

## Cabinet Adjustment to the 2014/15 Budget Proposals

Full Council 20 February 2014

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### 1. Revenue Budget 2014/15

That the proposal option in respect of a reduction in the Winter Service is withdrawn, reducing the level of savings in 2014/15 by £0.447m.

That the contribution from the Council's County Fund be increased by £0.447m to £2.676m in 2014/15 in order to present a balanced budget.

### 2. The Impact of the Adjustments

This adjustment has resulted in the following changes:

- a) In 2014/15 the total savings delivered from policy options will be reduced by £0.447m from £16.567m to £16.120m. The impact on the financial strategy for the period 2014/15 to 2017/18 is shown in the table below:

<b>Summary of savings proposals</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Impact of the review of costs	18.116	3.883	3.768	3.708	<b>29.475</b>
10% Challenge - efficiency savings	16.272	2.809	-	-	<b>19.081</b>
Reducing the cost of being in business – efficiency savings	14.522	1.769	2.313	6.729	<b>25.333</b>
Reshaping the way Services are delivered	7.460	7.970	9.960	6.960	<b>32.350</b>
Policy Options	16.120	11.292	6.258	1.950	<b>35.620</b>
<b>Total</b>	<b>72.490</b>	<b>27.723</b>	<b>22.299</b>	<b>19.347</b>	<b>141.859</b>

- b) The impact of the adjustments has resulted in the cash limit budgets for 2014/15 as shown in the summary below and the detail at Appendix 1 to this amendment.

Budget Area	*2013/14 adjusted budget	2014/15 Cash Limit	Change	
	£m	£m	£m	%
Adult Services, Health & Well-Being	335.201	325.961	-9.240	-2.76
Children & Young People	156.033	148.001	-8.032	-5.15
Environment	183.458	180.765	-2.693	-1.47
Office of Chief Executive	24.094	22.784	-1.310	-5.44
County Treasurer	4.496	3.771	-0.725	-16.13
Strategic Partner **	16.914	22.930	6.016	35.57
Corporate Expenditure	29.219	26.608	-2.611	-8.94
Financing Charges	32.349	30.834	-1.515	-4.68
Lancashire County Commercial Group	-1.751	-0.918	0.833	-47.57
Discretionary Hardship Claims	0.750	0.250	-0.500	-66.67
Contribution from Reserves	-	-2.676	-2.676	-
<b>Total</b>	<b>780.013</b>	<b>758.310</b>	<b>-21.703</b>	<b>-2.78</b>

Note \* - Reflects in year budget movements between directorates and changes to financing in 2014/15 to provide consistency when comparing year on year cash limit movements.

Note \*\* - From the 1 April 2014, the Strategic Partner budget will reflect the return of a number of services from One Connect Ltd to the County Council.

### 3. Council Tax 2014/15 and Capital Investment Programme

The adjustment to the Cabinet's proposals for the 2014/15 revenue budget will have no impact on the proposed council tax increase of 1.99%, or the capital investment strategy.

Councillor David Borrow  
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