



CPR.54 15/16
Corporate Policy and Resources Committee
11 February 2016

**Committee Budget 2016/17
Draft Financial Strategy and Medium Term Financial Plan 2016/17 to 2020/21**

Report by:

Director of Resources (S151)

Contact Officer:

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Purpose / Summary:

The report sets out details of the Committee’s revenue estimates for the period 2016/17 to 2020/21.

The purpose of the Financial Strategy is to update Members on the current operating environment together with the challenges being faced, our approach to maintaining a sustainable financial position and progress to date. Detailed financial plans are set out within the MTFP

The purpose of the Medium Term Financial Plan (MTFP) is to set a robust overall framework for the Council’s spending plans over the next five years in supporting the delivery of the Corporate Plan and underpins delivery of the Financial Strategy. The report therefore outlines the Council’s revised financial plans having taken into account changes in Government funding, the economic environment, local engagement and the priorities for the Council. The plan reflects the revisions to the previous estimates for the years 2016/17 to 2019/20 and the inclusion of estimates for 2020/21.

RECOMMENDATION(S):

- 1) That Members approve the Policy and Resources Committee Budget
- 2) That Members recommend to Council the Fees for Selective Licensing
- 3) That Members accept the Prosperous Communities Committee Budget
- 4) That Members recommend to Council the approval of the Capital Investment Programme 2016/17 to 2020/21
- 5) That Members recommend to Council the approval of the Financial Strategy and Medium Term Financial Plan 2016/17 to 2020/21

IMPLICATIONS

Legal:

The Council has a responsibility to determine a legitimate budget and Council Tax requirement in compliance with statutory deadlines.

Local Authorities (Standing Orders) (England) (Amendment) Regs 2014 (SI 165) requires that once the budget is approved the minutes of the proceedings must record the names of the persons who cast a vote for the decision, against the decision or abstained.

The Local Government Act 2003 introduced the requirement to approve an Annual Treasury Management Strategy

Financial : FIN/94/16

The report presents a balanced budget 2016/17 and addresses the financial implications arising from the recommended revisions to the MTFP and the requirement to determine the Council Tax for 2016/17.

Staffing: None arising from this report.

Equality and Diversity including Human Rights :

The Equality Act 2010 places a responsibility on Councils to assess their budget options before taking decisions on areas that could result in discrimination. Where appropriate assessments have been undertaken by the relevant service area.

Risk Assessment :

The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of reserves and provisions and the robustness of budget estimates as part of the annual budget setting process.

An analysis of possible budget risks and comment on the level of reserves are included within the report.

Climate Related Risks and Opportunities :

None arising from this report

Title and Location of any Background Papers used in the preparation of this report:

The Chartered Institute of Public Finance and Accountancy – The Prudential Code for Capital Finance in Local Authorities (2013 Edition)

The Chartered Institute of Public Finance and Accountancy – Treasury Management in the Public Services, Code of Practice and Cross-Sectoral Guidance Notes (2011 Edition)

The Chartered Institute of Public Finance and Accountancy – Treasury Management in the Public Services, Guidance Notes for Local Authorities including Police Authorities and Fire Authorities (2011 Edition).

The Corporate Plan

The Commercial Strategy

The Investment Strategy

The Fees and Charges Policy

The Asset Management Plan

The Acquisitions and Disposal Policy

Investment Policy – Land and Buildings

All documents are held within Financial Services at the Guildhall, Marshalls Yard, Gainsborough

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

x

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

x

No

This report covers both the Policy and Resources Committee Budget 2016/17 and the Financial Strategy and Medium Term Financial Plan 2016/17 – 2020/21

POLICY AND RESOURCES COMMITTEE BUDGET 2016/17

- 1.1 This report sets out the Corporate Policy and Resources Committee base budget position for 2016/17 – 2020/21, incorporating the medium term financial planning principals
- 1.2 The process for the preparation of this budget has included the following;
 - A review of 2014/15 outturn surplus against the 2015/16 base budget to identify ongoing savings, in addition to service reviews, this exercise identified £150k of savings
 - Meetings with Budget Managers to ensure resources align to the delivery of Corporate Priorities and to review budgets, identifying ongoing pressures/savings and horizon scanning for future issues, including political, economic or legislative implications.
 - Business Planning reviews have been undertaken to identify further income generation opportunities and budget reduction proposals which can be delivered to ensure a sustainable budget.
 - A robust Fees and Charges review
 - Regular updates with the Corporate Leadership Team who have also reviewed, challenged and proposed inclusion of the pressures and savings incorporated into this budget which have not already been approved by the Corporate Policy and Resources Committee. In addition to the assumptions included within the budget i.e. pay award levels, inflation on utilities, NNDR growth etc.
 - Regular meetings have been held with the Chairs and Vice Chairs of Committees to ensure they are fully engaged in the process.
 - Inclusion of the revenue implications of the DRAFT Capital Programme 2016/17 – 2020/21
 - Engagement with Parish Councils, residents and business rate payers has been undertaken.
 - The approved additional resources being funded from Earmarked Reserves and/or external grant income.
 - Consideration of other Strategies i.e. Commercial Strategy, Asset Management Plan, Car Parking Strategy etc.
- 1.3 This Budget Preparation process has recently achieved a High Assurance rating from our Internal Auditors in their recent audit.
- 1.4 Where additional expenditure and unavoidable costs are identified Business Units try to accommodate these extra costs by working more efficiently, generating extra income or reducing base budgets in non-priority areas. These items of additional expenditure and unavoidable costs, together with budget reductions are described below and have been built in to the base budgets.

- 1.5 **The Corporate Policy and Resources base budgets (Appendix A-B)** have been developed from the forecast budgets presented to Council in March 2015 and reflect the corporate priorities agreed in the Corporate Plan. To aid comparison capital charges and central support recharges have been omitted to present only controllable costs.
- 1.6 **The Corporate Policy and Resources Business Unit budgets (Appendix C)** are provided along with the Prosperous Communities Business Unit budgets.
- 1.7 In addition there are the proposed fees and charges for Selective Licensing detailed below; As the Scheme has yet to be formalised, these charges were not available for inclusion in the Proposed Fees and Charges 2016/17 report presented to Corporate Policy and Resources Committee on the 17th December 2015. The Committee are requested to recommend these fees, which will only be implemented upon approval of the Scheme at a future Committee. The Licencee will be required to pay in total £495.

SELECTIVE LICENSING	WLDC Scheme Fee	Co- Regulated (WLDC Fee)
Proposed Licence Fee	£375	£120

These charges were not available for inclusion in the Proposed Fees and Charges 2016/17 report presented to Corporate Policy and Resources committee on the 17th December 2015. The Committee are requested to recommend these fees, which will only be implemented upon approval of the Scheme at a future Committee.

- 1.8 No allowance has been made for price increases within general budgets for 2016/17 other than contractual obligations. Pay budgets for 2016/17 have been increased by 1% as per the LGPS pay agreement, and employer's superannuation in line with that provided by the Actuary.
- 1.9 The review of fees and charges this year has been more comprehensive than in previous years. As part of the review process an extensive benchmarking exercise has been undertaken to furnish officers with greater levels of strategic information than has previously been used. This level of information combined with applying a more commercial approach, where applicable, enabled Managers to look at income effects if WLDC benchmarked the fees & charges at either the upper quartile, median, or lower quartile levels. Based on the overall benchmarking data, it was evident that an average target of a 6% increase on locally controlled fees and charges could be applied from this review process, however each charge was independently assessed.

The outcome of the fees and charges review process is anticipated to generate additional income of £44k, excluding car parks which was the subject of a new Car Parking Strategy. This increase on a base budget of £642k reflects a 6.9% improvement in income generation across the analysed services. The impact of the car park strategy delivers additional net benefits of £50k.

Going forward, the review fees and charges will be undertaken during the year with performance monitoring undertaken quarterly. Separate reports will therefore be brought to committee during the year outside of this year's MTFP.

Full details of proposed fees and charges were presented to Corporate Policy and Resources committee on the 17th December 2015.

2. Significant Variations

When compared to the 2016/17 base estimates originally provided for within the 2015/16 MTFP there is a net budget increase of £62.4k. The variance to the 2015/16 base budget shows a budget decrease of £393.3k. The major variances to the 2015/16 base budget are shown below;

- 2.1 The impact of the Capital Investment programme of 2016/17 budgets is £167k. However, there will be a contribution of (£242k) from in year New Homes Bonus to support those relating to Regeneration and Growth investment, leaving a net impact of (£75k).
- 2.2 Corporate Management-Finance (Total £443.3k) – Budget of (£63k) has been transferred to Financial Services for the Internal Audit fee. A one off use of reserves in 15/16 of (£325k) has been removed in 16/17. Savings of (£65k) are anticipated resulting from organisational restructures.
- 2.4 Democratic Representation (Total £20.8k) – Members training is reduced by (£10k) in 16/17 as training budget profiled around Election years.
- 2.5 Elections (Total £86.8k) – Budget reduced in 16/17 as only required in Election years, therefore a contribution will be made to Earmarked Reserves, to smooth the budget profile over 4 years.
- 2.6 Financial Services Total £67k – Budget of £63k transferred from Corporate Management-Finance for Internal Audit fee which is a support service function, to be allocated across services.
- 2.7 Housing Benefits Admin and Payments Total £108.9k – reduction in Government administration grant – offset by increase in rent allowance overpayments recovered as a result of improved data matching.
- 2.9 Local Tax Collection Total £32.5k – £17.5k increase in salary costs plus increase in costs of postage of £8k and software licences £7.4k which were not budgeted for previously.

THE FINANCIAL STRATEGY AND MEDIUM TERM FINANCIAL PLAN 2016/17 – 2020/21

Executive Summary

Introduction

The Local Authority is required to agree a balanced budget for each financial year prior to the start of that year. It is also required to establish the level of Council Tax for the coming year on the basis of that budget.

To be able to make the judgements for the year ahead it is best practice, supported by CIPFA, to set out the coming year's budget within a Medium Term Financial Plan (MTFP). A local authority's MTFP is recommended to provide a three to five year time horizon for the authority under consideration and allow members to see the impact of their decisions going forward and also to indicate the range of decisions that maybe required for future years.

Over the last four years West Lindsey has reduced its expenditure by £3.8m and held Council Tax in three out of the last four years whilst still providing award winning services to our residents.

This MTFP provides a five year time horizon for West Lindsey District Council and sets out where possible the proposals being considered to deliver a sustainable budget position.

National Context

The General Election in May 2015 returned a Conservative majority government. This government has made commitments to reduce the UK's budget deficit over the life of the parliament and has made clear plans to do this through a significant reduction in the funding available for Public Services. Protection of key services such as Education, Health and Defence means that Local Government will take the largest proportionate reduction.

The financial settlement announced in December 2015 introduced a new methodology for the distribution of resources which has led to the Shire Counties (and districts) receiving a larger reduction than other local authorities. Figures produced by the SPARSE lobby group suggest the Shire Counties have seen a reduction of 34% whilst the Metropolitan Boroughs have seen a reduction of 19%.

Local Context

In 2016/17 West Lindsey has seen a reduction in Revenue Support Grant (RSG) of 36.8% although this has been remediated to some degree by the separation of the Rural Services Delivery Grant which reduces our loss in grant to 28%.

Whilst our plans to date have been based on the reduction of RSG to zero over the next four years the settlement achieves this in three years giving a greater than expected reduction in 2016/17.

The Chancellor also announced that over the life of the parliament there will be increased retention of Business Rates (National Non Domestic Rates [NNDR]) at a local level, with the intention that it be 100% retention by the end of the parliament. This process will be accompanied by the delegation of further duties expected to be funded from the increased retention and therefore unlikely to offer any replacement of the lost RSG.

Funding Assumptions

The Autumn Statement also included the announcement of the Comprehensive Spending Review which has allowed the Government to make a four year proposal to Local Authorities. We are being asked to sign up to the four year settlement but it is not yet clear how the process will work.

This strategy assumes the four year settlement is taken up by West Lindsey District Council which will give some certainty over the level of grant funding however we will not know the full implications of the local retention of Business Rates and the new duties to be delegated to Local Authorities, until a full consultation exercise has been undertaken.

It is clear that there will need to be a mechanism for equalisation of Business Rates on a national basis and we await to see what the review over the next year will deliver.

Corporate Priorities and Dependencies

This MTFP is based on the delivery of the Corporate Plan priorities, the Commercial Strategy and the growth initiatives currently being developed. The implications of these strategies, alongside the commitment to deliver excellent services is the basis on which this MTFP has been developed.

The themes drawn from the Corporate Plan are:

- Open for Business
- People First
- Asset Management
- Local Plan
- Partnerships/Devolution
- Excellent Value for Money Services

The Commercial objectives are:

- Developing new trading opportunities
- Securing external funding
- Enhancing land and property assets and to attract additional council tax and NNDR

- Developing a more commercial culture

The growth strategies are designed to be housing led to create a self-sustaining growth area and include:

- Delivery of 800 new homes on brown field sites
- Support and quicken the pace of delivery in the Gainsborough Southern and Northern Neighbourhoods
- Provide a critical mass of population living/using the town
- Re-development of strategic brownfield sites
- Capitalising on the towns relationship with the river to drive land values
- Reverse market stigma
- Provide a catalyst to town centre regeneration including protection enhancement of the historic fabric and townscape
- Delivery of mooring and a marina to animate the riverfront, providing a focus for new commercial development
- Delivery of new retail and mixed use development to anchor the western end of the town centre

Commitments within this MTFP

This Medium Term Financial Strategy commits the Authority to delivering the above priorities through our strategic Cluster of services;

Commercial

- Delivery of an annual Commercial Plan that will be considered by Council alongside the MTFP. For 2016/17, there will be further emphasis on enhancing our land and property assets. This will include the development of capital projects and a more dynamic approach to managing the Council's property and investment portfolio.

Customer First

- Developing a Customer First Strategy and Roadmap, which clearly sets out the ethos of Customer First and how it will be embedded across the organisation. The roadmap will set out our plans for six key areas, Customer Insight, Access, Process, People, Culture and Delivery; and will have close links with other key strategies in the Council.
- Enhance and develop the Councils approach to customer access through a customer-focussed front line; utilising enabling technology to best effect, and optimising access channels across different services.
- Embedding a culture of Customer First across the organisation.

Economic Development and Neighbourhoods

- Adoption of the Local plan and numerous neighbourhood plans to direct economic and housing growth in the district for the next 20 years. Neighbourhood plans will give local communities more influence over the growth and development of their settlements and build the capacity of these communities to be self-sustaining.
- Regeneration of Gainsborough – a blended programme of social, economic and environmental regeneration has been devised to deliver the local plan targets and Housing Zone commitments to the Homes and Communities Agency. Economic positioning – further develop synergies and relationships with the devolution agenda and Greater Lincolnshire Local Enterprise Partnership (GLLEPP) to ensure the WLDC position in the Lincolnshire Growth Agenda is enhanced.
- In addition strategic relationships with the Humber LEP and Sheffield City Region are being developed to ensure WLDC is at the centre and can benefit from the region's major regeneration programmes.

Housing and Regeneration

- Delivering the Property and Land Management Strategy is a key priority in order to ensure that the WLDC property portfolio delivers the anticipated revenue returns, and covers its own costs wherever possible, along with the delivery of major commercial projects
- The Housing Strategy is a priority to ensure that growth targets can be delivered by fully understanding the demand, supply, micro-markets within the district and those of neighbouring authorities, as well as looking at potential partnership opportunities with developers, social landlords and specialist service providers.
- The leisure contract review (due for renewal in 2018) seeks to generate a surplus from this facility and to secure a better offer for the district to promote healthy living, and to improve the attraction of the district for both residents and visitors.

Democratic and Business Support

- To enable the authority to achieve its objectives, through its vision and values and beliefs, the implementation of an organisational culture change program will inform and influence the way in which we work together, with partners and with customers, to achieve the desired outcomes. In addition as a learning organisation, a People Strategy will be documented which will provide a framework in how we will supporting the recruitment, development and retention of our most important asset – our staff.
- The delivery of a Medium Term Financial Plan which aims to deliver a balanced and sustainable budget which supports the ambitions of the Council.

- The delivery of a Member development programme will support our elected members providing the skills and knowledge to enable good decisions to be made for the District.

Organisation Transformation

- A cross-cutting Transformation Programme will be introduced which will review current methods of delivery and associated processes to ensure they put the customer at the centre of service delivery and secure commercial behaviour across the Authority.
- The income generating potential of services will be fully explored to ensure current income streams are maximised and potential new markets are identified.
- Building on the current ICT Strategic Overview and action plan, an ICT strategy will be developed. It is also imperative that the Council's governance processes and structures remain robust to support effective decision making.

Service Improvement

- In 2014/15 work began on developing a continuous improvement approach to service development. Alongside the Transformation of services we will continue the work on service improvements by undertaking a like that undertaken with Development Management in 2014/15.

Value For Money (VFM)

Our financial strategy is also designed to ensure that we deliver on our value for money duty. The VFM framework is set out at 1.5 and shows the range of activities we undertake to ensure that this strategy is embedded throughout the organisation and that ongoing decision making is designed around delivering value for money outcomes across all activities of the council.

Benchmarking

Section 2 of the MTFS relates how we, as an authority, perform against other District Councils nationally. A couple of comparisons that should be noted include:

- Reserves position as a proportion of net revenue expenditure.

As an authority we compare favourably with regards to most financial measures due to our high level of reserves, however the future available resources will reduce our position in this respect.

This MTFP which is premised on incurring borrowing for commercial purpose and the use of earmarked reserves to fund business improvement, and regeneration schemes will change our position and will mean we compare less favourably in terms of our balance sheet structure however the potential for future revenue resources will improve provided our investments are successful.

2. Financial Management and Principles

The budget presented in this report has followed a thorough process, which has included a review of all budgets within services and this has delivered a reduction in expenditure of over £150k.

The budget creation and monitoring process has recently received a full assurance rating from the internal audit team, providing a high level of confidence in the procedures and the incorporation of engagement and challenge within the process.

Section 3 of this report shows the assumptions used in the creation of the budget for 2016/17 and the forecasts for future years.

Sustainability

In providing a forecast for the five years on a sustainable basis there are number of assumptions that have been made. These are listed at Section 3. One of the assumptions included in the forecast is that charging for Green Waste Collection is a potential opportunity of raising in excess of £500k, however we are conscious that the administration see this as a last resort and all efforts will be made by officers to find alternatives. In addition there is a key assumption that we will be able to borrow for the commercial investments and generate income greater than the cost of borrowing including the minimum revenue provision (MRP) a regulatory requirement on Local Authorities.

The remaining funding gap in future years is expected to be balanced by the development of further commercial opportunities and significant restructuring of services. Plans on these two areas are insufficiently advanced to be included at this stage.

We are proposing at this time that, given the expectation of in excess of £600k underspend in 2015/16, we use reserves to produce a balanced budget in 2016/17, whilst the projects to generate over £1m of cost reductions and increased income are developed. However, it is anticipated that these projects will impact during the coming year and the need to rely on reserves is unlikely.

Members will be informed on progress via the quarterly budget monitoring reports.

3. Medium Term Analysis

The medium term analysis is aided by the indicative four year view provided by the comprehensive spending review and can become more certain if we as an authority agree to the 'four year deal'.

This MTFs shows that as an authority we will need to reduce our expenditure or increase our income by over £1.2m over the next four years. We have made a start in this respect with a net change in our funding requirement of £0.2m for 2016/17. Officers will bring forward a range of proposals over the next twelve months intended to ensure we can deliver a balanced budget as part of the 2017/18 MTFP.

The £1.2m already includes net income of £1m if all commercial opportunities deliver the expected returns, in addition it includes, at this stage, the potential to introduce Green Waste Charging (£0.5m) from 2017/18. The balance is expected to be achieved through significant restructuring of our service provision which will create a customer and commercial centric delivery environment.

We have consulted with, residents and businesses on our proposals and there has been overall a general support for the approach set out in the strategy.

This strategy assumes that over its lifetime we will deliver a capital programme of £60m which will be designed to support the Council priorities. This will use a mix of self-financing and borrowing to fund that programme. It should be noted that we have a high level of earmarked revenues reserves set aside for the purpose of investment and which once committed to the capital programme will no longer be available to support revenue expenditure.

4. Risk Considerations

A full risk assessment is included at section 4. The key risks attached to this strategy include:

Successful delivery of our commercial and growth commitments – This strategy has plans to use our reserves and borrowed funds to both develop Gainsborough and develop a range of commercial opportunities to increase our self-generated income substantially over the next four years. It is unlikely that all initiatives will be successful however we are confident that sufficient success will be achieved to deliver an appropriate level of return on our investment. You will see within our commitments we continue to focus on service improvement, governance and performance which is designed to manage our risk exposure and provide opportunities for assessing the likelihood for success.

Successful transformation and service improvement – This strategy will see West Lindsey District Council become a self-sustaining organisation supported by Council Tax, Business Rates and Commercial income. The transformation and improvement of services will be a key pillar of delivering that aspiration and will see a series of changes delivered over the life of this plan.

Finance Officer Statement on Robustness of Estimates.

In recent months our approach to budget development and monitoring has received the highest assessment from our internal audit team. This provides added confidence with regards the robustness of our estimates within this financial plan.

The professional opinion of the Chief Finance Officer on the overall adequacy of the total level of reserves and the robustness of estimates is integral to the sign off of the overall agreed budget. The Chief Finance Officer therefore confirms that the budget estimates are robust, the adequacy of reserves is satisfactory and the capital programme is affordable.

At section 2.5 below, I set out my statement as Chief Financial Officer and on the robustness of estimates, the adequacy of reserves and the affordability of capital investments.

THE FINANCIAL STRATEGY

PART 1: PURPOSE AND CONTEXT

1.1 The Medium Term Financial Strategy (MTFS)

The MTFS is the Council's key financial planning document which sets out the Council's strategic approach to the management of its finances. The Medium Term Financial Plan (MTFP) represents the indicative budgets and Council Tax levels for the medium term. It covers the General Fund Account, the Investment Strategy, the Capital Programme and the Treasury Management Strategy. It also comments on the significant risks facing the Council in the forthcoming years and explains what the Council is doing to reduce those risks.

The Financial Strategy Principles are;

- to drive a robust and sustainable financial position
- to support growth and service delivery, utilising the Council's resources
- to ensure a sound and appropriate mechanism to support robust decision making

The main objectives of the MTFS are to:

- Explain the financial context, over the medium term, and within an uncertain /economic and funding environment in which the Council is set to operate.
- To help ensure that the Council's financial resources are directed to support delivery of the Corporate Plan priorities and value for money.
- Provide a medium term forecast of resources and expenditure and to illustrate the financial effects of existing financial commitments over the medium term, both revenue and capital, and to inform transformational and commercial strategies necessary to achieve a balanced budget.
- To maximise the Council's financial resilience and manage risk and volatility, including maintaining adequate risk reserves.
- To secure new, and manage effectively the Council's land and property assets by undertaking a prudent level of capital investment in addition to maximising returns on investment.
- To achieve a stable and sustainable budget capable of withstanding future financial pressures.

A balanced budget will be presented annually to the Council for approval.

1.2 National Funding Resources and benchmarking

On 17th December 2015 the Secretary of State for the Department of Communities and Local Government, Greg Clark MP, made a statement to Parliament on the provisional local government finance settlement 2016/17

The main points were;

- Core spending power will be reduced from £44.5bn in 3015/16 to £44.3bn for 2019/20
- The settlement funding formula
- The Council Tax referendum limit will be maintained at 2% but for some low cost Council's a £5 limit will be applied.
- New Homes Bonus will be kept indefinitely, but subject to reform.
- The government is offering a 4 year settlement
- Rural Services Delivery Grant will be more than quadrupled from £15.5m to £65m by 2019/20
- That there would be a review of NNDR Retention Scheme with the intention that 100% would be retained locally
- RSG would be phased out

1.2.1 Core Spending Power within Local Government and projection of 4 year settlement

Based on the Governments announcement the Core Spending Power will see only a small impact nationally, however due to the new methodology in allocating Core Spending Power to individual authorities based on the services they provide, WLDC is likely to see a 12.5% reduction over the 4 year period. National reductions can be compared to the impact for WLDC on the table below;

England

Core Spending Power

		<i>2015-16 (adjusted)</i>	2016-17	2017-18	2018-19	2019-20	Percentage Change over the Spending Review Period
Core Spending Power	£ millions	44,501.3	43,254.8	42,690.1	43,170.3	44,278.9	-0.5%
Dwellings As At September 2015		23,652,305					
Core Spending Power per Dwelling	£	1,881	1,829	1,805	1,825	1,872	-0.5%

West Lindsey

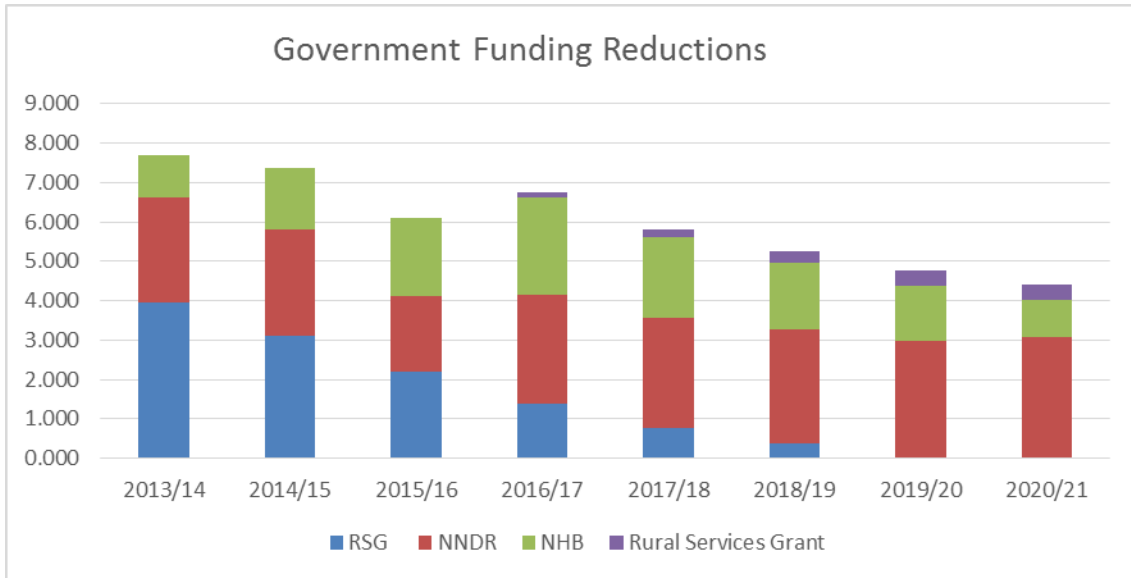
Core Spending Power

		<i>2015-16 (adjusted)</i>	2016-17	2017-18	2018-19	2019-20	Percentage Change over the Spending Review Period
Core Spending Power	£ millions	12.4	12.3	12.0	11.0	10.8	-12.5%
Dwellings As At September 2015		42,136					
Core Spending Power per Dwelling	£	294	292	284	261	257	-12.5%

With this Council suffering a -12.5% reduction in core spending power compared to -0.5% nationally and a Core Spending Power of only 16% of the national core spending power per dwelling this equates to £12.399m in 2015/16 reducing to £10.848m by 2019/20

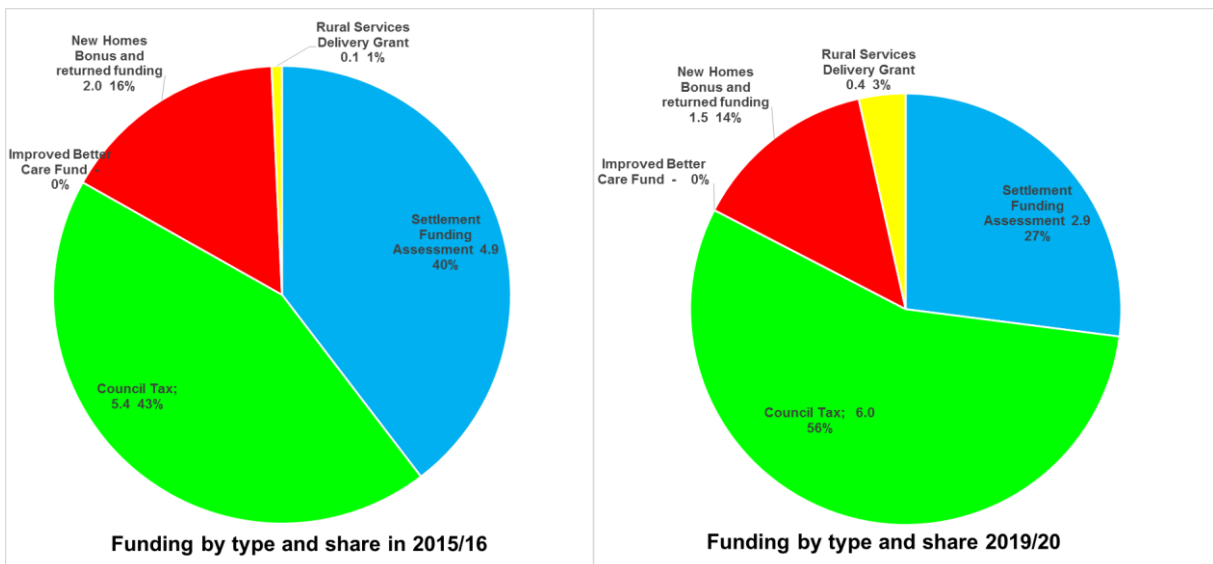
This Council had prudently prepared for funding reductions and had made assumptions within the 2015/16 MTFP that RSG would cease in 2020/21. The funding announcement confirms that for this Council the cessation of RSG will be in 2019/20 in addition to front loading the reduction in RSG to 2016/17.

The graph below illustrates the change in the main sources of Government Funding for West Lindsey District Council since 2013/14 including Revenue Support Grant and NNDR baseline (elements of the Settlement Funding), New homes Bonus and the Rural Services Grant.



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
RSG	3.969	3.125	2.198	1.387	0.761	0.371	0	0
NNDR	2.641	2.692	1.934	2.766	2.821	2.904	2.997	3.093
NHB	1.083	1.549	1.986	2.481	2.018	1.680	1.398	0.938
Rural Services Grant	0	0	0	0.117	0.205	0.293	0.381	0.381
Total	7.693	7.366	6.118	6.752	5.804	5.247	4.775	4.411

The Councils funding resources at 2015/16 were £12.399m and this can be compared to the Governments projected funding levels at 2019/20, where resources will have reduced to £10.848m. The figures include the core spending settlement, however their new methodology now takes into account Government projections on our ability to raise Council tax, hence the changing profile of income resources as illustrated below;



1.2.2 Future Outlook – How we compare (Appendix H)

The Local Government Association (LGA) has again undertaken a future funding outlook for all Local Authorities with an analysis of each Authorities position. This has highlighted the relative financial position of each Local Authority based on present information and also their relative future position based on past trends and future expectations.

This is useful in terms of being able to compare our financial health with other Local Authorities. The analysis does not provide an exact position but it is arguably the most extensive analysis undertaken of the sector as a whole and does provide useful comparative data.

The graphs help us gain a more informed view of our position and informs us of how we compare to all Local Authorities and Shire Districts with regard to our financial position. It also identifies relative strengths and weaknesses, risks and opportunities which can be taken into account when we consider our financial strategy.

The results are presented in two ways; in the form of a 'spider diagram' which maps out all the rankings for each authority in a visual way and as scores in tabular form. To understand the spider diagram, if we were ranked best performing (1) in all indicators this would be a small area close to the centre, if we were ranked worst performing in all areas this would be a large area closer to the edge of the diagram representing a weaker relative position. The full report and diagrams are attached at Appendix P

A key indicators is;

Estimated Reserves position as a proportion of net revenue expenditure. – Ranking of Districts 60 out of 201

This measures the period over which an Authority could continue to operate without grant or tax income by utilising reserves. It should be noted that reserves are set aside against risks and to fund priority investments. If the use of unringfenced reserves were utilised to support the revenue budget, this would impact greatly on the Councils corporate aspirations.

WLDC performs well in this indicator as our un-ringfenced reserves are a high proportion of Net Revenue Expenditure (93.78%)

However, our ranking is likely to increase as reserves are utilised to finance capital investment.

1.3 Corporate Priorities and Service Delivery Plans

The Councils new Corporate Plan covers the four year period 2016 to 2020. The Plan sets out our revised priorities and objectives, designed to meet the many and varied

needs of our district. The Plan is a strategic document which sits next to our Medium Term Financial Plan.

The Plan reflects the challenges facing our district and what people have told the Council is important to them. The Plan does not contain the entirety of the Council's activities, but includes those key actions and areas of activity that we believe will help us achieve our goals.

We recognise that with fewer resources we alone cannot deliver our vision for West Lindsey. We will continue to lobby, influence and work with others in partnership to deliver high quality public services and achieve wider outcomes to make the District a great place to live, work and visit.

Over the last few years, the Council has successfully transformed itself in response to changing environments and reducing government grants. It achieved a first within Lincolnshire in areas such as all Councillors using technology to enable paperless Council meetings; development of a commercial approach to areas normally receiving grant subsidies and investing in the community and voluntary sector. Other projects such as agile working have helped the Council release floor space for commercial income and create a multi public service hub within the Guildhall with Job Centre Plus, Citizen's Advice and the Volunteer Bureau sharing accommodation space and moving towards joined-up service delivery.

In spite of the challenges ahead, we intend to continue to work diligently and imaginatively to deliver against our priorities and to meet the needs of our communities.

The Key Themes of the Corporate Plan are detailed below;

Theme One: Open for Business

We need to position the District as one that is really attractive for current and potential employers. Key to this is the delivery of appropriate housing across the District to support our growth ambitions. It is proposed that a growing population will attract inward investment, job creation and greater prosperity. We will also work to guarantee that businesses are effectively supported in their growth ambitions and that we actively promote and expand the agri-food sector within the District. Additionally we need to also ensure that any skills gaps that may exist are understood and addressed to enable business to flourish. We also recognise that we operate in an attractive District that has yet to fully unlock its tourist potential and will seek to remedy this state of affairs.

Theme Two: People First

Ensuring that we understand and meet the needs of our residents is what the Council is all about. This takes many forms; from enabling convenient and appropriate access to services; joined-up where appropriate, providing cultural, leisure and arts facilities, working to provide suitable housing across the District and promoting and supporting

well-being, healthy lifestyles and safe, vibrant communities. A cross-council and partnership approach is key to the success of this theme. To be successful in this, we recognise the role we must play is one of leadership and influence across partner organisations and boundaries.

Theme Three: Asset Management

To support our entrepreneurial and commercial aspirations the effective yet creative use of our land and property assets is a key driver. We will use our assets to drive and facilitate inward investment and to also provide social benefits to our communities. We will ensure that our assets are in a good state of repair and our commercial tenants record high levels of satisfaction. We will strive to maximise sustainable returns on our current assets and take a strategic approach to disposals. The acquisition of any new assets will focus on maximising return on investment but will also take account of appropriate social returns where relevant.

Theme Four: Central Lincolnshire Local Plan

The adoption and implementation of a Central Lincolnshire Local Plan is of key strategic importance to the District so that our growth needs are met in a sustainable manner. We will ensure that while the Plan is in development our needs are championed and that communication of the Plan across the District is effective and comments and opinion are fed back into the process. Once adopted, we will seek that our immediate growth plans are implemented and review mechanisms are effective. In addition, we will review our future approach to spatial planning policy.

Theme Five: Partnerships/Devolution

The attainment of devolved powers and/or greater emphasis on partnership working across Greater Lincolnshire is a major focus for the Council. It is envisaged that such an achievement will enable greater joint working at a more local level to deliver better, sustainable, yet more cost effective outcomes. Partnership working is crucial in this regard. Additionally, we recognise the importance of creating commercial partnerships and Joint Ventures to support our commercial ambitions and will explore such possibilities.

Theme Six: Excellent, Value for Money Services

Despite financial constraints we will continue to ensure that the services we deliver are high performing at acceptable cost, with the customer at the heart of service delivery. We will also look to adopt the most effective service delivery models and make use of performance data and benchmarking to drive continuous improvement. Continued investment in, and appropriate training and development for staff, will lead to the creation of the motivated, entrepreneurial workforce we wish to see.

1.3.1 Customer First Service Delivery Plan

The Council has identified the ambition of 'Putting the Customer First' as a key part of its future agenda. As such a Customer First Programme has been created to enable the delivery of this ambition and its key priorities for 2016/2017 will be:-

- Develop a Customer First Strategy and Roadmap, which clearly sets out the ethos of Customer First and how it will be embedded across the organisation. The roadmap will set out our plans for five key areas, Customer Insight, Process, People, Culture and Delivery; and will have close links with other key strategies in the Council.
- Enhance and develop the Councils approach to customer access through a customer-focussed front line; utilising enabling technology to best effect, and optimising access channels across different services.
- Embedding a culture of Customer First across the organisation;

1.3.2 Economic Growth and Housing Regeneration Service Delivery Plan

- Adoption of the Local plan and numerous neighbourhood plans to direct economic and housing growth in the district for the next 20 years. The evidence base for the local plan is now settled and sets out ambitious targets for housing led economic growth requiring transformational change in our major urban centre of Gainsborough to reverse decades of post-industrial economic. In addition the plan drives to deliver new strategic employment land and diversify the districts economic base with the creation of a food enterprise zone at Hemswell with R and D technologies and micro-businesses at Lincolnshire Showground and Bishop Burton College.
- In tandem with this neighbourhood plans give local communities more influence over the growth and development of their settlements and build the capacity of these communities to be self-sustaining.
- Regeneration of Gainsborough – a blended programme of social, economic and environmental regeneration has been devised to deliver the local plan targets and Housing Zone commitments to Homes and Communities Agency. This comprises of major housing projects delivered via Local Development Order (LDO), heritage led town centre regeneration, development of council owned land, focused intervention to addresses the multiple indices of deprivation in South West and North Wards, transformational projects potentially the promotion of a marina in the town to support the town in creating a new and differentiated housing market to significantly increase the town's population to achieve a critical mass of 30,000 residents.

- Economic positioning – further develop synergies and relationships with the devolution agenda and Greater Lincolnshire Local Enterprise Partnership (GLLEP) to ensure WLDC position in the Lincolnshire Growth Agenda is enhanced. Bids for Growth Fund monies are being prepared for the Food Enterprise Zone (FEZ), Gainsborough marina and the housing unlocking fund. WLDC can provide delivery capacity for GLLEP to significantly develop the brownfield and physical regeneration agenda.

In addition strategic relationships with the Humber Local Enterprise Partnership and Sheffield City Region are being developed to ensure WLDC is at the centre and can benefit from the region's major regeneration programmes.

1.3.3 Property and Land Management Service Delivery Plan

Delivering the Property and Land Management Strategy is a key priority in order to ensure that the WLDC property portfolio delivers the anticipated revenue, and covers its own costs wherever possible, along with the delivery of major commercial projects. The planned maintenance and capital programmes will ensure that the portfolio is adequately maintained and fit for purpose for the future, and the capacity of the in-house team will be reviewed in order to ensure this is deliverable.

The Housing Strategy is a priority to ensure that growth targets can be delivered by fully understanding the demand, supply, micro-markets within the district and those of neighbouring authorities, as well as looking at potential partnership opportunities with developers, social landlords and specialist service providers.

The leisure contract review seeks to generate a surplus from this facility and to secure a better offer for the district to promote healthy living, and to improve the attraction of the district for both residents and visitors.

1.3.4 Democracy and Business Support Service Delivery Plan

To enable organisational change and transformation the delivery of the Councils People Strategy will ensure the Corporate Vision is embedded throughout the organisation to bring about real and sustainable improvements in the lives of local people, by having a workforce of the highest quality: skilled and motivated, confident and flexible, knowledgeable about and connected with our local communities and committed to our vision. We recognise that our greatest asset in meeting future challenges is our people and that developing our workforce to meet these challenges is critical. We want to have a workforce that is able to respond proactively to emerging national and local priorities. We want to be an exemplary employer able to attract and retain the best staff. In addition we want to be a modern, efficient organisation that delivers value for money.

The development and regular review of the Medium Term Financial Plan which is sustainable and supports the ambitions of the Council.

Delivery of a member development programme which gives our elected members the skills and knowledge to make the right choices for the district.

1.3.5 Transformation Service Delivery Plan

With respect to Organisational Transformation the Council has identified the key priority of the delivery of Excellent, Value for Money Services. To achieve this, the Council will be progressing on a number of fronts to deliver against this priority and to ensure that the Council itself is structured in the most effective manner to support service delivery.

- A cross-cutting Transformation Programme will be embarked upon which will review current methods of delivery and associated processes to ensure they put the customer at the centre of service delivery. Attention will be paid to ensure that services are delivered in an efficient and effective manner and as close to the customer as possible.
- The Council is eager to become financially self-sustaining. Hence, the income generating potential of services will be fully explored to ensure current income streams are maximised and potential new markets are identified. To assist in this, use will be made of market and business intelligence and investment in staff development will be made to enhance the commercial capability across the Council.
- To support transformation, an ICT strategy will be developed based on the content of a recently produced ICT strategic overview. The strategy will encompass how best ICT can support customers, the business and service delivery, modern working practices and how the ICT infrastructure can remain robust and secure and that appropriate ICT skills and capacity are in place.
- It is also imperative that the Council's governance processes and structures remain robust to support effective decision making. Focus will therefore also be placed on monitoring and reviewing governance arrangements and ensuring that processes achieve a level of full maturity.

1.3.6 Commercial Service Delivery Plan

The Council has developed a proactive response to addressing the challenges currently facing the public sector. In March 2015, the Council agreed Commercial Plan that sets out a five-year programme to help the Council become financially self-sufficient, the plan is reviewed annually.

The Commercial Plan has four key themes:

- Developing new trading opportunities
- Securing external funding
- Enhancing land and property assets and attract additional council tax and NNDR
- Developing a more commercial culture

The Commercial Plan is underpinned by an annual delivery plan that will be considered by Council alongside the Medium Term Financial Plan. For 2016/17, there will be a further emphasis on enhancing our land and property assets. This will include the development of capital projects and a more dynamic approach to managing the Council's property and investment portfolio.

1.4 Statutory Duties

The Council is bound by statute with regard to the functions it performs, and therefore has a legal responsibility to provide. These include the following services:

Environmental Health	Homelessness	Local Plan and Development Control (Planning)
Elections	Housing Benefit and Fraud	Local Tax Collection
Financial Services	Licensing	Waste Collection

Having the power to undertake all other duties is embedded within various legislation. A full diagnostic of services will be undertaken during 2016/17 to inform future service delivery choices.

1.5 Value For Money

In common with the whole of the public sector West Lindsey DC has in recent years had to deal with austerity and contribute towards the reduction in Public Sector spending. Now more than ever it is vital that the Council seeks the most possible in terms of Value for Money where the ongoing process of optimising the relationship between resources and outcomes. This is achieved through a focus on

- Economy – minimising the costs of inputs (doing things at the right cost)
- Efficiency – delivering the same or improved level of service for less expense, time or effort (doing more with less)
- Effectiveness – measure of the extent intended outcomes have been achieved (doing the right thing)

The Council has responded to the financial challenges in a systematic approach to achieving value for money and by embedding the Entrepreneurial Council culture throughout the organisation by;

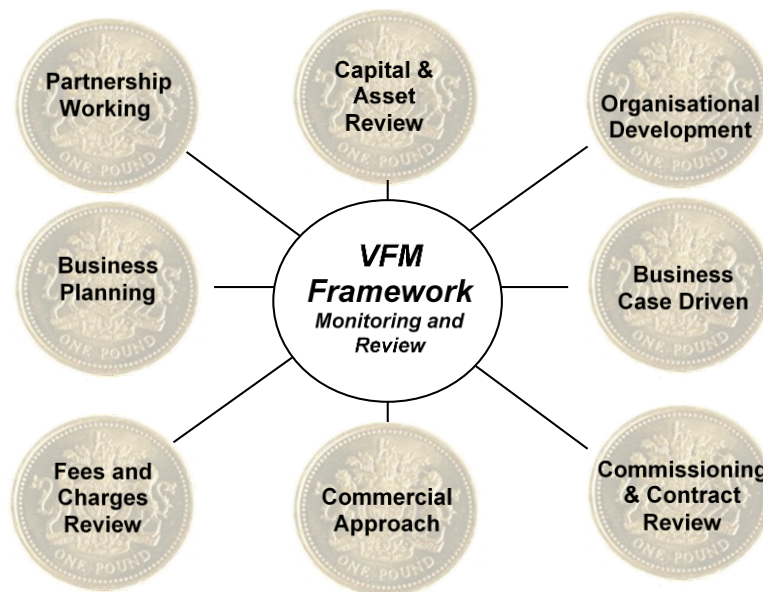
- Investing in communities (to help themselves and others)

- A more commercial council - to generate additional income and identifying opportunities that align with residents needs.
- Modern, innovative and collaborative – utilising the best technology and commissioning delivery to achieve outcomes

This has resulted in WLDC maintaining a strong track record of identifying and delivering savings and efficiencies whilst protecting priority services.

The diagram below illustrates the framework that West Lindsey takes to ensuring the delivery of Value for Money and which is underpinned by a robust approach to decision making;

- To understand the financial returns on investments
- To understand the absolute and relative cost of providing services through benchmarking our costs and performance
- To assess business case proposals for VFM
- To monitor and scrutinise on-going performance measured against business plans
- Managing our customer needs and demands and understanding how that impacts on services
- Appropriate procurement procedures
- Reviewing and measuring outcomes



Partnership Working

West Lindsey District Council aspires to be a good partner for service delivery and has a successful enabling role in encouraging collective responsibility in our Communities. By working in partnership with other agencies, Councils, Parish Councils, other public sector organisation, voluntary groups and Community Groups in addition to the private

sector has secured better outcomes in the form of inward investment, pooled resources, cohesion and engagement with residents and built effective relationships.

An example of this is the Public Sector Customer Hub which is located at the Council's Guildhall offices. This facility provides face to face contact for customers with West Lindsey DC, Lincolnshire County Council, Job Centre Plus, Lincolnshire Credit Union, The Volunteer Service and the Citizens Advice Bureaux.

Capital and Asset Review

West Lindsey recognises that it has to make best use of the assets to provide services for the public it serves and to maximise the income it can generate from the assets to support the provision of services. By continuing to review assets the council endeavours to get the best possible outcomes.

Organisational Development

In order to deliver an ambitious Corporate Plan against a reduction in funding resources, the Council needs people who have the skills, knowledge, attitude and flexibility which support this. The Council is a learning organisation and has developed a People Strategy to ensure the development of its employees we have an efficient and effective workforce. In addition a Member Development plan is in place to support elected members.

Business Planning

The Business Planning Process focuses services in identifying opportunities for cost reduction, income generation and alternative methods of service delivery i.e. partnership working. Where appropriate, these opportunities will be pursued over the medium term with further opportunities being identified and undertaken over the life of the MTFP. These plans are then translated into business cases, projects and ultimately, individual work plans so that everyone can contribute.

Business Case Driven

All decisions are made as a result of a compelling business case which are fully supported by cost benefit analysis to inform financial viability. West Lindsey uses a 5 Business Case model before starting a project. The model includes Financial, Legal, Operational, Strategic and Commercial cases to ensure all aspects are considered, risks assessed to enable informed choices.

Fees and Charges Review

An annual review of fees and charges is undertaken, which is not only being used as a potential route to increase income but more importantly as a mechanism to create a more commercial focus amongst service areas and ensure cost recovery. In addition there is a robust challenge to ensure that charges are appropriate with reference to

the market, and that comparative information from other organisations is taken into account.

Commercial Approach

West Lindsey is an Entrepreneurial Council and has commercialism is embedded throughout the council, with officers and members undertaking training and commercial workshops. A Member Steering Group has also been created and services are becoming more proactive in identifying trading opportunities and bidding for new sources of grant funding. In addition a new property database provides management information to determine where investment should be made to improve our assets, their offer, or to identify those assets which should be considered for sale where they are not providing value for money.

All commercial activity is subject to compelling business cases and extensive due diligence.

Commissioning & Contract Review

The West Lindsey approach to commissioning is to focus on achieving the desired outcome and taking advantage of innovative approaches. The Council manages its contracts carefully and reviews them regularly, which not only delivers significant savings in year, but also identifies further opportunities to reduce operating costs and better achieve the Council's outcome.

PART 2 – FINANCIAL MANAGEMENT AND PRINCIPLES

2.1 Introduction

The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review 2010. In addition, service pressures and increasing demand for services, particularly from the most vulnerable, has meant the Council has had to make significant budget savings in response to the Government's austerity measures.

The likely continuing requirement and scale of budget savings, coming on top of the £3.8m already delivered since 2013, presents an increasing challenge for the Council. The Queen's Speech delivered on 27 May 2015 stated that the government will "continue the work of bringing the public finances under control and reducing the deficit, so Britain lives within its means". This approach was confirmed in the Autumn Statement and has resulted in significant financial reductions particularly over the next two to three years until the government achieves its aim of running a budget surplus by 2019/20.

Reviewing the MTFP remains essential to ensuring the Council's medium term financial sustainability.

By the end of 2015/16 the Council's grant funding will have reduced by approximately 50% since 2010 (Formula Grant v Settlement Funding) when funding first began to

reduce. Central Government commitments to eliminating the budget deficit and to the removal of Revenue Support Grant, whilst implementing 100% retention of Business Rates by 2020/21.

The Government has provided indicative funding upto 2020/21 however, it remains unclear as to what the impact the review of Retention of Business rates will have on our funding level, as it is understood that the system of top-ups and tariffs will remain to control funding levels nationally.

Whilst there remains exists a great deal of uncertainty due to the level of assumptions in this paper, overall it is now estimated that the Council will need to close a funding gap of £1.235m over the five financial years 2016/17 to 2020/21 with a significant element of front loading in the first year.

The current estimated funding gap within the Medium Term Financial Plan is detailed below;

	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £
Funding Gap		628,366	789,598	842,901	1,235,221

The detailed MTFP Budget figures are attached at Appendix D.

2.2 Principles for the development of the MTFP

With the financial challenges facing the organisation, the MTFP has been developed based on a number of underlying principles which were approved by the Corporate Policy and Resources Committee in November 2015. These principles include that the MTFP for 2016-21 assumes the following:

Fees and Charges

- Above inflation increases are introduced to a level that align the district with it's neighbours and like Authorities but does not become the most expensive.
- That charges are introduced where no charge is currently being made,
- Whilst Car Parking income already makes a contribution to the net budget position, the new Car Parking Strategy is designed to make a contribution towards the funding gap.
- That the charging for green garden waste is recognised as a last resort for the Authority but is reflected as an option within the MTFP planning horizon from 2017/18 onwards

Council Tax

That Council Tax will rise by the maximum amount permitted without the need for a referendum

NNDR

That the Council will continue to be a party to the Lincolnshire Business Rates Pool, thus benefiting from a reduced levy that would have otherwise been payable to Government.

Commercial Investments

The Local Authority will plan to borrow at significant levels to deliver a contribution from those investments. These investments may be outside the District where they are designed to deliver purely financial returns to the Authority.

Service Efficiencies

Officers will continue to seek service efficiencies and deliver the maximum reduction in expenditure without a reduction in service levels.

The pay award assumption will be aligned with the Government announcement of a restriction of 1% p.a. for the next four years.

2.4 Level of Reserves

The level of the General Fund Working Balance will be set, as a minimum, at 5% of Net Operating Expenditure, however this will be reviewed as the uncertainty around future funding becomes clearer. This minimum balance will represent funds available to mitigate risks the Council is facing in any one year and which will depend upon the robustness of the estimates within the budgets, the adequacy of budgetary control and external factors such as inflation and interest rates. Such risks may also include changes in Government policy, further funding reductions and market factors.

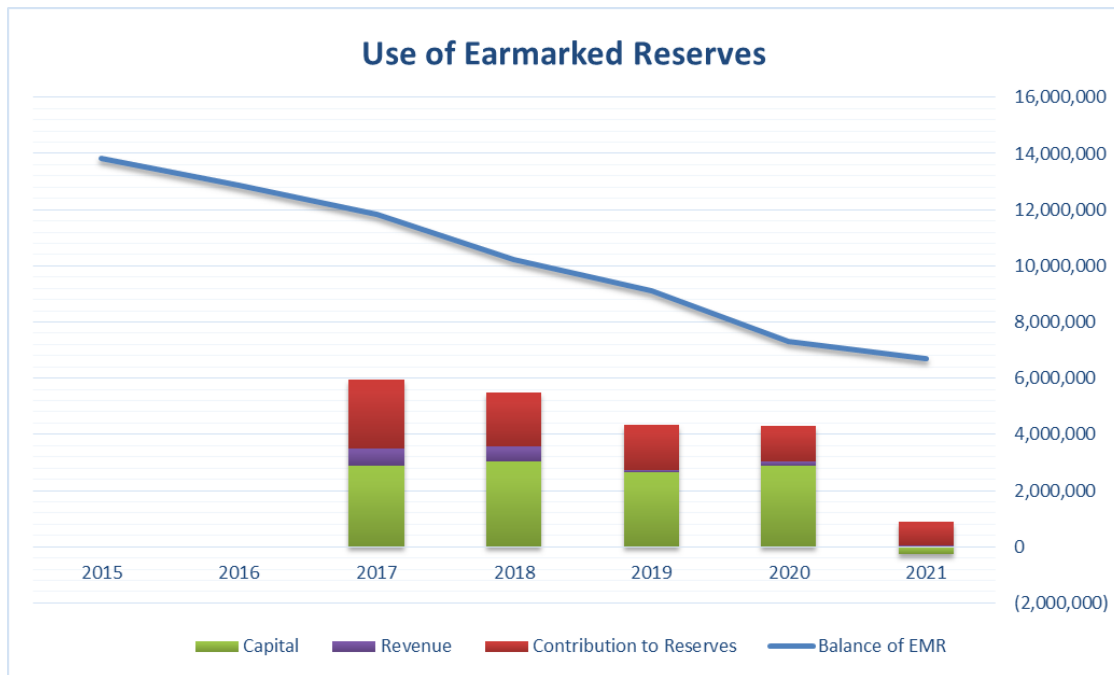
The level of general reserves will continue to be closely monitored during the period of this MTFs in the context of protecting the Council from existing and future liabilities. This is extremely important given the announcements by the Government regarding expected further funding reductions. However, reserves will continue to be maintained at a prudent level.

Earmarked reserves will be reviewed annually to ensure their investment in both revenue and capital initiatives align to Corporate Plan priorities.

Reserves held are invested in accordance with the Treasury Management Strategy and the interest received from their investment supports the Councils revenue budget.

The graph below illustrates the current level of earmarked reserves and their use over the MTFP, whilst the use of reserves funds a small proportion of revenue this is mainly for one off investment or budget smoothing purposes.

As the Council continues to utilise New Homes Bonus to support regeneration and housing growth scheme rather than to support the revenue budget, the contribution earmarked reserves is also shown.



2.5 The Chief Finance Officer Statement on the Robustness of Estimates, the Adequacy of Reserves and the affordability of capital investments.

In accordance with Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer (Director of Resources) is required to report on the robustness of estimates, the adequacy of proposed reserves and the prudence of capital investment decisions. This information enables a longer-term view of the overall position to be taken.

Key factors in ensuring the robustness of estimates include the initial challenge process to establish budget options, essential project management for the proposals, monitoring and reporting arrangements and utilisation of key, skilled finance staff in drawing up detailed estimates and monitoring proposals going forward. Cross cutting and sound key assumptions are also vital to ensuring proper estimates. The key assumptions, i.e. pay awards, inflation, Council Tax, Business Rates, Government Grant and pension contributions are detailed within this report. It is essential that in order to secure a balanced budget the base estimates are considered robust.

Budget changes have been built on changes approved by the Policy and Resources Committee throughout the year, and changes approved under delegation. Changes to the base budget have been reported to both Prosperous Communities Committee and Policy and Resources Committee in February 2015. Budget monitoring will be presented to the Service Leadership Team on a monthly basis with the Corporate Leadership Team and Policy and Resources Committee quarterly throughout the financial year (or by exception).

The balance of General Reserves as detailed at 3.4 within the MTFP are considered to be adequate to cover risks, peaks and troughs and the investments proposed. General Fund revenue reserves represent 79% of Net Operating Expenditure.

The earmarked reserves as set aside by the Council at the year-end 2014/15 have been independently verified by the external auditor.

The prudential borrowing regime places a duty on the Chief Finance Officer to ensure that the financial impact of decisions to incur borrowing are affordable both in the immediate and over the longer term.

Consideration of all new capital schemes and their revenue impact is undertaken alongside other revenue issues to ensure resources are appropriately allocated and impacts are reflected in the Prudential Indicators within the Treasury Management Strategy.

Despite the current economic uncertainty and issues around Local Government reform the Council remains in a stable financial position, with adequate reserves to deal with any economic impacts and work will continue to be undertaken to ensure that the Council is in a sound position to manage its budget within the anticipated funding reductions.

The professional opinion of the Chief Finance Officer on the overall adequacy of the total level of reserves and the robustness of estimates is integral to the sign off of the overall agreed budget. The Chief Finance Officer therefore confirms that the budget estimates are robust, the adequacy of reserves is satisfactory and the capital programme is affordable.

2.6 Working Capital

Based on the Council's current cashflow estimates, the programming of capital investments and borrowings, a working capital balance of circa £8m is required for funding business as usual.

2.7 Community Engagement

The Council held a number of Budget Engagement Events during September 2015 to get the views of residents, Parish Councils and West Lindsey District Council Members, in addition a separate exercise has been undertaken with Business Rate

Payers. The following summarises their views, which have been taken into consideration as part of the budget process.

- **Council Tax rise** - 84.7% happy for West Lindsey to increase their section of the Council Tax bill although all residents were aware that the West Lindsey part of the bill is only a small section compared to Lincolnshire County Council and if all parts had an increase then this could impact on a wide section of the district.
- **Borrowing to Lend to others for a commercial return** - 53.2% (38.8% supported this initiative) felt that borrowing to loan to others is a risky option when it would be dependent on another organisation repaying their loan for West Lindsey to be able to repay another and that the margin gained would need to cover the risk of undertaking the process. If this was to go forward then it would be nice to see the loan giving some community benefit such as increase housing in the correct area, job growth, health etc.
- **Borrowing to fund commercial investments** - 55.7% agreed with investing in commercial property (41.8% against) This section had a split between the residents as some felt that purchasing commercial properties are not within the standard business that Councils should be undertaking while others felt that this was a good way to gain an income for the future years. Residents also like the fact that West Lindsey is currently a debt free council and was unsure about changing this unless it was necessary. Residents also feel that in-depth risk assessments would need to be carried out to ensure that purchase was the correct move for the council to make.
- **Undertake Trading Activities with council services** – 89.9% of residents are happy with the authority undertaking additional work as long as the service that residents currently receive is not affected and that we take into account how local services might be affected by the proposal.

With regard to proposals to make budget reductions, the following areas were identified;

- Car parks – should be cost neutral or making an income
- Cemeteries – these should be passed onto the local parish to undertake local decisions which the district council currently make
- Parish Lighting – these should be passed onto the local parish to undertake local decisions which the district council currently make

- Public conveniences – work closer with local businesses to try and let residents use their rather than the authority keeping their own
- Recreation and sport – should be self funding or making an income
- Town Centre markets – should be self funding or making an income
- Town Centre management – should be paid by the individual town rather than district wide
- Planning Policy – bring back in house once Local Plan is done

Whilst, due to the current climate there were more reductions in budgets discussed, the following were considered as areas for increased resourcing.

- Increase in CCTV provision
- Tourism

Members took into account the detailed responses when developing the Medium Term Financial Plan.

2.8 Capital Investment Strategy – (Appendix E)

The Capital Investment Strategy sets out the strategic direction for WLDC's capital management and investment plans, and is an integral part of our medium to long term financial and service planning and budget setting process. It sets the principals of our capital investment under the prudential system.

The Capital Investment Strategy will enable the Council to meet its corporate priorities, as it can be targeted in creative and innovative ways, by aligning resources to specific investment projects which will deliver corporate outcomes. We recognise the importance of investing in commercial opportunities to deliver our entrepreneurial aspirations and to generate sustainable ongoing income streams, in addition to investing in schemes that will deliver economic regeneration and housing support and growth which will provide new housing, independent living, job opportunities, an improved skills base and a revitalised town centre.

The level of borrowing to fund capital investment is only agreed if the borrowing is affordable and sustainable as our capital decisions can have significant revenue implications. Every £10m of prudential borrowing costs approximately £1m per annum in financing costs (revenue) over 25 years. This is in addition to the ongoing maintenance and running costs associated with the investment.

Service Business Plans have informed the budget setting process to ensure continued attainment of the objectives of the Corporate Plan and align staffing resources at an adequate level to achieve this, supported by appropriate technological systems to ensure efficiency in processes.

In addition, investment will be required to deliver The Commercial Strategy who's objectives are;

- To generate greater income from the Council's services to reduce net subsidy.
- To secure greater external funding for the Council and the District.
- To increase capital and revenue returns to the Council through delivering housing and economic growth.
- To enhance the Council's commercial culture and capability.

The Land and Property Investment Policy and the Acquisition and Disposals Policy detail the framework by which these priorities will be achieved i.e. by the acquisition of, and/or investment in our own land and property assets. This will be undertaken with the objective of achieving an increase in the capital value of our holdings and to deliver increased income streams from rental which will contribute to future revenue budgets. Ensuring our commercial aspirations can be delivered.

2.9 Treasury Management Strategy

The Council will ensure that the primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. The Council will ensure it has sufficient liquidity in its investments and that it maintains a policy covering categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring of their security.

The Council invests money in a wide range of financial institutions and the investment interest earned is used to support the budget. The major issue for treasury management over the MTFP will be the significant difference between investment rates and borrowing rates, where the cost of carry of borrowing will exceed investment interest. Therefore cashflow management and monitoring of interest rate forecasts will be a key focus.

Emphasis continues to be placed, in line with the Treasury Management Strategy, on mitigating counterparty risk by giving preference to security and liquidity. This has resulted in greater use of investments with higher security and increased liquidity. The Strategy supports a policy of limiting the need for external borrowing by the utilisation of internal funds.

The Minimum Revenue Provision (MRP) Policy now provides options on what would be considered prudent provision for the repayment of debt.

2.9.1 Borrowing Strategy for capital investment

For the Council to achieve its corporate priorities and to increase revenue income streams from commercial and transformational projects, it is expected that a significant amount of capital investment will be required funded from Prudential Borrowing. This borrowing will only be undertaken if it is considered prudent,

affordable and sustainable. Where borrowing is to fund a commercial project the return on investment will also be taken into account when drawing down funds.

2.10 Risk Management

The Council maintains a Corporate Risk Register and Service Risk Registers as well as considering risk in all Business Cases.

We will continually assess financial risks associated with activities and mitigate these risk by the creation and utilisation of provisions, earmarked reserves and general reserves.

We will review and report on internal controls and governance arrangements and will address any significant issues.

We will report to the Governance and Audit Committee who will monitor the effectiveness of risk management and governance arrangements.

In terms of Budget risks these include;

- Inflation is underestimated in the original estimates
- Interest rates are underestimated
- Changes to grant funding regimes
- Some budgets are only indicative at the time the budget is agreed
- Volatility in some budget headings between years
- Efficiency gains expected in the agreed budget are not achieved
- Unforeseen insurance costs or legal claims
- Emergencies which cannot be foreseen which occur on an ad hoc basis
- Changes to budgets where targets are not met
- Financial guarantees/loans given by the Council
- Unforeseen Events

A list of MTFP risks and mitigating actions are detailed at Part 4 below.

PART 3 – MEDIUM TERM FINANCIAL PLAN ANALYSIS

3.1 Current Position

3.1.1 2015/16 Forecast Out-turn

Members are no doubt aware of the on-going improvements made to the budget and performance monitoring process. The Corporate Policy and Resources Committee receives quarterly updates of revenue spend against the budget together with a projection of the forecast out-turn position, in respect of Revenue, Capital and Treasury Management activity and investment returns. The Service Leadership Team receive monthly management reports and Core Leadership Team review summary details every quarter or by exception.

A recent audit of the budget monitoring has resulted in High Assurance being given to the process.

This process allows more accurate predictions of the likely outturn and therefore allows the Council to make further investments into priority services or take remedial action where appropriate.

Initial indications at Quarter 3 are that the Council is likely to outturn a surplus in the region of £800k.

Any surplus will be transferred to General Fund Balances and/or Earmarked Reserves.

In respect of Capital Expenditure the forecast outturn is estimated to be £2.450m, with slippage of £1.337m which will be subject to carry forward requests, and £0.808m no longer required.

3.1 Assumptions within the MTFP

There are a number of assumptions within the MTFP which contribute to the financial estimates provided within the MTFP, the major assumptions include;

- Employee Pay Award 1% per annum
- Council Tax increase at 1.93% per annum
- Charging for Green Waste Collection introduced from 2017/18
- Commercial Property Investments achieves a 3% surplus
- Trading Business Cases are Achieved
- No growth in NNDR
- Only Contractual inflation has been applied to service expenditure budgets
- 4 year funding settlement in line with draft figures issued by Government
- Realised New Homes bonus will continue to be payable over 6 years

3.2 Revenue Budget 2016/17

The Council presents a balanced budget for 2016/17.

The MTFP 2015/16 projected a funding gap in the 2016/17 financial year of £0.704m to be closed to enable a balanced budget to be delivered.

During the year a number of initiatives, projects and reviews were undertaken with the aim of achieving £2.5 m of savings in 5 years. The projected savings requirement for 2016/17 was £0.704m. The Council has been successful in identifying these savings against this target. The significant savings have been achieved from;

- Budget and service reviews £0.150m
- Fees and Charges £0.094m
- Lease cost savings £0.080m
- Trade Waste service £0.047m
- Commercial Investments net income £0.075m

This is against pressures identified during the budget process and legislative impacts

- Staff establishment net costs £0.464m
- Reduction in Planning Fees £0.040m
- Reduction in RSG net of Rural Services Grant £0.694m

In addition to the above the continued focus on maximising New Homes Bonus through capital investment and identification and intervention measures relating to empty homes has resulted in a further £0.496m per annum of additional grant due over the next 6 years. The total allocation for 2016/17 is therefore £2.481m.

However, the New Homes Bonus scheme is a government policy commitment which has now ended. We have therefore made no assumptions on future projections as whilst the Government is committed to the continuation of New Homes Bonus in some form, to incentivise housing growth, the scheme is currently under review.

The Council continues to set aside New Homes Bonus to support growth and housing regeneration investment (many other authorities require this grant to support their revenue budgets).

The Business Rates Retention Scheme was introduced in April 2013, calculation models have been developed to more accurately monitor and estimate any impacts of changes to grant funding from a number of local variables. However, it is considered prudent to assume a static level of business rates retention over the MTFP as it is anticipated that the scheme will be reviewed in the near future. 2016/17 specifically includes a share of the estimated 2015/16 declared deficit of £0.150m and totals budgeted net income of £3.310m

The Council will continue to benefit from being a partner in the Lincolnshire Business Rates Pool and this benefit is estimated to be circa £0.230m annually.

The proposed 2016/17 budget has been balanced with the need for a contribution from General Fund reserves totalling £0.500m. It should be noted that this assumption is based on the projected surplus in 2015/16 which currently exceeds £0.6m. However, a number of initiatives will be undertaken during the year to minimise the use of reserves.

The Revenue Budget includes the impact of the Capital Investment Programme proposals, with significant income projections from commercial investments of £0.075m in 2016/17 raising to £1.000m by 2020/21 includes projected net income from commercial property investment (£0.600m) and other commercial opportunities (£0.400m). In addition £0.502m of income has been included from 2017/18 for the

implementation of charging for the collection of green waste, however, the decision to implement is considered a last resort for the current administration.

3.3 The Medium Term Financial Plan Revenue Budget Summary (Appendix D)

The Medium Term Financial Plan Revenue Budget Summary provides a 5 year financial plan based on the strategies, principles, assumptions and investment decisions contained within this document.

It illustrates that in 2016/17 we present a balanced budget, and details the savings targets we have yet to make over the medium term totaling £1.2m by 2020/21. The Council has effectively managed the reduction in government funding thus far in addition to meeting increased costs. The savings achieved since 2012/13 and those still required to be found over the MTFP are illustrated below;



3.3 Capital Investment Programme and Funding (Appendix F-G)

The capital programme gives a medium term view of our capital investment proposals aligned to the key corporate priority themes. There a number of significant programmes of work, which at this time have not been the subject of a full financial appraisal, and to that end Members should be aware that the estimates within this programme could go up and/or down by 50%.

The focus will therefore be on robust business cases which include financial appraisals risk assessments, in addition to appropriate levels of due diligence being undertaken,

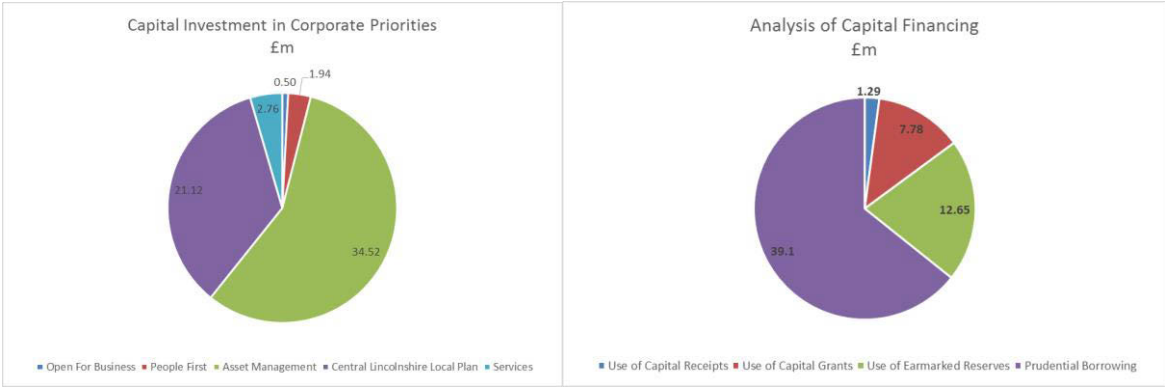
thus ensuring decision makers are provided with adequate information with which to make and informed decision. The focus will then be on project management and monitoring of progress and the monitoring of risks.

The total capital programme 2016/17 – 2020/21 totals some £60m and reflects a programme, which is likely to change over time in both cost and viability, ie due to economic and ecological factors, therefore the programme may change over time to allow projects to grow or to be reprioritised. The significant schemes contained within the programme are Commercial Property investment (£20m) and the Gainsborough Growth Programme (£18.875m).

The main changes to the programme, specifically relating to 2016/17, presented to the Council last year are:-

- Refurbishment of Properties - £0.190m
- Business Loans via Crowd Funding – £0.500m
- Service investment in technologies £0.085m
- Gainsborough Growth Programme - £4.425m
- Commercial Investments - £7.165m

The chart below illustrates Capital Investment in Corporate Priorities and Funding



3.4 Revenue impact of Capital Investment

The impact on revenue of Capital investment decisions has to meet the Treasury Management Strategy requirements to be affordable and sustainable.

As there is a significant element of the Capital Investment Programme where future returns will be realised beyond 2020/21, in year New Homes Bonus will be utilised for these housing and regeneration programmes.

INVESTMENT	2016/17	2017/18	2018/19	2019/20	2020/21
	£	£	£	£	£
Commercial Projects	163,461	-146,891	-459,226	-750,322	-827,979
Growth and Regeneration	4,000	325,203	476,278	541,228	574,228
TOTAL IMPACT	167,461	178,312	17,051	-209,094	-253,751
Use of in year NHB	-242,461	-522,300	-575,600	-680,900	-676,200
TOTAL REVENUE IMPACT	-75,000	-343,988	-558,549	-889,994	-929,951

3.4 Treasury Management Strategy

The Treasury Management Strategy provides the framework in which Finance Officers manage our investment portfolio, our cashflow balances, and in the future, the undertaking of borrowing.

Regular monitoring of the Treasury position is presented to Corporate Policy and Resources Committee on a quarterly basis, through monitoring of Treasury and Prudential Indicators, in addition to showing our investments, return yields and our indebtedness.

The Treasury Management and Prudential Indicators reflect the implications of the Capital Investment Programme, and therefore, will fluctuate in accordance with the delivery of this programme.

The key Prudential Indicator is the Capital Financing Requirement (CFR) simply reflects the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Whilst the Council is currently debt free, the CFR also includes any other long term liabilities i.e. finance leases. Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

The impact of the Council's Capital Programme on the CFR is detailed in the table below, and reflects the increase in the Council's borrowing need.

£m	2014/15 Actual	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
Capital Financing Requirement					
Accounting Adj	1.065	1.065	1.065	1.065	1.065
Finance Leases	0.566	.342	.121	.023	0
Prudential Borrowing	0		10.290	22.544	36.254
Total CFR	1.631	1.407	11.476	23.623	37.319
Movement in CFR	-0.114	-0.228	10.069	12.147	13.696

Net financing need for the year (above)	0.069	0	10.290	12.520	14.300
Less MRP/VRP and other financing movements	-0.183	-0.228	-0.221	-0.373	-0.604
Movement in CFR	-0.114	-0.228	10.069	12,147	13.696

3.4 Reserves

The Council's reserves are held for a variety of reasons and are an essential part of good financial management. They help cope with unpredictable financial pressures and plan for future spending commitments. Having the right level of reserves is important. Where Councils hold very low reserves, there may be little resilience to the current financial shocks and sustained financial challenges being faced.

Reserves enable Councils to:

- Manage variations between their planned and actual budgets that result from unpredictable spending and income
- Smooth budgets where peaks and troughs are inevitable
- Plan their finances strategically to support their activities over the medium and long term
- Provide resources for investment to deliver corporate priorities.

The Council expects to hold £13.019m of revenue funds at the end of 2016/17 reducing to £6.952m by 2020/21, assuming that the proposals within the MTFP are approved. The categories of reserves are detailed below;

PURPOSE HELD	ESTIMATED BALANCE AT 31/3/2016 £m	ESTIMATED BALANCE AT 31/3/2017 £m	ESTIMATED BALANCE AT 31/3/2021 £m
General Fund Working Balance	1.677	1.177	1.177
Budget Smoothing	1.273	0.711	1.000
Capital Funding (incl Capital Receipts)	2.646	0.984	0.911
Contingency/Insurance	0.708	0.675	0.569
Growth and Regeneration	5.417	6.847	2.151
Invest to save/earn/transform	1.842	1.719	1.539
Service Investment	0.981	0.906	0.782
TOTAL FUNDS	14.544	13.019	8.129

The table above reflects the movements in the 2016/17 MTFP with contributions to reserves to fund replacement programmes ie IT, waste vehicles or for budget smoothing /contingencies ie 4 yearly elections, totalling £0.302m, in addition to New Homes Bonus being earmarked for Growth and Regeneration £2.166m.

The use of reserves for funding capital investment of £2.889m and a further £0.604m released to revenue schemes ie community grant scheme, property maintenance, replacement wheelie bins etc. and includes the use of the budget volatility reserve with regard to the projected 2015/16 deficit on the NNDR collection fund.

Over the MTFP there may be a need to review both the level of the minimum General Fund Balance in addition to increasing the requirement for 'contingency' funds. These are essential elements of robust financial management as Government funding is reduced and more reliance is placed on volatile income sources such as Building Control, Land charges, Planning fees and Business rates; all of which are interrelated.

In line with best practice the Council will continue to review its specific reserves each year to ensure their continuing requirement. A review was undertaken in year with a number of reserves being transferred to increase existing reserves for corporate priority areas.

At this time it is not considered appropriate to return any further specific reserves to the General Fund balance. A further review will be undertaken as part of the year end process. This review will include any remaining balance on reserves which are currently expected to be utilised during 2015/16.

General Fund balances are estimated to be £1.177m at 31 March 2017. These can be supplemented by £11.842m of earmarked resources and £0.165m of Capital Receipts. The aggregate total, therefore, is £13.184m. This is considered adequate in view of the size of the Council's revenue budgets and the profile of the Capital programme.

Current spending plans would indicate that over the short term the General Fund balances would remain at an acceptable level and in line with the Financial Planning Principles, although further action is required to deliver the savings required to maintain a sustainable financial position.

3.6 Pay Policy Statement (Appendix H)

Under section 40 of the Localism Act, Council must approve and publish a Pay Policy Statement for each financial year. Pay policies can be amended during the financial year and full Council or a meeting of Members must be offered the opportunity to vote before large (£100k or above) salary packages are offered.

Following the Hutton Review of Fair Pay in Local Authorities on Data Transparency, authorities are now disclosing their pay multiple i.e. the ratio between the highest paid employee and the median earnings level with the organisation. This data will inform the annual review of the Pay Policy Statement in future years.

The draft Pay Policy Statement for 2016/17 is set out at Appendix H for consideration and recommendation to full Council for approval.

PART 4 - RISKS

	Likelihood	Impact	
Future available resources less than assumed	Possible	High	Annual review of reserves, 4 year settlement proposed, Entrepreneurial Council approach to commercialism
Commercial Project do not deliver anticipated benefits	Possible	High	Project management and monitoring. Risk Register for each project Appropriate and robust due diligence
Council is unable to provide a balanced budget in future years.	Possible	Low	The Commercial Plan and the development of a Transformation Plan will bring forward proposals to ensure the Council has a strategy for delivering a sustainable Medium Term Financial Plan from 2017/18 onwards. The Council has an adequate level of General Fund Reserves to support balancing the budget should the need require.
Volatility of Business Rates	Likely	Medium	Volatility of funding stream outside of Council control but impact mitigated by establishment of specific earmarked reserves
Pay and price increases above budgeted assumptions	Unlikely	Low	2 year pay award offer @ 1% proposed aligns to budget. Contractual inflation is included in budget. Average utilities % applied. Improved commissioning and procurement.
Future spending plans	Possible	Low	All Services carry out effective horizon scanning with profile of service demands (past and future). This informs the MTFP budget modelling throughout the year.

Anticipated savings/ efficiencies not achieved.	Possible	High	Regular monitoring and reporting take place but the size of the funding cuts increase the likelihood of this risk. Non achievement of savings would require compensating reductions in planned spending within services. A principle is in place to maintain General Reserve at a minimum of 5% of Net Operating Expenditure.
Income targets not achieved.	Possibly	Medium	Current economic climate likely to impact. Regular monitoring and reporting is undertaken with a full review of fees and charges annually which incorporates trend analysis and future demand estimations. Commercial trading monitor volumes and pricing
Revenue implications of capital programmes not fully anticipated	Possible	Low	Capital bid approval identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning and in business case development.
Loss of principal deposit	Unlikely	Medium	Limited by the controls in the Treasury Management Strategy which prioritise security of deposit over returns. Impact limited due to the strategy of a diverse portfolio with top rated institutions backed by Government guarantees and internal funding
New duties imposed by Government	Likely	Low	It has already been stated that new duties will be transferred to districts, however this will be considered in line with the retention of NNDR. Proactive preparation will be undertaken to engage early and influence the outcome. The availability of general reserves will also help smooth any initial financial impact, pending any reallocation of resources. In the event of new requirements being imposed 'new burdens' funding could also be sought.
Review of NNDR Retention Scheme	Likely	Medium	Government proposals for 100% of NNDR retention locally will have an impact on the resourcing of WLDC it is

			not yet known what future income levels will be.
The cultural change and capability required to deliver against the Council's Entrepreneurial aspiration may not be realised as quickly as the financial cuts, as changes in business models can take large organisations a number of years to realise regardless of the sector.	Possible	Low	Transformation, Commercial and Growth Boards have been established to ensure that the project management framework is effective and that robust business cases are developed prior to approval of projects and that projects are monitored, with issues being raised and escalated at an early stage for consideration.
The assumptions contained within the MTFP are not realised.	Likely	Medium	A contingency budget in addition to a significant amount of reserves are held to mitigate any in year financial risks or volatility relating to income, or increases in expenditure, and which can be utilised in the event of variations to the assumptions made
Recruitment and Retention of skilled staff	Likely	High	The increased use of consultants brought in to do the right jobs.
Costs of Devolution	Likely	Medium	Agreed a £100k delegated to Chief Executive

APPENDIX A

Corporate Policy and Resources Income and Expenditure Budgets (Excluding Capital Charges and Recharges)

Corporate Policy and Resources	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(487,600)	(809,900)	(1,457,600)	(2,141,100)	(2,720,700)	(2,794,900)
Government Grants	(23,060,600)	(23,207,600)	(23,207,600)	(23,207,600)	(23,207,600)	(23,207,600)
Interest	(10,600)	(18,500)	(56,100)	(48,200)	(43,700)	(42,900)
Other Grants and Contributions	(483,900)	(595,300)	(595,300)	(595,300)	(595,300)	(595,300)
Total Income	(24,042,700)	(24,631,300)	(25,316,600)	(25,992,200)	(26,567,300)	(26,640,700)
Expenditure						
Employees	4,714,700	4,775,700	4,881,800	4,984,400	5,080,500	5,176,100
Premises	399,100	658,300	677,700	700,900	730,100	723,600
Supplies and Services	1,642,300	1,565,700	1,576,100	1,589,400	1,657,500	1,613,700
Third Party Payments	902,100	505,200	506,700	506,600	596,200	507,600
Transfer Payments	22,779,000	23,139,100	23,139,100	23,139,100	23,139,100	23,139,100
Transport	95,900	84,400	84,400	84,400	89,100	84,400
Total Expenditure	30,533,100	30,728,400	30,865,800	31,004,800	31,292,500	31,244,500
Net Total	6,490,400	6,097,100	5,549,200	5,012,600	4,725,200	4,603,800

Corporate Policy and Resources Base Budget – Business Unit Analysis (Excluding Capital Charges and Recharges)

Business Unit	Base Budget 15/16	Base Budget 16/17	Base Budget 17/18	Base Budget 18/19	Base Budget 19/20	Base Budget 20/21
Admin Buildings	239,000	243,700	245,000	246,300	247,600	248,900
Business Improvement & Commercial Development	406,600	407,300	417,000	425,300	432,500	439,300
Chief Executive	152,100	153,300	154,400	155,400	156,500	157,500
Chief Operating Officer	106,000	109,300	110,100	110,900	111,700	112,500
Commercial Director	180,600	188,000	189,800	191,200	192,400	193,900
Commercial Properties	(223,500)	(371,700)	(1,001,300)	(1,662,900)	(2,163,500)	(2,296,600)
Communications	116,600	121,600	123,400	125,100	126,900	128,800
Corporate Management - Apprentices	35,300	44,600	45,500	46,300	47,200	48,000
Corporate Management - Finance	1,296,400	853,100	875,800	899,300	923,800	949,100
Customer Services	515,500	520,200	529,600	537,400	545,200	554,300
Debtors	22,500	23,800	24,700	25,500	26,400	26,800
Democratic Representation	561,900	541,100	547,500	550,400	563,400	566,400
Director of Resources	101,900	111,600	112,400	113,200	114,000	114,800
Elections	86,800	0	0	6,400	101,000	6,400
Emergency Planning	18,900	19,000	19,000	19,000	19,000	19,000
Financial Services	517,900	584,900	590,300	600,400	608,900	617,400
Housing Benefits Admin	(142,200)	247,000	261,100	272,200	281,400	291,800
Housing Benefits Payments	85,000	(195,300)	(195,300)	(195,300)	(195,300)	(195,300)
Housing Benefits Projects	(22,700)	0	0	0	0	0
Human Resources	248,800	255,500	260,800	263,600	266,400	269,100
ICT Services	231,100	223,300	225,500	227,600	229,700	231,800
Legal Services	130,700	130,700	130,700	130,700	130,700	130,700
Local Tax Collection	209,400	241,900	253,100	265,300	273,900	280,300
Net Investment Interest	(10,500)	(18,500)	(56,100)	(48,200)	(43,700)	(42,900)
Other Council Properties	(4,000)	(800)	(800)	(800)	(800)	(800)
Precepts	508,700	515,300	522,100	529,000	536,000	543,200
Property Services	197,300	206,000	208,600	211,100	213,700	216,300
Register of Electors	97,600	106,700	108,500	109,600	110,900	112,200
Support Services - Admin	124,800	137,100	138,100	139,200	140,200	142,000
Support Services - Corporate	192,700	198,900	203,100	206,300	209,600	213,100
Systems Development	509,200	499,500	506,600	513,100	519,500	525,800
Grand Total	6,490,400	6,097,100	5,549,200	5,012,600	4,725,200	4,603,800

The following tables detail Business Unit Income and Expenditure Budgets

Admin Buildings	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(300)	(300)	(300)	(300)	(300)	(300)
Other Grants and Contributions	(13,800)	(13,800)	(13,800)	(13,800)	(13,800)	(13,800)
Total Income	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)
Expenditure						
Premises	211,000	214,700	216,000	217,300	218,600	219,900
Supplies and Services	42,100	43,100	43,100	43,100	43,100	43,100
Total Expenditure	253,100	257,800	259,100	260,400	261,700	263,000
Net Total	239,000	243,700	245,000	246,300	247,600	248,900

Business Improvement & Commercial Development	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	398,900	401,200	410,900	419,200	426,400	433,200
Supplies and Services	2,800	1,200	1,200	1,200	1,200	1,200
Third Party Payments	1,700	1,400	1,400	1,400	1,400	1,400
Transport	3,200	3,500	3,500	3,500	3,500	3,500
Total Expenditure	406,600	407,300	417,000	425,300	432,500	439,300
Net Total	406,600	407,300	417,000	425,300	432,500	439,300

Chief Executive	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	135,500	140,000	141,100	142,100	143,200	144,200
Premises	700	500	500	500	500	500
Supplies and Services	11,300	8,700	8,700	8,700	8,700	8,700
Transport	4,600	4,100	4,100	4,100	4,100	4,100
Total Expenditure	152,100	153,300	154,400	155,400	156,500	157,500
Net Total	152,100	153,300	154,400	155,400	156,500	157,500

The following tables detail Business Unit Income and Expenditure Budgets

Chief Operating Officer	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	102,100	105,600	106,400	107,200	108,000	108,800
Supplies and Services	1,300	1,100	1,100	1,100	1,100	1,100
Transport	2,600	2,600	2,600	2,600	2,600	2,600
Total Expenditure	106,000	109,300	110,100	110,900	111,700	112,500
Net Total	106,000	109,300	110,100	110,900	111,700	112,500

Commercial Director	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	177,600	183,900	185,700	187,100	188,300	189,800
Supplies and Services	0	1,600	1,600	1,600	1,600	1,600
Transport	3,000	2,500	2,500	2,500	2,500	2,500
Total Expenditure	180,600	188,000	189,800	191,200	192,400	193,900
Net Total	180,600	188,000	189,800	191,200	192,400	193,900

Commercial Properties	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(365,700)	(792,000)	(1,439,700)	(2,123,200)	(2,632,300)	(2,777,000)
Other Grants and Contributions	(18,400)	(18,400)	(18,400)	(18,400)	(18,400)	(18,400)
Total Income	(384,100)	(810,400)	(1,458,100)	(2,141,600)	(2,650,700)	(2,795,400)
Expenditure						
Premises	128,500	407,000	425,100	447,000	455,500	467,100
Supplies and Services	32,100	31,700	31,700	31,700	31,700	31,700
Total Expenditure	160,600	438,700	456,800	478,700	487,200	498,800
Net Total	(223,500)	(371,700)	(1,001,300)	(1,662,900)	(2,163,500)	(2,296,600)

The following tables detail Business Unit Income and Expenditure Budgets

Communications	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	92,500	98,700	100,500	102,200	104,000	105,900
Supplies and Services	22,400	21,700	21,700	21,700	21,700	21,700
Transport	1,700	1,200	1,200	1,200	1,200	1,200
Total Expenditure	116,600	121,600	123,400	125,100	126,900	128,800
Net Total	116,600	121,600	123,400	125,100	126,900	128,800

Corporate Management - Apprentices	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	34,800	44,600	45,500	46,300	47,200	48,000
Supplies and Services	100	0	0	0	0	0
Total Expenditure	35,300	44,600	45,500	46,300	47,200	48,000
Net Total	35,300	44,600	45,500	46,300	47,200	48,000

Corporate Management - Finance	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	68,300	68,300	68,300	68,300	68,300	68,300
Total Income	68,300	68,300	68,300	68,300	68,300	68,300
Expenditure						
Employees	748,900	693,600	716,300	739,800	764,300	789,600
Supplies and Services	34,200	34,200	34,200	34,200	34,200	34,200
Third Party Payments	445,000	57,000	57,000	57,000	57,000	57,000
Total Expenditure	1,228,100	784,800	807,500	831,000	855,500	880,800
Net Total	1,296,400	853,100	875,800	899,300	923,800	949,100

The following tables detail Business Unit Income and Expenditure Budgets

Customer Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,000)	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)
Total Income	(1,000)	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)
Expenditure						
Employees	387,600	404,700	414,100	421,900	429,700	438,800
Premises	800	800	800	800	800	800
Supplies and Services	85,600	83,600	83,600	83,600	83,600	83,600
Third Party Payments	38,000	37,700	37,700	37,700	37,700	37,700
Transport	4,500	3,900	3,900	3,900	3,900	3,900
Total Expenditure	516,500	530,700	540,100	547,900	555,700	564,800
Net Total	515,500	520,200	529,600	537,400	545,200	554,300

Debtors	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	20,000	21,300	22,200	23,000	23,900	24,300
Supplies and Services	2,500	2,500	2,500	2,500	2,500	2,500
Total Expenditure	22,500	23,800	24,700	25,500	26,400	26,800
Net Total	22,500	23,800	24,700	25,500	26,400	26,800

Democratic Representation	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	195,500	205,700	208,600	211,500	214,500	217,500
Supplies and Services	337,000	306,200	309,700	309,700	319,700	319,700
Transport	29,400	29,200	29,200	29,200	29,200	29,200
Total Expenditure	561,900	541,100	547,500	550,400	563,400	566,400
Net Total	561,900	541,100	547,500	550,400	563,400	566,400

The following tables detail Business Unit Income and Expenditure Budgets

Director of Resources	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	101,900	105,600	106,400	107,200	108,000	108,800
Supplies and Services	0	3,100	3,100	3,100	3,100	3,100
Transport	0	2,900	2,900	2,900	2,900	2,900
Total Expenditure	101,900	111,600	112,400	113,200	114,000	114,800
Net Total	101,900	111,600	112,400	113,200	114,000	114,800

Elections	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(70,500)	0	0	0	(70,500)	0
Total Income	(70,500)	0	0	0	(70,500)	0
Expenditure						
Premises	19,400	0	0	0	19,400	0
Supplies and Services	49,000	0	0	6,400	57,400	6,400
Third Party Payments	84,200	0	0	0	90,000	0
Transport	4,700	0	0	0	4,700	6,400
Total Expenditure	157,300	0	0	6,400	171,500	12,800
Net Total	86,800	0	0	6,400	101,000	12,800

Emergency Planning	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Supplies and Services	15,200	15,200	15,200	15,200	15,200	15,200
Transport	3,700	3,800	3,800	3,800	3,800	3,800
Total Expenditure	18,900	19,000	19,000	19,000	19,000	19,000
Net Total	18,900	19,000	19,000	19,000	19,000	19,000

The following tables detail Business Unit Income and Expenditure Budgets

Financial Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	392,100	407,400	411,300	421,500	430,400	437,500
Supplies and Services	50,700	50,500	50,500	50,500	50,500	50,500
Third Party Payments	71,000	122,900	124,400	124,300	123,900	125,300
Transport	4,100	4,100	4,100	4,100	4,100	4,100
Total Expenditure	517,900	584,900	590,300	600,400	608,900	617,400
Net Total	517,900	584,900	590,300	600,400	608,900	617,400

Housing Benefits Admin	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	0	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Government Grants	(430,800)	(336,800)	(336,800)	(336,800)	(336,800)	(336,800)
Other Grants and Contributions	(278,600)	0	0	0	0	0
Total Income	(709,400)	(366,800)	(366,800)	(366,800)	(366,800)	(366,800)
Expenditure						
Employees	525,400	566,100	580,200	591,300	600,500	610,900
Premises	1,800	1,500	1,500	1,500	1,500	1,500
Supplies and Services	28,200	35,600	35,600	35,600	35,600	35,600
Transport	11,800	10,600	10,600	10,600	10,600	10,600
Total Expenditure	567,200	613,800	627,900	639,000	648,200	658,600
Net Total	(142,200)	247,000	261,100	272,200	281,400	291,800

Housing Benefits Payments	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Government Grants	(22,514,000)	(22,755,000)	(22,755,000)	(22,755,000)	(22,755,000)	(22,755,000)
Other Grants and Contributions	0	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
Total Income	(22,514,000)	(23,155,000)	(23,155,000)	(23,155,000)	(23,155,000)	(23,155,000)
Expenditure						
Transfer Payments	22,599,000	22,959,700	22,959,700	22,959,700	22,959,700	22,959,700
Total Expenditure	22,599,000	22,959,700	22,959,700	22,959,700	22,959,700	22,959,700
Net Total	85,000	(195,300)	(195,300)	(195,300)	(195,300)	(195,300)

The following tables detail Business Unit Income and Expenditure Budgets

Housing Benefits Projects	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(78,800)	0	0	0	0	0
Total Income	(78,800)	0	0	0	0	0
Expenditure						
Employees	45,500	0	0	0	0	0
Premises	300	0	0	0	0	0
Supplies and Services	2,700	0	0	0	0	0
Transport	7,600	0	0	0	0	0
Total Expenditure	56,100	0	0	0	0	0
Net Total	(22,700)	0	0	0	0	0

Human Resources	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	0	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Total Income	0	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Expenditure						
Employees	222,600	231,400	236,700	239,500	242,300	245,000
Supplies and Services	7,000	7,100	7,100	7,100	7,100	7,100
Third Party Payments	17,000	17,000	17,000	17,000	17,000	17,000
Transfer Payments	700	500	500	500	500	500
Transport	1,500	1,500	1,500	1,500	1,500	1,500
Total Expenditure	248,800	257,500	262,800	265,600	268,400	271,100
Net Total	248,800	255,500	260,800	263,600	266,400	269,100

ICT Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Total Income	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Expenditure						
Employees	133,900	113,300	115,400	117,500	119,500	121,600
Supplies and Services	98,600	107,100	107,200	107,200	107,300	107,300
Third Party Payments	0	5,000	5,000	5,000	5,000	5,000
Transport	1,100	400	400	400	400	400
Total Expenditure	233,600	225,800	228,000	230,100	232,200	234,300
Net Total	231,100	223,300	225,500	227,600	229,700	231,800

The following tables detail Business Unit Income and Expenditure Budgets

Legal Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Total Income	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Expenditure						
Supplies and Services	2,000	2,000	2,000	2,000	2,000	2,000
Third Party Payments	138,700	138,700	138,700	138,700	138,700	138,700
Total Expenditure	140,700	140,700	140,700	140,700	140,700	140,700
Net Total	130,700	130,700	130,700	130,700	130,700	130,700

Loal Tax Collection	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Government Grants	(105,800)	(105,800)	(105,800)	(105,800)	(105,800)	(105,800)
Other Grants and Contributions	(157,600)	(157,600)	(157,600)	(157,600)	(157,600)	(157,600)
Total Income	(263,400)	(263,400)	(263,400)	(263,400)	(263,400)	(263,400)
Expenditure						
Employees	316,500	335,000	346,200	358,400	367,000	373,400
Supplies and Services	78,500	92,700	92,700	92,700	92,700	92,700
Third Party Payments	75,300	75,300	75,300	75,300	75,300	75,300
Transfer Payments	200	0	0	0	0	0
Transport	2,300	2,300	2,300	2,300	2,300	2,300
Total Expenditure	472,800	505,300	516,500	528,700	537,300	543,700
Net Total	209,400	241,900	253,100	265,300	273,900	280,300

Net Investment Interest	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Interest	(10,500)	(18,500)	(56,100)	(48,200)	(43,700)	(42,900)
Total Income	(10,500)	(18,500)	(56,100)	(48,200)	(43,700)	(42,900)
Total Expenditure	0	0	0	0	0	0
Net Total	(10,500)	(18,500)	(56,100)	(48,200)	(43,700)	(42,900)

The following tables detail Business Unit Income and Expenditure Budgets

Other Council Properties	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Other Grants and Contributions	(8,500)	(5,500)	(5,500)	(5,500)	(5,500)	(5,500)
Total Income	(8,500)	(5,500)	(5,500)	(5,500)	(5,500)	(5,500)
Expenditure						
Premises	4,500	4,700	4,700	4,700	4,700	4,700
Total Expenditure	4,500	4,700	4,700	4,700	4,700	4,700
Net Total	(4,000)	(800)	(800)	(800)	(800)	(800)

Precepts	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Supplies and Services	331,700	338,300	345,100	352,000	359,000	366,200
Transfer Payments	177,000	177,000	177,000	177,000	177,000	177,000
Total Expenditure	508,700	515,300	522,100	529,000	536,000	543,200
Net Total	508,700	515,300	522,100	529,000	536,000	543,200

Property Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Total Income	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Expenditure						
Employees	137,900	143,200	145,800	148,300	150,900	153,500
Premises	32,100	29,100	29,100	29,100	29,100	29,100
Supplies and Services	4,100	10,800	10,800	10,800	10,800	10,800
Third Party Payments	20,000	20,000	20,000	20,000	20,000	20,000
Transport	4,800	4,500	4,500	4,500	4,500	4,500
Total Expenditure	198,900	207,600	210,200	212,700	215,300	217,900
Net Total	197,300	206,000	208,600	211,100	213,700	216,300

The following tables detail Business Unit Income and Expenditure Budgets

Register of Electors	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(9,500)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Government Grants	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Total Income	(26,500)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Expenditure						
Employees	62,800	65,400	67,200	68,300	69,600	70,900
Supplies and Services	49,400	28,400	28,400	28,400	28,400	28,400
Third Party Payments	11,200	30,200	30,200	30,200	30,200	30,200
Transport	700	2,700	2,700	2,700	2,700	2,700
Total Expenditure	124,100	126,700	128,500	129,600	130,900	132,200
Net Total	97,600	106,700	108,500	109,600	110,900	112,200

Support Services - Admin	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	56,100	57,500	58,500	59,600	60,600	62,400
Supplies and Services	67,200	78,700	78,700	78,700	78,700	78,700
Transport	1,500	900	900	900	900	900
Total Expenditure	124,800	137,100	138,100	139,200	140,200	142,000
Net Total	124,800	137,100	138,100	139,200	140,200	142,000

Support Services - Corporate	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	187,900	194,000	198,200	201,400	204,700	208,200
Supplies and Services	2,000	2,100	2,100	2,100	2,100	2,100
Transfer Payments	2,100	2,100	2,100	2,100	2,100	2,100
Transport	700	700	700	700	700	700
Total Expenditure	192,700	198,900	203,100	206,300	209,600	213,100
Net Total	192,700	198,900	203,100	206,300	209,600	213,100

The following tables detail Business Unit Income and Expenditure Budgets

Systems Development	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(16,000)	(19,300)	(19,300)	(19,300)	(19,300)	(19,300)
Total Income	(16,000)	(19,300)	(19,300)	(19,300)	(19,300)	(19,300)
Expenditure						
Employees	238,600	257,500	264,600	271,100	277,500	283,800
Supplies and Services	284,600	258,300	258,300	258,300	258,300	258,300
Transport	2,000	3,000	3,000	3,000	3,000	3,000
Total Expenditure	525,200	518,800	525,900	532,400	538,800	545,100
Net Total	509,200	499,500	506,600	513,100	519,500	525,800

**Prosperous Communities Income and Expenditure Budgets
(Excluding Capital Charges and Recharges)**

Prosperous Communities	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,996,000)	(2,175,500)	(2,384,600)	(2,384,600)	(2,384,600)	(2,384,600)
Government Grants	(30,000)	(221,500)	(55,000)	(55,000)	(55,000)	(55,000)
Other Grants and Contributions	(167,500)	(26,900)	(26,900)	(26,900)	(26,900)	(26,900)
Total Income	(2,193,500)	(2,423,900)	(2,466,500)	(2,466,500)	(2,466,500)	(2,466,500)
Expenditure						
Employees	4,487,700	4,890,400	4,881,800	4,858,800	4,908,600	4,984,700
Premises	403,900	351,800	342,200	343,200	344,200	345,200
Supplies and Services	502,300	630,700	599,000	497,500	497,400	483,300
Third Party Payments	908,100	1,089,800	992,100	816,000	826,800	831,200
Transfer Payments	64,100	74,100	74,100	82,500	74,100	74,100
Transport	821,200	834,700	802,500	815,100	809,500	809,500
Total Expenditure	7,187,300	7,871,500	7,691,700	7,413,100	7,460,600	7,528,000
Net Total	4,993,800	5,447,600	5,225,200	4,946,600	4,994,100	5,061,500

APPENDIX C

Prosperous Communities Base Budget – Business Unit Analysis (Excluding Capital Charges and Recharges)

Business Unit	Base Budget 15/16	Base Budget 16/17	Base Budget 17/18	Base Budget 18/19	Base Budget 19/20	Base Budget 20/21
Building Control	61,500	51,500	57,000	61,900	66,900	71,200
Car Parks	(23,800)	(144,100)	(158,800)	(158,100)	(157,400)	(156,700)
Cemeteries and Churchyards	50,200	48,200	48,200	48,200	48,200	48,200
Community Action & Community Safety	439,800	443,500	430,200	437,300	443,600	449,900
Culture, Heritage & Leisure	500,600	482,200	440,700	449,200	457,600	466,500
Development Management	(316,800)	(268,100)	60,700	74,200	86,000	96,700
Economic Development	339,000	747,600	754,600	651,500	610,200	613,300
Environmental Initiatives	100,900	89,200	90,000	90,600	91,400	92,000
Food Safety	127,300	132,100	134,500	136,700	139,000	141,400
General Grants etc	284,200	459,800	459,800	193,000	193,000	193,000
Health and Safety	64,800	70,600	71,600	72,800	73,900	74,900
Homelessness/ Housing Advice	283,700	259,000	263,500	267,100	270,500	274,100
Housing Strategy	187,200	215,700	206,300	195,400	217,700	219,900
Land Charges	(20,800)	(15,200)	(12,200)	(12,400)	(10,800)	(8,800)
Licenses - Community	(42,300)	(29,000)	(27,400)	(26,000)	(24,400)	(22,800)
Neighbourhood Planning & Local Plans	221,900	0	0	0	0	0
Other Council Properties	(11,600)	(12,400)	(12,300)	(12,200)	(12,100)	(12,000)
Parish Lighting	46,700	54,700	54,700	63,100	54,700	54,700
Parks & Open Spaces	59,800	62,000	62,000	62,000	62,000	62,000
Pest and Dog Control	26,900	26,700	26,700	26,700	26,700	26,700
Planning Policy - Forward Planning	61,800	71,700	75,600	76,800	78,200	79,500
Pollution Control	95,200	107,200	109,000	110,800	112,700	114,400
Private Sector Housing Renewal	128,500	146,000	149,700	153,300	157,100	159,800
Property Services	2,900	2,900	2,900	2,900	2,900	2,900
Public Conveniences	65,100	65,100	65,200	66,000	66,700	67,500
Public Protection	18,700	5,200	5,200	5,200	5,200	5,200
Street Cleansing	449,200	438,400	440,800	450,300	453,500	458,600
Tourism	27,700	28,600	29,300	29,700	30,200	30,700
Town Centre Markets	25,600	31,900	34,200	36,900	39,500	39,600
Trade Waste	(11,000)	(57,700)	(57,700)	(57,700)	(57,700)	(71,800)
Waste Management	1,750,900	1,934,300	1,421,200	1,451,400	1,469,100	1,490,900
Grand Total	4,993,800	5,447,600	5,225,200	4,946,600	4,994,100	5,061,500

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Building Control	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(216,600)	(210,500)	(210,500)	(210,500)	(210,500)	(210,500)
Total Income	(216,600)	(210,500)	(210,500)	(210,500)	(210,500)	(210,500)
Expenditure						
Employees	244,900	232,700	238,200	243,100	248,100	252,400
Supplies and Services	14,000	12,200	12,200	12,200	12,200	12,200
Third Party Payments	5,000	2,700	2,700	2,700	2,700	2,700
Transport	14,200	14,400	14,400	14,400	14,400	14,400
Total Expenditure	278,100	262,000	267,500	272,400	277,400	281,700
Net Total	61,500	51,500	57,000	61,900	66,900	71,200

Car Parks	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(190,400)	(251,800)	(251,800)	(251,800)	(251,800)	(251,800)
Total Income	(190,400)	(251,800)	(251,800)	(251,800)	(251,800)	(251,800)
Expenditure						
Employees	17,300	16,200	14,300	14,500	14,700	14,900
Premises	119,500	57,400	47,300	47,800	48,300	48,800
Supplies and Services	6,100	3,800	3,800	3,800	3,800	3,800
Third Party Payments	22,700	29,200	26,500	26,500	26,500	26,500
Transport	1,000	1,100	1,100	1,100	1,100	1,100
Total Expenditure	166,600	107,700	93,000	93,700	94,400	95,100
Net Total	(23,800)	(144,100)	(158,800)	(158,100)	(157,400)	(156,700)

Cemeteries and Churchyards	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(2,700)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Total Income	(2,700)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Expenditure						
Premises	52,500	52,400	52,400	52,400	52,400	52,400
Supplies and Services	400	400	400	400	400	400
Total Expenditure	52,900	52,800	52,800	52,800	52,800	52,800
Net Total	50,200	48,200	48,200	48,200	48,200	48,200

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Community Action and Community Safety	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(400)	(800)	(20,800)	(20,800)	(20,800)	(20,800)
Other Grants and Contributions	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Income	(1,400)	(1,800)	(21,800)	(21,800)	(21,800)	(21,800)
Expenditure						
Employees	363,000	383,900	390,600	397,700	404,000	411,100
Premises	700	200	200	200	200	200
Supplies and Services	58,700	35,400	35,400	35,400	35,400	35,400
Third Party Payments	0	7,000	7,000	7,000	7,000	6,200
Transfer Payments	0	1,500	1,500	1,500	1,500	1,500
Transport	18,800	17,300	17,300	17,300	17,300	17,300
Total Expenditure	441,200	445,300	452,000	459,100	465,400	471,700
Net Total	439,800	443,500	430,200	437,300	443,600	449,900

Culture, Heritage & Leisure	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(99,300)	(137,100)	(137,100)	(137,100)	(137,100)	(137,100)
Government Grants	0	(135,200)	0	0	0	0
Total Income	(99,300)	(272,300)	(137,100)	(137,100)	(137,100)	(137,100)
Expenditure						
Employees	133,300	162,900	100,100	101,700	103,000	104,600
Premises	91,000	91,200	91,400	91,600	91,800	92,000
Supplies and Services	80,700	129,900	96,700	96,700	96,700	96,700
Third Party Payments	286,000	360,700	280,700	287,400	294,300	301,400
Transfer Payments	8,000	8,000	8,000	8,000	8,000	8,000
Transport	900	1,800	900	900	900	900
Total Expenditure	599,900	754,500	577,800	586,300	594,700	603,600
Net Total	500,600	482,200	440,700	449,200	457,600	466,500

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Development Management	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(920,000)	(920,400)	(607,500)	(607,500)	(607,500)	(607,500)
Total Income	(920,000)	(920,400)	(607,500)	(607,500)	(607,500)	(607,500)
Expenditure						
Employees	549,100	575,300	591,200	604,700	616,500	627,200
Premises	0	5,000	5,000	5,000	5,000	5,000
Supplies and Services	31,600	45,000	45,000	45,000	45,000	45,000
Third Party Payments	10,000	15,000	15,000	15,000	15,000	15,000
Transfer Payments	0	500	500	500	500	500
Transport	12,500	11,500	11,500	11,500	11,500	11,500
Total Expenditure	603,200	652,300	668,200	681,700	693,500	704,200
Net Total	(316,800)	(268,100)	60,700	74,200	86,000	96,700

Economic Development	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Government Grants	0	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)
Total Income	0	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)
Expenditure						
Employees	295,100	608,700	618,700	518,600	493,500	498,500
Supplies and Services	1,000	900	900	900	800	800
Third Party Payments	15,000	165,100	162,100	159,100	143,000	141,100
Transfer Payments	23,900	23,900	23,900	23,900	23,900	23,900
Transport	4,000	4,000	4,000	4,000	4,000	4,000
Total Expenditure	339,000	802,600	809,600	706,500	665,200	668,300
Net Total	339,000	747,600	754,600	651,500	610,200	613,300

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Environmental Initiatives	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Income	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Expenditure						
Employees	47,400	37,000	37,800	38,400	39,200	39,800
Supplies and Services	3,700	3,800	3,800	3,800	3,800	3,800
Third Party Payments	30,000	30,000	30,000	30,000	30,000	30,000
Transfer Payments	17,900	17,900	17,900	17,900	17,900	17,900
Transport	2,900	1,500	1,500	1,500	1,500	1,500
Total Expenditure	101,900	90,200	91,000	91,600	92,400	93,000
Net Total	100,900	89,200	90,000	90,600	91,400	92,000

Food Safety	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(600)	(700)	(700)	(700)	(700)	(700)
Total Income	(600)	(700)	(700)	(700)	(700)	(700)
Expenditure						
Employees	119,700	125,200	127,600	129,800	132,100	134,500
Supplies and Services	1,200	600	600	600	600	600
Transport	7,000	7,000	7,000	7,000	7,000	7,000
Total Expenditure	127,900	132,800	135,200	137,400	139,700	142,100
Net Total	127,300	132,100	134,500	136,700	139,000	141,400

General Grants etc.	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Supplies and Services	55,000	135,800	135,800	35,800	35,800	35,800
Third Party Payments	229,200	324,000	324,000	157,200	157,200	157,200
Total Expenditure	284,200	459,800	459,800	193,000	193,000	193,000
Net Total	284,200	459,800	459,800	193,000	193,000	193,000

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The following tables detail Business Unit Income and Expenditure Budgets

Health & Safety	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	63,000	69,000	70,000	71,200	72,300	73,300
Supplies and Services	500	300	300	300	300	300
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	64,800	70,600	71,600	72,800	73,900	74,900
Net Total	64,800	70,600	71,600	72,800	73,900	74,900

Homelessness / Housing Advice	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(27,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Government Grants	0	(31,300)	0	0	0	0
Total Income	(27,000)	(54,300)	(23,000)	(23,000)	(23,000)	(23,000)
Expenditure						
Employees	228,100	241,300	215,100	218,700	222,100	225,700
Supplies and Services	8,500	5,000	5,000	5,000	5,000	5,000
Third Party Payments	68,600	61,100	61,100	61,100	61,100	61,100
Transport	5,500	5,900	5,300	5,300	5,300	5,300
Total Expenditure	310,700	313,300	286,500	290,100	293,500	297,100
Net Total	283,700	259,000	263,500	267,100	270,500	274,100

Housing Strategy	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(10,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Total Income	(10,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Expenditure						
Employees	157,900	167,200	169,800	171,900	174,200	176,400
Supplies and Services	1,800	1,100	1,100	1,100	1,100	1,100
Third Party Payments	35,000	60,000	48,000	35,000	55,000	55,000
Transport	2,500	2,400	2,400	2,400	2,400	2,400
Total Expenditure	197,200	230,700	221,300	210,400	232,700	234,900
Net Total	187,200	215,700	206,300	195,400	217,700	219,900

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The following tables detail Business Unit Income and Expenditure Budgets

Land Charges	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
Total Income	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
Expenditure						
Employees	74,800	80,500	82,000	83,300	84,900	86,900
Supplies and Services	1,400	1,300	2,800	1,300	1,300	1,300
Third Party Payments	27,500	27,500	27,500	27,500	27,500	27,500
Transport	500	500	500	500	500	500
Total Expenditure	104,200	109,800	112,800	112,600	114,200	116,200
Net Total	(20,800)	(15,200)	(12,200)	(12,400)	(10,800)	(8,800)

Licences - Community	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(141,500)	(131,300)	(131,300)	(131,300)	(131,300)	(131,300)
Other Grants and Contributions	(8,000)	(5,400)	(5,400)	(5,400)	(5,400)	(5,400)
Total Income	(149,500)	(136,700)	(136,700)	(136,700)	(136,700)	(136,700)
Expenditure						
Employees	82,500	85,800	87,400	88,800	90,400	92,000
Supplies and Services	21,800	18,900	18,900	18,900	18,900	18,900
Transport	2,900	3,000	3,000	3,000	3,000	3,000
Total Expenditure	107,200	107,700	109,300	110,700	112,300	113,900
Net Total	(42,300)	(29,000)	(27,400)	(26,000)	(24,400)	(22,800)

Neighbourhood Planning & Local Plans	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Government Grants	(30,000)	0	0	0	0	0
Total Income	(30,000)	0	0	0	0	0
Expenditure						
Employees	80,800	0	0	0	0	0
Third Party Payments	171,100	0	0	0	0	0
Total Expenditure	251,900	0	0	0	0	0
Net Total	221,900	0	0	0	0	0

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The following tables detail Business Unit Income and Expenditure Budgets

Other Council Properties	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(37,800)	(38,400)	(38,400)	(38,400)	(38,400)	(38,400)
Total Income	(37,800)	(38,400)	(38,400)	(38,400)	(38,400)	(38,400)
Expenditure						
Premises	25,100	24,900	25,000	25,100	25,200	25,300
Supplies and Services	1,100	1,100	1,100	1,100	1,100	1,100
Total Expenditure	26,200	26,000	26,100	26,200	26,300	26,400
Net Total	(11,600)	(12,400)	(12,300)	(12,200)	(12,100)	(12,000)

Parish Lighting	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Premises	32,400	32,400	32,400	32,400	32,400	32,400
Transfer Payments	14,300	22,300	22,300	30,700	22,300	22,300
Total Expenditure	46,700	54,700	54,700	63,100	54,700	54,700
Net Total	46,700	54,700	54,700	63,100	54,700	54,700

Parks & Open Spaces	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Income	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Expenditure						
Premises	43,000	46,200	46,200	46,200	46,200	46,200
Supplies and Services	17,800	16,800	16,800	16,800	16,800	16,800
Total Expenditure	60,800	63,000	63,000	63,000	63,000	63,000
Net Total	59,800	62,000	62,000	62,000	62,000	62,000

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The following tables detail Business Unit Income and Expenditure Budgets

Pest and Dog Control	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(1,700)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Total Income	(1,700)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Expenditure						
Supplies and Services	27,900	27,900	27,900	27,900	27,900	27,900
Transport	700	800	800	800	800	800
Total Expenditure	28,600	28,700	28,700	28,700	28,700	28,700
Net Total	26,900	26,700	26,700	26,700	26,700	26,700

Planning Policy - Forward Planning	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	57,500	68,700	72,600	73,800	75,200	76,500
Supplies and Services	600	800	800	800	800	800
Transport	3,700	2,200	2,200	2,200	2,200	2,200
Total Expenditure	61,800	71,700	75,600	76,800	78,200	79,500
Net Total	61,800	71,700	75,600	76,800	78,200	79,500

Pollution Control	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(10,800)	(10,800)	(10,800)	(10,800)	(10,800)	(10,800)
Other Grants and Contributions	(500)	(500)	(500)	(500)	(500)	(500)
Total Income	(11,300)	(11,300)	(11,300)	(11,300)	(11,300)	(11,300)
Expenditure						
Employees	93,100	106,200	108,000	109,800	111,700	113,400
Premises	500	500	500	500	500	500
Supplies and Services	2,800	2,200	2,200	2,200	2,200	2,200
Third Party Payments	4,000	3,500	3,500	3,500	3,500	3,500
Transport	6,100	6,100	6,100	6,100	6,100	6,100
Total Expenditure	106,500	118,500	120,300	122,100	124,000	125,700
Net Total	95,200	107,200	109,000	110,800	112,700	114,400

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Private Sector Housing Renewal	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(7,200)	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)
Total Income	(7,200)	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)
Expenditure						
Employees	127,100	139,600	143,300	146,900	150,700	153,400
Premises	0	5,000	5,000	5,000	5,000	5,000
Supplies and Services	2,200	1,400	1,400	1,400	1,400	1,400
Transport	6,400	6,300	6,300	6,300	6,300	6,300
Total Expenditure	135,700	152,300	156,000	159,600	163,400	166,100
Net Total	128,500	146,000	149,700	153,300	157,100	159,800

Property Services	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Premises	2,900	2,900	2,900	2,900	2,900	2,900
Total Expenditure	2,900	2,900	2,900	2,900	2,900	2,900
Net Total	2,900	2,900	2,900	2,900	2,900	2,900

Public Conveniences	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	36,100	37,100	37,000	37,600	38,100	38,700
Premises	26,800	25,900	26,100	26,300	26,500	26,700
Supplies and Services	2,200	2,100	2,100	2,100	2,100	2,100
Total Expenditure	65,100	65,100	65,200	66,000	66,700	67,500
Net Total	65,100	65,100	65,200	66,000	66,700	67,500

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Public Protection	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	16,900	4,000	4,000	4,000	4,000	4,000
Supplies and Services	500	100	100	100	100	100
Transport	1,300	1,100	1,100	1,100	1,100	1,100
Total Expenditure	18,700	5,200	5,200	5,200	5,200	5,200
Net Total	18,700	5,200	5,200	5,200	5,200	5,200

Street Cleansing	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(30,300)	(32,000)	(32,000)	(32,000)	(32,000)	(32,000)
Other Grants and Contributions	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Total Income	(50,300)	(52,000)	(52,000)	(52,000)	(52,000)	(52,000)
Expenditure						
Employees	315,100	303,200	305,600	310,800	315,800	320,900
Premises	2,500	2,500	2,500	2,500	2,500	2,500
Supplies and Services	31,800	32,400	32,400	32,400	32,400	32,400
Transport	150,100	152,300	152,300	156,600	154,800	154,800
Total Expenditure	499,500	490,400	492,800	502,300	505,500	510,600
Net Total	449,200	438,400	440,800	450,300	453,500	458,600

Tourism	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Total Income	0	0	0	0	0	0
Expenditure						
Employees	26,400	27,300	28,000	28,400	28,900	29,400
Transport	1,300	1,300	1,300	1,300	1,300	1,300
Total Expenditure	27,700	28,600	29,300	29,700	30,200	30,700
Net Total	27,700	28,600	29,300	29,700	30,200	30,700

APPENDIX C

The following tables detail Business Unit Income and Expenditure Budgets

Town Centre Markets	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(62,500)	(51,300)	(51,300)	(51,300)	(51,300)	(51,300)
Total Income	(62,500)	(51,300)	(51,300)	(51,300)	(51,300)	(51,300)
Expenditure						
Employees	62,400	64,700	67,000	69,700	72,300	72,400
Premises	6,300	4,600	4,600	4,600	4,600	4,600
Supplies and Services	15,300	9,700	9,700	9,700	9,700	9,700
Transport	4,100	4,200	4,200	4,200	4,200	4,200
Total Expenditure	88,100	83,200	85,500	88,200	90,800	90,900
Net Total	25,600	31,900	34,200	36,900	39,500	39,600

Trade Waste	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(23,100)	(100,600)	(100,600)	(100,600)	(100,600)	(100,600)
Total Income	(23,100)	(100,600)	(100,600)	(100,600)	(100,600)	(100,600)
Expenditure						
Supplies and Services	10,000	41,200	41,200	41,200	41,200	27,100
Transport	2,100	1,700	1,700	1,700	1,700	1,700
Total Expenditure	12,100	42,900	42,900	42,900	42,900	28,800
Net Total	(11,000)	(57,700)	(57,700)	(57,700)	(57,700)	(71,800)

Waste Management	Base Budget 15/16 £	Base Budget 16/17 £	Base Budget 17/18 £	Base Budget 18/19 £	Base Budget 19/20 £	Base Budget 20/21 £
Income						
Customer and Client Receipts	(87,100)	(111,900)	(613,900)	(613,900)	(613,900)	(613,900)
Other Grants and Contributions	(138,000)	0	0	0	0	0
Total Income	(225,100)	(111,900)	(613,900)	(613,900)	(613,900)	(613,900)
Expenditure						
Employees	1,296,200	1,353,900	1,373,500	1,395,400	1,416,900	1,438,700
Premises	700	700	700	700	700	700
Supplies and Services	103,700	100,600	100,600	100,600	100,600	100,600
Third Party Payments	4,000	4,000	4,000	4,000	4,000	4,000
Transport	571,400	587,000	556,300	564,600	560,800	560,800
Total Expenditure	1,976,000	2,046,200	2,035,100	2,065,300	2,083,000	2,104,800
Net Total	1,750,900	1,934,300	1,421,200	1,451,400	1,469,100	1,490,900

Revenue Budget Summary 2016/17 – 2020/21

	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £
Prosperous Communities	5,447,600	5,225,200	4,946,600	4,994,100	5,061,500
Corporate Policy & Resources Committee	6,097,100	5,549,200	5,012,600	4,725,200	4,603,800
Committee Totals	11,544,700	10,774,400	9,959,200	9,719,300	9,665,300
Parish Precepts	1,788,891	1,788,891	1,788,891	1,788,891	1,788,891
Interest and investment income	(196,000)	(196,000)	(188,000)	(180,000)	(147,000)
Interest payable	192,500	654,100	904,000	1,102,900	1,134,600
Statutory MRP	298,700	367,000	486,200	579,200	600,200
Capital Expenditure charged Against General	2,888,700	3,045,000	2,641,400	2,895,000	1,180,000
Net Operating Expenditure	16,517,491	16,433,391	15,591,691	15,905,291	14,221,991
Transfer to / (from) General Fund	(500,074)	0	0	0	0
Transfer to / (from) Earmarked Reserves	(1,004,800)	(1,636,300)	(1,112,500)	(1,771,800)	(370,400)
Amount to be met from Government Grant or Council Tax	15,012,617	14,797,091	14,479,191	14,133,491	13,851,591
Funding					
Revenue Support Grant	1,387,345	760,801	370,746	0	0
Business Rate Retention Scheme	3,309,700	3,460,600	3,460,600	3,460,600	3,460,600
Collection Fund Surplus - Council Tax	202,083	50,000	50,000	50,000	50,000
Parish Councils Tax Requirement	1,788,891	1,788,891	1,788,891	1,788,891	1,788,891
New Homes Bonus	2,480,600	2,018,200	1,680,300	1,397,700	931,800
Other Government Grants	211,700	291,520	371,350	451,170	62,600
Council Tax Requirement	5,632,298	5,798,713	5,967,706	6,142,229	6,322,479
TOTAL FUNDING	15,012,617	14,168,725	13,689,593	13,290,590	12,616,370
Balanced Budget	0	628,366	789,598	842,901	1,235,221

Appendix D

Summary of WLDC Medium Term Financial Plan 2016/17 – 2020/21

Net Operating Expenditure

	2016/17 Original Budget £	2017/18 Original Budget £	2018/19 Original Budget £	2019/20 Original Budget £	2020/21 Original Budget £
Expenditure	43,469,991	44,045,491	43,752,191	44,539,891	42,875,991
Capital Expenditure	2,888,700	3,045,000	2,641,400	2,895,000	1,180,000
Employees	9,666,100	9,763,600	9,843,200	9,989,100	10,160,800
Interest Payable	192,500	654,100	904,000	1,102,900	1,134,600
Other Operating Expenditure-Parish Precepts	1,788,891	1,788,891	1,788,891	1,788,891	1,788,891
Premises	1,010,100	1,019,900	1,044,100	1,074,300	1,068,800
Supplies and Services	2,196,200	2,174,900	2,086,700	2,154,700	2,096,800
Third Party Payments	1,595,000	1,498,800	1,322,600	1,423,000	1,338,800
Transfer Payments	23,213,400	23,213,400	23,221,800	23,213,400	23,213,400
Transport	919,100	886,900	899,500	898,600	893,900
Income	(27,251,200)	(27,979,100)	(28,646,700)	(29,213,800)	(29,254,200)
Customer and Client Receipts	(2,985,400)	(3,842,200)	(4,525,700)	(5,105,300)	(5,179,500)
Government Grants	(23,429,100)	(23,262,600)	(23,262,600)	(23,262,600)	(23,262,600)
Interest Receivable	(214,500)	(252,100)	(236,200)	(223,700)	(189,900)
Other Grants and Contributions	(622,200)	(622,200)	(622,200)	(622,200)	(622,200)
Transfers To / (From) Reserves	(1,206,174)	(1,269,300)	(626,300)	(1,192,600)	229,800
Transfers To / (From) Reserves	(1,206,174)	(1,269,300)	(626,300)	(1,192,600)	229,800
Grand Total	15,012,617	14,797,091	14,479,191	14,133,491	13,851,591

CAPITAL INVESTMENT STRATEGY 2016/17 – 2020/21

1. Introduction

The Capital Investment Strategy forms a key part of the Council's overall Corporate Planning Framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's over-arching corporate priorities and objectives over a medium term (five year) planning horizon.

The Capital Investment Strategy provides a framework to enable both revenue and capital investment decisions which contribute to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

The strategy defines how the capital programme is to be formulated, and it identifies issues and options that influence revenue and capital spending, and sets out how the resources will be managed.

Key elements of the strategy;

- Ensures investments meet our Corporate Plan objectives
- Incorporates the requirements of the Asset Management Plan
- Enables the development of an Capital Investment Programme over the medium term (5 years)
- A framework which will identify priorities for the use of resources for investment.
- Decisions are based on sound business cases.
- Directly links to the Treasury Management Strategy ensuring an affordable and sustainable Capital Investment Programme and within the limitations of Prudential Indicators.
- Informs the Budget Strategy by identifying the revenue impacts of investment decisions.
- Incorporates an annual review to ensure the programme still meets our priorities.
- Considers opportunities for joint ventures/partnerships/co-production

2. Principles Supporting the Capital Investment Strategy

a) Strategy Principles

- The investment programme will support the Council's strategic priorities. therefore the capital investment programme will link to all key strategic planning documents: specifically the Corporate Plan and the Medium Term Financial Strategy.

- Schemes within the programme will be prioritised on an authority wide basis and the process of assessing investments, against specific criteria, will identify the relative importance of potential schemes.
- **Responsible Investing (RI)** - investing in opportunities that seek to generate both financial value and sustainable growth,
- **Socially responsible investing (SRI)**, also known as sustainable, socially conscious, "green" or ethical investing, is any investment strategy which seeks to consider both financial return and social good.

b) Capital Investment Policy

The Capital Investment Strategy will be underpinned by a Physical Asset Investment Policy. The policy ***does not describe detailed operational investment activity but does describe the framework, and principal [underlying] considerations, which the Council will follow when reviewing and subsequently agreeing investment opportunities.*** It is designed to support the goals and objectives as outlined in the Corporate Plan, the general objectives of a UK public sector service provider and the very specific aims; goals and aspirations of the Council members; executive officers and their teams.

c) Finance Principles

- The overarching principal is the commitment to achieve affordable capital investments over the longer term.
- To pursue all available external funding options and opportunities for leverage of external resources
- Value for money investment over full life cycle.
- Robust financial implications and appraisals are included within all Business Cases and Invest to Save/Earn scheme proposals and schemes are costed on a whole life basis.
- The development of partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council's investment aspirations and value for money.
- Monitoring and evaluation of approved budgets will form part of the quarterly budget monitoring reports.
- Monitoring and evaluation of approved schemes will form part of Progress and Delivery project monitoring reporting.

- Encourage community engagement by informing on priorities and consultation on proposals.

d) Asset Management Principles - (reviewed December 2015)

The Asset Management Strategy

- Define corporate policies and responsibilities relating to property asset management.
- Link property asset management strategies and capital investment plans to the Council's other strategic plans
- Carry out an assessment of the Council's accommodation needs based on its statutory functions, strategic aims, service delivery priorities and other objectives
- Assess the extent, type, condition, accessibility and performance of the existing stock to ensure that it is sufficient, suitable and "fit for purpose"
- Develop strategies for improving asset management and determine priorities for future investment in terms of maintenance and capital replacements
- Carry out an assessment of capital receipt opportunities
- To identify all significant factors which will influence or direct the asset management strategy, with particular emphasis on matters related to the Council policies, service requirements, changes in working practices and the requirements of Government policy, legislation and regulations.

3. Capital Investment Priorities

The Council's proposed Capital Investment Programme 2016/17 will support the Corporate Plan's 5 key themes.

Key Themes

Open for Business

People First

Asset Management

Central Lincolnshire Local Plan

Partnership/Devolution

Excellent, Value for Money Services

The Council's financial planning process ensures that the decisions about the allocation of capital and revenue resources are taken to achieve a corporate and consistent approach. The key corporate documents in this regard are;

The Corporate Plan

The Medium Term Financial Strategy - incorporates the revenue budget financial impacts of Capital decisions.

The Reserves Strategy- prioritises the use of reserves for capital and revenue purposes.

The Treasury Management Strategy - informs the affordability and sustainability of prudent capital investment decisions.

The Commercial Strategy

The Procurement Strategy

The Land and Property Investment Strategy

The Asset Management Strategy

The Commercial Strategy and Commercial Delivery Plan

4. The Capital Investment Strategy Process

The strategic approach to revenue and capital investment decisions needs to be formalised to ensure that our resources are directed to the most appropriate schemes which both deliver our corporate priorities and which are based on sound business cases. Assessment is to be based on uniform criteria.

Therefore the Capital Investment Strategy Process has been developed which will ensure that prioritisation of investments are directed to deliver Corporate objectives. This will include:

Existing Capital Programme – review outcome

Annual review of existing Projects – reviewed outcome

Asset Management Plan – detailed costs of required investment in property portfolio.

Financing availability i.e. Earmarked Reserves, Grant funding, Capital Receipts and Prudential Borrowing

Business Plans – identifying new schemes and projects for evaluation both capital and revenue.

A weighted scoring mechanism will then be applied to each investment proposal, ensuring a strategic approach rather than on a service needs basis.

Based on the outcome of prioritisation scoring, a list of schemes in assessment order will be presented to Members for consultation, prior to formal approval and inclusion in the Revenue Budget and Capital Programme.

The final Investment Programme and its financial implications, will be included within the Medium Term Financial Plan and this will be submitted to Council in March annually.

Fully costed and appraised business cases for each scheme will be presented to a relevant Board for consideration prior to any final decision being made.

The investment and the ongoing revenue implications of each scheme are ascertained from the financial implications and appraisals within the business cases.

The Capital Investment Value is assessed against capital definition, and deminimis limits (£10k).

Revenue Implications – impact on revenue budgets for running costs/additional staffing etc. and the impact of the cost of borrowing or loss of investment interest if capital receipts and revenue reserves are to be utilised

5. Governance of the Capital Investment Programme

In accordance with the Constitution and governance arrangements, the Council reviews its capital requirements and determines its Capital Programme within the framework of the MTFS and as part of the annual budget process. Resource constraints mean the Council continually needs to priorities expenditure in light of its aims and priorities and considers alternative solutions.

To ensure that available resources are allocated optimally, capital programme planning is determined in parallel with service and revenue budget planning process within the frame work of the MTFS.

New programmes of expenditure will be appraised following a clearly defined Business Case gateway process.

Corporate Policy and Resources Committee will receive quarterly reports detailing the full details and financial implications of schemes prior to the approval of funds being released. These reports will also include details of

- new capital investment schemes
- slippage in programme delivery
- programmes removed or reduced
- virements between schemes
- Revisions in spend profile
- overspending

Progress will also be monitored in relation to projects through the Progress and Delivery reporting framework.

The Service Leadership Team will receive monthly monitoring reports

The Corporate Leadership Team will receive quarterly monitoring reports and any exception reporting.

6. Capital Financing Strategy

The major source of capital funding available to the Council for investment has been our own reserves as we have avoided the need to borrow to fund the Capital Investment Programme.

The funding of Capital schemes can come from a number of resources;

- Prudential unsupported borrowing
- Revenue contributions and Earmarked Reserves
- Capital Receipts
- External grants and contributions (including S106)
- Leasing
- Other sources – i.e. partnerships or private sector involvement

This strategy, the outcomes of which will inform the Medium Term Financial Strategy, is intended to consider all potential funding options available to the Council and to maximise the financial resources available for investment in service provision and improvement within the framework of the MTFP.

To deliver our strategic objectives, especially in relation to economic and housing growth, regeneration and commercial investments to provide a revenue return, significant levels of investment will be required, which will result in a borrowing need.

Prudential Borrowing

The Council has discretion to undertake Prudential “unsupported” borrowing to fund capital projects with the full cost of that borrowing being funded from within Council revenue resources. This discretion is subject to complying with the Code’s regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable. Prudential borrowing does provide an option for funding additional capital development but one which has to be funded each year from within the revenue budget or from generating additional ongoing income streams.

Given the pressure on the Council’s revenue budget in future years, prudent use will be made of this discretion in cases and only where there is a clear financial benefit, such as “invest to save”, “invest to earn” commercial investments where returns are expected to be higher than the revenue costs of the debt, provision of loans where

principal repayments will be utilised as proxy for MRP, borrowing or major regeneration schemes which do not increase revenue expenditure levels in the longer term.

The Council will remain cautious and prudent in the extent of prudential borrowing undertaken to fund new capital investment.

Earmarked Reserves

Our continued prudent approach is to set aside revenue resources to fund capital investments in economic and housing growth, future service investment needs, invest to save and invest to earn schemes and enhancements of our own property assets, in addition to providing for contingencies, volatility and budget smoothing.

Our own resources will therefore be utilised to fund those schemes which provide a SRI, invest to save schemes which achieve efficiencies, and investment in our operational service asset needs.

Capital Receipts

The Council's policy of utilising Housing capital receipts for Housing related purposes will continue.

Capital receipts generated from sales of our own assets will not be ring fenced and will be utilised to either fund new capital investment or repay prudential borrowing.

External Grants and contributions (incl S106)

The Council will actively pursue grants and contributions which are available to fund capital investment schemes. This funding will be utilised in the first instance.

Leasing

The use of leasing will be undertaken where alternative funding is not available for vehicles or minor equipment and the revenue budget does not allow for a full capital repayment and there is a robust business case then the option of leasing may be considered.

Other Sources of Funding

There are a range of other potential funding sources which may be generated locally either by the Council itself or in partnership with others ie a growing number of private organisations are showing interest where clear joint benefits exist. Each case will be subject to specific financial appraisals and appropriate governance arrangements.

7. CONCLUSION

The Capital Investment Strategy is a working document, which enables the Council to make informed rational capital investment decisions to achieve its corporate priorities and objectives. It provides a framework for determining the relative importance of individual projects.

The strategy will be reviewed annually to ensure that it remains relevant and effective.

APPENDIX F

Capital Investment Programme 2016/17 - 2020/2021

Corporate Priority / Scheme	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	TOTAL CAPITAL INVESTMENT
	£	£	£	£	£	£
Open for Business						
WLDC Business Loans via crowd funding	500,000	-	-	-	-	500,000
People First						
Disabled Facilities Grants	472,500	366,000	365,000	366,000	366,000	1,935,500
Asset Management						
Capital Enhancements to Council Owned Assets	455,000	70,000	70,000	70,000	70,000	735,000
Market Street	150,000	-	-	-	-	150,000
Hemswell Masterplan	250,000	350,000	-	-	-	600,000
Commercial Investment - Property Portfolio	5,000,000	8,000,000	5,000,000	2,000,000	-	20,000,000
Commercial Investment - Other	1,465,000	1,770,000	-	-	-	3,235,000
Caister - GP Surgery	200,000	800,000	-	-	-	1,000,000
Refurbishment of Lord Street	500,000	500,000	-	-	-	1,000,000
Leisure Facilities	-	-	7,800,000	-	-	7,800,000
Central Lincolnshire Local Plan						
Gainsborough Growth	4,425,000	3,900,000	3,550,000	4,950,000	2,050,000	18,875,000
Gainsborough Growth Fund	125,000	75,000	41,000	-	-	241,000
Food Enterprise Zone infrastructure	250,000	250,000	750,000	750,000	-	2,000,000
Services						
Replacement Refuse Freighters	930,000	255,000	628,000	365,000	60,000	2,238,000
Desktop Refrsh/SAN and SQL replacment	10,000	175,000	29,000	0	0	214,000
Update Job Evaluation System	10,000	0	0	0	0	10,000
Replace IDOX Scanner	10,000	0	0	0	0	10,000
software	15,000	0	0	0	0	15,000
CRM System	50,000	0	0	0	0	50,000
Telephony (incl. Contact Centre)	0	150,000	0	0	0	150,000
Electronic Chanel Analytics	0	20,000	0	0	0	20,000
Refurbishment Interior Trinity Arts Centre	40,000	0	0	0	0	40,000
Replacement of Noise Equipment	0	0	0	10,000	0	10,000
						-
Total Capital Programme Gross Expenditure	14,857,500	16,681,000	18,233,000	8,511,000	2,546,000	60,828,500
CAPITAL FINANCING						
Grants & Contributions etc	897,500	741,000	1,156,000	3,616,000	1,366,000	7,776,500
Revenue Financing	2,888,692	3,045,000	2,641,420	2,895,000	1,180,000	12,650,112
Useable Capital Receipts	781,308	375,000	135,580	-	-	1,291,888
Prudential Borrowing	10,290,000	12,520,000	14,300,000	2,000,000	-	39,110,000
Total Capital Programme Funding	14,857,500	16,681,000	18,233,000	8,511,000	2,546,000	60,828,500

Analysis of Capital Financing						
Source	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	TOTAL
	£	£	£	£	£	£
Use of Capital Receipts	781,308	375,000	135,580	-	-	1,291,888
Use of Capital grants						
Disabled Facilities Grant	472,500	366,000	365,000	366,000	366,000	1,935,500
Growth Point	125,000	75,000	41,000	-	-	241,000
Heritage Lottery Bid	-	-	-	1,000,000	1,000,000	2,000,000
European Growth Fund Bid	-	-	-	1,500,000	-	1,500,000
GLLEp Fund Bid	300,000	-	-	-	-	300,000
S106		300,000	-	-	-	300,000
			750,000	750,000		1,500,000
	897,500	741,000	1,156,000	3,616,000	1,366,000	7,776,500
Use of Earmarked Reserves						
Property Asset Fund	700,000	1,300,000	-	-	-	2,000,000
Maintenance of Facilities Fund	555,000	70,000	70,000	70,000	70,000	835,000
Carbon Reduction Fund	50,000	-	-	-	-	50,000
IT Fund	10,000	175,000	29,000	-	-	214,000
Waste Management Fund	930,000	255,000	628,000	365,000	60,000	2,238,000
Investment for Growth Fund	518,692	1,075,000	1,914,420	2,450,000	1,050,000	7,008,112
Business Improvement & Transformation	70,000	170,000	-	10,000	-	250,000
Invest to Earn	55,000	-	-	-	-	55,000
Total Use of Earmarked Reserves	2,888,692	3,045,000	2,641,420	2,895,000	1,180,000	12,650,112
Prudential Borrowing	10,290,000	12,520,000	14,300,000	2,000,000	-	39,110,000
Capital Financing Total	14,857,500	16,681,000	18,233,000	8,511,000	2,546,000	60,828,500

Pay Policy Statement 2016/17

Introduction

West Lindsey District Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressure conflict. The council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is crucial if the council is to retain its current high performance levels during this period of change. The next period will be a particularly complex and challenging time for senior leaders and staff.

Legislation

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for 2013/2014 and for each financial year thereafter. This document comprises that Pay Policy Statement being recommended for adoption.

The Act and supporting statutory guidance provides details of matters that must be included in this statutory pay policy but also emphasises that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be approved formally by full council by the end of March each year, can be amended in year, must be published on the council's website and must be complied with when setting the terms and conditions of Chief Officer employees.

Context

This pay policy includes a policy on:-

- The level and elements of remuneration for each Chief Officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of Chief Officer and other officers; and
- Other specific aspects of Chief Officer remuneration, fees and charges and other discretionary payments

Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, enhancements of pension entitlements and termination payments.

Senior Pay

In this policy the senior pay group covers posts in the top two tiers of the organisation and any statutory officers i.e. Chief Finance Officer, section 151 or monitoring officer that are not included in the two tiers. These include the Chief Executive and Directors.

The council currently have the following number of posts at the level:-

1 x Chief Executive

3 x Directors and 1 x Monitoring Officer, at Strategic Lead level

The management structure of the organisation can be found in appendix 1.

The policy for each group is as follows:-

Chief Executive

The salary for this post has been established as a fixed salary point of £105,000. This is a local grade established following an analysis of the degree of responsibility in the role, the current downward movement in the market rates, benchmarking with other comparators and the ability to recruit and retain an exceptional candidate.

This salary was approved by full council. There are no additional bonus, performance, honoraria or ex gratia payments.

Other conditions of service are as prescribed by the Joint National Council (JNC) for Local Authority Chief Executives national conditions.

Directors

The salary for these posts has been established as a fixed salary point within the range £80,000 to £85,000. This is a local grade established following an analysis of the degree of responsibility in the role, the current downward movement in the market rates, benchmarking with other comparators and the ability to recruit and retain exceptional candidates.

There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, etc., paid to these senior staff, as they are expected to undertake duties outside their contractual hours and working patterns without additional payment.

Other terms and conditions are as prescribed by the NJC for Local Authority Services.

Chief Finance Officer – Section 151

This post is at Director level which has been detailed above.

Monitoring Officer

The salary for this post is paid at a spot salary of £60,000 per annum plus an honorarium of £5000 per annum to reflect the specific statutory responsibilities. This additional payment has been approved under officer delegation.

The Council applies the Joint National Conditions of Service for Chief Executives and Chief Officers and any nationally agreed salary increases are applied.

Additional Fees

Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role. The Returning Officer is an officer of West Lindsey District Council who is appointed under representation of the People Act 1983. Whilst appointed by West Lindsey District Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of West Lindsey District Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

Lowest Paid Employees

The council operates an apprenticeship scheme, apprentices are employed with the council as part of a training and development scheme for a maximum of a 1 year period.

Apprentices provide an additional staffing resource to the council, however they are not a substitute for established posts; the emphasis of the apprenticeship programme is learning and development.

Entering into a placement as an apprentice benefits a young person (under the age of 25) in gaining a recognised qualification whilst receiving valuable work experience within a reputable public body. Apprentices are given the opportunity to gain skills and experience within their chosen sector.

Age range	Hourly Rate	Full time equivalent based on 37 hours per week
Apprentice 16-18	£3.30	£6,336
Under 18	£3.87	£7,465
18 – 20	£5.30	£10,224
21 – 24	£6.70	£12,925

The salary paid to all apprentices is based on the National Minimum Wage requirement and therefore is increased in line with Government recommendations.

All posts except that of the Chief Executive, Directors and Strategic Leads are evaluated using the NJC job evaluation scheme, which is recognised by employers and trade unions nationally. This scheme allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements.

Each salary other than that of the Senior Management is set within a pay band which is made up of spinal points, staff progress through these spinal points with length of service until they reach the top point in their pay band.

The Council applies the National Joint Conditions of Service for all employees, and any nationally agreed salary increases are applied.

Payments/Charges and Contributions

All officers of the Council are entitled to join the Local Government Pension Scheme (LGPS). The LGPS is a contributory scheme; employees contribute 5.5%-12.5% of their own salaries to the scheme. Employers' contributions to the LGPS vary depending upon how much is needed to ensure benefits under the Scheme are properly funded, and are set independently. The rules governing the pension scheme are contained in regulations made by Parliament.

The council makes employer's contributions into the scheme, which are reviewed each 3 years by the actuary. The current rate is 17.1% of pensionable pay, in addition the council makes lump sum deficit payments to the local government pension fund which equate to approximately 7% of pensionable pay.

Multipliers

The idea of publishing the ratio of the pay of an organisation's top earner to that of its median earner has been recommended in order to support the principles of Fair Pay following the 2011 report on public sector pay and the transparency agenda.

The pay ratio between the highest paid employee and the lowest paid employee is 13.5:1. The Hutton Review on Senior Pay for the Government published in 2011 recommended a maximum ratio of 20:1, and therefore the council complies with the Hutton recommendations.

Discretionary Payments

The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply:

'Redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) regulations 2006.'

This provides an overall lump sum of 2 times the statutory redundancy payment multiplier based on actual weeks pay. This is payable to employees made redundant with 2 or more years local government service.

Severance payments under section 6

No severance payments: Employees aged 55 and over who are retiring early in the interests of efficiency will receive immediate payment of their pension benefits with no additional years service or compensatory payments. The capital cost of the early payment of pension benefits will be met by the council but approval is subject to the cost being met by savings over a 3 year period.

Additional memberships for revision purposes under regulation 12 of the Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007. Additional payments under regulation 13 of the same legislation.

No discretionary additional membership or payment provisions are applied.

Disclosure

This pay policy statement will be published on the council's website. In addition, the remuneration details for all senior staff are disclosed at regular intervals.

Core Leadership Team Structure

Manjeet Gill

- Chief Executive Office
- Leader and Civic Function
- PA Function
- Corporate Governance Strategy and Plan

**Penny Sharp
Commercial Director**

Special Projects
Land & Property
Income Generation
Commercial Strategy

**Mark Sturgess
Chief Operating Officer**

Revenues & Benefits
Localism Strategy
MOD Strategy
Voluntary Sector
Community Safety
Economic Growth
Democratic Services
Home Choices
Environmental Health
Health / Leisure
Waste/Street Scene
Planning / Building Control
Neighbourhood Planning
Housing Strategy

**Ian Knowles
Director Of
Resources
Section 151**

Corporate Accounts
Treasury Management
Financial Management / VFM
HR/OD
Corporate Governance
Business Development
Business Improvement
ICT
Customer Services
Communications

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Spidercharts for West Lindsey

Introduction:

Our financial position model, also known as the 'spidercharts' model, was first issued in 2013. This model is designed as a tool to help councils assess their financial position compared to other councils. The model produces a report for each council alone.

It aims to do the following:

- Allow councils to gain an objective view of where they stand in comparison to other councils on a set of measures which have something to say about their financial position;
- Identify relative strengths and weaknesses, risks and opportunities which can be taken into account when considering a future financial strategy.

How to use the report:

This report is split into three sections, each is a suite of themed indicators: Strategic (present and future), Risk and Opportunity. There are two spidergraphs per section, one shows how West Lindsey is ranked within 'All English Authorities' and the second, how West Lindsey is ranked within 'All English district local authorities'.

The highest (or best) rank, of 1, on a spiderchart is the inner most point of the graph. The lowest (or worst) rank is 353 for all English authorities, and for All English district local authorities the lowest rank will be 201, the lowest rank will be on the outer edge of the spiderchart.

Each section comes with a description of the metrics used and commentary as to why they are considered to be important. In the reference section there are tables showing additional comparison data and in the collection library there are links (when viewed in LG Inform) to the data collections used in the report and information on when they were last updated.

There are three metrics generated by LGA Finance as part of the LGA's Future Funding Outlook. These indicators are not publically available and will only be visible within this pdf report generated by the LGA. These are indicators: F1, R2 and R3.

Please note that the data for the Whole of Government Accounts normally has a time lag of 18 months, this report uses the most recent available data. The data will automatically update every time there is a data release. If you are interested in viewing a time series for any of the metrics in the report please refer to the standard reports; the standard reports can be accessed when viewing the report in LG Inform by clicking on the metric titles within the tables.

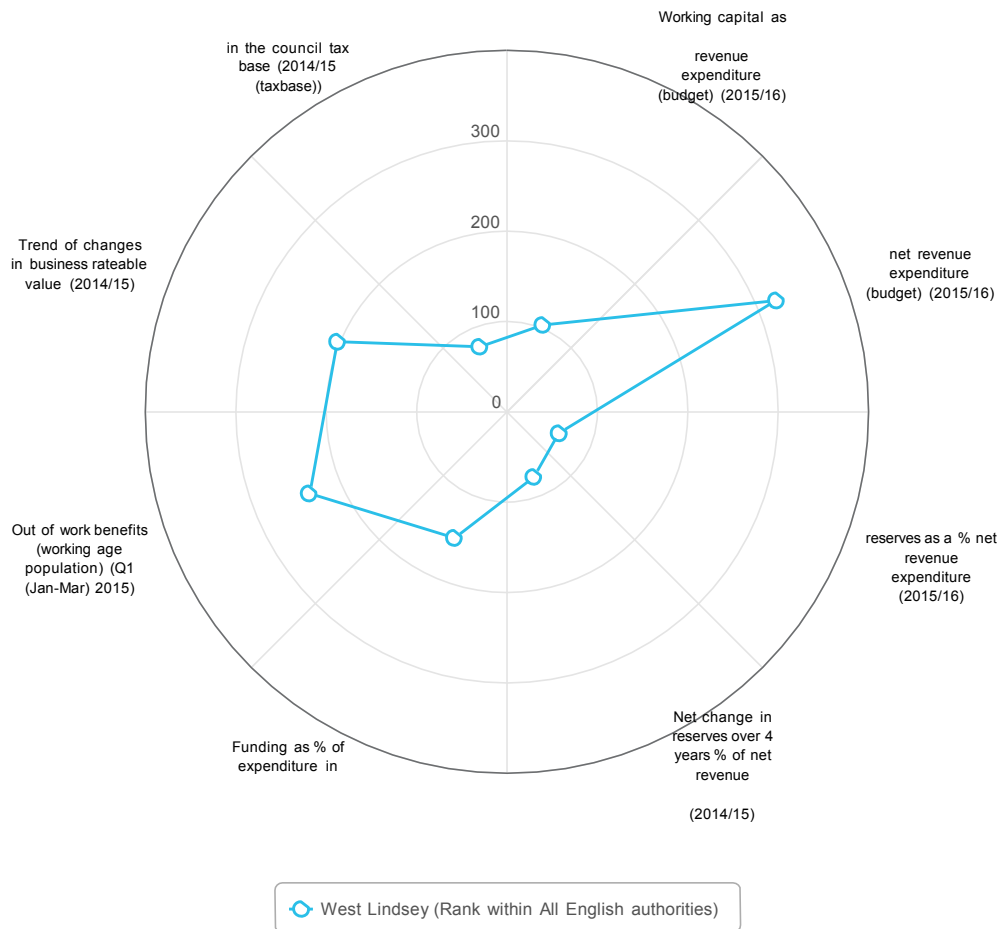
If any values are missing from the database a 'no value' will appear, this is because a figure was not available from published sources. Please contact support@lginform.gov.uk if you have any technical queries regarding the report or the data collections used.

Contents:

- Strategic Indicators: Present and Future
- Risk Indicators
- Opportunity Indicators
- Reference tables
- Collection library

STRATEGIC INDICATORS: PRESENT AND FUTURE

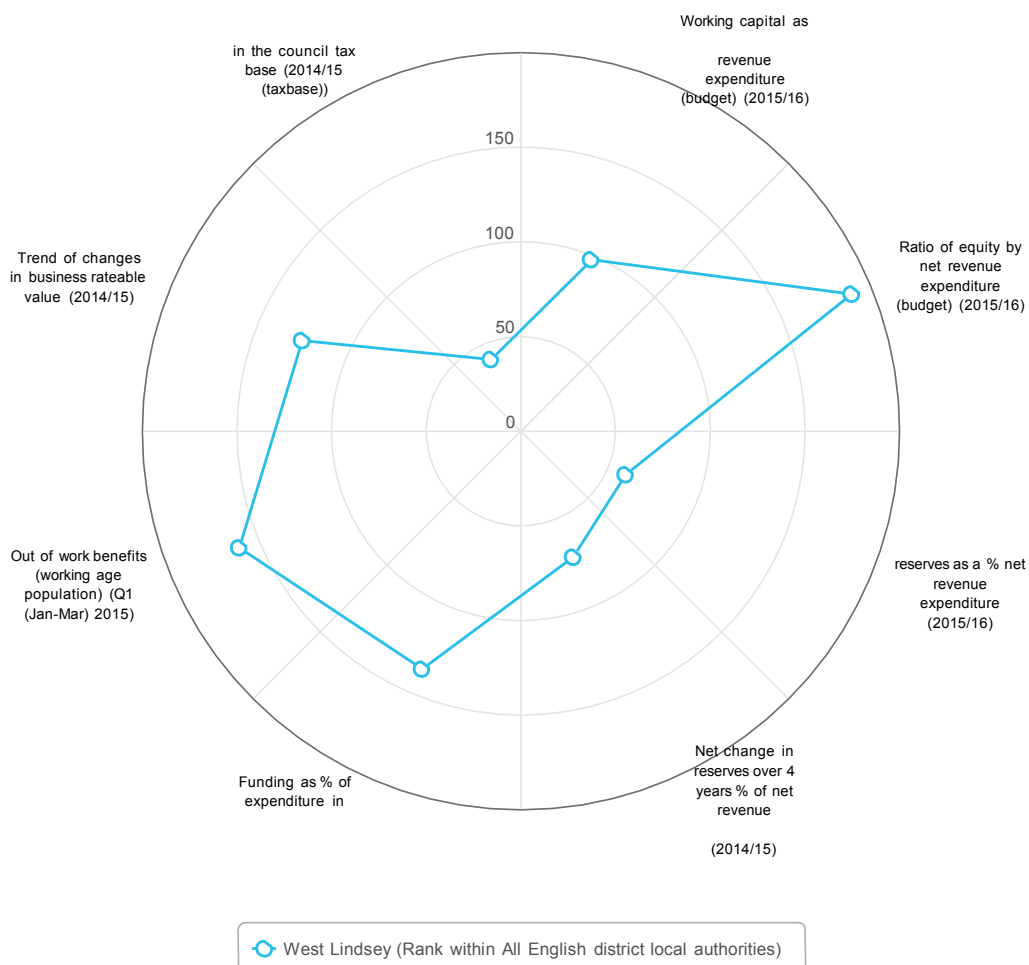
Strategic: All English authorities Rank (353)



Strategic: West Lindsey and All English authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English authorities
Working capital as a % of the net revenue expenditure (budget) 2015/16	115.99	104
Ratio of equity by net revenue expenditure (budget) 2015/16	0.30	322
Unringfenced reserves as a % net revenue expenditure 2015/16	93.78	62
Net change in reserves over 4 years % of net revenue expenditure 2014/15	51.95	78
Funding as % of expenditure in 2019/20 2014/15	91.00	151
Out of work benefits (working age population) Q1 (Jan-Mar) 2015	9.5	236
Trend of changes in business rateable value 2014/15	38.71	203
Trend of changes in the council tax base 2014/15 (taxbase)	6.32	78

Strategic: All English district local authorities Rank (201)



Strategic: West Lindsey and All English district local authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English district local authorities
Working capital as a % of the net revenue expenditure (budget) 2015/16	115.99	98
Ratio of equity by net revenue expenditure (budget) 2015/16	0.30	189
Unringfenced reserves as a % net revenue expenditure 2015/16	93.78	60
Net change in reserves over 4 years % of net revenue expenditure 2014/15	51.95	72
Funding as % of expenditure in 2019/20 2014/15	91.00	136
Out of work benefits (working age population) Q1 (Jan-Mar) 2015	9.5	161
Trend of changes in business rateable value 2014/15	38.71	125
Trend of changes in the council tax base 2014/15 (taxbase)	6.32	41

STRATEGIC: PRESENT AND FUTURE

There are four headline metrics which show the present financial position of West Lindsey.

P1: Working capital as a percentage of the net revenue expenditure (budget)

This is the level of working capital weighted according to the total net revenue expenditure. The working capital for West Lindsey is 16,008.00 GBP (000) which equates to 115.99% of the net revenue expenditure (13,801 GBP (000)); in the previous period it was 120.29%.

Authorities with a strongly positive indicator would have less difficulty liquidating sufficient assets to operate in the event of a short term debt problem. The higher the working capital value as a percentage of the net revenue expenditure the higher the rank.

P2: Ratio of equity by net revenue expenditure (budget)

This is the level of net assets weighted according to total net revenue expenditure. West Lindsey has a net worth of 4,182.00 GBP (000), which is 0.30% of the net revenue expenditure (13,801 GBP (000)). The ratio of equity has decreased since the last period when it was 0.31%.

If an authority has a low level of net assets (equity) this may be because it has a low level of assets, a high level of liabilities or both. This indicator differentiates those authorities which over time have a relatively higher level of liabilities to fund and limited assets from which to do so, making additional financing costs likely in the years ahead. The higher the ratio of equity the higher the rank.

P3: Estimated unringfenced reserves as a % net revenue expenditure

The level of unringfenced reserves (earmarked and other unallocated) is weighted according to - or as a percentage of - total net revenue expenditure. In West Lindsey the unringfenced reserves stand at 12,942 GBP (000), lower than the last period when they were 14,075 GBP (000); currently it is 93.78% of the total net revenue expenditure (13,801 GBP (000)).

Some reserves, of course, are set aside against risks which are difficult to measure. The indicator therefore has a limitation in cases where unringfenced reserves include reserves set aside against risks that have a high likelihood of crystallising. The higher the relative value of the unringfenced reserves the higher the rank.

P4: Net change in reserves over 4 years as a % of net revenue expenditure

This is the change in unringfenced reserves over a four year period weighted as a proportion of budgeted total net revenue expenditure. In West Lindsey the net change in reserves has been 6,913.00 GBP (000) over the last four years, a sum of 2,015 GBP (000), 1,182 GBP (000), 2,357 GBP (000) and 1,359 GBP (000). This represents 51.95% of the total net revenue expenditure (13,801 GBP (000)).

If an authority has historically contributed significantly to reserves it is likely the case that the immediate years pose less of a challenge. At the same time any use of reserves or contribution to reserves is likely to be the result of local strategic decisions. The greater the change the higher the level of contributions to reserves, and the higher the rank.

There are four headline metrics which show the future financial position of West Lindsey.

F1: Funding as % of expenditure in 2019/20

This metric is part of the LGA's Future Funding Outlook. Funding as a percentage of expenditure calculates the predicted 2019/20 funding as a percentage of the predicted 2019/20 expenditure. The 2019/20 figures are based on modelling carried out by the LGA Finance Team. The purpose is to measure the medium-term prospects for authorities relative to each other based on a forecast of spending against a forecast of funding.

Based on modelling, West Lindsey's funding in 2019/20 is predicted to be 91.00% of the modelled 2019/20 expenditure.

The higher the percentage of funding in 2019/20 the higher the rank. Multiple authorities share the top ranked value of 100%.

F2: % of working age individuals receiving benefits

This metric is the percentage of all working age individuals that are in receipt of key out of work benefits. 9.5% of working age residents in West Lindsey were receiving out of work benefits in 13/08/2015, this is an average across the months.

This indicator assumes that authorities where benefit claimants live will see higher financial pressure related to providing services such as homelessness, than those with fewer claimants. It is arguable that the impact of welfare reform will be to encourage claimants to move from current high density areas to low density areas. There is no easy way of modelling this. The lower the number of residents receiving the benefits the higher the rank.

An LG Inform report on the impacts of the Welfare Reform in West Lindsey can be accessed here: <http://www.lginform.local.gov.uk/reports/view/lga-research/the-impacts-of-the-welfare-reform?version=latest>.

F3: Trend of changes in business rateable value

This is the change in the business rate taxbase since 2009. Currently the total business rateable value in West Lindsey is 43 GBP (millions), a change of 38.71% since 2009. This figure is an index, rather than a percentage change. An index number is an economic data figure reflecting price or quantity compared with a standard or base value, which in this case is the base year value from 2009. In the previous period the index was 38.71%.

This is a measure of relative economic growth in the recent past and the assumption is that this is a momentum indicator – growth is more likely to continue where it is already taking place. There is a risk that this indicator is affected by large one off developments or valuation appeals, especially in smaller authorities. The higher the trend change the higher the rank.

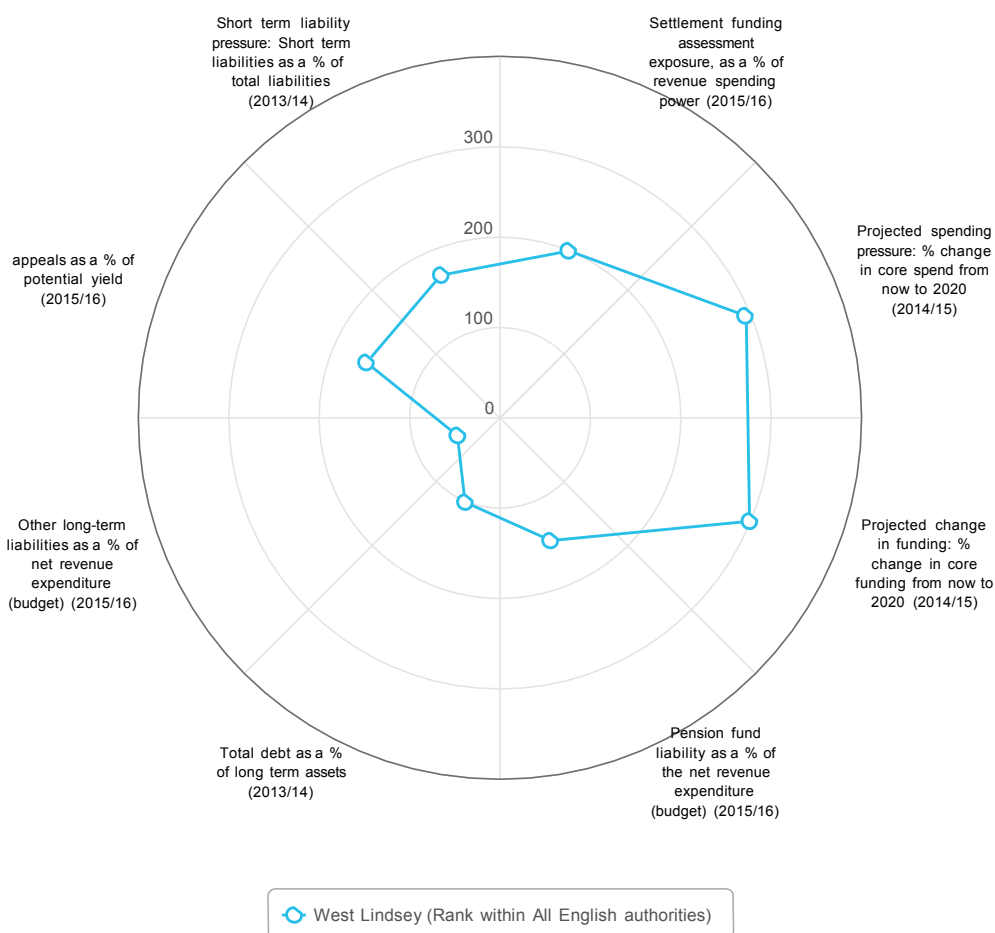
F4: Trend of changes in the council tax base

This is the change in the council taxbase since 2002. Currently the council tax base is 32,505 dwellings, a change of 6.32% since 2002. This figure is an index, rather than a percentage change. An index number is an economic data figure reflecting price or quantity compared with a standard or base value, which in this case is the base year value from 2002. In the previous period the index was 2.25%.

This is a measure of relative economic growth in the recent past and the assumption is that this is a momentum indicator – growth is more likely to continue where it is already taking place. Similar in principle to trend of changes in business rateable value, it is a momentum indicator. It measures relative growth in taxable property. The higher the trend change the higher the rank.

RISK INDICATORS

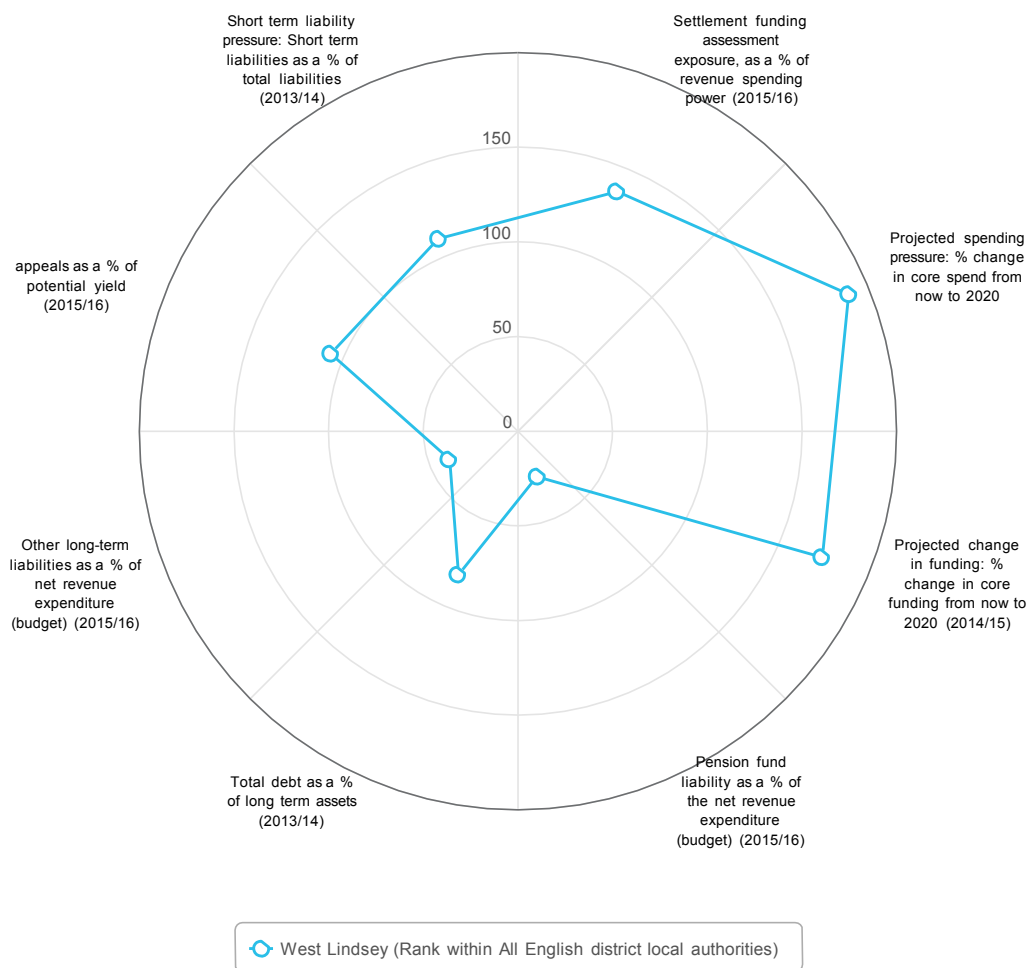
Risk: All English authorities Rank (353)



Risk: West Lindsey and All English authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English authorities
Settlement funding assessment exposure, as a % of revenue spending power 2015/16	39.17	200
Projected spending pressure: % change in core spend from now to 2020 2014/15	9.00	295
Projected change in funding: % change in core funding from now to 2020 2014/15	-1.00	299
Pension fund liability as a % of the net revenue expenditure (budget) 2015/16	202.25	147
Total debt as a % of long term assets 2013/14	-20.02	101
Other long-term liabilities as a % of net revenue expenditure (budget) 2015/16	-7.62	51
Business rates appeals as a % of potential yield 2015/16	-1.35	160
Short term liability pressure: Short term liabilities as a % of total liabilities 2013/14	11.52	171

Risk: All English district local authorities Rank (201)



Risk: West Lindsey and All English district local authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English district local authorities
Settlement funding assessment exposure, as a % of revenue spending power 2015/16	39.17	137
Projected spending pressure: % change in core spend from now to 2020 2014/15	9.00	189
Projected change in funding: % change in core funding from now to 2020 2014/15	-1.00	174
Pension fund liability as a % of the net revenue expenditure (budget) 2015/16	202.25	26
Total debt as a % of long term assets 2013/14	-20.02	82
Other long-term liabilities as a % of net revenue expenditure (budget) 2015/16	-7.62	39
Business rates appeals as a % of potential yield 2015/16	-1.35	107
Short term liability pressure: Short term liabilities as a % of total liabilities 2013/14	11.52	110

RISK INDICATORS

There are eight risk metrics for West Lindsey.

R1: Settlement funding assessment exposure

This is the Settlement funding assessment as a share of total revenue spending power. In West Lindsey the Settlement Funding Assessment was 4.942 GBP (millions) in 29/10/2015 and the revenue spending power was 12.615 GBP (millions), resulting in the settlement funding assessment exposure of 39.17%. It was previously a settlement funding exposure of 44.53%.

High settlement funding assessment figures indicate a larger reliance on government grant funding, leaving an authority more exposed to grant reductions. The lower the figure, the lower the exposure to grant funding and therefore the higher the rank.

R2: Change in core expenditure, current year to 2020

This is the projected change in expenditure required to meet current and future demand on a constant service offer by 2019/20. This metric is part of the LGA's Future Funding Outlook. The 2019/20 figures are based on modelling carried out by the LGA Finance Team. This metric is an extension of the analysis of the future funding outlook, focussing on demand and inflation trends. Based on modelling, West Lindsey's core expenditure in 2019/20 will be 9.00%.

The lower the figure the lower the expected cost pressures as a percentage of the budget over the period and the higher the rank.

R3: Projected change in funding

The projected change in funding assuming similar trends by 2019/20. This metric is also part of the LGA's Future Funding Outlook. The 2019/20 figures are based on modelling carried out by the LGA Finance Team. Based on modelling, West Lindsey can expect a change of -1.00% by 2019/20.

The lower the figure the lower expected reductions in total funding over the rest of the decade and the higher the rank.

R4: Pension fund liability

Pension fund liability is weighted according to total net revenue expenditure. In West Lindsey the pension liability stands at -27,912 GBP (000), 202.25% of the net revenue expenditure (13,801 GBP (000)). This is an improvement the previous period when it was 209.74%.

Pension fund liabilities may not be an immediate concern but will have an impact on council finances in the future – for example affecting employer contribution rates. The lower the pension fund liability the higher the rank.

R5: Total debt

The total debt is the sum of short term and long term borrowing, weighted according to total long term assets. In West Lindsey the current total debt is -20.02% of the long term assets, which are 17,137 GBP (000). In the previous period the total debt stood at -15.29% of the long term assets which were 18,099 GBP (000).

Total debt can pose both short term liquidity risk and long term cash pressures, therefore the lower the relative debt the lower the risk to the authority. The lower the total debt, the higher the rank.

R6: Other long term liabilities

Other long term liabilities are liabilities that are not borrowing or pensions and in this indicator they are weighted according to the total net revenue expenditure. Other long term liabilities in West Lindsey are -1,051.00 GBP (000), that is -7.62% of the total net revenue (13,801 GBP (000)). This is an improvement the previous period when it was -7.90%.

Other long term liabilities also represent future costs of borrowing. They include such elements as PFI liabilities, provisions and receipts in advance. The lower the other long term liabilities the higher the rank. Multiple authorities share the top ranked value of 1.

R7: Business rate appeals

This is the estimated business rate appeals as a share of total collectable business rates in an area. The lower the value the lower the business rate appeal risk. In 08/11/2015 business rate appeals stood at -227,450 GBP, -1.35% of the potential yield. This is compared to the previous period when it was -469,272 GBP, -2.77% of the potential yield.

Appeals are a source of council income uncertainty and higher exposure means that councils have to prudently budget for less income, potentially harming services. The lower the rate of business rate appeals, the higher the rank. Multiple authorities share the top ranked value of 1.

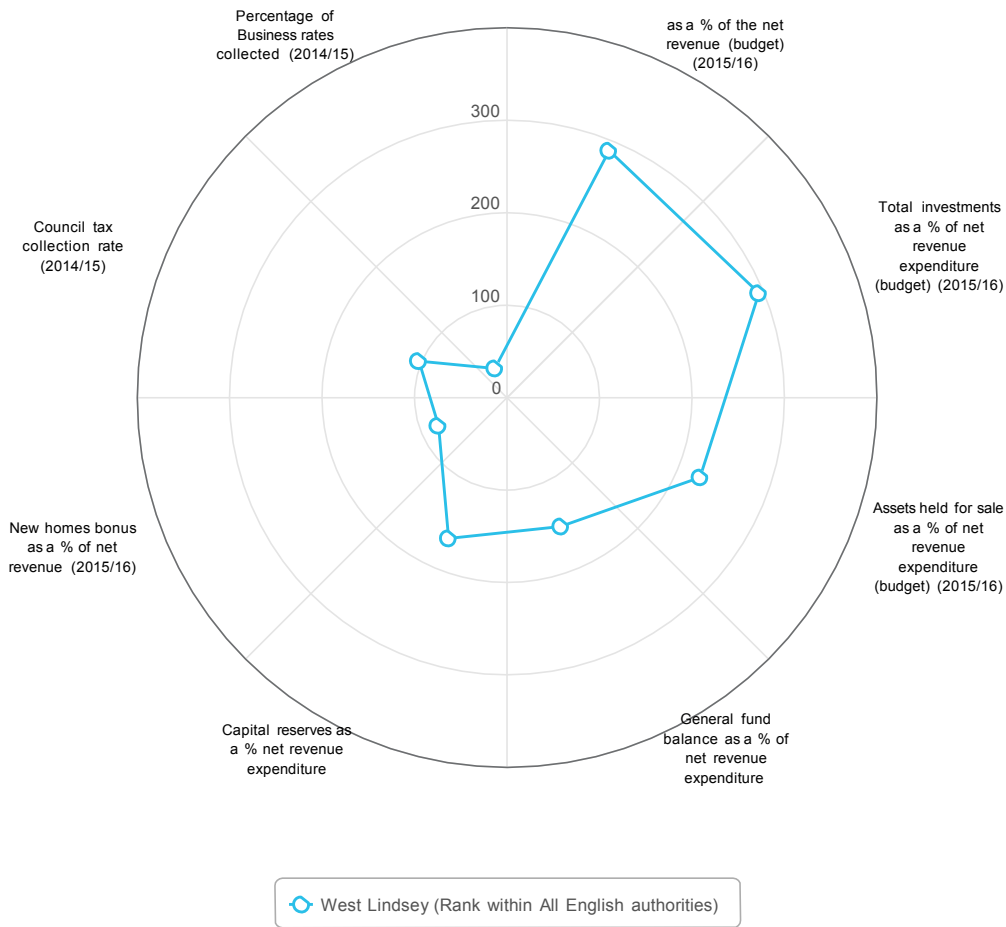
R8: Short term liability pressure

This is the council's short term liabilities as a share of total liabilities. Short term liabilities in West Lindsey are -3,770 GBP (000), that is 11.52% of the total liabilities, which stand at -28,963 GBP (000). Short term liabilities have increased since the last period when they were -3,660 GBP (000); total liabilities have increased since the last period when they were -26,094 GBP (000).

Short term liability poses an immediate pressure on liquidity. This indicator does not scale the overall level of total liabilities, but more information about liabilities can be found through indicators R4, R5 and R6. The lower the figure, the relatively lower exposure to short term liabilities and therefore the higher the rank.

OPPORTUNITY INDICATORS

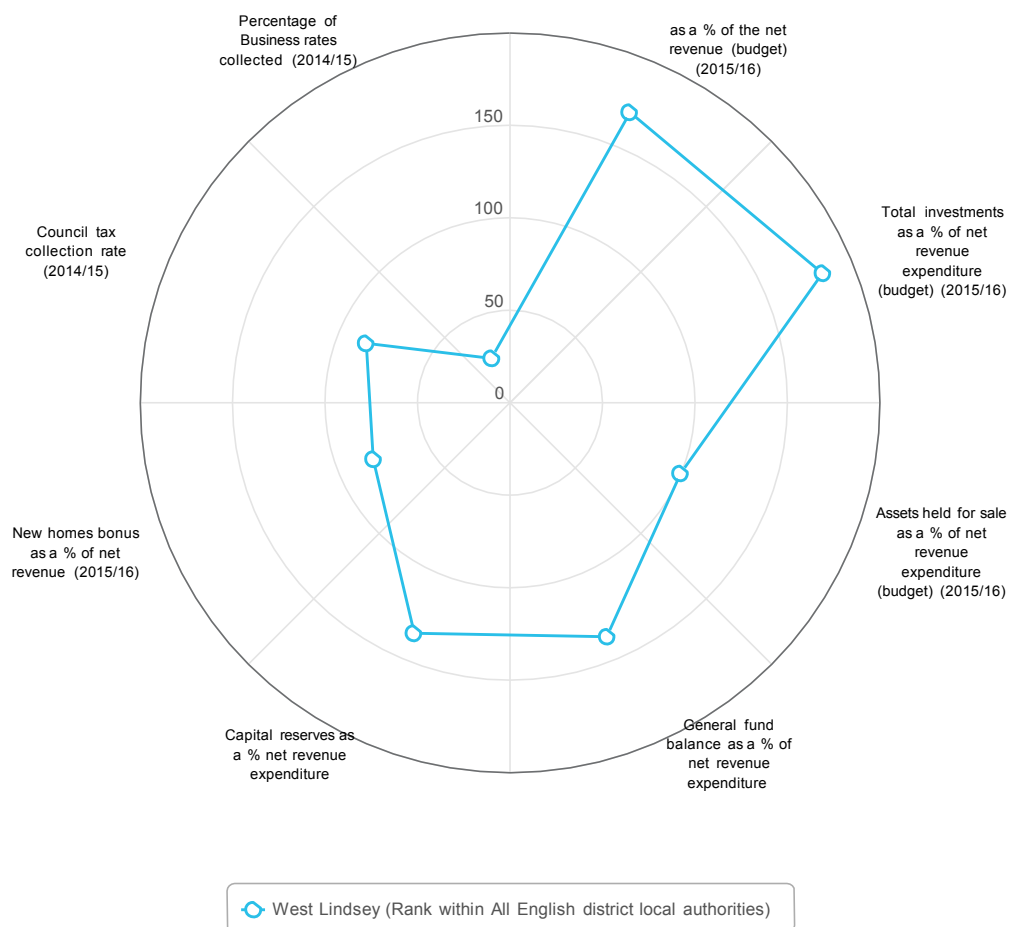
Opportunity: All English authorities Rank (353)



Opportunity: West Lindsey and All English authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English authorities
Investment property as a % of the net revenue (budget) 2015/16	0.92	289
Total investments as a % of net revenue expenditure (budget) 2015/16	27.87	295
Assets held for sale as a % of net revenue expenditure (budget) 2015/16	0.00	226
General fund balance as a % of net revenue expenditure 2015/16	-15.65	151
Capital reserves as a % net revenue expenditure 2015/16	21.04	165
New homes bonus as a % of net revenue 2015/16	15.81	80
Council tax collection rate 2014/15	98.23	103
Percentage of Business rates collected 2014/15	99.17	34

Opportunity: All English district local authorities Rank (201)



Opportunity: West Lindsey and All English district local authorities Rank

Metric_type	West Lindsey	
	Raw value	Rank within All English district local authorities
Investment property as a % of the net revenue (budget) 2015/16	0.92	170
Total investments as a % of net revenue expenditure (budget) 2015/16	27.87	183
Assets held for sale as a % of net revenue expenditure (budget) 2015/16	0.00	100
General fund balance as a % of net revenue expenditure 2015/16	-15.65	137
Capital reserves as a % net revenue expenditure 2015/16	21.04	135
New homes bonus as a % of net revenue 2015/16	15.81	80
Council tax collection rate 2014/15	98.23	84
Percentage of Business rates collected 2014/15	99.17	26

OPPORTUNITY INDICATORS

There are eight headline metrics which show the potential opportunities for West Lindsey.

OP1: Investment property

Investment property value is weighted according to total net revenue expenditure. In the most recent period investment property in West Lindsey was worth 127 GBP (000), compared to 0 GBP (000) in the previous period. That is 0.92% of the total net revenue in the most recent period (13,801 GBP (000)), and 0.95% in the previous period.

A higher total value of investment property indicates more opportunity to raise income. However, return on investment can vary depending on the type of investment and an investment strategy. The higher the relative value of investment property the higher the rank. Multiple authorities share the lowest ranked value of 1.

OP2: Total investments

This is the short term investments, long term investments and investment property weighted according to total net revenue expenditure. Total investments have decreased in West Lindsey by -37.53% since the last period, and is currently 3,847.00 GBP (000), that is 27.87% of the total net revenue (13,801 GBP (000)).

This indicator has a similar logic to OP1: Investment property as a percentage of the total net revenue, but also includes short term investments. The more investments relative to the net revenue expenditure the higher the rank. Multiple authorities share the lowest ranked value of 1.

OP3: Assets held for sale

This is the value of assets held for sale weighted according to total net revenue expenditure. There is a total of 0 GBP (000) assets in West Lindsey held for sale, that is 0.00% of the total net revenue (13,801 GBP (000)). In the previous period assets held for sale represented 0.00% of the net revenue expenditure.

Assets held for sale represent an immediate opportunity for a cash injection which can be used for further capital investment. The more assets the council has relative to total net revenue expenditure, held for sale, the higher the rank. Multiple authorities share the lowest ranked value of 1.

OP4: General fund balance

The general fund balance weighted according to total net revenue expenditure (due to accounting formatting positive figures are presented as negatives). In West Lindsey the general fund balance is -2,160 GBP (000), a decrease since the previous period when it was -2,327 GBP (000). It is currently -15.65% of the total net revenue expenditure (13,801 GBP (000)).

A higher general fund balance may indicate better preparedness for unexpected economic shocks. Alternatively, councils may make a decision to build up their general fund reserves in response to increased perceived risk. The relatively bigger the proportion of the general fund balance against the total net revenue expenditure the higher the rank. Multiple authorities share the lowest value of 1.

OP5: Capital reserves

This is the sum of capital grants unapplied and capital receipts reserves, weighted according to total net revenue expenditure. In West Lindsey the capital reserves stand at -2,904.00 GBP (000), that is 21.04% of the total net revenue expenditure. This is compared to the previous period when it was -3,041.00 GBP (000), 21.82% of the total net revenue expenditure (13,801 GBP (000)).

Higher capital reserves provide more scope for investment that can save costs or generate income in the future. The definition is limited to these two particular reserves due to data limitations. The higher the level of capital reserves against the net revenue expenditure the higher the rank.

OP6: New Homes Bonus

New Homes Bonus as a share of total revenue spending power. The New Homes Bonus in West Lindsey was 1.558 GBP (millions) in the previous period, 11.90% of the total net revenue expenditure. Currently New Homes Bonus stands at 1.995 GBP (millions), 15.81% of the total net revenue expenditure (13,801 GBP (000)).

Higher new homes bonus provides a stable source of income for councils and is a signal of a lively house building market. However, this funding stream is government policy, meaning that there is always a risk of it ending. Many authorities use new homes bonus for further investment instead of funding services as a result. The greater the relative value of the New Homes Bonus the higher the rank.

OP7: Council tax collection rate

This is the amount of council tax revenue collected as a share of total collectable council tax. West Lindsey collected 98.23% of the collectable council tax, this is an improvement on the previous period when West Lindsey collected 98.18% of the collectable council tax.

A lower council tax collection rate could also represent an opportunity in its own regard as there is room to increase annual income through better collection practices. In some cases a low collection rate can be explained by socioeconomic characteristics of an area, such as reliance on council tax support. A high collection rate of local taxes shows that an authority is close to maximising its income therefore the higher the rank.

OP8: Business rates collection rate

This is the amount of business rates collected as a share of total collectable business rates. West Lindsey collected 99.17% of the collectable business rates, this is an improvement than the previous period when West Lindsey collected 99.12% of the collectable business rates.

A high collection rate of business rates shows that an authority is close to maximising its income. The higher the collection rate, the higher the rank.

REFERENCE TABLES

The following reference tables show the current value of each metric used against the minimum, average (mean) and maximum for all English authorities and the selected comparison group.

Strategic: West Lindsey and All English authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English authorities (Raw value)	Average for All English authorities (Raw value)	Maximum for All English authorities (Raw value)
Working capital as a % of the net revenue expenditure (budget) 2015/16	115.99	-438.86	89.77	523.14
Ratio of equity by net revenue expenditure (budget) 2015/16	0.30	-1.93	5.05	44.05
Unringfenced reserves as a % net revenue expenditure 2015/16	93.78	7.41	61.56	357.55
Net change in reserves over 4 years % of net revenue expenditure 2014/15	51.95	-23.09	36.20	196.74
Funding as % of expenditure in 2019/20 2014/15	91.00	58.00	89.30	100.00
Out of work benefits (working age population) Q1 (Jan-Mar) 2015	9.5	1.9	8.6	18.6
Trend of changes in business rateable value 2014/15	38.71	-9.26	44.62	398.36
Trend of changes in the council tax base 2014/15 (taxbase)	6.32	1.50	5.32	29.79

Strategic: West Lindsey and All English district local authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English district local authorities (Raw value)	Average for All English district local authorities (Raw value)	Maximum for All English district local authorities (Raw value)
Working capital as a % of the net revenue expenditure (budget) 2015/16	115.99	-438.86	138.03	523.14
Ratio of equity by net revenue expenditure (budget) 2015/16	0.30	-1.93	7.15	44.05
Unringfenced reserves as a % net revenue expenditure 2015/16	93.78	14.27	83.60	357.55
Net change in reserves over 4 years % of net revenue expenditure 2014/15	51.95	-23.09	48.31	196.74
Funding as % of expenditure in 2019/20 2014/15	91.00	62.00	93.81	100.00
Out of work benefits (working age population) Q1 (Jan-Mar) 2015	9.5	3.2	7.4	15.7
Trend of changes in business rateable value 2014/15	38.71	-9.26	44.77	124.32
Trend of changes in the council tax base 2014/15 (taxbase)	6.32	1.50	5.04	12.05

Risk: West Lindsey and All English authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English authorities (Raw value)	Average for All English authorities (Raw value)	Maximum for All English authorities (Raw value)
Settlement funding assessment exposure, as a % of revenue spending power 2015/16	39.17	19.93	38.06	63.47
Projected spending pressure: % change in core spend from now to 2020 2014/15	9.00	-43.00	-2.73	191.00
Projected change in funding: % change in core funding from now to 2020 2014/15	-1.00	-50.00	-13.61	180.00
Pension fund liability as a % of the net revenue expenditure (budget) 2015/16	202.25	55.59	257.09	934.62
Total debt as a % of long term assets 2013/14	-20.02	-80.93	-29.93	-2.94
Other long-term liabilities as a % of net revenue expenditure (budget) 2015/16	-7.62	-200.30	-32.53	0.00
Business rates appeals as a % of potential yield 2015/16	-1.35	-18.27	-1.87	0.00
Short term liability pressure: Short term liabilities as a % of total liabilities 2013/14	11.52	3.04	13.19	55.91

Risk: West Lindsey and All English district local authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English district local authorities (Raw value)	Average for All English district local authorities (Raw value)	Maximum for All English district local authorities (Raw value)
Settlement funding assessment exposure, as a % of revenue spending power 2015/16	39.17	19.93	35.61	57.63
Projected spending pressure: % change in core spend from now to 2020 2014/15	9.00	-43.00	-9.82	191.00
Projected change in funding: % change in core funding from now to 2020 2014/15	-1.00	-50.00	-15.39	180.00
Pension fund liability as a % of the net revenue expenditure (budget) 2015/16	202.25	65.37	325.61	934.62
Total debt as a % of long term assets 2013/14	-20.02	-80.93	-27.20	-2.94
Other long-term liabilities as a % of net revenue expenditure (budget) 2015/16	-7.62	-200.30	-26.65	0.00
Business rates appeals as a % of potential yield 2015/16	-1.35	-18.27	-1.64	0.00
Short term liability pressure: Short term liabilities as a % of total liabilities 2013/14	11.52	3.04	12.65	55.91

Opportunity: West Lindsey and All English authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English authorities (Raw value)	Average for All English authorities (Raw value)	Maximum for All English authorities (Raw value)
Investment property as a % of the net revenue (budget) 2015/16	0.92	0.00	79.96	1,555.77
Total investments as a % of net revenue expenditure (budget) 2015/16	27.87	0.00	163.16	2,271.01
Assets held for sale as a % of net revenue expenditure (budget) 2015/16	0.00	0.00	3.33	74.83
General fund balance as a % of net revenue expenditure 2015/16	-15.65	-264.04	-21.15	31.92
Capital reserves as a % net revenue expenditure 2015/16	21.04	-6.33	39.65	581.92
New homes bonus as a % of net revenue 2015/16	15.81	0.39	9.13	32.19
Council tax collection rate 2014/15	98.23	91.61	97.27	99.51
Percentage of Business rates collected 2014/15	99.17	92.78	98.10	100.00

Opportunity: West Lindsey and All English district local authorities

Metric_type	West Lindsey (Raw value)	Minimum for All English district local authorities (Raw value)	Average for All English district local authorities (Raw value)	Maximum for All English district local authorities (Raw value)
Investment property as a % of the net revenue (budget) 2015/16	0.92	0.00	119.02	1,555.77
Total investments as a % of net revenue expenditure (budget) 2015/16	27.87	0.00	236.55	2,271.01
Assets held for sale as a % of net revenue expenditure (budget) 2015/16	0.00	0.00	4.44	74.83
General fund balance as a % of net revenue expenditure 2015/16	-15.65	-264.04	-30.80	31.92
Capital reserves as a % net revenue expenditure 2015/16	21.04	0.16	58.40	581.92
New homes bonus as a % of net revenue 2015/16	15.81	3.62	14.47	32.19
Council tax collection rate 2014/15	98.23	94.59	97.83	99.33
Percentage of Business rates collected 2014/15	99.17	94.99	98.28	100.00

COLLECTION LIBRARY

Below are links to the data collections used in the report and when they were last updated:

Budgeted Revenue Accounts: 28/10/2015

Council Tax Collection Rates: 01/07/2015

Financial Sustainability Analysis: 29/10/2015

Labour Market Statistics: 13/08/2015

Local Government Finance Settlement: 28/10/2015

Non Domestic Rates Collected by Local Councils in England: Forecast: 08/11/2015

Revenue Outturn Summary: 28/10/2015

Valuation Office: Central and Local rating lists: 28/10/2015

Whole of Government Accounts: 28/10/2015