



Overview and Scrutiny Committee

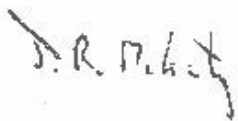
Meeting: Monday, 19th December 2016 at 7.00 pm in Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP

Membership:	Cllrs. Coole (Chair), Ryall (Vice-Chair), Pearsall (Spokesperson), Hilton, Lewis, Morgan, Wilson, Haigh, Dee, Hampson, H. Norman, Finnegan, Hawthorne, Melvin and Smith
Contact:	Rhys Howell Democratic Services Officer 01452 396126 rhys.howell@gloucester.gov.uk

AGENDA

1.	APOLOGIES To receive any apologies for absence.
2.	DECLARATIONS OF INTEREST To receive from Members, declarations of the existence of any disclosable pecuniary, or non-pecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.
3.	PUBLIC QUESTION TIME (15 MINUTES) To receive any questions from members of the public provided that a question does not relate to: <ul style="list-style-type: none"> • Matters which are the subject of current or pending legal proceedings, or • Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers •
4.	PETITIONS AND DEPUTATIONS (15 MINUTES) To receive any petitions and deputations provided that no such petition or deputation is in relation to: <ul style="list-style-type: none"> • Matters relating to individual Council Officers, or • Matters relating to current or pending legal proceedings

<p>5.</p>	<p>DRAFT MONEY PLAN 2017-22 AND BUDGET PROPOSALS 2017-18 (Pages 5 - 58)</p> <p>To consider the report of the Cabinet Member for Performance and Resources which sets out the draft Money Plan for the period 2017 to 2022 and Budget Proposals for 2017 to 2018.</p> <p>The format for the session will be as follows:-</p> <ol style="list-style-type: none"> 1. Leader of the Council will introduce the report. 2. The Cabinet Member for Performance and Resources will add his comments on the report. <p>Each Cabinet Member will then present their respective portfolios in the following order (as set out in Appendix 5):-</p> <ol style="list-style-type: none"> 1. Cabinet Member for Regeneration and Economy. 2. Cabinet Member for Performance and Resources. 3. Cabinet Member for Culture and Leisure. 4. Cabinet Member for Environment. 5. Cabinet Member for Communities and Neighbourhoods. 6. Cabinet Member for Housing and Planning. <p>During their presentations the Cabinet Members will address the following points:-</p> <ol style="list-style-type: none"> 1. Current staffing levels. 2. Financial pressures for next year, including any potential reduction in income streams. 3. The proposed budget savings in their area for next year and how these will impact on the services they provide. 4. Any new income streams identified during the process. 5. The main priorities for their portfolio and whether any have changed as a result of the Draft Money Plan
<p>6.</p>	<p>DATE OF NEXT MEETING</p> <p>Monday 9 January 2017 at 6.30pm</p>



Jon McGinty
Managing Director

Date of Publication: Friday, 9 December 2016

NOTES

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area. For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either – i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with

whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, “securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

Access to Information

Agendas and reports can be viewed on the Gloucester City Council website: www.gloucester.gov.uk and are available to view five working days prior to the meeting date.

For further details and enquiries about this meeting please contact Rhys Howell, 01452 396126, rhys.howell@gloucester.gov.uk.

For general enquiries about Gloucester City Council’s meetings please contact Democratic Services, 01452 396126, democratic.services@gloucester.gov.uk.

If you, or someone you know cannot understand English and need help with this information, or if you would like a large print, Braille, or audio version of this information please call 01452 396396.

Recording of meetings

Please be aware that meetings may be recorded. There is no requirement for those wishing to record proceedings to notify the Council in advance; however, as a courtesy, anyone wishing to do so is advised to make the Chair aware before the meeting starts.

Any recording must take place in such a way as to ensure that the view of Councillors, Officers, the Public and Press is not obstructed. The use of flash photography and/or additional lighting will not be allowed unless this has been discussed and agreed in advance of the meeting.

FIRE / EMERGENCY EVACUATION PROCEDURE

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.



Meeting:	Cabinet Overview & Scrutiny	7 th December 2016 19 th December 2016
Subject:	Draft Money Plan 2017-22 & Budget Proposals 2017/18	
Report Of:	Cabinet Member for Performance and Resources	
Wards Affected:	All	
Key Decision:	No	Budget/Policy Framework: No
Contact Officer:	Jon Topping, Head of Finance Jon.topping@gloucester.gov.uk	
		Tel: 01452 396242
Appendices:	<ol style="list-style-type: none"> 1. Draft Money Plan 2017/18 – 2021/22 2. Budget Pressures & Savings 3. Savings Programme 4. 2017/18 – 2021/22 Capital Programme 5. Draft Budget Book 	

FOR GENERAL RELEASE

1.0 PURPOSE OF REPORT

1.1 To review the Council’s Draft Money Plan.

2.0 RECOMMENDATIONS

2.1 **Cabinet** is asked to **RESOLVE** that:

- (1) That the assumptions contained in the Council’s draft Money Plan from 2017/18 to 2021/22 and revisions to the draft revenue budget be approved.
- (2) That the uncertainties regarding future incomes, as shown in this report and Appendix 1 and the need to update the Draft Money Plan when there is more certainty regarding Central Government financing be noted.

3.0 Introduction

3.1 The Money Plan sets out the Council’s strategic approach to the management of its finances and presents indicative budgets and Council Tax levels for the medium term. It covers the General Fund Revenue Budget, the Capital Programme and Earmarked Reserves. It also comments on the significant financial risks facing the Council in the forthcoming years and explains what the Council is doing to reduce those risks.

3.2 The main objectives of the Money Plan are to:

- explain the financial context within which the Council is set to work over the medium term;
- provide a medium term forecast of resources and expenditure;
- identify the financial resources needed to deliver the Council’s priority outcomes, in line with the Council’s plan;
- achieve a stable and sustainable budget capable of withstanding financial pressures;

- achieve a balanced base budget, minimising the use of balances to meet recurring baseline spending, with the General Fund balance being maintained at a minimum of £1.6m by the end of the plan period;
- where possible, additional investment and spending decisions will be made to reflect Council priorities and strategic commitments, with disinvestment and budget savings being made in non-priority areas; and
- ensure capital financing is established at a level that maintains ongoing robustness in the capital programme.

4.0 The Local Government Finance Environment

4.1 The Council's Money plan provides the framework within which revenue spending decisions can be made over the medium term. It is reviewed and updated on an annual basis to take into account any alterations that may be required as a result of changed circumstances. The Draft Money Plan covers a five year period up to 2021/22.

4.2 Local Government is facing the toughest financial outlook for many decades. The Local Government Finance Settlement in recent years has seen unprecedented reductions in formula grant.

Local Government Finance Settlement 2017/18

4.3 On the 8th February 2016, the secretary of State for Communities and Local Government announced the final Local Government settlement for 2016/17. The announcement included the following proposals to be delivered over the spending review period that will potentially affect the Council:

- Movement to 100% business rates retention
- Flexibility for District Councils to increase Council Tax by £5 a year.
- The offer of 4 year settlement for Councils that apply through demonstrating an efficiency plan.
- The ability to use 100% of Capital receipts from 1 April 2016 to assist in funding efficiency reforms
- Retention of New Homes Bonus, subject to consultation.

4.4 In addition to the detailed proposal for 2016/17, the settlement provided indicative figures for each financial year up to 2019/20, however these figures must be treated with caution as they do not take in to account proposed changes to New Homes Bonus.

4.5 The Chancellor delivered his Autumn Statement on November 23th 2016. Following this announcement presently there is no requirement to change the assumptions in the Draft Money Plan.

4.6 The Council took up the Government's offer of a 4 year settlement and submitted an efficiency plan prior to the deadline of 14th October 2016. We have been notified by Government that this application has been successful.

4.7 The other key risk is New Homes Bonus (NHB). The spending review set out the Government's plans to consult on changes to the scheme to deliver £800m of savings to fund social care. Any diversion of money to social care will have a detrimental impact on District Councils but again details are not known at this stage.

4.8 The current draft Money Plan assumes a reduction in Government funding of 14.3%. At this stage this assumption appears to still be valid. The detailed Local Government funding settlement is expected in December 2016 and the final Money Plan will be updated with those details.

- 4.9 The settlement announced a new 'core spending power' measure. Core spending power is made up of the following elements;

Settlement Funding Assessments (SFA)

This is made up of;

- Revenue Support Grant
- Baseline Funding Level

The SFA also details level of Tariff on retained business rates and the Safety Net Threshold.

Instead of cutting all SFA by a set percent, Government have taken into account the ability to raise Council Tax locally. There are now therefore four key variables;

- Funding reductions
- Split of reductions between tiers
- Council Tax Base
- Council Tax Rate

The settlement includes higher funding percent reductions for lower tier services (District Councils), this is highlighted with the creation of the Improved Better Care Fund and the reduction in value to New Homes Bonus

Council Tax Requirement (CTR)

This figure excludes Parish precepts, but has been uplifted by average growth in Council Tax base between 2013/14 and 2015/16. This figure is also increased year by year based on Office of Budget Responsibility forecast for CPI, an average of 1.75%. The core spending power assumes district councils will increase Band D Council Tax by whichever is the greater of £5 or 2%.

New Homes Bonus (NHB)

Actual allocations are used for 2016/17, and from 2017/18 future national amounts are allocated to authorities, these are at best indicative.

The Council responded to consultation on the future of New Homes Bonus in March 2016 to a series of questions regarding the future allocations. The consultation 'New Homes Bonus: Sharpening the Incentive' had a number of preferred outcomes and alternative outcomes. The revised plan is based upon prudent assumptions from this consultation. We still await any direction on the future levels of New Homes Bonus and as such are still a significant risk to the plan.

5. Business Rates Retention

Business Rates and the Gloucestershire Business Rates Pool

- 5.1 The localised regime on Business Rates took effect in April 2013. Gloucester City is part of a Gloucestershire Business Rates Pool, set up as a mechanism to retain more Business Rates growth funding within the Gloucestershire area and to support economic growth within the area of the Local Enterprise Partnership.
- 5.2 Members will be aware of the Virgin Media issue and the impact that backdated appeals have had on a number of Local Authorities who have Virgin Media on their rating list. Tewkesbury Borough Council is one of those affected and had to refund £10.7m to Virgin Media in 2014/15. This resulted in a safety net payment of £3.9m to Tewkesbury from the

Pool leaving the Pool in deficit by £2.3m. All Pool members were required to make a contribution to cover the deficit.

- 5.3 In 2015/16 the pool was back in surplus and generated £878k, of which £173k was returned to Gloucester City Council. The pool is also expected to deliver a surplus in 2017/18.
- 5.4 Cabinet resolved that the current Gloucestershire Business Rates Pool be dissolved and a new pool be established excluding Tewkesbury Borough Council.
- 5.5 Stroud District Council as the lead authority notified DCLG on the 31st October 2016 as follows;
- i. The Gloucestershire Business Rates Pool in its current form will continue in 2017/18.
 - ii. Each pool member reserves the right to dissolve the pool within 28 days of Local Government Finance report should there be a need to do so.
- 5.6 Cabinet's strategy is to continue as a pool member in the reformed pool and to include growth in Business Rates income as a funding source in the Money Plan, as part of its priority to safeguard the delivery of Council services. Based upon the information above is the opinion of the Head of Finance that the Council will benefit from remaining in the pool for 2017/18. This will result in a reduction of levy payment to Government
- 5.7 Any additional growth arising as a result of pool membership is not guaranteed and is therefore not included in the base budget. Any growth from pooling will be allocated to a reserve at the end of the financial year once the loss incurred to the General Fund at the end of 2014/15 has been recovered.

6. General Fund Revenue Budget - Principles and Key Assumptions

- 6.1 The principles underpinning the proposed revenue strategy are:
- i. Annually, a balanced revenue budget will be set with expenditure limited to the amount of available resources;
 - ii. No long term use of balances to meet recurring baseline expenditure;
 - iii. Resources will be targeted to deliver Corporate Plan priorities and value for money. Any additional investment and spending decisions will be made to reflect Council priorities and strategic commitments.
 - iv. Maintaining the General Fund balance at a minimum level of £1.6m by the end of the plan.
 - v. Council Tax increases are kept to a minimum.
 - vi. Year on year savings targets to be met by ongoing efficiency gains, income generation and service transformation.
- 6.2 **Table 1** below, lists the major **assumptions** that have been made over the five years of the strategy:

Table 1	2017/18	2018/19	2019/20	2020/21	2021/22
Council Tax base growth	0.75%	0.75%	0.75%	0.75%	0.75%
Council Tax inflation	£5	£5	£5	1.99%	1.99%
Interest Rates (Earned)	0.5%	0.5%	1.00%	1.50%	2.00%
Inflation – Pay	1%	1%	1%	2%	2%
Inflation – contracts	2.5%	2.5%	2.5%	2.5%	2.5%
Inflation – other income	2.5%	2.5%	2.5%	2.5%	2.5%

7. Revenue Budget Increases

Pay and Prices Increases

- 7.1 A 1% pay award allowance has been included for the first three years of the plan (2017/18 to 2019/20) in line with previous announcements by Government. The award for 2017/18 is part of the 2 year settlement agreed for 2015/16. Thereafter a provision for a 2% award is included. It should be noted that pay awards in Local Government are covered by collective bargaining between employers and trade unions and is not subject to direct control from Central Government. However it is reasonable to assume that local government will mirror what happens in the rest of the public sector.
- 7.2 In addition to the increases to reflect employee pay awards, provision has also been made to meet on going additional payments to the pension fund required from the employer to recover the deficit.
- 7.3 The pension fund is subject to a triennial actuarial valuation, the most recent of which has been undertaken by Hymans Robertson LLP during 2016, on behalf of Gloucestershire County Council, the pension fund administrator. A £255k increase has been included for 2017/18 with the same provision in each subsequent year. Results of the current valuation were received during November 2016
- 7.4 Prices inflation has been included on selected non-pay items, namely contractual obligations. All other inflationary increases are expected to be absorbed within base budget which represents a real time reduction through efficiency gains.
- 7.5 Prices inflation is included on selected fees and charges at 2.5% p.a. Fees and Charges for 2017/18 are currently being reviewed and will be reported to Council for approval in February

Cost Pressures and Savings

- 7.6 Cost pressures and saving are included in **Appendix 2** and total a net saving of £536k.
- 7.7 Significant cost pressures that have been highlighted through budget monitoring are highlighted at Appendix 2. Some key pressures are highlighted below;
- Non delivery of Shopmobility saving.
 - Non delivery of Markets saving.
 - Reduction in Housing Benefit Administration Grant.
- 7.8 The budget savings identified in Appendix 2 for 2017/18 relate to a number of areas where actions undertaken by the Council have led to savings. Some of the key areas are highlighted below;
- Business Improvement Team realignment.
 - Crematorium and Planning Income budget.
 - Financial services savings, External Audit Fee, Minimum Revenue provision and Financial instrument Adjustment Account.
- 7.9 It is also proposed that a vacancy factor will put in place for each service area. This assumes that between a post becoming vacant and subsequently filled there will be a period of vacancy, that will deliver a saving on salary costs.
- 7.10 The plan also includes the agreed management fee reductions with the councils leisure Trust partner Aspire. These reductions are in the plan up to and including 2018/19.

8. Efficiency Savings

- 8.1 The Draft Money Plan forecasts indicate the need for a continued delivery of savings in each year of the Plan.
- 8.2 In February 2016, Council approved the implementation of the target savings for the Money Plan 2016-21. In addition to savings in previous years further savings of £514m in 2016/17 were included.
- 8.3 With the inclusion of assumed settlement figures for 2017/18 and the assumption of further formula grant reductions over the life of the plan, further savings will be required. The financial gap is £1.332m in 2017/18 which rises to £2.258m by 2021/22.
- 8.4 The savings details are summarised on a cumulative basis in **table 3** below:

Table 3	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Savings required in year	1,373	421	454	318	105
Cumulative efficiency Savings	1,373	1,794	2,248	2,566	2,671
Targeted Savings	1,655	750	500	200	0

- 8.5 The Local Government Finance Settlement 2016/17 has highlighted that the Council will be required to make significant additional savings, particularly in the years 2017/18 and 2018/19. To enable delivery the plan assumes that savings will be front loaded in these years.
- 8.6 Due to the high levels of further savings required the Council put in place a transformation programme called 'Together Gloucester' to deliver required efficiencies in line with the Councils Money Plan. Together Gloucester has been tasked to design organisational transformation while delivering the efficiencies the Council needs to deliver. Together Gloucester has been targeted to deliver £1m of savings in 2017/18 as highlighted in Appendix 3.
- 8.7 Specific actions to achieve the targeted savings will need to be approved as part of the Council's annual budget setting process in each financial year. **Appendix 3** highlights targeted savings for 2017/18 and early proposals for 2018/19. By delivering savings early in the 2017/18 and 2018/19 reduces the total savings required over the life of the plan.
- 8.8 The efficiencies and budget savings target for 2016/17 was £0.607m. Whilst there has been some slippage in implementation of the savings during the year, the full-year impact of the changes will be fully achieved in 2017/18.

9. Overall Costs

- 9.1 With the targeted savings included from Table 3, the total costs of the Council (the "Net Budget Requirement"), reduce over the five year period of the Draft Money Plan. The total costs fall from £16.354 in 2017/18 to £14.915m in 2021/22. Any further spending pressures identified in addition to those detailed in **Appendix 2**, over the five year period of the Draft Money Plan, will need to be funded by additional savings.
- 9.2 Draft summary budget pages for each service are detailed in **Appendix 5**.

10. Revenue Funding

Formula Grant / Localised Business Rates / Revenue Support Grant

- 10.1 Our current grant from Government for 2016/17 comprises two formula driven components - Revenue Support Grant (RSG) and a retained Business Rates target.
- 10.2 The current assumed settlement for 2017/18 is expected to have RSG at £1.092m and retained business rates at £3.795m providing a total of £4.887m. Total funding excluding Council Tax in 2016/17 was £9.693m the plan expects this to reduce to £7.938m in 2017/18.
- 10.3 The indicative figures for RSG see this reducing to £0.090m by 2019/20.

New Homes Bonus

- 10.4 New Homes Bonus is a grant that commenced in the 2011/12 financial year and is effectively a reward for increasing the number of properties within an area. Whereas previously an increase in the Council Tax base is essentially offset by a reduction in formula grant, central government intends to match-fund the additional Council Tax for each new home for a period of six years.
- 10.5 New Homes Bonus is a significant source of funding for Gloucester City Council. The Council will receive New Homes Bonus in 2016/17 of £3.823m, this is forecast to reduce to £3.041m in 2017/18. Until the outcome of the consultation completed in March 2016 is known this figure is still not known and is a potential significant risk to the plan.
- 10.6 New Homes Bonus is currently paid on a basis of 6 years allocation. The plan assumes that New Homes Bonus will reduce to a 4 year allocation from 208/19 with a transition year in 2017/18 of 5 year allocation.
- 10.7 The Council currently utilises 100% of New Homes Bonus received to fund the Net Budget Requirement and therefore support the General Fund. As highlighted earlier in the plan, the level of New Homes Bonus will reduce significantly over the life of the plan. New Homes Bonus is expected to reduce to £2.250m by 2018/19.

Council Tax

- 10.8 The Council had frozen Council Tax from 2011/12 to 2015/16. This freeze in Council Tax had taken into account the difficult economic and financial climate many residents were facing. However during this period of freeze the Council financial position has been put under increasing pressure as core funding has been cut with further to come whilst still having to meet inflationary cost pressures.
- 10.9 The Local Government Finance Settlement 2016/17 has included Council Tax Requirement (CTR) as part of the Councils 'Core Spending Power'. CTR is assumed to grow as part of the settlement as follows;
- based upon an average growth in council tax base, based upon the years 2013/14 to 2015/16,
 - and also increase by an assumed growth based upon CPI at an average of 1.75%.
 - assumed increase of £5 or 2% whichever the greater

Therefore to maintain CTR in line with government assumptions the minimum year on year increase should in line with bullet points above.

10.10 The Government has reaffirmed that if the level of Council Tax rise is greater than 2% or £5, whichever being the higher, a referendum would be required. The Money Plan assumes an increase in Council Tax of £5 for next three years of the plan.

11. General Fund Balance

11.1 The estimated level of the general fund balance in each financial year is shown in **Appendix 1**. The Money Plan assumes an increase in the General Fund balance in the first 3 years, this is a prudent approach based upon level savings required and potential reductions in funding.

11.2 It should also be noted, that although £1.600m is considered an appropriate level of General Fund balances to retain each year, the position should be reviewed if the Council delivers a budget surplus at year end. The level of savings required over the next few years, is likely to be so significant, that an opportunity to phase the transition by increasing and then utilising General Fund balances, could be considered.

11.3 In the financial year 2017/18 it is proposed contribute £0.353m to the General Fund.

12.0 Capital Programme and Capital Financing

12.1 The key financial details on capital expenditure and financing in the revised money plan for the 5 years from 2017/18, are shown in detail at **Appendix 4**, and summarised below:

1. Capital programme expenditure of £13.414 Some key projects are, The Kings Quarter Development, City Centre Investment, ICT Projects and externally financed housing projects.
2. Capital financing comprises grants, Capital receipts and borrowing.

12.2 The majority of capital financing will be funded through external grants and borrowing. The future financial commitments will be approved based on specific income generating, or revenue saving business cases to fund the cost of the borrowing. The main exceptions to this policy will be essential works on the Council's buildings, which will result in a reduced maintenance liability or potential increase in asset value.

12.3 Wherever possible and desirable, additional one-off capital investments on a business case basis will be made, providing corporate objectives are delivered, and financing is available and affordable within existing budgets, or preferably with the provision of a "spend to save" revenue saving on existing budgets.

12.4 The strategy on borrowing is to ensure that any borrowing is only undertaken on a business case basis, and is affordable and paid off over the life of the asset.

12.5 **Appendix 4** shows the proposed capital budgets for 5 years from 2017/18 incorporating any carried forward capital budgets and new, approved schemes. The capital programme will be updated for any future additions, such as Kings Quarter further development, subject to the required level of approval being made.

13.0 Budget Consultation

13.1 The Council's budget consultation for 2017/18 will use an on-line interactive budget survey developed with Govmetric, a link to which is been available on the Council's website. Leaflets are also available from the reception at the City Council offices at the Docks, GL1, Oxstalls Sports Park, the Guildhall, and at the City and Folk museums.

13.2 Any callers to the Council by telephone during the consultation period were also given the opportunity to take part in the survey by customer services staff.

13.3 Throughout this process, views of the public and other partners/stakeholders have been sought on the Council's financial plans including levels of spending, potential efficiencies and budget savings, as well as opinions on the level of Council Tax increases and other fees and charges.

14.0 Earmarked Reserves

14.1 The Council has limited earmarked reserves with the balance at 31 March 2016 being £3.577m an increase of £1.456m on the position at 31 March 2015, consisting of;

• Insurance reserve	£0.010m
• Historic buildings reserve	£0.053m
• Portfolio reserve	£0.035m
• Shopmobility reserve	£0.029m
• Members Allocation reserve	£0.009m
• 3 Choirs reserve	£0.005m
• Pension contingency	£0.275m
• Repairs reserve	£0.400m
• Environmental reserve	£1.000m
• Regeneration reserve	£0.510m
• VAT Shelter reserve	£0.291m
• Business Rates reserve	£0.200m
• Trading Development reserve	£0.050m
• Land adoption reserve	£0.710m

14.2 Where earmarked reserves are not ring fenced for a specific use such as the regeneration reserve, then if necessary, these reserves may potentially be used to support the General Fund.

15.0 Alternative Options Considered

15.1 The Council must set a budget in time to start collecting Council tax by 1st April 2017. Alternative proposals put forward for budget savings will be considered as part of this process.

16.0 Conclusions

16.1 This report has outlined the proposed approach to further build on the Council's budget consultation arrangements to inform the 2017/18 budget setting process.

17.0 ABCD Implications

17.1 There are no ABCD implications as a result of this report.

18.0 Financial Implications

18.1 Contained in the body of the report.

19.0 Legal Implications

19.1 Legislation places a duty on the Council, as the Billing Authority, to calculate its budget requirement for 2017/18. The Council also has a statutory requirement to set a balanced budget.

20.0 Risk & Opportunity Management Implications

- 20.1 Covered in the report. The budget is prepared based on the information available at the time of writing. The budget pressures facing the Council have, as far as possible, been built into the budget.
- 20.2 The risks are set out more fully in the report but in summary centre around the continuing economic situation and the possible impact this is likely to have on the public sector, changes to Government funding in future years and the level of the Council's spend from 2017/18 onwards.
- 20.3 In addition to the risks identified in the report, a list of additional identified risks for both the Draft Money Plan and the Budget for 2017/18, along with the mitigations is also shown below:

Risk Identified	Inherent Risk Evaluation		Proposed measures	Residual Risk Evaluation	
	Risk Score			Risk Score	
<ul style="list-style-type: none"> ▪ Employee related costs will be more than assumed ▪ Other costs will be more than assumed 	Risk Score	6	<ul style="list-style-type: none"> ▪ Figures based on known commitments and estimated future costs. Any further pressures will need to be matched by additional identified savings. 	Risk Score	4
		8			4
<ul style="list-style-type: none"> ▪ Pension fund contributions will be higher than expected. 	Risk Score	8	<ul style="list-style-type: none"> ▪ The financial plan will continue to be reviewed and updated annually for a three year period, based on known changes and informed by the most recent actuarial triennial valuation. 	Risk Score	4
<ul style="list-style-type: none"> ▪ Planned budget reductions will not be achieved ▪ Impact of Legislative changes on Councils ongoing costs 	Risk Score	12	<ul style="list-style-type: none"> ▪ Close monitoring of budgets will be carried out in each financial year. ▪ Continuous monitoring of service pressures and ongoing focus on preventative support. ▪ Previously agreed changes to Council, tax exemptions and discounts, to help fund the shortfall in financing for local support of Council tax. 	Risk Score	6
		6			4
<ul style="list-style-type: none"> ▪ Income from fees, charges and other sources will not be as high as planned 	Risk Score	12	<ul style="list-style-type: none"> ▪ Close monitoring of income budgets will be carried out in each financial year. 	Risk Score	8
<ul style="list-style-type: none"> ▪ Timing of Capital Receipts will be later than anticipated or lower than estimated ▪ Timing of Capital payments may be earlier than estimated 	Risk Score	8	<ul style="list-style-type: none"> ▪ Close monitoring of the timing and payments of capital expenditure/income will be carried out in each financial year. Alternative savings will be identified, or contingency arrangements agreed 	Risk Score	4

21.0 People Impact Assessment (PIA):

21.1 People Impact Assessments will be carried out for each line of the budget savings, to ensure that all relevant considerations are taken into account.

21.0 Other Corporate Implications

1. Community Safety
None
2. Environmental
None
3. Staffing
The budget reductions and efficiency savings will result in a net reduction in staff, which could include possible redundancies.
4. Trade Union
Ongoing discussions with the Trade Union on both the money plan and budget represent a key element of the overall consultation process.

Background Documents:

Money Plan 2016-21, February 2016

This page is intentionally left blank

MONEY PLAN 2016-21
Appendix 1

	1	2	3	4	5
	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
1. BASE BUDGET b/fwd	16,449	14,699	13,887	14,134	14,433
Pay and Price Increases					
Employees pay awards	94	83	84	170	174
Employers Increased Pension Costs	255	255	255	255	255
Price Increases	150	150	150	150	150
Income Inflation	(80)	(91)	(93)	(95)	(97)
Revised Base Budget	16,868	15,096	14,284	14,613	14,915
Cost Pressures/Savings					
Ongoing base pressures	428	(20)	350	0	0
Ongoing base savings	(942)	(439)	0	20	0
	(514)	(459)	350	20	0
2. NET BUDGET REQUIREMENT	16,354	14,637	14,634	14,633	14,915
Sources of Finance					
Revenue Support Grant	1,092	616	90		
Business Rates Retention	3,685	4,129	4,367	4,433	4,499
From Business Rates Reserve	110	32	44		
Revised New Homes Bonus	3,041	2,250	2,250	2,250	2,250
Transitional Grant	10				
Council Tax Surplus	90				
Council Tax	6,953	7,189	7,428	7,633	8,061
3. TOTAL SOURCES OF FINANCE	14,981	14,216	14,179	14,316	14,810
Budget Shortfall	(1,373)	(421)	(454)	(318)	(105)
4. PROPOSED BUDGET SAVINGS	1,655				
Revised Budget (Shortfall)/Surplus	282	(421)	(454)	(318)	(105)
5. FUTURE CHANGES					
Efficiency/Transformation/Income Generation		750	500	200	0
Revised Budget (Shortfall)/Surplus	282	329	46	(118)	(105)
REVISED NET BUDGET REQUIREMENT c/fwd	14,699	13,887	14,134	14,433	14,915
6. GENERAL FUND BALANCE					
Opening Balance	1,663	1,945	2,273	2,319	2,201
Contribution to/(from) General Fund	282	329	46	(118)	(105)
Closing Balance	1,945	2,273	2,319	2,201	2,097
Cumulative Savings Required	(1,373)	(1,795)	(2,249)	(2,567)	(2,671)

Description

2017/18 2018/19 2019/20 2020/21

Ongoing base budget increases

Shopmobility - non delivery savings	50			
Markets - non delivery savings	50			
Cultural Strategy - Arts Council Match Funding		(20)		
Reduction HB Admin Grant	100			
Reduced Income Property			350	
Alignment of pension budget	110			
Business Rates Revaluation	57			
Commercial Rents	45			
Contaminated Land Costs	16			
Minimum Revenue Provision				
Total ongoing Cost Pressures	428	(20)	350	0

Budget Savings

Planning Income Budget Realignment	(100)			
Crematorium Income	(100)			
External Audit Fee reduction	(20)			
Minimum Revenue Provision	(20)			
Financial Instrument Adjustment Account	(100)			
Business Improvement Savings	(128)			
Interest Payable		20		
JCS Budgets	(8)	(202)		
Democratic Services	(20)			20
Vacancy Factor @ 3%	(246)			
Agreed Aspire Management Fee Reductions	(200)	(257)		
Total Ongoing savings	(942)	(439)	0	20
Total	(514)	(459)	350	20

Portfolio	Service	Details: aim of the project	2017/18 £000	2018/19 £000	Comments
Cabinet Member for the Environment	Neighbourhood Services	Review of garden Waste Charges	(106)	0	Increase Garden Waste charges as part of contribution to overall waste contact
	Neighbourhood Services	Introduce charges for replacement Wheelie Bins	(5)		
	Neighbourhood Services	Energy efficiencies and income generation opportunities		(50)	Identify energy savings which can be delivered through the Council's operational and non-operational estate, including consideration of solar canopies/roofs on all car parks and solar fields on land holdings
Cabinet Member for Housing and Planning	Planning	Review of Planning Service		(50)	Review of Planning Service to include; Introduce fast track premium planning service. Introduce Local Development Orders (LDOs) for minor planning matters, reducing the number of applications needing to be processed, whilst offering a potentially premium fee service for applicants and reducing resource costs of planning service
Cabinet Member for Communities and Neighbourhoods	Voluntary Sector	Review of Voluntary Sector Grants	(145)	(50)	Review quantum and future of voluntary sector grants and considering 'whole system' aspects involving other agencies' grant funding of same organisations (including offering to administer grants for e.g. PCC)
Cabinet Member for Regeneration and Economy	Asset Management	Review of Car park Strategy	(150)		Car Park strategy review being completed during 2016/17 to include review of pricing strategy and where further efficiencies can be delivered.
	Asset Management	Accommodation review		(200)	Following transformational review of Council following "Together Gloucester" income opportunities from reducing the warehouse accommodation required by the Council
Cabinet Member for Culture and Leisure	Marketing Gloucester	Reduction of Management Fee	(100)	(100)	Phased reduction of management fee to Marketing Gloucester
Cabinet Member for Performance & Resources	Finance	Reduction Quedgeley Parish Council Grant	(27)		Removal of Local Council Tax Support grant
	Customer Services	Reduce postage costs	(20)		Project to move to Digital Mail solution
	Customer Services	Review of support systems	(22)		Removal of subscriptions to various services in Customer services
	Human Resources	Review of Staff Terms & Conditions	(50)		Terms & Conditions review ongoing
	Communications	Review of City Life Magazine including advertising	(30)		Review of the service provided to potentially including advertising
Together Gloucester	All	Organisational Redesign	(1,000)		Details of Together Gloucester organisational redesign to confirmed
Transformation Projects	All	To be identified for 2018/19		(300)	Efficiency projects to be identified for 2018/19
TOTAL			(1,655)	(750)	
SAVINGS REQUIRED			(1,373)	(421)	
Contribution to General Fund			282	329	

FORECAST CAPITAL PROGRAMME AND FINANCING 2017 - 2022

Scheme	Capital Programme						Scheme details
	2017 / 18 £000	2018 / 19 £000	2019 / 20 £000	2020 / 21 £000	2021 / 22 £000	2017 - 2022 £000	
Kings Quarter development	5,302	1,870	0	0	0	7,172	Project costs associated with Kings Quarter development Regeneration within the City Centre, larger projects include Museum phase 2, car parking improvements and Tourist Information Centre relocation. Grant funded regeneration in greater Blackfriars area Project funding to ensure GCC buildings remain fit for purpose Maintain Council ICT infrastructure / capability. Includes Disabled Facilities Grant which is DCLG funded. Changes to funding arrangements would alter this element of the budget. Other housing projects include Housing Market Partnership Grant to improve affordable Housing in Gloucester which is a brought forward budget. The Safe at Home and Warm and Well schemes are also included in Housing. Flood Protection Capital Fund - External grant funded projects to assist with flood protection. Grant funded improvements to Southgate Street, recent work includes building improvements Creating storage facilities for Countryside Unit. Partnership work with Gloucestershire Wildlife trust - improving Robinswood Hill Nature Reserve works, part funded by Environment Agency. Project is into 2nd year of 10 year programme. Concurrent funding improving City play areas Funding to ensure maintenance of crematorium infrastructure Includes Alney Island and Longlevens Neighbourhood Partnership grant projects
City Centre Investment Fund	435	54	0	0	0	488	
Regeneration Grant funding	87	0	0	0	0	87	
GCC Building Improvements	139	100	100	100	100	539	
ICT Projects	100	100	100	100	100	500	
Housing projects	1,001	534	534	534	534	3,136	
Drainage and Flood Protection Works	119	100	100	100	0	419	
Townscape Heritage Initiative - HLF	191	276	0	0	0	466	
Ranger Centre Barns/Storage	64	0	0	0	0	64	
Robinswood All Paths Projects	15	15	15	15	15	75	
Horsbere Brook Local Nature Reserve works	10	10	10	10	10	50	
Play Area Improvement Programme	60	60	60	60	60	300	
Crematorium Cremator Improvements	0	45	0	45	0	90	
Grant Funded Projects	14	3	3	3	3	27	
Total	7,537	3,166	922	967	822	13,414	

Financing Source	Capital Financing					
	2017 / 18 £000	2018 / 19 £000	2019 / 20 £000	2020 / 21 £000	2021 / 22 £000	2017 - 2022 £000
Lottery Grants	131	216	0	0	0	346
External Grants (other)	6,377	2,457	587	587	487	10,494
Capital Receipts	1,029	494	50	95	50	1,718
Borrowing	0	0	285	285	285	855
Sub total	7,537	3,166	922	967	822	13,414

Note: Income generated from Kings Quarter acquisitions will offset project borrowing costs for 2018/19. Project funding includes £3m interest free GIFF loan repayable 31/12/18.

Gloucester **City Council**

REVENUE BUDGET

2017/18

GENERAL FUND SUMMARY 2017/18

Gloucester City Council	Proposed Budget 2017/18	Regeneration and Economy	Communities and Neighbourhoods	Performance and Resources	Environment	Culture and Leisure	Housing and Planning
Service Expenditure / Income							
Employees	8,291,400	1,447,100	987,800	1,712,700	1,205,700	920,900	2,017,200
Premises	2,940,300	1,956,100	87,800	0	483,600	222,300	190,500
Transport	81,200	3,200	5,000	22,200	41,300	3,400	6,100
Supplies and Services	12,540,900	140,000	159,100	4,389,400	5,888,600	1,133,600	830,200
Third Party Payments	43,582,700	258,500	170,000	42,960,600	58,400	135,200	0
Capital Charges	0	0	0	0	0	0	0
Other Charges	(1,000,000)	0	0	(1,000,000)	0	0	0
Expenditure Total	66,436,500	3,804,900	1,409,700	48,084,900	7,677,600	2,415,400	3,044,000
Contributions	0	0	0	0	0	0	0
Fees and Charges	(7,065,400)	(2,460,000)	(334,600)	(75,200)	(2,872,400)	(199,800)	(1,123,400)
Rents and Lettings	(2,249,800)	(2,188,500)	0	(25,000)	(36,300)	0	0
Grant Income	(42,937,800)	0	0	(42,816,700)	(35,000)	0	(86,100)
Sales Income	(1,351,000)	(3,800)	0	0	(322,800)	(1,024,400)	0
Other Income	(1,957,000)	(106,900)	0	(1,244,900)	(364,300)	(3,100)	(237,800)
Income Total	(55,561,000)	(4,759,200)	(334,600)	(44,161,800)	(3,630,800)	(1,227,300)	(1,447,300)
Service Expenditure	10,875,500	(954,300)	1,075,100	3,923,100	4,046,800	1,188,100	1,596,700
Corporate Expenditure / (Income)							
Interest Payable	457,100						
Interest Receivable	(35,800)						
Corporate Pension Contribution	2,902,300						
Minimum Revenue Provision	440,200						
Insurance Provision	60,000						

Net Operating Expenditure	14,699,300
Council Tax Precept	(7,043,000)
Retained Business Rates	(3,795,000)
Revenue Support Grant	(1,102,000)
New Homes Bonus	(3,041,000)
Net Council Position	(281,700)

Regeneration and Economy Portfolio

Page 24

	Proposed Budget 2017/18	Senior Management and Corp Support 2017/18	Asset Management and Economic Development 2017/18	Parking 2017/18	Markets and Street Trading 2017/18
Regeneration and Economy					
Employees	1,447,100	444,700	826,700	48,600	127,100
Premises	1,956,100	0	664,900	1,113,200	178,000
Transport	3,200	1,600	1,400	0	200
Supplies and Services	140,000	4,100	90,400	32,800	12,700
Third Party Payments	258,500	0	13,500	245,000	0
Capital Charges	0	0	0	0	0
Other Charges	0	0	0	0	0
Expenditure Total	3,804,900	450,400	1,596,900	1,439,600	318,000
Internal Recharges Net Total	0	0	0	0	0
	0	0	0	0	0
Contributions	0	0	0	0	0
Fees and Charges	(2,460,000)	0	(50,900)	(2,366,300)	(42,800)
Rents and Lettings	(2,188,500)	0	(1,718,900)	0	(469,600)
Grant Income	0	0	0	0	0
Sales Income	(3,800)	0	0	0	(3,800)
Other Income	(106,900)	(75,900)	0	(31,000)	0
Income Total	(4,759,200)	(75,900)	(1,769,800)	(2,397,300)	(516,200)
Service Expenditure	(954,300)	374,500	(172,900)	(957,700)	(198,200)

Economic Development and Asset Management		Proposed Budget 2017/18
Employees		826,700
Premises		664,900
Transport		1,400
Supplies and Services		90,400
Third Party Payments		13,500
Capital Charges		
Other Charges		
Expenditure Total		1,596,900
Internal Recharges Net Total		
Contributions		
Fees and Charges		(50,900)
Rents and Lettings		(1,718,900)
Grant Income		
Sales Income		
Other Income		
Income Total		(1,769,800)
Service Expenditure		(172,900)

Service Manager

Anthony Hodge

Portfolio

Regeneration and Economy

Portfolio Holder

Councillor Paul James

Summary By Service Area 2017-18	Total Expenditure	Total Income	Net
Economic Development	397,300	0	397,300
Commercial Property	121,400	(1,718,900)	(1,597,500)
Asset Management	1,078,200	(50,900)	1,027,300
Net Service Expenditure	1,596,900	(1,769,800)	(172,900)

Parking	Proposed Budget 2017/18
Employees	48,600
Premises	1,113,200
Transport	0
Supplies and Services	32,800
Third Party Payments	245,000
Capital Charges	
Other Charges	
Expenditure Total	1,439,600
Internal Recharges Net Total	
Contributions	
Fees and Charges	(2,366,300)
Rents and Lettings	
Grant Income	
Sales Income	
Other Income	(31,000)
Income Total	(2,397,300)
Service Expenditure	(957,700)

Page 26

Service Manager

Anthony Hodge

Portfolio

Regeneration and Economy

Portfolio Holder

Councillor Paul James

Summary By Service Area 2016-7	Total Expenditure	Total Income	Net
Off Street Car Parks	1,331,700	(2,362,000)	(1,030,300)
Castlemeads staff car park	107,900	(35,300)	72,600
Net Service Expenditure	1,439,600	(2,397,300)	(957,700)

Markets and Street Trading		Proposed Budget 2017/18
Employees		127,100
Premises		178,000
Transport		200
Supplies and Services		12,700
Third Party Payments		
Capital Charges		
Other Charges		
Expenditure Total		318,000
Internal Recharges Net Total		
Contributions		
Fees and Charges		(42,800)
Rents and Lettings		(469,600)
Grant Income		
Sales Income		(3,800)
Other Income		
Income Total		(516,200)
Service Expenditure		(198,200)

Page 27

Service Manager

Lisa Jones

Portfolio

Regeneration and Economy

Portfolio Holder

Councillor Paul James

Summary By Service Area 2017-18	Total Expenditure	Total Income	Net
Farmers Market	0	(5,000)	(5,000)
Eastgate Market	244,400	(371,700)	(127,300)
Kings Square Market	3,100	(20,500)	(17,400)
Hempsted Market	18,500	(65,000)	(46,500)
Street Trading Licenses	52,000	(54,000)	(2,000)
Net Service Expenditure	318,000	(516,200)	(198,200)

Performance and Resources Portfolio

	Proposed Budget	Financial Services	Revenues and		Shared Services	Contact Centre	Democratic
Performance and Resources	2017/18	2017/18 *	Benefits 2017/18	IT 2017/18	2017/18	2017/18	Services
							2017/18
Employees	1,712,700	581,200	81,200	0	142,500	641,700	266,100
Premises	0	0	0	0	0	0	0
Transport	22,200	600	200	0	300	9,300	11,800
Supplies and Services	4,389,400	312,900	1,976,200	1,445,600	44,700	33,300	576,700
Third Party Payments	42,960,600	0	42,138,500	0	822,100	0	0
Capital Charges	0	0	0	0	0	0	0
Other Charges	(1,000,000)	(1,000,000)	0	0	0	0	0
Expenditure Total	48,084,900	(105,300)	44,196,100	1,445,600	1,009,600	684,300	854,600
Internal Recharges Net Total	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0
Fees and Charges	(75,200)	(12,500)	0	(27,700)	0	(35,000)	0
Rents and Lettings	(25,000)	(25,000)	0	0	0	0	0
Grant Income	(42,816,700)	0	(42,617,300)	0	(85,000)	0	(114,400)
Sales Income	0	0	0	0	0	0	0
Other Income	(1,244,900)	0	(1,244,900)	0	0	0	0
Income Total	(44,161,800)	(37,500)	(43,862,200)	(27,700)	(85,000)	(35,000)	(114,400)
Service Expenditure	3,923,100	(142,800)	333,900	1,417,900	924,600	649,300	740,200

* Savings Target for Together Gloucester is not allocated to individual services. It will be allocated across

Financial Services	Proposed Budget 2017/18
Employees	581,200
Premises	
Transport	600
Supplies and Services	312,900
Third Party Payments	
Capital Charges	
Other Charges	
Expenditure Total	894,700
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	(12,500)
Rents and Lettings	(25,000)
Grant Income	0
Sales Income	0
Other Income	
Income Total	(37,500)
Net Service Expenditure	857,200

Service Manager
Portfolio
Portfolio Holder

Jon Topping
 Performance and Resources
 Councillor David Norman MBE

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Head of Finance	94,900		94,900
Financial Services	405,900	(12,500)	393,400
Treasury Management	109,600		109,600
Procurement	62,600	0	62,600
Corporate expenses	221,700		221,700
Airport Rents	0	(25,000)	(25,000)
Net Service Expenditure	894,700	(37,500)	857,200

Revenues and Benefits	Proposed Budget 2017/18
Employees	81,200
Premises	
Transport	200
Supplies and Services	1,976,200
Third Party Payments	42,138,500
Capital Charges	
Other Charges	0
Expenditure Total	44,196,100
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	0
Rents and Lettings	0
Grant Income	(42,617,300)
Sales Income	0
Other Income	(1,244,900)
Income Total	(43,862,200)
Net Service Expenditure	333,900

Service Manager

Jon Topping

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

Summary By Service Area 2017-18	Total	Total Income	Net
Revs and Bens Contract	1,782,700		1,782,700
Contract Administration	274,900	(1,244,900)	(970,000)
Housing Benefit and subsidy	42,138,500	(42,617,300)	(478,800)
Net Service Expenditure	44,196,100	(43,862,200)	333,900

IT	Proposed Budget 2017/18
Employees	0
Premises	
Transport	
Supplies and Services	1,445,600
Third Party Payments	
Capital Charges	
Other Charges	0
Expenditure Total	1,445,600
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	(27,700)
Rents and Lettings	0
Grant Income	
Sales Income	0
Other Income	
Income Total	(27,700)
Net Service Expenditure	1,417,900

Service Manager

Jon Topping

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
IT Contract	605,400		605,400
Photocopying	137,600		137,600
Phones	89,200	0	89,200
Hardware and Software Costs	613,400	(27,700)	585,700
Net Service Expenditure	1,445,600	(27,700)	1,417,900

Shared Services	Proposed Budget 2017/18
Employees	142,500
Premises	
Transport	300
Supplies and Services	44,700
Third Party Payments	822,100
Capital Charges	
Other Charges	0
Expenditure Total	1,009,600
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	0
Rents and Lettings	0
Grant Income	(85,000)
Sales Income	0
Other Income	
Income Total	(85,000)
Net Service Expenditure	924,600

Service Manager

Jon McGinty

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Internal Audit	181,800		181,800
Communications	86,400		86,400
Legal Services	385,000		385,000
Human Resources and Training	187,700		187,700
Apprenticeship Scheme	168,700	(85,000)	83,700
Net Service Expenditure	1,009,600	(85,000)	924,600

Contact Centre and Customer Services		Proposed Budget 2017/18
Employees		641,700
Premises		0
Transport		9,300
Supplies and Services		33,300
Third Party Payments		
Capital Charges		0
Other Charges		
Expenditure Total		684,300
Internal Recharges Net Total		
Contributions		
Fees and Charges		(35,000)
Rents and Lettings		
Grant Income		
Sales Income		
Other Income		
Income Total		(35,000)
Service Expenditure		649,300

Service Manager

Wendy Jones

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Contact Centre	684,300	(35,000)	649,300
Net Service Expenditure	684,300	0	649,300

Democratic Services	Proposed Budget 2017/18
Employees	266,100
Premises	0
Transport	11,800
Supplies and Services	576,700
Third Party Payments	
Capital Charges	0
Other Charges	
Expenditure Total	854,600
Internal Recharges Net Total	
Contributions	
Fees and Charges	
Rents and Lettings	
Grant Income	(114,400)
Sales Income	
Other Income	
Income Total	(114,400)
Service Expenditure	740,200

Page 35

Service Manager

Tanya Davies

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

Summary By Cost Centre 2015-16	Total		
	Expenditure	Total Income	Net
Civic Admin and Hospitality	39,200	0	39,200
Democratic Services	179,300		179,300
Members support and allowances	378,300		378,300
Elections and Electoral Registration	257,800	(114,400)	143,400
Net Service Expenditure	854,600	(114,400)	740,200

Culture and Leisure Portfolio

Culture and Leisure	Proposed Budget 2017/18	Guildhall 2017/18	Museums 2017/18	TIC 2017/18	Aspire Client 2017/18	Marketing Gloucester 2017/18
Employees	920,900	504,300	163,700	185,900	0	67,000
Premises	222,300	90,100	94,200	35,900	2,100	0
Transport	3,400	2,100	500	800	0	0
Supplies and Services	1,133,600	293,300	58,100	365,200	257,000	160,000
Third Party Payments	135,200	0	0	0	0	135,200
Capital Charges	0	0	0	0	0	0
Other Charges	0	0	0	0	0	0
Expenditure Total	2,415,400	889,800	316,500	587,800	259,100	362,200
Internal Recharges Net Total	0	0	0	0	0	0
Contributions	0	0	0	0	0	0
Fees and Charges	(199,800)	(105,300)	(64,500)	0	(30,000)	0
Rents and Lettings	0	0	0	0	0	0
Grant Income	0	0	0	0	0	0
Sales Income	(1,024,400)	(567,100)	(29,000)	(428,300)	0	0
Other Income	(3,100)	0	(2,100)	(1,000)	0	0
Income Total	(1,227,300)	(672,400)	(95,600)	(429,300)	(30,000)	0
Service Expenditure	1,188,100	217,400	220,900	158,500	229,100	362,200

Guildhall and Blackfriars		Proposed Budget 2017/18
Employees		504,300
Premises		90,100
Transport		2,100
Supplies and Services		293,300
Third Party Payments		0
Capital Charges		
Other Charges		0
Expenditure Total		889,800
Internal Recharges Net Total		
Contributions		
Fees and Charges		(105,300)
Rents and Lettings		
Grant Income		
Sales Income		(567,100)
Other Income		
Income Total		(672,400)
Service Expenditure		217,400

Page 37

Service Manager

Sarah Gilbert

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Guildhall Running Costs	396,200	0	396,200
Events	238,600	(235,800)	2,800
Cinema	28,100	(64,500)	(36,400)
Room Hires	25,800	(93,700)	(67,900)
Guildhall Bar and Cafe	121,600	(183,100)	(61,500)
Blackfriars	79,500	(95,300)	(15,800)
Net Service Expenditure	889,800	(672,400)	217,400

Museums	Proposed Budget 2017/18
Employees	163,700
Premises	94,200
Transport	500
Supplies and Services	58,100
Third Party Payments	
Capital Charges	
Other Charges	
Expenditure Total	316,500
Internal Recharges Net Total	
Contributions	
Fees and Charges	(64,500)
Rents and Lettings	
Grant Income	
Sales Income	(29,000)
Other Income	(2,100)
Income Total	(95,600)
Service Expenditure	220,900

Page 38

Service Manager

Angela Smith

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Museum of Gloucester	134,500	(45,800)	88,700
Gloucester Life Museum	178,600	(46,400)	132,200
Net Service Expenditure	313,100	(92,200)	220,900

Tourist Information Centre		Proposed Budget 2017/18	
Employees		185,900	
Premises		35,900	
Transport		800	
Supplies and Services		365,200	
Third Party Payments			
Capital Charges			
Other Charges			
Expenditure Total		587,800	
Internal Recharges Net Total			
Contributions			
Fees and Charges			
Rents and Lettings			
Grant Income			
Sales Income		(428,300)	
Other Income		(1,000)	
Income Total		(429,300)	
Service Expenditure		158,500	

Page 39

Service Manager

Lucy Chilton

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
TIC Running Costs	232,700	(1,000)	231,700
Commercial Activities	355,100	(428,300)	(73,200)
Net Service Expenditure	587,800	(429,300)	158,500

Aspire Client	Proposed Budget 2017/18
Employees	0
Premises	2,100
Transport	0
Supplies and Services	257,000
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	259,100
Internal Recharges Net Total	0
Contributions	0
Fees and Charges	(30,000)
Rents and Lettings	0
Grant Income	0
Sales Income	0
Other Income	0
Income Total	(30,000)
Service Expenditure	229,100

Page 40

Service Manager

Anne Brinkhoff

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Aspire Client	259,100	(30,000)	229,100
Net Service Expenditure	259,100	(30,000)	229,100

Marketing Gloucester		Proposed Budget 2017/18	
Employees		67,000	
Premises			
Transport		0	
Supplies and Services		160,000	
Third Party Payments		135,200	
Capital Charges		0	
Other Charges			
Expenditure Total		362,200	
Internal Recharges Net Total			
Contributions			
Fees and Charges			
Rents and Lettings			
Grant Income			
Sales Income			
Other Income			
Income Total		0	
Service Expenditure		362,200	

Service Manager Jonathan Lund
Portfolio Culture and Leisure
Portfolio Holder Councillor Lise Noakes

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Marketing Gloucester General Support	202,200		202,200
Events Programme	160,000		160,000
Net Service Expenditure	362,200	0	362,200

Environment Portfolio

	Proposed Budget	Neighbourhood	Countryside and	Cem and Crem	Flooding and
Regeneration and Economy	2017/18	Services 2017/18	Allotments	2017/18	emergency
			2017/18		planning 2017/18
Employees	1,205,700	528,700	108,900	522,000	46,100
Premises	483,600	205,600	17,600	235,400	25,000
Transport	41,300	400	11,200	29,400	300
Supplies and Services	5,888,600	5,702,000	7,600	158,600	20,400
Third Party Payments	58,400	0	0	0	58,400
Capital Charges	0	0	0	0	0
Other Charges	0	0	0	0	0
Expenditure Total	7,677,600	6,436,700	145,300	945,400	150,200
Internal Recharges Net Total	0	0	0	0	0
	0	0	0	0	0
Contributions	0	0	0	0	0
Fees and Charges	(2,872,400)	(1,136,000)	(16,100)	(1,720,300)	0
Rents and Lettings	(36,300)	(36,300)	0	0	0
Grant Income	(35,000)	0	(35,000)	0	0
Sales Income	(322,800)	0	0	(322,800)	0
Other Income	(364,300)	(353,000)	0	(11,300)	0
Income Total	(3,630,800)	(1,525,300)	(51,100)	(2,054,400)	0
Service Expenditure	4,046,800	4,911,400	94,200	(1,109,000)	150,200

Neighbourhood Services	Proposed Budget 2017/18
Employees	528,700
Premises	205,600
Transport	400
Supplies and Services	5,702,000
Third Party Payments	
Capital Charges	
Other Charges	
Expenditure Total	6,436,700
Internal Recharges Net Total	
Contributions	
Fees and Charges	(1,136,000)
Rents and Lettings	(36,300)
Grant Income	
Sales Income	
Other Income	(353,000)
Income Total	(1,525,300)
Service Expenditure	4,911,400

Page 43

Service Manager

Lloyd Griffiths

Portfolio

Environment

Portfolio Holder

Councillor Richard Cook

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Neighbourhood Management	6,616,700	(981,300)	5,635,400
Green Garden Waste	12,000	(686,000)	(674,000)
Bulky Waste		(50,000)	(50,000)
Net Service Expenditure	6,628,700	(1,717,300)	4,911,400

Countryside and Allotments	Proposed Budget 2017/18
Employees	108,900
Premises	17,600
Transport	11,200
Supplies and Services	7,600
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	145,300
Internal Recharges Net Total	
Contributions	
Fees and Charges	(16,100)
Rents and Lettings	
Grant Income	(35,000)
Sales Income	
Other Income	
Income Total	(51,100)
Service Expenditure	94,200

Page 44

Service Manager Meyrick Brentnall
Portfolio Environment
Portfolio Holder Councillor Richard Cook

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Allotments	18,700	(16,100)	2,600
Countryside Unit	126,600	(35,000)	91,600
Net Service Expenditure	145,300	(51,100)	94,200

Flooding and Emergency Planning		Proposed Budget 2017/18
Employees		46,100
Premises		25,000
Transport		300
Supplies and Services		20,400
Third Party Payments		58,400
Capital Charges		
Other Charges		
Expenditure Total		150,200
Internal Recharges Net Total		
Contributions		
Fees and Charges		0
Rents and Lettings		
Grant Income		
Sales Income		
Other Income		0
Income Total		0
Service Expenditure		150,200

Service Manager

Wayne Best

Portfolio

Environment

Portfolio Holder

Councillor Richard Cook

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Flooding prevention	71,600	0	71,600
Drainage Levy	58,400	0	58,400
Emergency Planning	20,200	0	20,200
Net Service Expenditure	150,200	0	150,200

Communities and Neighbourhoods Portfolio

	Proposed Budget	Voluntary Sector	Community Strategy and	Licensing	Environmental	Health and	Shopmobility
Communities and Neighbourho	2017/18	Grants 2017/18	Other Projects 2017/18	2017/18	Health 2017/18	Safety 2017/18	2017/18
Employees	987,800	0	188,800	156,800	409,500	169,200	63,500
Premises	87,800	0	83,000	0	0	0	4,800
Transport	5,000	0	500	200	2,800	1,500	0
Supplies and Services	159,100	0	65,500	13,600	52,500	15,900	11,600
Third Party Payments	170,000	170,000	0	0	0	0	0
Capital Charges	0	0	0	0	0	0	0
Other Charges	0	0	0	0	0	0	0
Expenditure Total	1,409,700	170,000	337,800	170,600	464,800	186,600	79,900
Internal Recharges Net Total	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0
Fees and Charges	(334,600)	0	0	(272,500)	(37,500)	0	(24,600)
Rents and Lettings	0	0	0	0	0	0	0
Grant Income	0	0	0	0	0	0	0
Sales Income	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0
Income Total	(334,600)	0	0	(272,500)	(37,500)	0	(24,600)
Service Expenditure	1,075,100	170,000	337,800	(101,900)	427,300	186,600	55,300

Voluntary Sector Grants	Proposed Budget 2017/18
Employees	
Premises	
Transport	
Supplies and Services	
Third Party Payments	170,000
Capital Charges	
Other Charges	
Expenditure Total	170,000
Internal Recharges Net Total	
Contributions	
Fees and Charges	
Rents and Lettings	
Grant Income	
Sales Income	
Other Income	
Income Total	0
Service Expenditure	170,000

Service Manager
Portfolio
Portfolio Holder

Anne Brinkhoff
 Communities and Neighbourhoods
 Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Voluntary Sector Grants and SLAs	170,000	0	170,000
Net Service Expenditure	170,000	0	170,000

Community Strategy and Other Projects		Proposed Budget 2017/18
Employees		188,800
Premises		83,000
Transport		500
Supplies and Services		65,500
Third Party Payments		
Capital Charges		
Other Charges		
Expenditure Total		337,800
Internal Recharges Net Total		
Contributions		
Fees and Charges		0
Rents and Lettings		
Grant Income		0
Sales Income		
Other Income		0
Income Total		0
Service Expenditure		337,800

Service Manager

Ed Pomfret

Portfolio

Communities and Neighbourhoods

Portfolio Holder

Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Community Safety	128,500	0	128,500
Community Strategy and Engagement	124,300	0	124,300
CCTV Revenue Budget	85,000	0	85,000
Net Service Expenditure	337,800	0	337,800

Licensing	Proposed Budget 2017/18
Employees	156,800
Premises	0
Transport	200
Supplies and Services	13,600
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	170,600
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	(272,500)
Rents and Lettings	0
Grant Income	0
Sales Income	0
Other Income	0
Income Total	(272,500)
Service Expenditure	(101,900)

Page 50

Service Manager

Lisa Jones

Portfolio

Communities and Neighbourhoods

Portfolio Holder

Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Hackney Carriages	81,300	(123,500)	(42,200)
Other Licensing	89,300	(149,000)	(59,700)
Net Service Expenditure	170,600	(272,500)	(101,900)

Shopmobility	Proposed Budget 2017/18
Employees	63,500
Premises	4,800
Transport	0
Supplies and Services	11,600
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	79,900
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	(24,600)
Rents and Lettings	0
Grant Income	0
Sales Income	0
Other Income	0
Income Total	(24,600)
Service Expenditure	55,300

Service Manager
Portfolio
Portfolio Holder

Gill Ragon
 Communities and Neighbourhoods
 Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Shopmobility	79,900	(24,600)	55,300
Net Service Expenditure	79,900	(85,000)	55,300

Environmental Health	Proposed Budget 2017/18
Employees	409,500
Premises	0
Transport	2,800
Supplies and Services	52,500
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	464,800
Internal Recharges Net Total	0
Contributions	0
Fees and Charges	(37,500)
Rents and Lettings	0
Grant Income	0
Sales Income	0
Other Income	0
Income Total	(37,500)
Service Expenditure	427,300

Page 52

Service Manager
Portfolio
Portfolio Holder

Gill Ragon
Communities and Neighbourhoods
Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Food Safety	188,000	(4,500)	183,500
Pollution Control	200,700	(33,000)	167,700
Head of Public Protection	76,100	0	76,100
Net Service Expenditure	464,800	(37,500)	427,300

Health and Safety	Proposed Budget 2017/18
Employees	169,200
Premises	0
Transport	1,500
Supplies and Services	15,900
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	186,600
Internal Recharges Net Total	0
Contributions	0
Fees and Charges	0
Rents and Lettings	0
Grant Income	0
Sales Income	0
Other Income	0
Income Total	0
Service Expenditure	186,600

Page 53

Service Manager

Portfolio

Portfolio Holder

Gill Ragon

Communities and Neighbourhoods

Councillor Jennie Watkins

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Health Administration	26,400	0	26,400
Health and Safety	160,200	0	160,200
Net Service Expenditure	186,600	0	186,600

Housing and Planning Portfolio

Housing and Planning	Housing and		
	Planning	Housing 2017/18	Planning 2017/18
Employees	2,017,200	1,032,000	985,200
Premises	190,500	185,000	5,500
Transport	6,100	3,300	2,800
Supplies and Services	830,200	506,000	324,200
Third Party Payments	0	0	0
Capital Charges	0	0	0
Other Charges	0	0	0
Expenditure Total	3,044,000	1,726,300	1,317,700
Internal Recharges Net Total	0	0	0
	0	0	0
Contributions	0	0	0
Fees and Charges	(1,123,400)	(259,300)	(864,100)
Rents and Lettings	0	0	0
Grant Income	(86,100)	0	(86,100)
Sales Income	0	0	0
Other Income	(237,800)	(237,800)	0
Income Total	(1,447,300)	(497,100)	(950,200)
Service Expenditure	1,596,700	1,229,200	367,500

Housing Services		Proposed Budget 2017/18
Employees		1,032,000
Premises		185,000
Transport		3,300
Supplies and Services		506,000
Third Party Payments		0
Capital Charges		0
Other Charges		0
Expenditure Total		1,726,300
Internal Recharges Net Total		0
		0
Contributions		0
Fees and Charges		(259,300)
Rents and Lettings		
Grant Income		0
Sales Income		0
Other Income		(237,800)
Income Total		(497,100)
Service Expenditure		1,229,200

Service Manager
Portfolio
Portfolio Holder

Helen Chard / Julie Wight / Mary Hopper
 Housing and Planning
 Councillor Colin Organ

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Housing Strategy	147,100	(15,000)	132,100
Private Sector Housing	397,900	(76,100)	321,800
Homelessness Prevention	1,181,300	(406,000)	775,300
Net Service Expenditure	1,726,300	(497,100)	1,229,200

Planning	Proposed Budget 2017/18
Employees	985,200
Premises	5,500
Transport	2,800
Supplies and Services	324,200
Third Party Payments	0
Capital Charges	0
Other Charges	0
Expenditure Total	1,317,700
Internal Recharges Net Total	0
	0
Contributions	0
Fees and Charges	(864,100)
Rents and Lettings	0
Grant Income	(86,100)
Sales Income	0
Other Income	0
Income Total	(950,200)
Service Expenditure	367,500

Service Manager
Portfolio
Portfolio Holder

Anthony Wilson
Housing and Planning
Councillor Colin Organ

Summary By Service Area 2017-18	Total		
	Expenditure	Total Income	Net
Development Management	475,000	(741,400)	(266,400)
Planning Policy	598,700	(26,100)	572,600
Building Control	46,200		46,200
Historic Buildings	60,200	(27,700)	32,500
Land Searches	69,200	(155,000)	(85,800)
Head of Service	68,400		68,400
Net Service Expenditure	1,317,700	(950,200)	367,500

This page is intentionally left blank