

MEETING	ON
COUNCIL	28 <sup>th</sup> FEBRUARY 2018



TITLE	PROPOSER	Agenda item No.
SOUTH RIBBLE INDEPENDENTS GROUP BUDGET AMENDMENT	Councillor Paul Wharton	

## 1. BACKGROUND

- 1.1 South Ribble Independents, propose an amendment to the 2018/19 budget as recommended to this Council by Cabinet on 14th February 2018. This paper summarises our proposals for consideration by Council and our continued priorities for the coming year.
- 1.2 We have also consulted with the Statutory Officers to ensure our amendment is both legal and possible to deliver.

## 2. EXECUTIVE SUMMARY

2.1 We propose to deliver no Council Tax increase next year. South Ribble Independents believe that councils should only look to raise council tax when there are no other options available. This council is undergoing lots of change and transformation, with the potential to generate income over the coming years through more streamlined ways of working, and good investment decisions.

This year residents are being hit with increases on their bills from Lancashire County Council, Lancashire Police and Crime Commissioner, and Lancashire Fire Authority. People are financially struggling and we would like to offer them support by not adding any unnecessary further strain to household budgets.

2.2 This Council Tax freeze this year will be funded primarily by utilising the significant reserves that the authority holds, however there will be no requirement for any reserves to be used in the next financial year.

2.3 South Ribble Independents propose the removal of the Council Tax Support Scheme and this is budgeted to be removed from 2019/20 onwards. This will require work to be undertaken by officers to consult with residents so that this can be implemented from the start of the 2019/20 financial year.

2.4 Although we believe significant additional transformation savings can be made, we have not included any extra transformation savings for the year 2018/19 due to the significant changes ongoing at the council in respect of the Management and culture/organisational change.

2.5 Our focus moving forward will be to make savings from maximising the sharing of services with partners, and utilising our assets to their fullest. A large part of our ambition moving forward will also be to generate long term income by investing in setting up a commercially focused housing company. This has not been included in the MTFS as significant work will need to be undertaken to realise this, however we believe it would support the growth agenda highlighted within the

corporate plan, and would ensure further funding towards the principles of the City Deal and help to accelerate the local plan.

2.6 We propose to remove the neighbourhood forums and replace with a local member grant scheme. The neighbourhood forums share mixed opinions with both councillors and residents alike. Some are well attended, however this is usually when a controversial item or large scale planning application is ongoing in the particular area. The introduction of local member grants will empower ward councillors to assist local groups and projects at the heart of the communities they serve.

### **3. PROPOSAL FOR 2018/19 BUDGET**

- Zero increase in Council Tax in 2018/19.
- Introduce Local Member Grant Scheme in 2018/19
- Removing My Neighbourhood funding (part year saving 2018/19)
- Utilise £201,000 from balances to balance the budget.

### **4. COMMENTS OF THE STATUTORY FINANCE OFFICER**

- 4.1 With regards to the amendments to the Budget for 2018/19, the proposed removal of the My Neighbourhood forums and support would need to be delivered in order to mitigate the loss of potential future income from not increasing Council tax and to fund the Member Grant scheme. There is an adequate level of reserves to meet the use of balances proposed.
- 4.2 The budget sets additional challenging savings targets for 2019/20 to 2022/23. If these targets aren't delivered, balances could be used in the short-term to balance the budget. However, this is not sustainable in the long term.

### **5. COMMENTS OF THE MONITORING OFFICER**

- 5.1 The South Ribble Independents Group propose amendments to the budget put forward by the administration. Advance notice of such proposals is clearly to be welcomed and is good practice. There are no specific legal issues that need to be made in this context. The general legal issues associated with budget setting are set out in the report that contains details of the administration's proposals. Clearly it is for full council to assess the desirability and deliverability of these proposals.

INDEPENDENT GROUP ALTERNATIVE BUDGET					
MEDIUM-TERM FINANCIAL STRATEGY 2018/19 TO 2022/23					
PORTFOLIO	FORECAST 2018/19 £000's	FORECAST 2019/20 £000's	FORECAST 2020/21 £000's	FORECAST 2021/22 £000's	FORECAST 2022/23 £000's
Leader	1,910	1,966	1,932	1,955	1,994
Finance	874	895	895	895	895
Corporate Support and Assets	5,287	5,230	5,356	5,462	5,571
Neighbourhoods & Streetscene	5,354	5,345	5,378	5,498	5,608
Public Health Safety & Wellbeing	422	437	452	465	475
Regeneration and Leisure	1,434	1,465	1,461	1,486	1,515
Strategic Planning & Housing	141	96	16	16	16
Pensions Triennial Review	0	0	200	200	200
Restructure savings	(210)	(410)	(410)	(410)	(410)
Staff Turnover Savings Target	(100)	(100)	(100)	(100)	(100)
<b>TOTAL SERVICE BUDGETS</b>	<b>15,112</b>	<b>14,924</b>	<b>15,180</b>	<b>15,466</b>	<b>15,764</b>
Financing and Investment	(2,563)	(2,479)	(2,438)	(2,438)	(2,438)
Transfers to/(from) earmarked reserves	30	(90)	30	30	30
<b>BOROUGH COUNCIL BUDGET REQUIREMENT</b>	<b>12,579</b>	<b>12,355</b>	<b>12,772</b>	<b>13,058</b>	<b>13,356</b>
FUNDED BY:					
Revenue Support Grant/Tariff adjustment	0	494	494	494	494
Transition Grant	0	0	0	0	0
New Homes Bonus (net of City Deal payments)	(407)	(135)	(59)	0	0
Retained Business Rates (net of City Deal payments)	(4,293)	(4,293)	(4,293)	(4,293)	(4,293)
Council Tax	(7,467)	(7,516)	(7,616)	(7,766)	(7,826)
<b>TOTAL FUNDING</b>	<b>(12,167)</b>	<b>(11,450)</b>	<b>(11,474)</b>	<b>(11,565)</b>	<b>(11,625)</b>
<b>FORECAST BUDGET GAP</b>	<b>412</b>	<b>905</b>	<b>1,298</b>	<b>1,493</b>	<b>1,731</b>
<b>18/19 BUDGET PROPOSALS:</b>					
Investment in Corporate Plan (net)	173	125	100	100	100
Net borrowing costs from Capital Strategy	45	140	520	880	900
Indicative Savings and income from Capital Strategy	0	0	(100)	(1,186)	(1,186)
Transformation and Shared Services savings	(270)	(580)	(615)	(615)	(615)
Additional Transformation/Shared service savings		(300)	(300)	(300)	(300)
Release from Transformation Fund	(79)	0	0	0	0
Fees and Charges	(60)	(121)	(121)	(121)	(121)
Council Tax increases from 19/20	0	(147)	(298)	(451)	(607)
Remove Council Tax Support Scheme from 19/20	0	73	73	73	73
Introduction of Member Grant Scheme	50	50	50	50	50
Remove My Neighbourhood Forums funding & support	(70)	(145)	(145)	(145)	(145)
<b>MTFS ASSUMPTIONS:</b>					
Contribution to Capital Asset reserve	0	0	0	635	538
Forecast net Business Rates Growth	0	0	(250)	(500)	(500)
	201	0	212	(87)	(82)
Use of General Fund Balance	(201)	(0)	(212)	87	82
<b>FORECAST BUDGET (SURPLUS)/DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>