



TRAFFORD
COUNCIL



Scrutiny Committee – 15 November 2017



Budget Scrutiny Update



Scrutiny Process

- § **Stage 1 (Previous Session)**
 - § Review of the current MTFP position
 - § Understanding the Funding Gap
 - § Review of the Budget Assumptions
- § Draft Budget to Executive 16 October 2017

- § **Stage 2 (This Session)**
 - § Leader to present budget proposals to Scrutiny on 15 November 2017
 - § Scrutiny review of budget proposals to date

- § **Stage 3 (Next Session)**
 - § Further update on final budget proposals to Scrutiny on 5 December 2017



Draft Budget Proposals – Addressing the Budget Gap

<i>Summary of the Budget Proposals</i>	2018/19 £'000	2019/20 £'000	2020/21 £'000
Budget Gap (Oct 17)	13,934	5,303	9,128
Income	(2,567)	(214)	0
Efficiencies	(5,286)	(58)	450
Policy	(532)	0	0
Funding & Reserves	0	0	(1,917)
Draft Budget Proposals	(8,385)	(272)	(1,467)
New Budget Gap (Draft Budget)	5,549	5,031	7,661

Draft Budget Proposals – Addressing the Budget Gap

	2018/19 £000	2019/20 £000	2020/21 £000
REVISED BUDGET GAP (Oct17)	13,934	5,303	9,128
Additional Income from Existing Investments	(1,000)	0	0
Additional Income from £9m Investment in 1718	(641)	(214)	0
Continued Green Waste Take-up	(500)	0	0
Review of Estates & Rental Income	(150)	0	0
Extra Care Income (New Residents)	(77)	0	0
Assistive Technology Income	(69)	0	0
GM Road Access Permit Scheme Income (RAPS)	(50)	0	0
Additional On-Street Parking Income (not fees increase)	(40)	0	0
Planning Application Fees	(30)	0	0
Environmental Enforcement Income (Match Days)	(10)	0	0
NEW INCOME PROPOSALS (Oct17)	(2,567)	(214)	0

Draft Budget Proposals – Addressing the Budget Gap



SAVINGS PROPOSALS	2018/19 £000	2019/20 £000	2020/21 £000
Continuation Adults Programme	(1,450)	0	0
Service Budgets Savings Target - T&R	(1,000)	0	0
Housing Benefit Overpayment Recovery	(1,000)	0	500
Continuation Children's Programme	(900)	0	0
Continuation of voluntary / mandatory leave scheme	(532)	0	0
Savings from Estate Review	(400)	0	0
Service Budget Savings Target – EGEI	(200)	0	0
SAP Maintenance Annual Fee reduction	(91)	(8)	0
Parking Services - Business Rates	(90)	0	0
Early Payment of Suppliers Discount	(50)	(50)	(50)
Building Control Income & Efficiencies	(30)	0	0
Public Protection Efficiencies	(30)	0	0
AGMA NW Evergreen	(25)	0	0
Strategic Economic Growth Team Efficiencies	(20)	0	0
NEW SAVING PROPOSALS (Oct17)	(5,818)	(58)	450
Increase in Council Tax (general increase of 1.99%)	0	0	(1,917)
ADDITIONAL FUNDING	0	0	(1,917)
INVESTMENT INCOME	TBC	TBC	TBC
TOTAL PROPOSALS (Oct17)	(8,385)	(272)	(1,467)
NEW BUDGET GAP (Oct17)	5,549	5,031	7,661



Remaining Gap

To be met from:-

**Business Rate Retention – quantify benefits from:-
100% Business Rate Retention and Growth Pilots**

Additional income from our Investment Strategy

Any additional savings measures

Further Considerations:-

Update inflation assumptions

Implications of expenditure pressures and delivery of savings programme from 2017/18



Investment Strategy

Budget agreed by Executive in July 2017 £300m

First Acquisition 27/10/17 – Sonova House, Warrington

Purchase Price £11.425m (Average 10 year net return 2.2%)

Returns from investment property to be used to support the budget in future years

Annual benefit to the revenue budget c£242k

K Site Completion April 2018 – short term holding costs to be capitalised in accordance with Regulations (will increase MRP in future years)

Next Steps

Continue to review budget assumptions

**National Budget 22 November and Local Government Finance
Settlement Dec 2017**

Review of Reserves

Robustness Review

Further Update to Scrutiny 5 December 2017



QUESTIONS?

