

Scrutiny Committee – 28 January 2016

Budget Update

On 28 January Scrutiny Committee will be considering the budget report which Cabinet agreed on 2 December. This note is to update the Committee on relevant changes to the budget following the Settlement. There will be a further report to Cabinet on 3 February.

The Local Government Finance Settlement published on 17 December included some significant announcements about the future of Local Government funding for the remainder of this decade and beyond. These are set out in the Cabinet report for 3 February.

As far as the 2016/17 budget is concerned there are only two issues which impacted upon the Council:

- Revenue Support Grant - we were assuming a 30% reduction and the actual figure was £56,000 worse than our assumption; and
- Council Tax Freeze Grant - £80,000 lost as funding was notionally shifted into RSG and business rates.

This and other subsequent adjustments are summarised in the table below:

2016/17 funding gap as per Cabinet report		£286,000
Add		
Reduction in RSG	£56,000	
CT freeze grant included in RSG/Business rates	£80,000	£422,000
Less		
Higher Council Tax base	£71,000	
Business rate adjustment	£23,000	
Council Tax Collection Fund surplus	£38,000	
Additional Fees & Charges	£120,000	
2015/16 Underspend	£170,000	£422,000
Net Position		0

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 Head of Finance
 19 January 2016