

**Meeting of the County Council
Meeting to be held on 9 February 2017**

Report submitted by the Cabinet

Part A

Electoral Division affected:
All

The County Council's Budget

**Revenue Budget 2017/18 and Financial Strategy 2017/18 to 2020/21
Capital Investment Programme 2017/18 and beyond
Council Tax and Precept 2017/18**
(Appendix 'A' refers)

Contact for further information:

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Executive Summary

To consider the recommendations of the Cabinet on 8 December 2016 and 19 January 2017 regarding:

1. The Revenue Budget 2017/18 and Financial Strategy 2017/18 to 2020/21: section 1 of this report and Appendix 'A';
2. The Capital Investment Programme 2017/18 and beyond: section 2 of this report and Appendix 'A'; and
3. The Council Tax and Precept 2017/18: section 3 of this report.

Please note: The reports on the County Council's Budget for 2017/18 considered by Cabinet at the meetings on 8 September 2016, 8 December 2016 and 19 January 2017 form part of the background to the report attached at Appendix 'A'. The detailed information from those reports is not repeated in this report. Those reports are available via the Cabinet agendas on the County Council's website at:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?Committeeld=122>

Recommendation

The Full Council is asked to consider the proposals of the Cabinet from its meetings on 8 December 2016 and 19 January 2017 and then approve:

- The Revenue Budget for 2017/18 and Financial Strategy 2017/18 to 2020/21;
- The Capital Investment Strategy 2017/18 and future years; and
- The Council Tax Requirement and Precept for 2017/18.

The Cabinet **recommends** the adoption of the proposals set out below for the:

1. The Revenue Budget 2017/18 and Financial Strategy 2017/18 to 2020/21: section 1 of this report and Appendix 'A';
2. The Capital Investment Programme 2017/18 and beyond: section 2 of this report and Appendix 'A'; and
3. The Council Tax and Precept 2017/18: section 3 of this report.

1. Revenue Budget 2017/18

The Cabinet **recommends** the adoption of the revenue budget as set out in Appendix 'A' and in the tables below, which sets out the proposed budget allocations to services and other budget areas. It should be noted that the budget savings proposals agreed at Full Council in February 2016 for the financial year 2017/18 totalling £43m were agreed to be supported by £24.2m of one-off reserves, however due to early delivery of savings it is forecast that only £16.3m is required. In addition, £57.1m of reserves are proposed to meet the funding gap, resulting in £73.4m reserves being utilised for the 2017/18 budget.

Revenue Budget 2017/18	Net Budget £m
Adult Social Care	344.933
Chief Executive	1.823
Children's Services	132.788
Community Services	131.976
Corporate Commissioning	13.241
Corporate Director Operations and Delivery	3.660
Development and Corporate Services	34.611
Governance, Finance and Public Services	26.328
Corporate & Other	33.120

Public Health	22.729
Sub-Total	745.209
Financing Charges	36.718
Use of one off resources	-57.106
Revenue budget 2017/18	724.821

2. Capital Investment Strategy 2017/18 and beyond

The Cabinet **recommends** the adoption of the proposals for the Capital Investment Strategy 2017/18 and future years as set out at Appendix 'A'.

3. Council Tax and Precept 2017/18

The Cabinet **recommends** the Full Council to authorise, in pursuance of the provisions of the Local Government Finance Act 1992, and in order to meet the general expenses of the County Council for the financial year 2017/18.

a) Budget, Council Tax Requirement and Precept for 2017/18:

That the band D Council Tax for 2017/18 is increased by:

- Adult Social Care Precept 2% being an increase of £23.50
- General Council Tax 1.99% being an increase of £23.38

This gives an overall position of:

	£m
Budget Requirement	724.821
Less RSG	81.508
Less Retained Business Rates	181.391
Less New Homes Bonus grant	5.244
Less Better Care Fund	3.210
Less Adult Care Support Grant	5.543
Less Transitional Grant	1.154
Less Capital Receipts	12.500
Equals council tax cash	434.271
Divided by tax base	355,452.51

Gives Band D council tax for 2017/18	£1,221.74
2016/17 council tax	£1,174.86
Percentage increase	3.99%

Council Tax (on the basis of a budget requirement of £724.821m and the Council Tax base for each property valuation band:

Council Tax Band	£
Band A	814.49
Band B	950.24
Band C	1,085.99
Band D (basic)	1,221.74
Band E	1,493.24
Band F	1,764.74
Band G	2,036.23
Band H	2,443.48

c) The share for each District Council of the net total raised from the Council Tax of £434,270,550:

District	£
Burnley	27,585,668
Chorley	43,901,565
Fylde	35,777,434
Hyndburn	24,675,483
Lancaster	49,236,122
Pendle	28,525,552
Preston	43,822,592
Ribble Valley	27,465,937
Rosendale	24,432,357
South Ribble	43,112,272
West Lancashire	42,015,883
Wyre	43,719,685
Total raised from the Council Tax	434,270,550

Jennifer Mein
Leader of the Council, County Hall, Preston

Consultations

The contents of this report are subject to an ongoing consultation with a variety of stakeholders and partners. At the time of writing this report there were no substantive responses, however Members will be kept informed of any further feedback received.

Implications:

This item has the following implications, as indicated:

These are set out in Appendix 'A'.

List of Background Papers

Paper	Date	Contact/Tel
Money Matters 2016/17 Financial Position and Medium Term Financial Strategy	8 September 2016	Neil Kissock/(01772) 536154
Money Matters – The County Council's Re- profiled Capital Programme for 2016/17 to 2018/19 and later years	6 October 2016	Eddie Sutton/(01772) 533475
Money Matters 2016/17 Financial Position and Medium Term Financial Strategy	8 December 2016	Neil Kissock/(01772) 536154
Money Matters – The Financial Strategy	19 January 2017	Neil Kissock/(01772) 536154

Reason for inclusion in Part II, if appropriate

N/A