



**Gloucester
City Council**

Cabinet

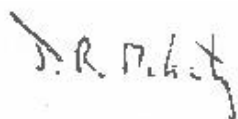
Meeting: Wednesday, 7th December 2016 at 6.00 pm in Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP

Membership:	Cllrs. James (Leader of the Council and Cabinet Member for Regeneration and Economy) (Chair), Watkins (Deputy Leader and Cabinet Member for Communities and Neighbourhoods), Noakes (Cabinet Member for Culture and Leisure), D. Norman (Cabinet Member for Performance and Resources), Organ (Cabinet Member for Housing and Planning) and Cook (Cabinet Member for Environment)
Contact:	Atika Tarajiya Democratic Services Officer 01452 396127 atika.tarajiya@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.	MINUTES (Pages 5 - 8) To approve as a correct record the minutes of the meeting held on 9 November 2016.
4.	PUBLIC QUESTION TIME (15 MINUTES) The opportunity is given to members of the public to put questions to Cabinet Members or Committee Chairs 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
5.	PETITIONS AND DEPUTATIONS (15 MINUTES) To receive any petitions or 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

	<ul style="list-style-type: none"> • Matters relating to current or pending legal proceedings
6.	<p>DRAFT BUDGET PROPOSALS (INCLUDING MONEY PLAN AND CAPITAL PROGRAMME) (Pages 9 - 88)</p> <p>To consider the report of the Cabinet Member for Performance and Resources reviewing the Council's Money Plan 2016-21 and Budget Proposals 2017/18.</p>
7.	<p>LOCAL COUNCIL TAX SUPPORT (Pages 89 - 120)</p> <p>To consider the report of the Cabinet Member for Performance and Resources concerning the requirement to review the Local Council Tax Support scheme (LCTS) 3 years after the Act taking effect and to consider its impact locally, following the consultation results.</p>
8.	<p>TREASURY MANAGEMENT UPDATE QUARTER 1 REPORT 2016/17 (Pages 121 - 130)</p> <p>To consider the report of the Cabinet Member for Performance and Resources concerning treasury management activities for the period 1 April 2016 to 20 September 2016.</p>
9.	<p>FINANCIAL MONITORING QUARTER 2 REPORT (Pages 131 - 144)</p> <p>To consider the report of the Cabinet Member for Performance and Resources concerning year-end forecasts and progress made against agreed savings targets for the 2nd quarter ended 30th September 2016.</p>
10.	<p>RISK BASED VERIFICATION POLICY REVIEW (Pages 145 - 154)</p> <p>To consider the report of the Cabinet Member for Performance and Resources concerning the review of the Risk Based Verification Policy in determining evidence requirements for the assessment of new Housing Benefit and Council Tax Support claims.</p>



Jon McGinty
Managing Director

Date of Publication: Tuesday, 29 November 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

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For further details and enquiries about this meeting please contact Atika Tarajiya, 01452 396125, atika.tarajiya@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.

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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.



CABINET

MEETING : Wednesday, 9th November 2016

PRESENT : Cllrs. James (Chair), Watkins, Noakes, D. Norman, Organ and Cook

Others in Attendance

Jon McGinty, Managing Director

Jonathan Lund Corporate Director (Service Transformation)

Anne Brinkhoff Corporate Director (Partnerships)

Jon Topping, Head of Finance

Wayne Best Environmental Protection Service Manager

David Pritchett, Neighbourhood Manager

Pauline Astbury, Committee Clerk

37. DECLARATIONS OF INTEREST

There were no declarations of interest.

38. MINUTES

RESOLVED:

That the minutes of the meeting held on 12 October 2016 be confirmed and signed as a correct record by the Chair.

39. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

40. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions or deputations.

41. PLAYING PITCH STRATEGY- PROGRESS UPDATE

Councillor Norman (Cabinet Member for Performance and Resources) summarised the report and reminded Members that the Playing Pitch Strategy (PPS) and associated Artificial Grass Strategy (AGPS), had been adopted by the full Council in January 2016. He explained that a Delivery Group has been established, with wide representation, to monitor, evaluate and review the delivery of PPS and AGPS.

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Councillor Organ (Cabinet Member for Housing and Planning) expressed his wholehearted support for both strategies, particularly as part of the health and wellbeing agenda, the delivery of which would benefit the residents of the City.

Councillor James (Cabinet Member for Regeneration and Economy) welcomed the update adding that all areas of the City had begun to see the benefit of the work being undertaken.

RESOLVED

- (1) That the progress that has been made in delivering the Gloucester Playing Pitch Strategy and Artificial Grass Pitch Strategy as set out in this report and at Appendix 1 – Action Plan Update (September 2016) be noted; and
- (2) That the draft priority list for playing fields and ancillary facility improvements as set out at Appendix 2 be endorsed.

42. FLOOD IMPROVEMENT WORKS UPDATE

Cabinet considered the report of the Cabinet Member for Environment which provided an update on flood alleviation works which have been completed across the City throughout 2015/16, those that were currently in progress and outlined future proposed works.

Councillor Cook (Cabinet Member for Environment) summarised the report and highlighted that to date 131 schemes and major improvement works had been completed since 2007 to reduce the risk of future flooding across the City. Funding of approximately £1.86m has been secured from a number of sources and to date £1,331,000 has been spent on the delivery of schemes.

Councillor Organ welcomed the excellent progress and stressed the importance of continuing clearance and maintenance work which contributed to flood prevention.

Councillor Watkins (Cabinet Member for Communities and Neighbourhoods) stated that she was keen that the City Council continue to look at all opportunities for flood alleviation at a local level.

The Managing Director reminded Cabinet that whilst the City Council continues to undertake flood alleviation schemes it would be impossible to prevent all occurrences of flooding.

RESOLVED

- (1) That the contents of this report be noted.
- (2) That the Corporate Director be authorised to work in partnership with relevant agencies and landowners to recognise the importance of all flood alleviation works within the City in minimising the risk and impact of flooding events.

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- (3) That the importance of the ongoing partnership working to secure the best possible outcomes for residents and businesses in Gloucester in reducing flood risk be recognised, including bidding for external funding and entering into appropriate agreements on terms approved by the Council Solicitor.
- (4) That Officers be supported in investigating and utilising additional resources to maximise opportunities to reduce flood risk.
- (5) That the continued importance of information, education, consultation and signposting as funding reduces be recognised.

43. CHANGES TO CITY LIFE MAGAZINE

Councillor Norman summarised the key areas of the report and the recommendations made within.

Councillor Organ welcomed the report. He noted that it was an appropriate time to look at new and modern ways of communicating with the City's residents and was pleased to see that printed copies would be available for those who required hard copies and hard to reach communities.

Councillor Watkins suggested that printed copies should be made available at libraries and other community hubs. The Corporate Director (Partnerships), confirmed that printed copies would be made available in libraries and other similar locations as well as to Councillors and the voluntary sector for distribution.

Councillor Noakes welcomed the savings the initiative would generate. Members fully supported the recommendations, and commended the Corporate Director on the report.

RESOLVED

- (1) That changes to the format and distribution of City Life Magazine be introduced as outlined in section 5 of this report.
- (2) That the New Style City Life Magazine be introduced from April 2017.
- (3) That authority be delegated to the Corporate Director (Partnerships) in conjunction with the County Council communications team, and in consultation with the Cabinet Member for Resources, to take all necessary steps to introduce a new-style City Life Magazine.

44. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) - REVIEW OF PROCEDURAL GUIDE

Cabinet considered the report of the Head of Paid Service concerning the annual review of the Council's Regulation of Investigatory Powers Act 2000 (RIPA) Procedural Guide.

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RESOLVED TO RECOMMEND TO COUNCIL:

That the changes to the Procedural Guide at Appendix 1 be approved.

Time of commencement: 6.00 pm

Time of conclusion: 6.25 pm

Chair



Meeting:	Cabinet	7 December 2016
	Overview & Scrutiny	19 December 2016
Subject:	Draft Money Plan 2016-21 & Budget Proposals 2016-17	
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	
	Email: 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.

2.2 **Overview and Scrutiny Committee** is asked to consider the information contained in the report and to seek clarification on any further points, as appropriate.

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 are expected 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 £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 2016. 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

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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, Health & Leisure	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 & 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	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
	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)		
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
Service Expenditure / Income		
Employees	8,291,400	1,447,100
Premises	2,940,300	1,956,100
Transport	81,200	3,200
Supplies and Services	12,540,900	140,000
Third Party Payments	43,582,700	258,500
Capital Charges	0	0
Other Charges	(1,000,000)	0
Expenditure Total	66,436,500	3,804,900
Contributions	0	0
Fees and Charges	(7,065,400)	(2,460,000)
Rents and Lettings	(2,249,800)	(2,188,500)
Grant Income	(42,937,800)	0
Sales Income	(1,351,000)	(3,800)
Other Income	(1,957,000)	(106,900)
Income Total	(55,561,000)	(4,759,200)
Service Expenditure	10,875,500	(954,300)
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)	

Communities and Neighbourhoods	Performance and Resources	Environment	Culture and Leisure	Housing and Planning
987,800	1,712,700	1,205,700	920,900	2,017,200
87,800	0	483,600	222,300	190,500
5,000	22,200	41,300	3,400	6,100
159,100	4,389,400	5,888,600	1,133,600	830,200
170,000	42,960,600	58,400	135,200	0
0	0	0	0	0
0	(1,000,000)	0	0	0
1,409,700	48,084,900	7,677,600	2,415,400	3,044,000
0	0	0	0	0
(334,600)	(75,200)	(2,872,400)	(199,800)	(1,123,400)
0	(25,000)	(36,300)	0	0
0	(42,816,700)	(35,000)	0	(86,100)
0	0	(322,800)	(1,024,400)	0
0	(1,244,900)	(364,300)	(3,100)	(237,800)
(334,600)	(44,161,800)	(3,630,800)	(1,227,300)	(1,447,300)
1,075,100	3,923,100	4,046,800	1,188,100	1,596,700

Regeneration and Economy Portfolio

	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
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
Economic Development	397,300	0
Commercial Property	121,400	(1,718,900)
Asset Management	1,078,200	(50,900)
Net Service Expenditure	1,596,900	(1,769,800)

Net
397,300
(1,597,500)
1,027,300
(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)

Service Manager

Anthony Hodge

Portfolio

Regeneration and Economy

Portfolio Holder

Councillor Paul James

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

Net
(1,030,300)
72,600
(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)

Service Manager

Lisa Jones

Portfolio

Regeneration and Economy

Portfolio Holder

Councillor Paul James

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

Net
(5,000)
(127,300)
(17,400)
(46,500)
(2,000)
(198,200)

Performance and Resources Portfolio

Page 35

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

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

Contact Centre 2017/18	Democratic Services 2017/18
641,700	266,100
0	0
9,300	11,800
33,300	576,700
0	0
0	0
0	0
684,300	854,600
0	0
0	0
0	0
(35,000)	0
0	0
0	(114,400)
0	0
0	0
(35,000)	(114,400)
649,300	740,200

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
Head of Finance	94,900	
Financial Services	405,900	(12,500)
Treasury Management	109,600	
Procurement	62,600	0
Corporate expenses	221,700	
Airport Rents	0	(25,000)
Net Service Expenditure	894,700	(37,500)

Net
94,900
393,400
109,600
62,600
221,700
(25,000)
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
Portfolio
Portfolio Holder

Jon Topping
Performance and Resources
Councillor David Norman MBE

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

Net
1,782,700
(970,000)
(478,800)
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
Portfolio
Portfolio Holder

Jon Topping
Performance and Resources
Councillor David Norman MBE

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

Net
605,400
137,600
89,200
585,700
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
Portfolio
Portfolio Holder

Jon McGinty
Performance and Resources
Councillor David Norman MBE

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

Net
181,800
86,400
385,000
187,700
83,700
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
Contact Centre	684,300	(35,000)
Net Service Expenditure	684,300	0

Net
649,300
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

Service Manager

Tanya Davies

Portfolio

Performance and Resources

Portfolio Holder

Councillor David Norman MBE

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

Net
39,200
179,300
378,300
143,400
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
Employees	920,900	504,300	163,700	185,900	0
Premises	222,300	90,100	94,200	35,900	2,100
Transport	3,400	2,100	500	800	0
Supplies and Services	1,133,600	293,300	58,100	365,200	257,000
Third Party Payments	135,200	0	0	0	0
Capital Charges	0	0	0	0	0
Other Charges	0	0	0	0	0
Expenditure Total	2,415,400	889,800	316,500	587,800	259,100
Internal Recharges Net Total	0	0	0	0	0
Contributions	0	0	0	0	0
Fees and Charges	(199,800)	(105,300)	(64,500)	0	(30,000)
Rents and Lettings	0	0	0	0	0
Grant Income	0	0	0	0	0
Sales Income	(1,024,400)	(567,100)	(29,000)	(428,300)	0
Other Income	(3,100)	0	(2,100)	(1,000)	0
Income Total	(1,227,300)	(672,400)	(95,600)	(429,300)	(30,000)
Service Expenditure	1,188,100	217,400	220,900	158,500	229,100

**Marketing
Gloucester
2017/18**

67,000

0

0

160,000

135,200

0

0

362,200

0

0

0

0

0

0

0

0

0

0

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

Service Manager

Sarah Gilbert

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

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

Net
396,200
2,800
(36,400)
(67,900)
(61,500)
(15,800)
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

Service Manager

Angela Smith

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

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

Net
88,700
132,200
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

Service Manager

Lucy Chilton

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

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

Net
231,700
(73,200)
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
	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

Service Manager

Anne Brinkhoff

Portfolio

Culture and Leisure

Portfolio Holder

Councillor Lise Noakes

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

Net
229,100
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
Marketing Gloucester General Support	202,200	
Events Programme	160,000	
Net Service Expenditure	362,200	0

Net
202,200
160,000
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

Service Manager

Lloyd Griffiths

Portfolio

Environment

Portfolio Holder

Councillor Richard Cook

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

Net
5,635,400
(674,000)
(50,000)
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

Service Manager

Meyrick Brentnall

Portfolio

Environment

Portfolio Holder

Councillor Richard Cook

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

Net
2,600
91,600
94,200

Cemeteries and Crematorium	Proposed Budget 2017/18
Employees	522,000
Premises	235,400
Transport	29,400
Supplies and Services	158,600
Third Party Payments	
Capital Charges	
Other Charges	
Expenditure Total	945,400
Internal Recharges Net Total	
Contributions	
Fees and Charges	(1,720,300)
Rents and Lettings	
Sales Income	(322,800)
Other Income	(11,300)
Income Total	(2,054,400)
Service Expenditure	(1,109,000)

Service Manager

Julienne Reeves

Portfolio

Environment

Portfolio Holder

Councillor Richard Cook

Summary By Service Area 2017-18	Total	
	Expenditure	Total Income
The Arbor	129,800	(156,200)
Cem and Crem Support	139,500	0
Cemeteries	357,200	(302,600)
Crematorium	318,900	(1,595,600)
Net Service Expenditure	945,400	(2,054,400)

Net
(26,400)
139,500
54,600
(1,276,700)
(1,109,000)

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
Flooding prevention	71,600	0
Drainage Levy	58,400	0
Emergency Planning	20,200	0
Net Service Expenditure	150,200	0

Net
71,600
58,400
20,200
150,200

Communities and Neighbourhoods Portfolio

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

Health and Safety 2017/18	Shopmobility 2017/18
169,200	63,500
0	4,800
1,500	0
15,900	11,600
0	0
0	0
0	0
186,600	79,900
0	0
0	0
0	0
0	(24,600)
0	0
0	0
0	0
0	0
0	(24,600)
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 Neighbourhood
Councillor Jennie Watkins

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

ds

Net
170,000
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 Neighbourhood

Portfolio Holder

Councillor Jennie Watkins

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

ds

Net
128,500
124,300
85,000
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)

Service Manager
Portfolio
Portfolio Holder

Lisa Jones
Communities and Neighbourhood
Councillor Jennie Watkins

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

Is

Net
(42,200)
(59,700)
(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 Neighbourhood
Councillor Jennie Watkins

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

Is

Net
55,300
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
	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

Service Manager

Gill Ragon

Portfolio

Communities and Neighbourhood

Portfolio Holder

Councillor Jennie Watkins

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

Is

Net
183,500
167,700
76,100
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
	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

Service Manager

Gill Ragon

Portfolio

Communities and Neighbourhood

Portfolio Holder

Councillor Jennie Watkins

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

Is

Net
26,400
160,200
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

Helen Chard / Julie Wight / Mary I

Portfolio

Housing and Planning

Portfolio Holder

Councillor Colin Organ

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

Hopper

Net
132,100
321,800
775,300
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
Development Management	475,000	(741,400)
Planning Policy	598,700	(26,100)
Building Control	46,200	
Historic Buildings	60,200	(27,700)
Land Searches	69,200	(155,000)
Head of Service	68,400	
Net Service Expenditure	1,317,700	(950,200)

Net
(266,400)
572,600
46,200
32,500
(85,800)
68,400
367,500



Meeting:	Cabinet Council	Date: 7 December 2016
		Date: 26 January 2016
Subject:	Local Council Tax Support scheme review 2017/18	
Report Of:	Cabinet Member for Performance & Resources	
Wards Affected:	All	
Key Decision:	No	Budget/Policy Framework: Yes
Contact Officer:	Stacey Jellyman, Senior Client Officer	
	Email: stacey.jellyman@gloucester.gov.uk	Tel: 396014
Appendices:	1. Housing Benefit circular HB A3/2016 2. Housing Benefit circular HB A7/2016 3. LCTS forecasting- summary 4. Consultation results report	

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 To advise members of the requirement to review the Local Council Tax Support scheme (LCTS) 3 years of the Act taking effect and consider its impact locally, following the consultation results.

2.0 Recommendations

2.1 Cabinet is asked to **RESOLVE TO RECOMMEND TO COUNCIL** that:

- (1) The current Local Council Tax Support scheme be reviewed and considered to be brought in line with recent welfare reforms and changes to Housing Benefit legislation. **(Appendix 1 and 2).**
- (2) That the recommendations relating to limiting the support for families to two children for new claims and births after 1st April 2017, (mirroring the changes to Tax Credits) so that any subsequent children born after April 2017 will not be eligible for further support, be adopted into the Local Council Tax Support scheme from 1st April 2017. This is alongside changes to Housing Benefit legislation.

2.2 Council is asked to **RESOLVE** that:

- (1) The current Local Council Tax Support scheme be reviewed and considered to be brought in line with recent welfare reforms and changes to Housing Benefit legislation. **(Appendix 1 and 2).**
- (2) That the recommendations relating to limiting the support for families to two children for new claims and births after 1st April 2017, (mirroring the changes to

Tax Credits) so that any subsequent children born after April 2017 will not be eligible for further support, be adopted into the Local Council Tax Support scheme from 1st April 2017. This is alongside changes to Housing Benefit legislation.

3.0 Background and Key Issues

- 3.1 The rationale behind localising council tax support was to give local authorities a greater stake in the economic future of their local area, and support the government's wider agenda to enable stronger, balanced economic growth across the country.
- 3.2 It was designed to provide local authorities with the opportunity to reform the system of support for working age claimants, in particular enabling local authorities to align the system of support for working age households much more closely with the existing system of council tax discounts/exemptions and simplifying the complex system of criteria and allowances.
- 3.3 The localisation was to give local authorities a significant degree of control over how the 10 per cent reduction in expenditure on the current Council Tax Benefit bill is achieved, allowing councils to balance local priorities and their own financial circumstances.
- 3.4 When the reforms were first introduced they were to create stronger incentives for councils to get people back into work and so support the positive work incentives that will be introduced through the Government's plans for Universal Credit.
- 3.5 A review of the number of claimants has continued to be kept and it reflects the sustained reductions for this financial year.

Year	Number
2013/14	10,679
2014/15	10,177
2015/16	9,866
2016/17 (June '16)	9,560

- 3.6 However, the steady reduction in the number of claimants of Council tax Support and the reduced government funding will not be sustainable in the long term at absorbing the cuts, or is reliable due to the welfare reforms to be implemented in April 2017.
- 3.7 **War pension's income:** To note, we will continue to disregard £10 of the War disablement pensions and war widows pensions and in addition will disregard the remainder of the War disablement element of a war pension and the war widow's element of a war widows pension, when assessing a reduction under the local Council Tax Support scheme.

4.0 Impact of the reduction in funding

- 4.1 We are now in the fourth year since implementing a Local Council Tax Reduction Scheme. Research shows that 259 (of 326) of English authorities now require everyone to pay at least some Council Tax regardless of income, 9 more than in 2015/16 and 30 more than in 2013/14.

- 4.2 For the last 4 years the council has absorbed the reduction in Revenue Support Grant to provide LCTS. The scheme is based on the Council Tax Reduction scheme (Default scheme) and a reduction in the number of claimants and expenditure, alongside changes to council tax class exemptions, has helped to offset the reduced funding since implementation.
- 4.3 However the council continues to be faced with having to make difficult financial decisions, and although the intentions of the rest of the district councils have been considered, Gloucester City is a large authority with individual financial burdens and necessary savings to make. Gloucester holds the largest number of working age households across the 6 districts.
- 4.4 As the billing authority, we must consult with our major preceptors, the Police & Crime Commissioner and Gloucestershire County Council on our proposed scheme.
- 4.5 The measures which we propose to introduce are circumstantial and will not apply to every working age current claim from 1st April 2017. The changes will generate savings and reduce the pressure on the government funding which will help to offset the loss in coming years.

5.0 Reasons for Recommendation

- 5.1 Bringing the Local Council Tax Support scheme in line with reforms to Housing Benefit and Universal Credit helps to simplify the system; staying up to date with the governments work incentives, alongside making it fairer and more sustainable for the claimant and the council.
- 5.2 This in turn will help prepare the council and the claimants of Council tax Support for potential further welfare cuts and reforms without the need to make significant changes to the scheme in future years in order to make necessary savings.
- 5.3 Simplified administration processes and streamlined procedures will ensure the customer experience is enhanced and waiting times for the administration of LCTS are kept to a minimum.
- 5.5 Regarding administration and streamlined processes for our contractors, staying in line with the government's welfare changes ensures a minimal impact on the speed of processing claims due to maximising simplicity.

6.0 Alternative options considered

- 6.1 We have consulted on multiple potential changes to the LCTS scheme (**Appendix 3**) and the responses to the consultation (**Appendix 4**) have shown strong support for the changes proposed in this report.
- 6.2 The council consulted on implementing changes which would affect all working age claimants of LCTS as many local authorities have introduced more significant reductions due to the need to make savings (**Appendix 3**). The council does not propose to make changes to working age claimants unnecessarily. We propose that with these changes the impact on the claimant will be reduced and be implemented steadily in line with housing benefit.

6.3 Our neighbouring districts' plans have been considered whilst drafting this report, with Cotswold consulting on very similar proposals to us.

7.0 Financial Implications

7.1 The financial implications are contained in the body of the report

(Financial Services have been consulted in the preparation of this report)

8.0 Legal Implications

8.1 The Local Government Finance Act 2012 abolished Council Tax Benefit and instead required each authority to design a scheme specifying the reductions which are to apply to amounts of Council tax. The prescribed regulations set out the matters that must be included in such a scheme.

The Local Council Tax Support 'LCTS' scheme is required under Section 9 of the Local Government Finance Act 2012.

Any review of the LCTS scheme must focus on effectiveness, efficiency, fairness and transparency. It will also consider their impact on the localism agenda, and will make recommendations as to whether or not the schemes should be brought within Universal Credit.

8.2 Pensioners (those over state pension age) are protected from any changes, but otherwise the Council has discretion to decide how it wishes to design its scheme to cover any shortfall, in accordance with the prescribed requirements.

(One Legal have been consulted in the preparation of this report)

9.0 Risk & Opportunity Management Implications

9.1 Potential opportunity as a result of this report is income (Revenue Support Grant) will cover the cost of LCTS and Gloucester City Council will be able to prevent income shortfalls/offsetting potential further reductions in grants/funding.

10.0 People Impact Assessment (PIA):

10.1 None

11.0 Other Corporate Implications

Community Safety

11.1 None

Sustainability

11.2 None

Staffing & Trade Union

11.3 None

Background Documents: None

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Housing Benefit Circular

Department for Work and Pensions
Caxton House, Tothill Street, London SW1H 9NA

HB A3/2016

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit staff
ACTION	For information
SUBJECT	The Housing Benefit (Abolition of the Family premium and limiting backdating) (Amendment) Regulations 2015 and the Universal Credit and Miscellaneous Amendment Regulations 2015

Guidance Manual

The information in this circular does affect the content of the HB Guidance Manual. Please annotate this circular number against

Family Premium: BW2: paragraphs W3.74 – W3.80, W3.391 and BP3: paragraphs P3.31, P3.73 & P3.251

Backdating: A2: paragraph W2.524

Severe Disability Premium: BW3: paragraphs W3.74 – W3.80 & W3.391 and BP3: paragraphs W3.210 – P3.231

Queries

- **extra copies of this circular/copies of previous circulars** can be found at <https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars>
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 - **technical content of this circular**, contact housing.benefitenquiries@dwp.gsi.gov.uk
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The Housing Benefit (Abolition of the Family Premium and limiting backdating) (Amendment) Regulations 2015 and the Universal Credit and Miscellaneous Amendments Regulations 2015

Introduction

1. This circular provides information about the Housing Benefit (Abolition of the Family Premium and limiting backdating) (Amendment) Regulations 2015 ([S.I. 2015/1857](#)) and the Universal Credit and Miscellaneous Amendments Regulations 2015 ([S.I. 2015/1754](#))
2. SI 2015/1857 reduces the backdating period for working age claimants and abolishes the family premium for all new Housing Benefit (HB) entitlements after 30 April 2016 and for those who cease to have responsibility for any children or young people after 30 April 2016.
3. SI 2015/1754 amends the Housing Benefit Regulations 2006 ([S.I. 2006/213](#)) and the Housing Benefit (persons who have attained the qualifying age for state pension credit) Regulations 2006 ([S.I. 2006/214](#)) to ensure that where the Universal Credit carer element is in payment in respect of care for a severely disabled person in receipt of HB, the HB claimant may no longer receive a severe disability premium (SDP).

Backdating

4. The new arrangements, which come into force on 1 April 2016, reduce the maximum period for which HB claims may be backdated for working age claimants from six months to one month.
5. The good cause provisions have not changed. Working age claimants will still need to demonstrate good cause throughout the period for which they are requesting backdating. The new arrangements mean that HB cannot be backdated for more than one month if the claimant makes their request on or after 1 April 2016 (even if this is a belated request linked to a current claim for HB which was made before that date).
6. Good cause is not defined in legislation and the new regulations do not change the existing guidance for considering this. However, the reduction in the maximum backdating period makes it all the more important that claims are made promptly and you may want to remind claimants of this and encourage them to submit claims in good time.
7. The backdating period for persons who have newly attained the qualifying age for state pension credit will retain the three months backdating, but will no longer be able to exceed that duration with backdating provisions from the working age regulations.

Example

A working age claimant makes a claim for HB on 4 May 2016.

Subsequent to the award decision, on 18 May 2016 the claimant submits a request for their claim to be backdated for 6 months prior to the claim date of 4 May 2016.

As the regulations changed on 1 April 2016, the new rules apply.

The maximum period for which backdating may be considered is one month. So, counting back one month from the date when the claimant requested that the claim should include a past period (18 May 2016), backdating can only be considered from 18 April 2016.

Family Premium

8. The family premium will not be included in the HB applicable amount for new entitlements to HB beginning on or after 1 May 2016 or for any existing claimants who have a child or become responsible for a child (under 16) or young person (under 20) for the first time after 30 April 2016. It will also mean that if a current claimant ceases to have the family premium included in their claim because they cease to have responsibility for any children or young people, then they will not be able to regain access to the family premium if they become responsible again for any children or young people in the future.
9. Claimants who are receiving a passporting benefit (Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance or guarantee element of Pension Credit) will continue to be entitled to the family premium if they cease to claim the passporting benefit and claim HB only. The passporting benefit only provides a disregard for income and capital so the entitlement to the family premium is still there when calculating the HB entitlement.
10. Those claimants not on a passporting benefit will retain the family premium if they were entitled to it on 30 April 2016 until:
 - they make a new claim for HB; or
 - they no longer have responsibility for any children or young people.

Example - Transitional protection

A claimant is on Income Support (IS) and entitled to HB on 30 April 2016. They subsequently cease to claim IS and get standard HB. As they were entitled to the family premium on 30 April 2016 they are still entitled to it.

Although the IS claim passports them onto full HB it only provides a disregard of income and capital, entitlement to family premium is still included in the HB claim.

The Universal Credit and Miscellaneous Amendments Regulations 2015

11. HB claimants who are in receipt of Attendance Allowance (AA), Disability Living Allowance (DLA) or a Personal Independence Payment (PIP) are entitled to a severe disability premium (SDP) as long as they don't have a carer who is receiving Carers Allowance (CA) for looking after them. For couples an SDP is awarded where both are entitled to AA, DLA or PIP but only one of them has a carer receiving CA.
12. The carer element in Universal Credit is payable to someone looking after a person who is in receipt of AA, DLA or PIP but they don't have to be in receipt of, or have an underlying entitlement to CA to qualify for it. There is no reference to the receipt of the carer element of Universal Credit in HB regulations so an SDP can be awarded to an HB claimant even though someone is receiving payment via Universal Credit for looking after them.
13. The Universal Credit and Miscellaneous Amendments Regulations 2015 ([S.I. 2015/1754](#)) amended the Housing Benefit Regulations 2006 ([S.I. 2006/213](#)) and the Housing Benefit (persons who have attained the qualifying age for state pension credit) Regulations 2006 ([S.I. 2006/214](#)) so that, if a Universal Credit carer element is awarded to a Universal Credit claimant who is caring for an HB claimant, that person may not receive an SDP.
14. When the Universal Credit carer element is awarded to a Universal Credit claimant who is caring for an HB claimant, the Universal Credit team will complete form UC454 and email it to the HB claimant's local authority. Form UC454 will give the following information:
 - the HB claimant's name, National Insurance number, date of birth and address
 - the Universal Credit claimant's name, National Insurance number and address
 - the date that the caring started, the date Universal Credit was notified and the date the carer element was awarded.
15. If the Universal Credit carer element ceases to be in payment then the Universal Credit team will complete form UC456 and email it to the HB claimant's LA. Form UC456 will give the following details:
 - the HB claimant's name, National Insurance number, date of birth and address
 - the Universal Credit claimant's name, National Insurance number and address
 - the date that the caring ceased, the date Universal Credit was notified and the date the carer element ceased.

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Housing Benefit Circular

Department for Work and Pensions
Caxton House, Tothill Street, London SW1H 9NA

HB A7/2016

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit staff
ACTION	For information
SUBJECT	The Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016

Guidance Manual

The information in this circular does affect the content of the HB Guidance Manual. Please annotate this circular number against

Fear of violence: A3 Paragraph 3.413, Paragraph 3.631

Temporary Absence from Home: A3 Paragraphs 3.450 – 3.590

Queries

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The Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016

Introduction

1. This circular provides information about the Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016 (S.I. 2016/624).
2. These regulations make amendments to the Housing Benefit Regulations 2006 and the Housing Benefit (Persons who have reached the qualifying age for State Pension Credit) Regulations 2006 to introduce new provisions which relate specifically to absences outside of Great Britain (GB).
3. The changes will come in to force on 28 July 2016.

Background

4. The Chancellor of the Exchequer announced in the 2015 Autumn Statement that changes would be made to the temporary absence rules in Housing Benefit (HB) and Pension Credit reducing the allowable period of temporary absence outside GB from 13 weeks to 4 weeks.

Outline of the changes

5. The Regulations have been amended to introduce a distinction between temporary absences from the main home within GB and outside GB for both working age and state pension credit age claims.
6. GB includes England, Scotland and Wales. Northern Ireland, the Channel Islands and the Isle of Man are not part of GB for HB purposes and therefore, any absences to those areas should be considered under the new absence from GB provisions.
7. There are no changes to the provisions relating to:
 - intention to return home
 - that the main dwelling has not been and will not be sub-let
 - that the period of absence is unlikely to extend beyond the limits.

Maximum time limits will apply to absences outside of GB as well as absences within GB.

8. Existing provisions for temporary absence within GB are unchanged.

Transitional arrangements

9. The amended regulations only apply to new instances of temporary absence starting on or after the regulations come into force. People who are already temporarily absent from GB on the day the regulations come into force are to be treated under the old provisions i.e. as if the new regulations hadn't been made. The transitional arrangements will not apply to members of Her Majesty's forces, continental shelf workers or mariners who are outside GB when the regulations come into force.

Example – Claimant absent from GB on 28 July 2016

A claimant and their partner leave GB on 10 June 2016 for a 12 week stay in Spain with friends. They are due to return to GB on 1 September 2016.

The amending regulations come into force on 28 July 2016 whilst they are in Spain.

As the claimant and their partner were already outside GB on the day the regulations came into force they continue to be entitled to HB for the longer period under the previous regulations.

Temporary absence outside GB: general rule

10. From 28 July 2016 a new general temporary absence rule applies to claimants and their family members for periods of absence outside GB. The new rule allows them to be absent for up to 4 weeks as long as they continue to meet the rules for absences from their main dwelling.

Example 1 – absence outside GB expected to be 4 weeks or less

A claimant reports a change in circumstances that he will be absent from his home and out of Great Britain for a period of 2 weeks from 25 October 2016 as he is going on holiday.

HB can continue to be paid for the entire period of the absence because it does not exceed 4 weeks.

Example 2 – absence outside GB expected to exceed 4 weeks

A claimant reports a change of circumstances that he will be absent from his home and outside GB for 6 weeks from 2 September 2016 as he is visiting family.

As the absence will exceed 4 weeks his HB stops from the date he departs GB.

Temporary absence outside GB: exceptions to the general rule

11. There continue to be exceptions to the general temporary absence rule for certain groups and there are also new exceptions which are specific to absences outside GB. For these groups absences from GB can be extended up to 8 weeks or 26 weeks in some cases.
12. Annexe A has a detailed list of the groups which are currently allowed to be absent for more than 13 weeks and also shows the new period of absence allowed where this is outside GB.

Absences in connection with the death of a close relative

13. Persons absent from GB in connection with the death of

- their partner
- a child they or their partner are responsible for
- the persons close relative
- a close relative of the persons partner
- close relative of a child or young person for whom the person or person's partner is responsible

may have the allowable period of absence extended to up to 8 weeks if the Decision Maker considers that it is unreasonable for the claimant to return home within the first 4 weeks.

Example

A claimant reports a change of circumstances that he will be absent from his home and outside GB for a period of 6 weeks from 4 November 2016 due to the death of a close relative in Australia.

HB can continue in payment for 4 weeks from the date the claimant left his home and went abroad. The Decision Maker should consider whether it is unreasonable to expect the claimant to return within 4 weeks and, if so, whether the allowable period of absence should be extended to 6 weeks.

Members of Her Majesty's forces, mariners and continental shelf workers

14. The regulations add new exceptions to the general rule in addition to existing general exceptions, for absences outside GB, for members of Her Majesty's forces posted overseas, mariners and continental shelf workers. They can all continue to receive HB for absences outside GB for up to 26 weeks.

Temporary absence outside GB follows a period of temporary absence in GB

15. For the purpose of calculating the 13 weeks under the general rule for absences within GB, a period of absence within GB may include a period of absence outside of GB provided that, whilst outside GB the claimant remained entitled to HB under the absence from GB rules.

Example 1: Absence from GB follows a period of absence in GB

A claimant who is a reserve member of Her Majesty's forces is posted overseas. Before she leaves GB she spends 4 weeks undertaking refresher training at Catterick army barracks from 3 October 2016. She leaves GB on 31 October 2016 and expects to be away for 8 weeks.

She reports the change in circumstances that she will be absent from home and in GB for 4 weeks and outside GB for a period of 8 weeks from 31 October 2016. She returns to her normal dwelling in GB on 26 December.

As she was absent from home in GB for 4 weeks and then absent outside GB for 8 weeks, HB can continue to be paid when the claimant returns to GB as her total absence from home was less than 13 weeks.

16. Where the temporary absence from GB ends because of a return to GB and they have been absent from their home in GB for more than 12 weeks but less than 13 weeks, the claimant must return to the dwelling they occupy as their home in order to continue to meet the condition that they occupy the dwelling as their home. If the temporary absence is 13 weeks or more, HB must cease.
17. If a claimant whilst abroad ceases to be entitled to HB then, when the person returns to GB, they will not be entitled to HB as they will not be regarded as occupying their dwelling as their home for the period of temporary absence, even if the total absence from the home has not exceeded 13 weeks.

Example 2: Absence from GB follows period of absence within GB

A claimant reports a change of circumstances that he is going to be absent from home for 8 weeks staying with relatives within GB for a holiday and will be subsequently going with his family to stay with them outside GB for 3 weeks.

Whilst he is outside GB he reports another change of circumstance that he has decided to stay in France for 5 weeks not 3 weeks as previously notified.

As he will now be absent from GB for more than 4 weeks his HB stops immediately as the rule about allowable absence outside GB will cease to apply and they will cease to be treated as occupying their dwelling as their home.

Annex A

Temporary absence table

We have produced this table to illustrate and help identify the differences that now exist between temporary absences within GB and outside of GB.

Circumstances of absence	Within Great Britain	Outside Great Britain
A person detained on remand pending trial or sentence upon conviction or as a condition of bail to reside in a dwelling other than their home	52 weeks	4 weeks
A person in a hospital or similar institution as a patient	52 weeks	26 weeks
A person, their partner or dependent child undergoing medical treatment, medically approved convalescence in accommodation other than residential accommodation	52 weeks	26 weeks
A training course	52 weeks	4 weeks
A person who is absent and undertaking medically approved care of a person residing in GB or elsewhere	52 weeks	4 weeks
A person who is caring for child whose parent or guardian is temporarily absent from the home of that parent or guardian and receiving medically approved care or medical treatment	52 weeks	4 weeks
A person who is receiving medically approved care provided in accommodation other than residential accommodation	52 weeks	26 weeks
An eligible student	52 weeks	4 weeks
A person who is receiving care in residential accommodation and is not staying on a trial basis to ascertain if the accommodation suits his needs	52 weeks	4 weeks
A person who has left their home through fear of violence	52 weeks	26 weeks
A person who enters residential accommodation on a trial basis to ascertain if it meets their needs with the intention of returning home	52 weeks	4 weeks

Circumstances of absence	Within Great Britain	Outside of Great Britain
A person who is absent from GB in connection with the death of their partner or a child for whom he or his partner is responsible, the persons close relative, a close relative of the persons partner or a close relative of a child or young person for whom the person or persons partner is responsible	13 weeks	4 weeks plus additional 4 weeks if the Decision Maker considers it unreasonable for the claimant to return home within the first 4 weeks
A member of Her Majesty's forces posted overseas	13 weeks	26 weeks
A mariner	13 weeks	26 weeks
Continental shelf worker	13 weeks	26 weeks
Any other temporary absence e.g. holiday	13 weeks	4 weeks

Gloucester City Council - Local Council Tax Support forecasting - summary information

The purpose of this summary information is to estimate the change in the overall amount of Council Tax Support ('CTS') which the Council awards if a number of different rules in the Council's CTS scheme were changed. The purpose of this information is only to inform the Council's decision and the public consultation. The Council is consulting on its CTS scheme for 2017/18; the changes listed are not changes which the Council plans to introduce at this time.

A. Description of change (NB affect working age customers only)	B. Total amount of reduction in CTS awarded, for all working age applicants, over the whole year	C. Column B as a percentage of the total pre-change CTS awarded, for all working age applicants	D. No of applicants affected (estimated)
Maximum CTS is 92.5% of eligible council tax (it is currently 100%)	£441,393	8.89	6033
Maximum CTS is 90% of eligible council tax	£578,976	11.66	6033
Maximum CTS is 85% of eligible council tax	£842,676	16.97	6033
Maximum CTS is 80% of eligible council tax	£1,124,442	22.64	6033
Maximum CTS is 75% of eligible council tax	£1,383,233	27.85	6033
Taper is 25% (it is currently 20%)	£140,926	2.84	1417
Taper is 35%	£287,343	5.79	1417
Restrict CTS to band C CTAX (currently there is no band restriction)	£67,764	1.36	183
Restrict CTS to band B CTAX	£175,038	3.52	814

These figures all exclude any change to pension-age CTS awards. Since 2013 the Government has said it intends to protect pension age customers.

'CTS' = Council Tax Support. This is help with their council tax bill available to low income council tax payers. It has replaced Council Tax Benefit since April 2013.

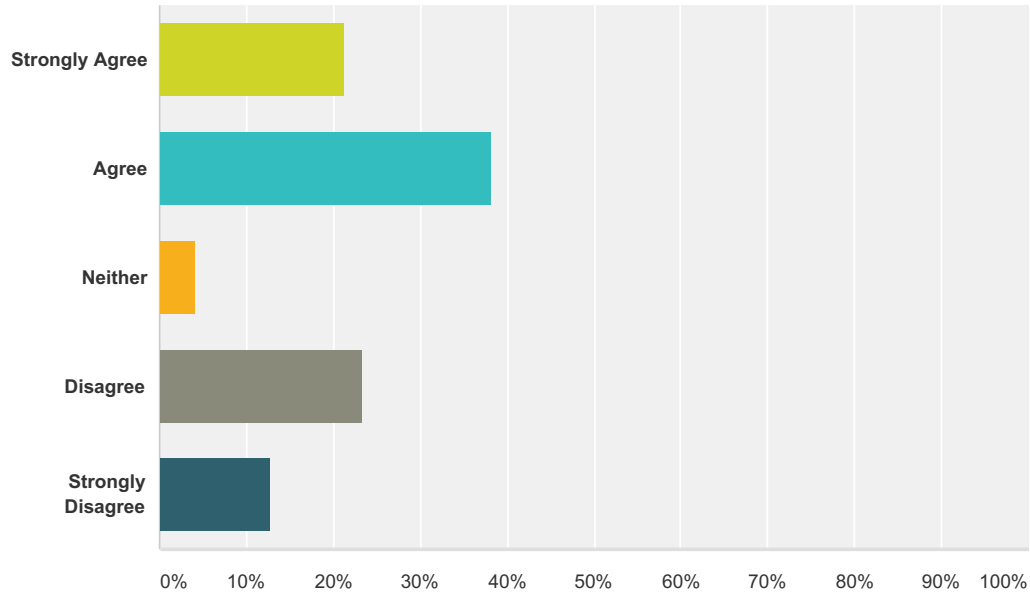
There are currently around 6033 working age residents receiving Council Tax Support from the City Council. This does not include pension age residents who get CTS.

The 'taper' is the percentage rate at which Council Tax Support is withdrawn, as a recipient's income rises.

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Q1 Council tax Support is 'self-funding'. This means that it costs the same as the amount of the Government grant the Council receives. To what extent do you agree or disagree with reducing people's maximum council tax support in line with this if it were to cost more?

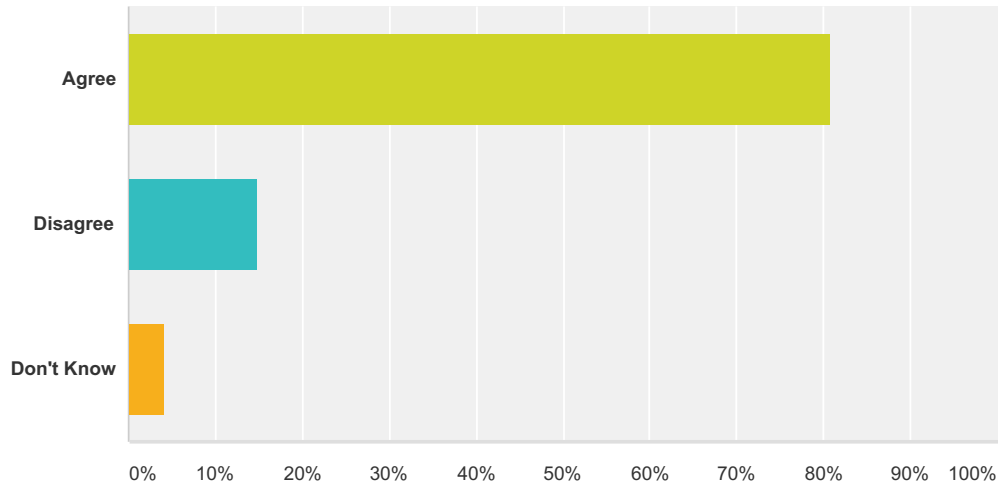
Answered: 47 Skipped: 0



Answer Choices	Responses	
Strongly Agree	21.28%	10
Agree	38.30%	18
Neither	4.26%	2
Disagree	23.40%	11
Strongly Disagree	12.77%	6
Total		47

Q2 Do you agree or disagree with the principle of all working age claimants paying something towards their council tax bill?

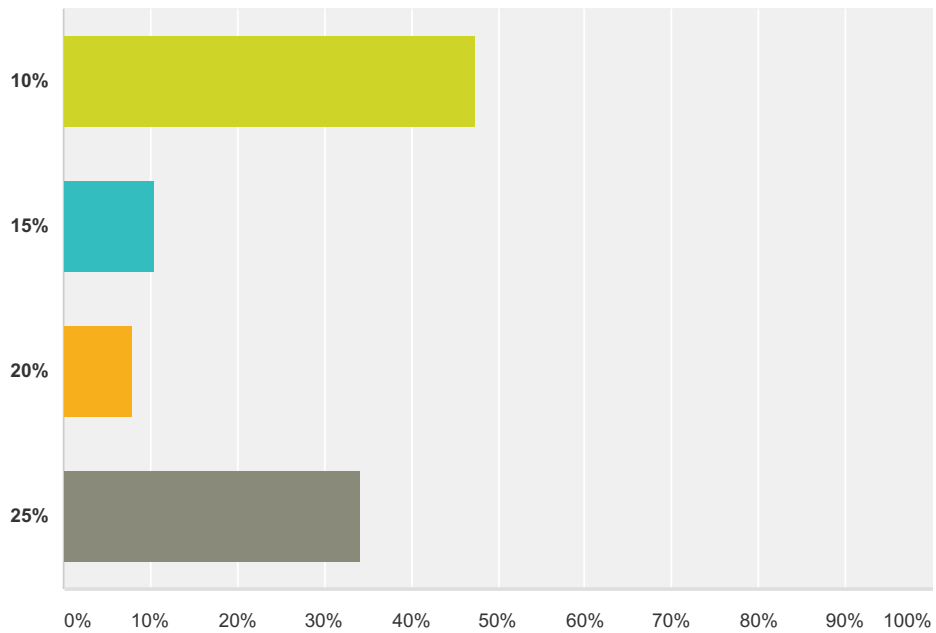
Answered: 47 Skipped: 0



Answer Choices	Responses	
Agree	80.85%	38
Disagree	14.89%	7
Don't Know	4.26%	2
Total		47

Q3 If you do agree, what level of minimum payment do you think should be applied?

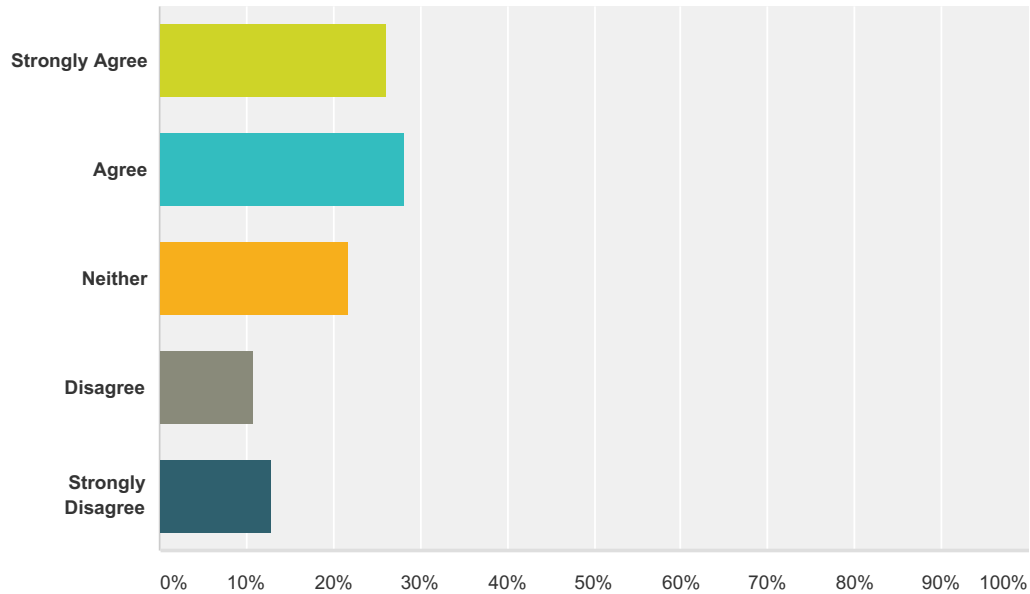
Answered: 38 Skipped: 9



Answer Choices	Responses
10%	47.37% 18
15%	10.53% 4
20%	7.89% 3
25%	34.21% 13
Total	38

Q4 To what extent do you agree/disagree with the removal of the family premium (£17.45) for new claimants and for those with children from 1st April 2017 in line with changes to Housing benefit legislation?

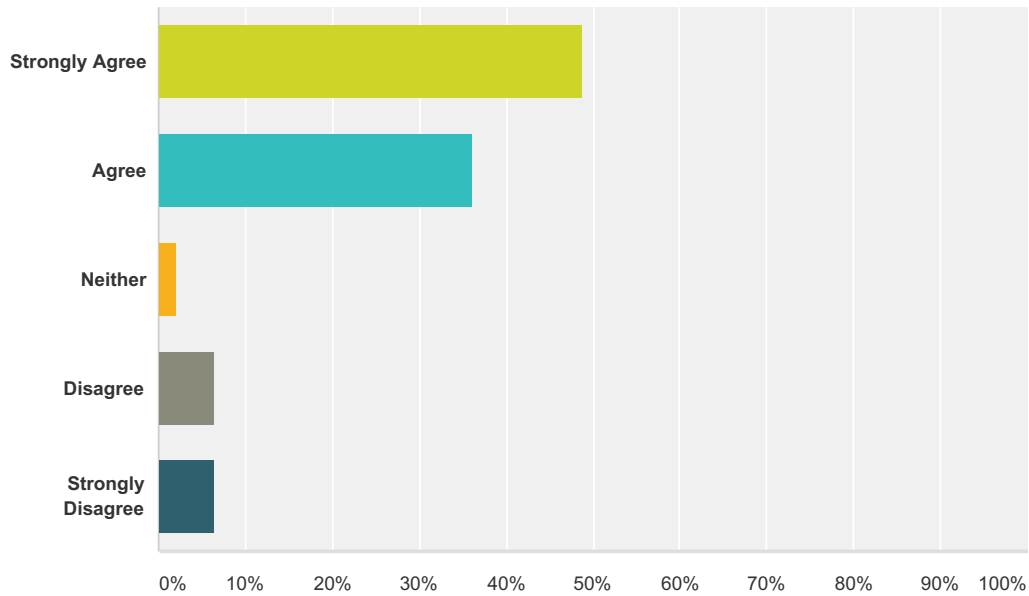
Answered: 46 Skipped: 1



Answer Choices	Responses	
Strongly Agree	26.09%	12
Agree	28.26%	13
Neither	21.74%	10
Disagree	10.87%	5
Strongly Disagree	13.04%	6
Total		46

Q5 A claimant is only allowed to be absent from Great Britain for up to 4 weeks at a time (previously 13 weeks) before their Housing Benefit claim is closed. Do you agree/disagree that this should be introduced into local council tax support in line with this?

Answered: 47 Skipped: 0

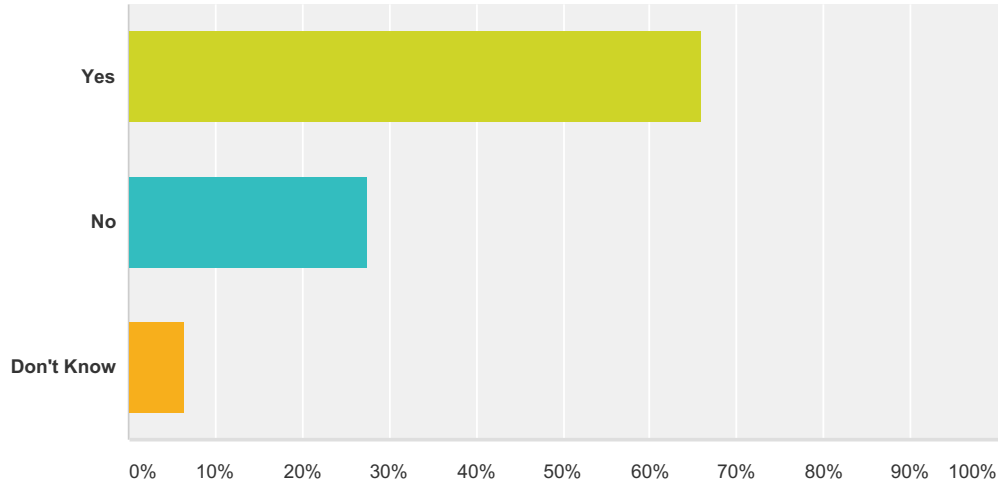


Answer Choices	Responses	
Strongly Agree	48.94%	23
Agree	36.17%	17
Neither	2.13%	1
Disagree	6.38%	3
Strongly Disagree	6.38%	3
Total		47

Council Tax Support

Q6 At the moment, a person can get their council tax support backdated for up to 6 months if they have a valid reason for not claiming on time. Do you feel this should be reduced in line to 1 month?

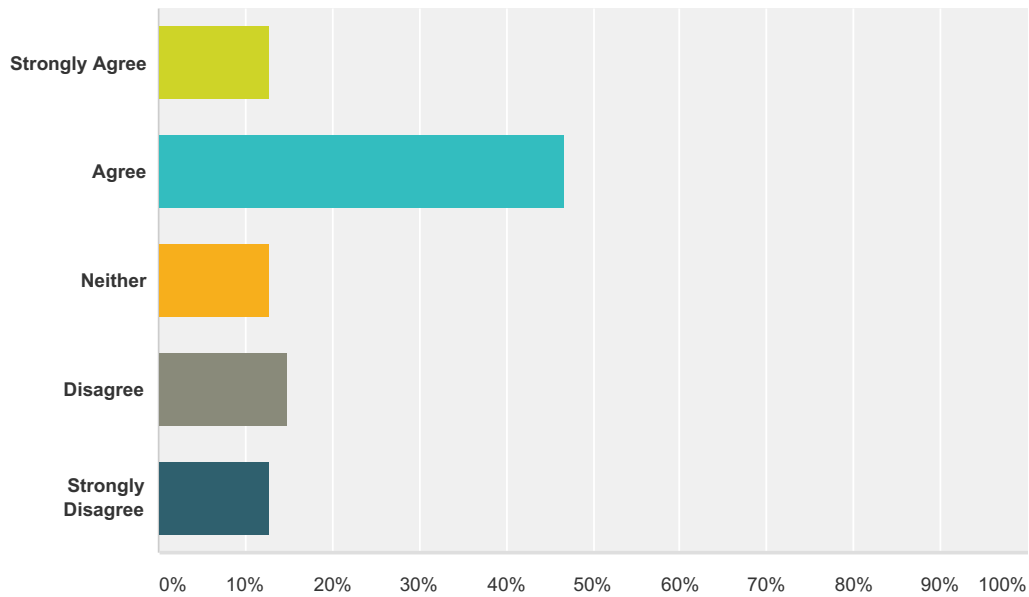
Answered: 47 Skipped: 0



Answer Choices	Responses
Yes	65.96% 31
No	27.66% 13
Don't Know	6.38% 3
Total	47

Q7 The Government has introduced a ‘Minimum Income Floor’ for those who are self-employed and claiming universal credit. This means that anyone after an initial designated start up business period (12 months) that their income will be assumed at 35 hours a week at National Living Wage (regardless of the hours you actually work, and whether or not your income meets this level). This is proposed to incentivise people into growing and expanding their business. To what extent do you agree/disagree this should be implemented into the local council tax support scheme?

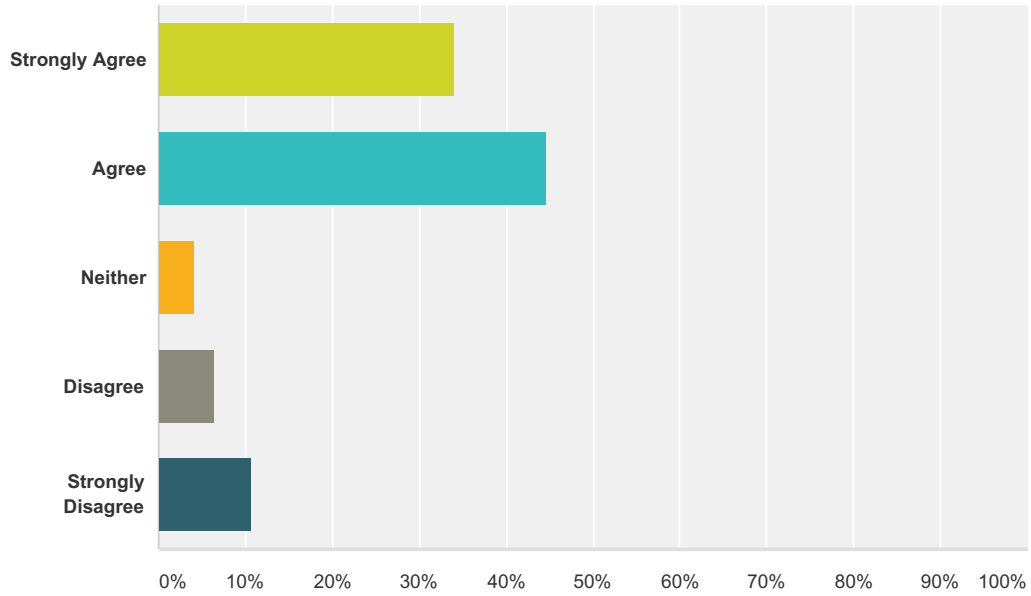
Answered: 47 Skipped: 0



Answer Choices	Responses
Strongly Agree	12.77% 6
Agree	46.81% 22
Neither	12.77% 6
Disagree	14.89% 7
Strongly Disagree	12.77% 6
Total	47

Q8 From April 2017 limiting the child element to two children for new claims and births after April 2017 will be introduced. We are proposing to include these restrictions to LCTS alongside housing benefit. To what extent do you agree/disagree with this change?

Answered: 47 Skipped: 0



Answer Choices	Responses	
Strongly Agree	34.04%	16
Agree	44.68%	21
Neither	4.26%	2
Disagree	6.38%	3
Strongly Disagree	10.64%	5
Total		47

Q9 Do you have any other views or comments on these proposed changes?

Answered: 16 Skipped: 31

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Meeting:	Audit and Governance Committee Cabinet	21 November 2016 7 December 2016
Subject:	Treasury Management Update – Mid Year Report 2016/17	
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	
	Email: jon.topping@gloucester.gov.uk	Tel: 396242
Appendices:	1. Prudential and Treasury Indicators 2. Interest rate forecasts	

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (TMSS, annual and midyear reports). This report covers the six months 1st April 2016 to 20th September 2016 and therefore, ensures this Council is implementing best practice in accordance with the Code.
- 1.2 This report will highlight issues specific to the Council and also highlight interest rate forecasts as provided by the Council’s treasury advisors Capita Asset Services.
- 1.3 The body of the report provides an overview of the Councils performance for the first half of 16/17;
 - **Appendix 1** highlights the key performance indicators in line with the Councils Treasury Management Strategy.
 - **Appendix 2** Interest Rate Forecast.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RESOLVE**, subject to any recommendations it wishes to make to Cabinet, to note the contents of the report.
- 2.2 Cabinet is asked to **RESOLVE** that the contents of the report be noted.

3.0 Annual Investment Strategy

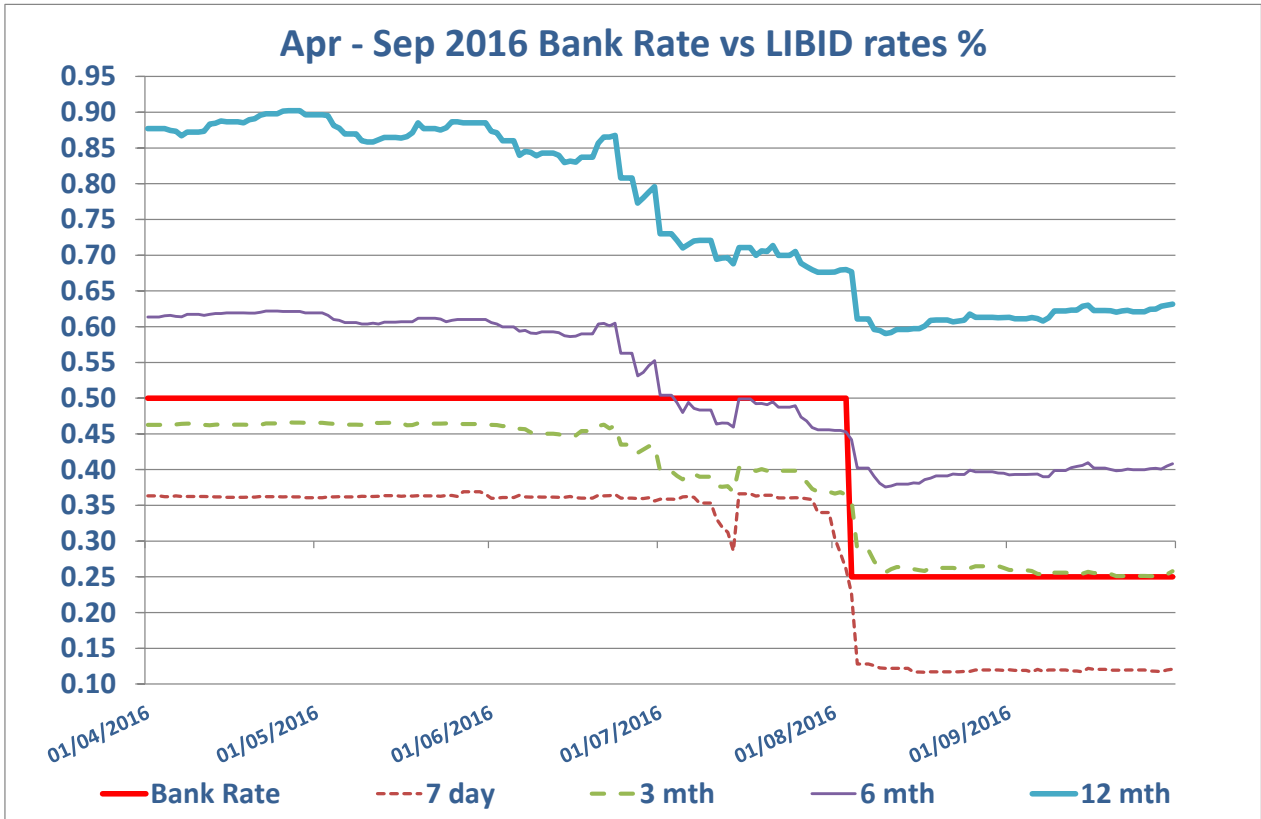
The Treasury Management Strategy Statement (TMSS) for 2016/17, which includes the Annual Investment Strategy, was approved by the Council on 24th March 2016. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield

- 3.1 The Council will also aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months, with highly credit rated financial institutions, using our suggested creditworthiness approach, including a minimum sovereign credit rating, and Credit Default Swap (CDS) overlay information.
- 3.2 Investment rates available in the market were broadly stable during the first half of the period but then took a slight downward path in the second half concluding with a significant drop after the referendum on a sharp rise in expectation of an imminent cut in Bank Rate and 'lower for longer' expectations thereafter. The average level of funds available for investment purposes during the period was £6.69M. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The Council does not hold cash balances for investment purposes (i.e. funds available for more than one month).

Investment performance for the financial year to date as at 30th September 2016

Benchmark	Benchmark Return	Council Performance	Investment Interest Earned
7 day	0.28	0.42	£13,896
1 month	0.30	N/A	N/A
3 month	0.38	N/A	N/A
6 month	0.52	N/A	N/A
12 month	0.76	N/A	N/A



As illustrated, the Council outperformed the benchmark by 14 bps.

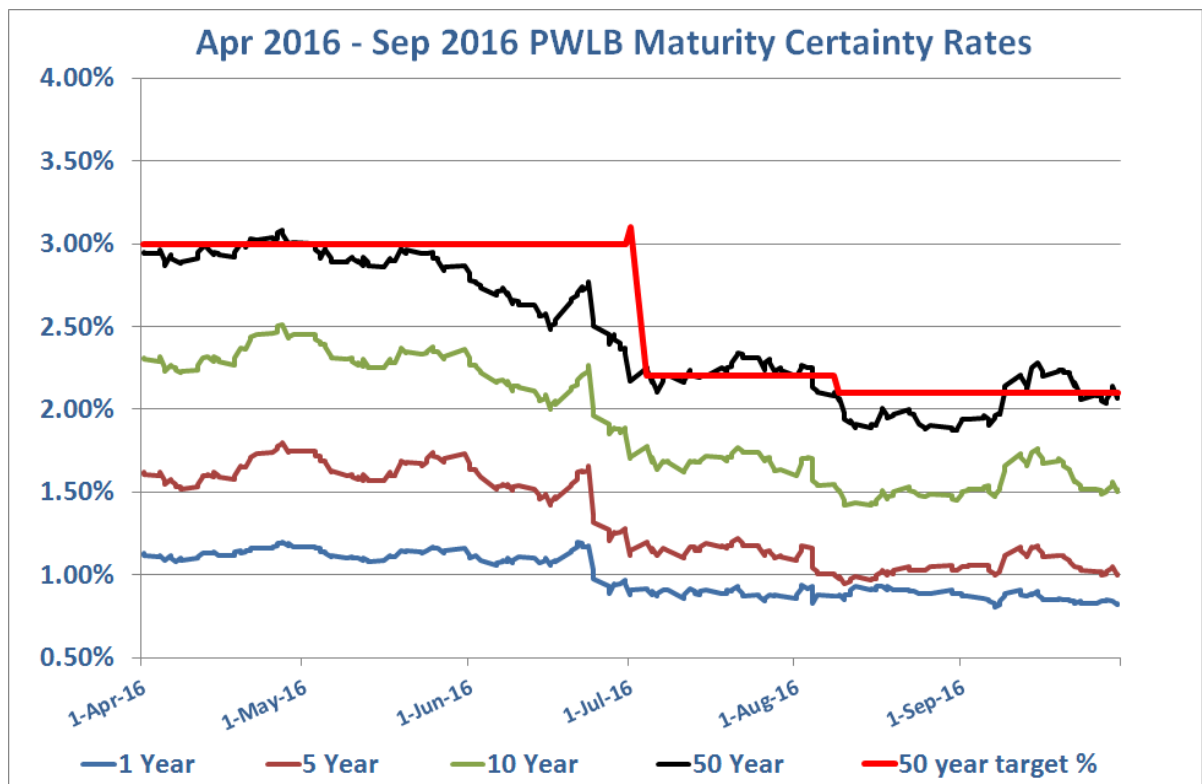
4.0 New Borrowing

4.1 As depicted in the graph below, there has been significant volatility in PLWB rates during quarter 1 culminating in a progressive fall in rates during the first three weeks in June as confidence rose that the polls were indicating a 'IN' result for the referendum, followed by a sharp rise in the run up to the referendum day as the polls swung the other way, followed by a sharp fall to the end of the month in anticipation that there is likely to be further quantitative easing purchases of gilts in the coming months. During the year to date, the 50 year PWLB target (certainty) rate for new long term borrowing started at 3.10% and ended at 2.10%.

4.2 No long term borrowing was undertaken during the period.

4.3 PWLB certainty rates, for the financial year to the 30th September 2016

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.81%	0.95%	1.42%	2.08%	1.87%
Date	07/09/2016	10/08/2016	10/08/2016	12/08/2016	30/08/2016
High	1.20%	1.80%	2.51%	3.28%	3.08%
Date	27/04/2016	27/04/2016	27/04/2016	27/04/2016	27/04/2016
Average	0.99%	1.33%	1.92%	2.69%	2.46%



4.4 Borrowing in advance of need.

The Council has not borrowed in advance of need during the period ended 30th September 2016.

5.0 Debt Rescheduling

5.1 Debt rescheduling opportunities have been limited in the current economic climate and following the increase in the margin added to gilt yields which has impacted

PWLB new borrowing rates since October 2010. During the period ended 30th September 2016, no debt rescheduling was undertaken.

6.0 Compliance with Treasury and Prudential Limits

- 6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.
- 6.2 During the financial year to date the Council has operated within the treasury limits set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices. The Council debt profile is currently structured on short term borrowing. The Council is able to benefit from reduced costs associated with short term borrowing compared to longer term rates while operating within the Council's borrowing requirements, this strategy will continue to be reviewed in line with market expectations. The prudential and treasury Indicators are shown within appendix 1.

7.0 Other

- 7.1 The Council continued to maintain an under-borrowed position in 2016/17.
- 7.2 This under-borrowing reflects that the Council resources such as reserves and provisions will have reduced debt rather than be externally invested. This strategy is sensible, at this point in time, for two reasons. Firstly, there is no differential between the marginal borrowing rate and investment rate so there is nothing to be gained by investing Council resources externally. Secondly, by using the resources to reduce debt the Council will reduce exposure to investment counterparty risk.
- 7.3 The Council will continue to monitor its approach to under borrowing in light of market movement and future events.
- 7.4 The Council has utilised short term borrowing in 2016/17 as part of its overall borrowing strategy, this policy has allowed the Council to benefit from lower interest rates available over the short term, reducing borrowing costs significantly in the short term. Over our current 2016/17 borrowing requirement, the Council has been able to obtain short term borrowing at 0.35% compared to current long term rates at 1.5% for 10 year. Over this period the policy has reduced borrowing costs by £190k.
- 7.5 The Council will continue to monitor its approach to short term borrowing in accordance with our treasury advisor forecasts and future Council events which impact on the Council borrowing requirement.

8.0 Asset Based Community Development (ABCD) Considerations

- 8.1 This report notes the treasury management performance of the Council. There are no anticipated ABCD implications from this report.

9.0 Financial Implications

9.1 Contained in the report

(Financial Services have been consulted in the preparation this report.)

10.0 Legal Implications

10.1 There are no legal implications from this report

(One Legal have been consulted in the preparation this report.)

11.0 Risk & Opportunity Management Implications

11.1 There are no specific risks or opportunities as a result of this report

12.0 People Impact Assessment (PIA):

12.1 A PIA screening assessment has been undertaken and the impact is neutral. A full PIA is not required.

13.0 Other Corporate Implications

Community Safety

13.1 None

Sustainability

13.2 None

Staffing & Trade Union

13.3 None

Prudential and Treasury Indicators as at 30th September 2016

Treasury Indicators	2016/17 Budget £'000	Mid-Year (Apr-Sep) Actual £'000
Authorised limit for external debt	£30M	£30M
Operational boundary for external debt	£25M	£25M
Gross external debt	£25M	£15M
Investments	N/A	£0M
Net borrowing	£25M	£15M
Maturity structure of fixed and variable rate borrowing - upper and lower limits		
Under 12 months	0% - 100%	66.67%
12 months to 2 years	0% - 100%	0%
2 years to 5 years	0% - 100%	0%
5 years to 10 years	0% - 100%	33.33%
10 years to 20 years	0% - 100%	0%
20 years to 30 years	0% - 100%	0%
30 years to 40 years	0% - 100%	0%
40 years to 50 years	0% - 100%	0%
Upper limit of fixed interest rates based on net debt	100%	66.67%
Upper limit of variable interest rates based on net debt	100%	33.33%

INTEREST RATES FORECASTS

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%
5yr PWLB rate	1.00%	1.00%	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.30%
10yr PWLB rate	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%	1.80%
25yr PWLB rate	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.60%
50yr PWLB rate	2.10%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.30%	2.30%	2.40%

Capita Asset Services undertook a quarterly review of its interest rate forecasts after the MPC meeting of 4th August cut Bank Rate to 0.25% and gave forward guidance that it expected to cut Bank Rate again to near zero before the year end. The above forecast therefore includes a further cut to 0.10% in November this year and a first increase in May 2018, to 0.25%, but no further increase to 0.50% until a year later. Mark Carney, has repeatedly stated that increases in Bank Rate will be slow and gradual after they do start. The MPC is concerned about the impact of increases on many heavily indebted consumers, especially when the growth in average disposable income is still weak and could well turn negative when inflation rises during the next two years to exceed average pay increases.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. An eventual world economic recovery may also see investors switching from the safe haven of bonds to equities. However, we have been experiencing exceptional levels of volatility in financial markets which have caused significant swings in PWLB rates. Our PWLB rate forecasts are based on the Certainty Rate (minus 20 bps) which has been accessible to most authorities since 1st November 2012.

The overall balance of risks to economic recovery in the UK remains to the downside. Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Monetary policy action reaching its limit of effectiveness and failing to stimulate significant sustainable growth, combat the threat of deflation and reduce high levels of debt in some major developed economies, combined with a lack of adequate action from national governments to promote growth through structural reforms, fiscal policy and investment expenditure.
- Weak capitalisation of some European banks.
- A resurgence of the Eurozone sovereign debt crisis.

- Geopolitical risks in Europe, the Middle East and Asia, increasing safe haven flows.
- Emerging country economies, currencies and corporates destabilised by falling commodity prices and / or Fed. rate increases, causing a further flight to safe havens (bonds).
- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- The pace and timing of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

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Meeting:	Overview and Scrutiny Cabinet	Date:	28 November 2016 7 December 2016
Subject:	Financial Monitoring Quarter 2		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Andrew Cummings, Management Accountant		
	Email: andrew.cummings@gloucester.gov.uk	Tel:	396231
Appendices:	1. Progress against savings targets 2. Capital monitoring 3. Income Targets		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 For Cabinet to note year-end forecasts, and progress made against agreed savings targets for the 2nd quarter ended 30th September 2016.

2.0 Recommendations

2.1 Overview & Scrutiny Committee is asked to, subject to any recommendations it wishes to make to Cabinet, to **NOTE** the contents of the report.

2.2 Cabinet is asked to **RESOLVE** that it be noted that:

- (1) The savings achieved in year to date total £366k with a further £363k in progress.
- (2) The forecast year end position is currently for a reduction to the Council's General Fund balance of £132k, an improvement of £125k since Quarter 1.
- (3) The deficit position includes a proposed transfer to the Business Rates Reserve of £100k
- (4) The actual and expected levels of income for the Council shown at Appendix 3.
- (5) The details of specific budgetary issues identified by officers and the actions being taken to address those issues
- (6) The current level of Capital expenditure as shown on Appendix 2.

3.0 Background and Key Issues

- 3.1 The figures contained within this report forecast the best estimate at the current time of the year-end position on the Council's General Fund.
- 3.2 A summary table below shows the projected position for each portfolio with each portfolio having a further detailed table analysing the variances in more detail. Quarter 1 figures are also shown for easier comparison with previous reports.

4.0 Whole Council Summary

- 4.1 The forecast position at this early of the year is a reduction of the Council's General Fund by £132k as shown in the table below.

Council Summary	16/17 Budget	Current Forecast	Variance	Change since Q1
Regeneration and Economy	(928)	(920)	8	(92)
Communities and Neighbourhoods	1,148	1,110	(38)	13
Performance and Resources	5,068	5,051	(17)	43
Culture	1,493	1,721	228	54
Planning and Housing	1,706	1,669	(37)	(110)
Environment	4,212	4,203	(9)	(223)
Corporate and Funding	(12,699)	(12,802)	(103)	210
Transfer to Business Rates Reserve	0	100	100	(20)
Total	0	132	132	(125)

- 4.2 This estimate includes the current level of progress against the saving targets included within the Council budget as well as any new cost pressures or savings identified within year.
- 4.3 The increased cost with the Corporate and Funding line is a result of early retirement pension costs being incurred for employees who were made redundant during previous restructuring projects. These costs are by their nature one offs and will not cause a recurring pressure.
- 4.4 A portion of the overall surplus within Corporate and Funding is the result of a decrease in the level of business rates to be paid to Central Government this year. Although this is an in year saving it does reduce the level of business rates income available to the General Fund in future years and should therefore be placed in a reserve to be used to reduce that impact in subsequent years.

5.0 Regeneration and Economy

Regen	16/17 Budget	Current Forecast	Variance	Change
Economic Development	402	333	(69)	(45)
Asset Management	1,001	1,025	24	(26)
Commercial Property	(1,640)	(1,614)	26	58
Parking	(826)	(864)	(38)	(35)
Senior Management	375	341	(34)	5
Markets and Street Trading	(240)	(141)	99	(49)
Total	(928)	(920)	8	(92)

- 5.1 This portfolio is currently forecasting to be nearly on budget for the financial year.
- 5.2 The performance of the markets service has significantly improved since the position was reported at Quarter 1. Lettings and service charge income was up in Quarter 2 as the number of vacant units reduced. This also has the impact of reducing the Council's business rates bill for the building at Eastgate market. It is hoped that the higher level of occupation will continue for the remainder of the year.
- 5.3 The Economic Development service is now expected to deliver a larger saving than had previously been reported. The service still has a number of vacant posts which remain unfilled and this will limit the cost of the service in year.

6.0 Communities and Neighbourhoods

Communities and Neighbourhoods	16/17 Budget	Current Forecast	Variance	Change
Voluntary Sector Grants	315	306	(9)	5
Community Strategy and Other Projects	320	295	(25)	2
Licensing	(89)	(69)	20	3
Environmental Health	408	357	(51)	(4)
Health and Safety	187	161	(26)	6
Shopmobility	7	60	53	1
Total	1,148	1,110	(38)	13

- 6.1 There has been little change in this portfolio during the quarter and an overall saving is still expected. The savings being generated by staff are expected to remain in place for the remainder of the year. The proposed transfer of the Shopmobility Service has not taken place but this has no impact on the financial forecast for the current year.

7.0 Performance and Resources

Performance and Resources	16/17 Budget	Current Forecast	Variance	Change since Q1
Internal Audit	177	182	5	0
Housing Subsidy	(479)	(399)	80	19
Revenues and Benefits Admin	663	690	27	(20)
Financial Services	1,031	943	(88)	62
IT	1,418	1,409	(9)	(46)
Human Resources	314	316	2	2
Communications	125	116	(9)	0
Legal Services	370	365	(5)	5
Contact Centre and Customer Services	691	695	4	(9)
Democratic Services	758	734	(24)	30
Total	5,068	5,051	(17)	43

- 7.1 The expected cost of this portfolio has increased by £43k, however an overall saving is still predicted
- 7.2 The increased cost within financial services is a result of a more detailed estimate of the costs of implementing the new financial system. The service is holding a number of vacancies in allow implementation with no negative budgetary impact and will continue to contribute a saving at the end of financial year.
- 7.3 Expenditure within the IT budget is now expected to be within allocation for the year. This is predominantly a result of the Council being able to take advantage of a service credit at the end of its current photocopying contract. IT expenditure remains an area of risk for the Council and will be closely monitored, with opportunities to make savings identified where appropriate.
- 7.4 The increased cost in democratic services is the result of a vacancy being filled which previous monitoring had assumed would remain vacant. The service is still within budget for the year as a whole and this is expected to continue.

8.0 Culture

Culture	16/17 Budget	Current Forecast	Variance	Change since Q1
Museums	202	338	136	24
Guildhall	236	309	73	33
TIC	163	184	21	2
Aspire Client	428	428	0	0
Marketing Gloucester	464	462	(2)	(5)
Total	1,493	1,721	228	54

- 8.1 A number of budget pressures remain within this portfolio and an overspend of £228k is expected.

8.2 The Museums have had a busy summer holiday period with visitor numbers for the robots exhibition being high. However, the service is still expected to have a significant budget variance for the year and not make any further progress against the current savings target of £132k.

8.3 Although the Guildhall has made in-year progress against savings targets there has been a reduction in the forecast level of income during the quarter. This is predominantly a result of the rates of room lettings not reaching their increased income targets. Opportunities to raise further income to mitigate the letting reduction are being explored.

9.0 Planning and Housing

Planning and Housing	16/17 Budget	Current Forecast	Variance	Change since Q1
Housing Strategy	147	151	4	0
Private Sector Housing	339	315	(24)	(26)
Planning	474	435	(39)	(118)
Homelessness	746	768	22	34
Total	1,706	1,669	(37)	(110)

9.1 This portfolio has had a significant reduction in costs in the quarter and is now expected to deliver a saving for the year.

9.2 The primary driver for this change is a reduction in the level of costs associated with the City Plan in the current year. Work on the City Plan will accelerate once the JCS has been adopted. The recent delays in the latter scheme mean that the majority of the work for the City Plan will now take place in future financial years.

10.0 Environment

Environment	16/17 Budget	Current Forecast	Variance	Change since Q1
Waste and Streetcare	4,793	5,138	345	(68)
Neighbourhood Management	47	54	7	5
Countryside and Allotments	117	108	(9)	2
Cemetery and Crematorium	(949)	(1,273)	(324)	(163)
Flooding and emergency planning	133	105	(28)	1
Head of Service	71	71	0	0
Total	4,212	4,203	(9)	(223)

10.1 The savings target against the Amey contract remains the primary pressure in this portfolio. Work has begun to identify further savings options and some may be realised in this financial year. The new recycling service will also contribute additional income and this had led to the improvement in the waste and streetcare year-end forecasts. Where further savings can be implemented this will also improve the year end position.

10.2 Income received for the Cemetery and Crematorium continues to be better than expected and has improved significantly during the quarter. The primary reasons

for this are the revised charging structure, which was implemented during 2016/17, and an increase in the number of cremations taking place. It is expected that this surplus will continue to the end of the financial year.

11.0 Progress against savings targets

- 11.1 Full details of the Council's progress against its savings targets are shown at Appendix 1.
- 11.2 The most significant savings pressures for 2016/17 are the carried forward and new totals for the Amey contract representing £432k of the total of £1.173 million. If the Council can achieve further in year savings against (see para 10.1) it will have a very positive impact on the forecast year-end outturn.

12.0 Capital Programme

- 12.1 The Capital Programme budget for the year has increased to £15.487m, this includes provision for the Green Recycling fleet replacement. Forecast outturn at quarter 2 is £9m. The Expenditure for quarter 2, including amounts committed totals £4.111m. The areas of major capital expenditure in quarter 2 include £1.98m in purchasing the new recycling fleet, following Cabinet approval in June 16, continued work on upgrading Eastgate car park roof (£0.681m) ensuring the asset remains operational in accordance with the Councils contractual duty. The work at Eastgate car park is scheduled to be completed in the current financial year.
- 12.2 The nature of capital projects means that many of them span a number of financial years, budgets are set per project any unspent budgets at the end of any one financial year may be carried forward into the next
- 12.3 A summarised table for the Capital Programme is shown as Appendix 2.

13.0 Prompt payment performance

- 13.1 The Council aims to make payments to all suppliers promptly and in accordance with contract terms. The performance on invoice payments during the quarter is below.

	<u>July</u>		<u>August</u>		<u>September</u>		<u>Qtr 2</u>	
Number paid within 30 days	811	96%	514	93%	599	94%	1,924	95%
Number paid over 30 days	32	4%	37	7%	35	6%	104	5%
Average Days to Pay (from receipt of invoice to payment date)	7		10		10		9	

14.0 Asset Based Community Development (ABCD) Considerations

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

15.0 Alternative Options Considered

15.1 When consider how to reduce budgetary pressure or make savings officers explore a wide range of options.

16.0 Reasons for Recommendations

16.1 It is a good practice for members to be regularly informed of the current financial position of the Council. This report is intended to make members any of any significant issues in relation to financial standing and any actions that officers are taking in response to identified variances.

17.0 Future Work and Conclusions

17.1 Work will continue to reach savings targets or limit in year budget pressures. A further financial monitoring report will be produced for members at the end of the second quarter.

18.0 Financial Implications

18.1 All financial implications are contained within the report which is of a wholly financial nature.

19.0 Legal Implications

19.1 There are no legal implications from this report

(One Legal have been consulted in the preparation this report.)

20.0 Risk & Opportunity Management Implications

20.1 There are no specific risks or opportunities as a result of this report

21.0 People Impact Assessment (PIA):

21.1 A PIA screening assessment has been undertaken and the impact is neutral. A full PIA is not required.

22.0 Other Corporate Implications

Community Safety

22.1 None

Sustainability

22.2 None

Staffing & Trade Union

22.3 None

Savings Monitoring 2016/17

Appendix 1

Prior Year Savings

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Public Protection	Shopmobility	(50)	0	0	(50)	Transfer of service underway but minimal saving expected	
Public Protection	Market Service	(50)	0	0	(50)	No further progress made on delivery of savings	
Neighbourhood Services	Amey contract review, ongoing project from 2013/14 with requirement to identify further savings	(232)	0	(200)	(32)	Waste and recycling review complete but no saving is expected in 2016/17	
Development Services	Planning Services Review	(40)	0	(40)	0	Vacancies in the planning service should offset the current savings gap	
Cultural Services	Guildhall Operational review	(62)	0	(62)	0	Increased income is being targeted to close the gap in budgets	
Cultural Services	Museums Operational Review	(132)	(10)	(10)	(112)	No further progress in savings is being made	
Total		(566)	(10)	(312)	(244)		

Savings Target 2016/17

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Cemeteries and Crematorium	Building additional income achieved into the base budget and review of crematorium charging structure	(100)	(100)	0	0	Income is currently expected to be above target and the additional surplus will help reduce other Council pressures in year	
Neighbourhood Services	Roundabout advertising and advertising on signs	(18)	0	(18)	0	Income is currently expected to be on target but will be monitored throughout the year	
Public Protection	Stray Dog service being managed through Worcestershire Regulatory Services	(12)	(12)	0	0	New service model is delivering the expected savings	
Neighbourhood Services	Amey contract review, on-going project from 2013/14 with requirement to identify further savings	(200)	0	0	(200)	Waste and recycling review complete but no saving is expected in 2016/17	
Environmental Protection	Charging for inspection of abandoned vehicles	(3)	(3)	0	0	Likely to deliver more than budgeted	
Environmental Protection	Shared working on contaminated land	(5)	(5)	0	0	Vacancies mean the team will deliver the saving in year.	

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Asset Management	Restructure of service	(5)	(5)	0	0	Saving has been achieved	😊
Human Resources	Shared Service for Human Resources service with Gloucestershire County Council	(54)	(54)	0	0	Service is in place and saving has been delivered	😊
Contact Centre /Planning	Introduction of charges for street naming and numbering	(30)	0	(30)	0	Some income is being received but it is not yet clear if the target can be reached	😐
Financial Services	Adjustment of Minimum Revenue Provision	(100)	(100)	0	0	Achieved in 2016/17	😊
Various	Efficiencies against current budgets	(75)	(75)	0	0	All minor budget changes have been achieved	😊
Customer Services	Council Advertising Network	(5)	(2)	(3)	0	Some income is expected but it may not meet the £5k target	😐
Total		(607)	(356)	(51)	(200)		
Savings Brought Forward		(566)	(10)	(312)	(244)		
Total		(1,173)	(366)	(363)	(444)		

Capital Programme 2016/17**Appendix 2**

Scheme	Revised budget		Forecast
	2016/17	Spend to date	
Kings Quarter development	7,144,630	726,854	3,000,000
City Centre Investment Fund	1,243,530	68,079	540,460
HCA Regeneration Grant money	79,270	0	0
GCC Building Improvements	307,665	75,137	276,490
Voltage Optimisation - Main Buildings	45,175	0	0
ICT Projects	400,000	127	400,000
Eastgate Rooftop Carpark Improvements	713,905	680,722	713,905
Housing projects	816,330	203,254	263,000
Drainage and Flood Protection Works	592,290	27,304	178,000
Townscape Heritage Initiative - HLF	1,081,600	119,424	677,104
Ranger Centre Barns/Storage	67,360	2,352	2,352
Horsbere Brook Local Nature Reserve works	92,345	3,080	3,080
Play Area Improvement Programme	87,725	24,099	87,725
Crematorium Cremator Improvements	45,220	152	45,220
Grant Funded Projects	51,110	0	0
Elmbridge Open Space Improvements	16,000	2,915	16,000
Robinswood All Paths Project	111,750	32,437	41,750
Flex Replacement	20,915	39,720	45,000
GL1 Emergency Works	49,205	0	49,205
SWRDA Asset Transfer works	7,645	0	7,645
City Centre CCTV System	73,550	42,341	85,000
Retaining Wall 10 Alney Terrace	47,000	0	0
Crematorium Vehicles	35,562	35,484	35,484
Green Waste (recycling) Vehicles	2,356,900	1,979,491	2,579,490
Guildhall Sound Desks	0	496	496
TOTAL CAPITAL PROGRAMME	15,486,682	4,063,468	9,047,406

	2016 / 17
Financing	£000
External Grants	9,463,706
Capital Receipts	2,691,970
Borrowing	3,331,006
Sub total	15,486,682

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Service Area	Income to end of Month 6 £000	Budgeted Income 2016/17 £000	Forecast Income £000	Forecast Variance £000	2015/16 Income £000
Parking	(947)	(2,252)	(2,264)	(12)	(2,332)
Asset Management Investment Properties	(1,044)	(1,764)	(1,836)	(72)	(1,754)
Markets	(198)	(459)	(403)	56	(406)
Regeneration and Economy	(2,189)	(4,475)	(4,503)	(28)	(4,492)
Museums	(113)	(126)	(132)	(6)	(107)
Guildhall	(294)	(478)	(506)	(28)	(494)
Guildhall Bar and Cafe	(70)	(179)	(158)	21	(150)
Tourist Information Centre*	(147)	(429)	(320)	109	(355)
* A significant portion is ticket sales so lower sales also equals lower cost					
Culture	(624)	(1,212)	(1,116)	96	(1,106)
Cem and Crem	(962)	(1,755)	(2,132)	(377)	(1,801)
The Arbor	(73)	(137)	(156)	(19)	(154)
Waste Management (incl garden and bulky waste)	(777)	(1,248)	(1,422)	(174)	(1,406)
Environment	(1,812)	(3,140)	(3,710)	(570)	(3,361)
Licensing	(165)	(270)	(269)	1	(273)
Communities and Neighbourhoods	(165)	(270)	(269)	1	(273)
Private Sector Housing	(80)	(76)	(87)	(11)	(116)
Development Services	(297)	(588)	(640)	(52)	(631)
Planning and Housing	(377)	(664)	(727)	(63)	(747)
Overall Council Position	(5,167)	(9,761)	(10,325)	(564)	(9,979)

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Meeting:	Cabinet	Date:	7 December 2016
Subject:	Risk Based Verification		
Report Of:	Cabinet Member for Performance & Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Stacey Jellyman, Senior Client Officer		
	Email:	Stacey.jellyman@gloucester.gov.uk	Tel: 396401
Appendices:	1. Risk Based Verification Policy (reviewed October 2016) – EXEMPT under paragraph (7) of schedule 12A to the Local Government Act 1972 (as amended)		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 To approve the review of the Risk Based Verification Policy in determining evidence requirements for the assessment of new Housing Benefit and Council Tax Support claims

2.0 Recommendations

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

- (1) The reviewed Risk Based Verification Policy for verifying Housing Benefit and Council Tax Support claims as outlined in Appendix 1 be approved.
- (2) Implementation of the Risk Based Verification Policy in March 2014 by the Cabinet Member for Performance and Resources under delegated powers be noted.

3.0 Background and Key Issues

3.1 Risk-Based Verification (RBV) was implemented in March 2014 to apply different levels of checks to different new claims made for Housing Benefit and Council Tax Support in line with DWP guidance (HB/CTB S11/2011 Risk-Based Verification of HB/CTB Guidance)

4.0 Reasons for Recommendation

4.1 The policy must be reviewed periodically to ensure it remains to comply in line with DWP guidance and creates the best experience for our Housing Benefit and Council Tax Support customers.

5.0 Alternative Options Considered

5.1 None.

6.0 Financial Implications

6.1 None.

7.0 Legal Implications

7.1 The risk based verification policy complies with the recommendations from the Department of Work and Pensions (DWP) outlined in Housing Benefit and Council Tax Benefit Circular HB/CTB S11/2011. This circular can be found at Appendix 2. It should be noted that this policy will be the basis on which we are audited in the future and complies with the Social Security (Administration) Act 1992. Providing we comply with this policy, we will be deemed to be verifying claims in the correct way. The policy must be approved by the Council's Section 151 Officer and adopted by the Council.

8.0 Risk & Opportunity Management Implications

8.1 An evaluation of the risk associated with the implementation of this policy was carried out when implemented. Fraud will be carefully monitored to mitigate the risk any increase with a baseline set to monitor against. Gloucester City Council's client team will continue to see claims from all levels of risk and will review 10% at all levels.

8.2 The software will randomly select 5% of low risk claims to be High Risk

9.0 People Impact Assessment (PIA):

9.1 Risk Based Verification applies to all New Claims for Housing Benefit and Council Tax Support.

9.2 The course of action to be taken in respect of the risk scored is governed by this policy. As such there should not be any equalities impact.

10.0 Other Corporate Implications

10.1 There are no other implications associated with this report

Background Documents: None

By virtue of paragraph(s) 7 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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