteed that this funding will continue for 2012/13, 2013/14 and 2014/15. The grant was initially applied as Specific Grant funding as opposed to established "Revenue Resources"; as such, it was allocated to Corporate Items as an income line.

- 5.3 For the remaining three years of the funding, it has been consolidated into the Formula Grant, thereby reclassifying it as part of our Revenue Resources. This has the effect of appearing to increase our revenue, although this is not new money, rather a re-classification.
- 5.4 Central Government has now confirmed the offer of a one-off Council Tax Grant allowance in 2012/13 equivalent to 2.5% of the Council tax base, in return for a second consecutive Council Tax freeze. For Plymouth City Council, this has been confirmed as equating to £2.398m.
- 5.5 Although this Grant offer is welcomed, it does mean the Authority would have a year on year shortfall in future funding, as this money is removed from the budget from 2013/14 onwards.
- 5.6 Plymouth City Council therefore has two options to consider in terms of our Council Tax strategy for 2012/13.
- 5.7 Option one is to decline the Government's offer of a freeze grant, and apply an increase to our Council Tax. In round terms, for Plymouth City Council, each 1% increase represents £0.959m. Therefore a 2.5% increase, equivalent to the Government's grant funding, would generate additional income of £2.398m.
- 5.8 At this stage, the Government has set a threshold of 3.5% above which a council is obliged to call a referendum.
- 5.9 Option two is to freeze the Council Tax, and accept the Government's offer of a one-off specific grant equivalent to a 2.5% increase. This would generate an income of £2.398m for 2012/13 only. As this is a one-off grant payment, the Council should take great care before applying this funding to on-going revenue expenditure commitments.

6. Summary Revenue and Resources Position

- 6.1 In summary, the challenges to be addressed total 'one-off' pressures for 2012/13 of £1.770m and on-going pressure for 2012/13 of £2.900m, giving a total challenge to be addressed of £4.670m

One-off pressures 2012/13 £1.770m

New DIRECTORATE / Area	ONE OFF PRESSURES	Detail in report
PLACE		
	£m	
Accommodation Strategy	0.500	section 3.15
PLACE TOTAL	0.500	
PEOPLE		
Culture, Sport & Leisure	0.800	section 3.10
Culture, Sport & Leisure	0.220	section 3.9
PEOPLE TOTAL	1.020	
CORPORATE SERVICES		
Procurement	0.250	section 4.7
CORP SERVICES TOTAL	0.250	
TOTAL ALL DIRECTORATES	1.770	

On-going pressures 2012/13 £2.900m

New DIRECTORATE / Area	ON-GOING PRESSURES	Detail in report
PLACE		
	£m	
Environmental Services	0.560	section 3.11
Environmental Services	0.800	section 4.5
PLACE TOTAL	1.360	
CORPORATE ITEMS		
Other Corporate Items	1.000	section 2.10
Carbon Reduction	0.240	section 3.14
Other Corporate Items	0.300	section 4.11
CORP ITEMS TOTAL	1.540	
TOTAL ALL DIRECTORATES	2.900	

- 6.2 The impact of the additional Council Tax receipt, together with the transfer of the 2011/12 Council Tax Freeze Grant into Formula Grant, is an apparent increase in our revenue resources from the £201.1m detailed in our December Indicative Budget, to a revised £203.7m. It must be remembered however that the only new money at this stage is the additional Council Tax base at £0.195m

	2012/13 Indicative Budget	2012/13 Updated Budget	Movement
Revenue Resources	£m	£m	£m
Formula Grant	105.2	105.2	0.0
Council Tax	95.9	96.1	0.2
Council Tax Freeze Grant 2011/12	-	2.4	2.4
Total Resources Available	201.1	203.7	2.6

6.3 This report has also detailed the following sources of funding to close the current budget gap. At this stage, the Council has not declared its position in regard to whether to freeze the Council Tax for a second year, and accept the Government's one-off Council Tax Freeze Grant for 2012/13. This would be equivalent to a 2.5% increase which equates to funding of £2.398m. For purposes of this budget report, the assumption is additional income of £2.398m could be available and is therefore included in the calculations at this stage.

6.4 Including this amount of £2.398m gives us the following resources:

ADDITIONAL RESOURCES	£m	Detail in report
Council Tax Base Income	0.195	section 2.2
C/T or C/T Freeze Grant 2012/13?	2.398	sections 5.4 + 5.7
Waste Reserve	0.800	section 4.5
Pension Reserve	0.300	section 4.11
Corporate Items	0.200	section 2.5
Additional DP Management De-layering	tbc	section 2.12
Waste Reserve	tbc	section 3.12
TOTAL POSSIBLE RESOURCES	3.893	

6.5 As previously stated, we are still working to close the gap between the revenue budget costs and the available revenue resources. We are currently working to close a possible gap of £0.777m

	£m
One-off pressures 2012/13	1.770
On-going pressures	2.900
TOTAL PRESSURES	4.670
TOTAL POSSIBLE RESOURCES	3.893
BUDGET GAP	-0.777

6.6 It should be noted that the Settlement figures quoted in this report are still subject to final approval by the Government. The decision is expected early February.

7. Review of Fees and Charges

7.1 Councils have powers to charge for a wide range of services. Many of these powers derive from legislation that applies to specific service areas. However under the local Government Act 2003, Council's also have wide powers to charge for discretionary services.

7.2 Fees, charges and rents, will account for around 8% of the Council's income in 2012/13.

7.3 Service managers are required to review charges as part of the annual budget setting exercise unless a service review has been, or is due, to be undertaken. The underlying principle is that fees and charges should be reviewed annually and uplifted by the rate of inflation (RPI), currently 4.7%, with the exception of services where charges have been implemented or amended to fund services improvements or where benchmarking shows that the Council's costs may be low, (or high), in comparison to those charged elsewhere. In deciding whether to increase fees and charges departments continue to have regard to the current economic climate.

7.4 Any revisions to the 2012/13 fees and charges will be approved in line with the Council's constitution.

8. Capital Resources

8.1 The principle that capital schemes are only approved into the programme where specific funding has been clearly identified, and supported by business cases, is maintained. Thereby, the capital investment programme, at any set point in time, will evidence 100% funding allocation against approved schemes. Capital investment is prioritised to ensure that outcomes are maximised against the council's Priorities.

8.2 The Council continues to challenge the affordability of its four year capital programme for the period 2011/12 to 2014/15 which is shown, along with the funding, in Figures 1 and 2 below.

Figure 1: Four year proposed Departmental Capital Programme

	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Total £000s
Children's Services	15,727	25,431	15,987	5,948	63,093
Community Services	26,951	9,012	1,155	1,062	38,180
Corporate Support	7,662	6,547	521	0	14,730
Development & Regeneration	28,321	9,731	11,135	7,871	57,058
Total	78,661	50,721	28,798	14,881	173,061

Figure 2: Four year proposed Funding

	Capital Receipts £000s	Unsupported Borrowing £000s	Supported Borrowing £000s	Grants & Contributions £000s	S106 etc £000s	Revenue and Funds £000	Total £000s
2011/12	20,126	19,528	277	33,574	1,857	3,299	78,661
2012/13	9,955	5,195	47	33,177	957	1,390	50,721
2013/14	5,077	0	0	23,472	51	198	28,798
2014/15	0	0	0	13,294	1,250	337	14,881
Total	35,158	24,723	324	103,517	4,115	5,224	173,061

- 8.3 The Council remains committed to a significant capital investment programme despite the current economic climate. The Council, engaging with partners in major regeneration of the City, will not only contribute towards delivering improvement priorities, but will also help to sustain much needed work opportunities in the local area
- 8.4 The Council will continue to regularly review the assets that it owns to ensure that they are fit for purpose and optimise the use of capital receipts, where deemed beneficial, in order to support the overall capital investment programme. However, the ability to generate capital receipts has been severely impacted in the last couple of years due to significantly falling land and property prices.
- 8.5 This report needs to be read in conjunction with the third quarter Performance and Finance Report (including Capital Programme update) published February 2012.

9. Summary

- 9.1 This budget has been set under very challenging conditions, with unprecedented reductions in Government resources, both in terms of revenue grant and capital support.
- 9.2 Despite this operating environment, the Council is continuing its aims of transforming, modernising and increasing efficiency across the whole Council.
- 9.3 This budget builds on, where possible, protecting frontline services whilst rationalising and reducing the back office running costs.
- 9.4 All areas are under review, including initiatives to make savings from greater procurement efficiency, and invest to save projects, both revenue and capital, which will reduce future cost pressures.
- 9.5 As the Council undertakes transformation, there will be a need to reduce staff numbers, but this will continue to be managed in such a way as to reduce the need for redundancies.
- 9.6 At the time of writing, this report outlines a budget which still requires actions and plans to address a funding shortfall of circ £800k. Cabinet must consider how to close this shortfall to present a balanced budget to Council for sign off 27 February 2012. Currently we are
- 9.7 Every effort is being made to maximise efficiencies, minimise any Council Tax increase, and if possible freeze Council Tax for a second year.
- 9.8 The proposed final Revenue and Capital Budget for 2012/13 will be presented to Full Council 27 February 2012.

APPENDIX A

DIRECTORATE	11/12 £000s REVISED BASE BUDGET	12/13 £000s DEC TARGET BUDGET	12/13 £000s Additional PRESSURES	12/13 £000s Additional RESOURCE ALLOCATION	12/13 £000s TARGET BUDGET REVISED
Schools	0	0			0
Funded Programmes	0	0			0
Performance and Policy	355	275			275
Learner and Family Support	9,387	9,055			9,055
Lifelong Learning	10,794	10,794			10,794
Social Care	28,013	27,493			27,493
Childrens YP Budget Savings	(320)	(406)			(406)
Children & Young People	48,229	47,211	0	0	47,211
Adult Health and Social Care	71,867	70,267			70,267
Culture Sport and Leisure	9,447	9,217	1,020		10,237
Environmental Services	24,267	22,987	1,360	(800)	23,547
Safer Communities	2,024	2,024			2,024
Service, Strategy & Regulation	413	413			413
Community Services Budget Savings	0	(790)			(790)
Community Services	108,018	104,118	2,380	(800)	105,698
Planning Services	1,504	1,506			1,506
Strategic Housing	2,839	2,966			2,966
Business Support	24	(339)			(339)
Transport and Highways	13,511	13,636			13,636
Waste Management Project Team	420	306			306
Economic Development	(1,339)	(1,339)			(1,339)
Development Budget Savings	0	0			0
Development & Regeneration	16,959	16,736	0	0	16,736
Departmental Management	482	482			482
Policy Performance & Partners	1,137	1,130			1,130
Corporate Communications	572	572			572
Chief Executive Budget Savings	(30)	(164)			(164)
Chief Executive	2,160	2,019	0	0	2,019
Departmental Management	181	181			181
Finance, Assets & Efficiencies	12,952	12,772			12,772
HR Organisational Development	2,951	2,801			2,801
ICT Information Systems	5,797	5,697			5,697
Customer Services	2,155	2,055			2,055
Democracy and Governance	5,063	5,063			5,063
Corporate Support Budget Savings	(2,412)	(4,314)	750		(3,564)
Corporate Support	26,687	24,255	750	0	25,005
Other Corporate Items	(3,653)	(3,653)	1,540	(500)	(2,613)
Capital Financing	9,635	10,235			10,235
Major Projects	203	203			203
Corporate Items Budget Savings	0	0			0
Corporate Items	6,185	6,784	1,540	(500)	7,825
TOTAL REVENUE RESOURCES	208,237	201,123	4,670	(1,300)	204,493

TOTAL REVENUE BUDGET Dec 11	201,123
Add additional C/Tax income 12/13	195
Add C/T Freeze Grant 2011/12	2,398
REVISED RESOURCES	203,716
SHORTFALL	(777)

Assumes drawdown from Waste Reserve £0.800m / Pension Reserve £0.300m

PROVISIONAL SETTLEMENT 2012/13

APPENDIX B

PCC Funding					
		MTFS Revenue Assumptions 12/13 Budget £m	2012/13 Provisional Settlement 8.12.11 £m	2012/13 Variation £m	Comments
Now Combined	Formula Grant	105.191	105.191	-	
into FG	Council Tax Freeze Grant re 11/12	0	2.398	2.398	Replaced from specific grant
	Council Tax Receipts	95.922	96.117	0.195	Due to additional 157 Band D equivalent properties as at 30/11
Resources to fund NBR		201.113	203.706	2.593	

Specific Grants announced at settlement						
Is this grant ringfenced?		MTFS Revenue Assumptions 12/13 Budget £m	2012/13 Provisional Settlement 10.01.12 £m	2012/13 Variation £m	Comments	Where it is a non ringfenced grant add detail of Commitments Against Funding (Including Variation) £m
NO	Learning Disability and Health Reform	2.277	2.411	0.134	£2.227 in CB	
NO	HB Admin Grant	2.377	2.377	-	£2.377 in CB	
NO	New Homes Bonus	1.070	1.538	0.468	£1.070 in CB. To meet spending plans within department - NF to explain to Malcolm	Full amount linked to DP within department
LSSG - NO	LSSG for Lead Local Flood Authorities	0.154	0.154	-	£0.154 in CB	Full amount committed
LSSG - NO	Preventing Homelessness	0.575	0.575	-	£0.575 in CB	
NO	Early intervention Grant	11.710	12.018	0.308	£11.710 as FG last yr. The £12.018 includes 2 yr old funding subject to Finance & Commissioning Board Approval	Full amount committed
LSSG - NO	Extended Rights & free travel	0.142	0.176	0.034	Split between School Transport Budget and Sustainable Transport Team	Full amount committed
YES	Education PFI Revenue for operational projects	3.983	3.983	-	£4.929 in CB but includes schools income so comparable figure is £3.983	
YES	Dedicated Schools Grant	123.468	123.468	-	DSG funding is standstill for 12/13, although subject to pupil numbers which will not be known until January 12	
YES	Pupil Premium	3.634	6.163	2.529	£0.125 in CB - will be updated as part of schools busget prep workings	
				-		
Specific Grants		149.390	152.863	3.473		-

TOTAL REVENUE FUNDING ANNOUNCED TO DATE		350.503	356.569	6.066		
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