

# WARRINGTON BOROUGH COUNCIL

## COUNCIL – 27 February 2017

**Report of Executive Board Member:** Councillor Russ Bowden, Executive Board Member, Corporate Finance

**Executive Director:** Lynton Green, Director of Finance & Information Services

**Senior Responsible Officer:** Lynton Green, Director of Finance & Information Services

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**Key Decision No.** N/A

**Ward Members:** All

**TITLE OF REPORT:** **2017/18 MEDIUM TERM FINANCIAL PLAN, DRAFT REVENUE BUDGET AND CAPITAL PROGRAMME**

### 1 PURPOSE

- 1.1 The Council's Constitution requires the Executive Board to recommend its annual Budget proposals, Capital Programme and proposed Council Tax to a full meeting of the Council. On 13 February 2017, the Executive Board agreed its proposals, and this report details those proposals for the Council's consideration. It should be noted that alternative budget proposals may also be presented at the meeting for Members' consideration. The report also outlines the prospects for the Council's finances for the medium term.
- 1.2 In agreeing its 2017/18 revenue budget, the Council is asked to consider the options set out in this report, and to have regard to the 2017/18 proposed Treasury Management Strategy which is the subject of a separate report on this agenda.

## **2 CONFIDENTIAL OR EXEMPT**

2.1 The report is not confidential or exempt.

## **3 2017/18 REVENUE BUDGET**

- 3.1 This report presents the Executive Board's proposed 2017/18 budget which includes £8.8m of savings. These proposals build upon the work that has been undertaken by the Council in previous financial years to address budget challenges and to ensure that over the next 12 months there will be a further underpinning of the Council's medium term financial plan. This will enable the Council to deliver financial stability and investment opportunities through a long term efficiency programme based on sound financial management arrangements.
- 3.2 The Executive Board Member, Corporate Finance has worked closely with officers over the past six months to formulate the 2017/18 budget. During the autumn a series of Spotlight Challenge Panel sessions were held at which Outcome Based Budgeting savings proposals were discussed. These sessions were led by the Executive Board Member, Corporate Finance, the Leader and the Deputy Leader of the Council and supported by the Director of Finance & Information Services. The principal features of the Outcome Based Budget approach are described in section 4 below.
- 3.3 The formulation of the budget has been influenced by the continuation of the major cuts that National Government has imposed on Local Government since the 2010 Spending Review and given shrinking resources, an ambition to become financially sustainable through longer term planning rather than just one year planning.
- 3.4 Warrington has one of the lowest Council Tax levels of the 91 Unitary and Metropolitan Authorities and the 5th lowest in the North West (2016/17 figures). The table in Appendix 1a shows Warrington's Band D Council Tax in comparison with the North West Unitary and Metropolitan Authorities and the additional funding we would receive if our Council Tax was changed to their level. If Warrington increased its Council Tax to the same level as Stockport we would raise an additional £12.5m every year and that if we increased it to the average of North West Authorities we would raise an additional £4.0m a year.
- 3.5 This highlights the issue surrounding the different levels of Council Tax raised by Authorities, and the unfair nature of the 2% referendum limit. Applying the referendum limit, Stockport is able to increase its Band D rate by £28.43, whereas Warrington is only able to increase its rate by £24.58 thereby increasing the gap between Authorities.
- 3.6 Warrington has the 11th lowest Settlement Funding of all 91 Unitary and Metropolitan Authorities and the lowest in the North West. The Settlement Funding comprises non-ringfenced government funding and the income we receive from the Business Rates Retention Scheme. Appendix 1b shows how we

compare with other North West Authorities, and how much additional funding we would receive if Warrington received the amount of funding per dwelling received by other Authorities. Based on the average amount of funding per dwelling for the North West Authorities we would receive an additional £32m.

- 3.7 At the time of reporting to Full Council confirmation of the Final Local Government Finance Settlement for 2017/18 had not been made available by the Department of Communities and Local Government. It was announced in the Provisional Settlement of 15 December 2016 that Warrington's Government funding has fallen by a further 13.8% in 2017/18. This equates to a drop in Government Funding of £6.4m, which is equivalent to over £30 per Warrington resident. This drop in funding has been additionally affected by a decrease in the New Homes Bonus legacy funding from 5 to 4 years and a large scale reduction in Education Support Grant funding (£1.6m).
- 3.8 The Council has already made savings of £15.5m and £20.5m in 2015/16 and 2016/17. However, £30m of additional savings will also need to be made over the next four years, with £9.9m of savings needed in 2017/18 to balance the budget. Currently £8.8m of saving proposals have been identified for 2017/18 – a budget shortfall of £1.1m to balance the budget. It is intended that the 2017/18 pressures (£12.6m), with the exception of Capital Financing costs, are funded at a 90% level with funding held centrally and Directorates requesting draw down of amounts as required. As such, legislative and other unavoidable pressures which have been built into the budget total £11.5m in 2017/18, a break-down of which can be seen in Appendix 2. An analysis of the £8.8m saving proposals for 2017/18 is included in Appendix 3.
- 3.9 The proposed budget for 2017/18 totals £136.349m and the Directorate analysis of the draft cash limited budget is shown below:

<b>Council Revenue Spending Plans</b>		<b>2016/17</b>	<b>2017/18</b>
<b>Directorate</b>	<b>Responsible Officer</b>	<b>Cash Limit £000</b>	<b>Cash Limit £000</b>
Resources and Strategic Commissioning	Executive Director RASC	10,371	8,953
Families & Wellbeing	Executive Director FWB	88,838	87,298
Economic Regeneration, Growth & Environment	Executive Director ERGE	18,322	17,718
Corporate Financing	Director of Finance & Information Services	16,429	22,380
<b>Total</b>		<b>133,960</b>	<b>136,349</b>

- 3.10 A detailed analysis of these cash limits are provided in the budget book referenced at Appendix 9, to be sent under separate cover.
- 3.11 The Director of Finance & Information Services has a statutory responsibility to report to Council, as part of his annual budget statement, on the adequacy of reserves and the robustness of budget proposals. A full risk assessment of all budget options has been undertaken to enable the Director of Finance & Information Services to discharge this responsibility.
- 3.12 As always, the Council will work closely with staff and the Trade Unions to reduce the need for compulsory redundancies. Due to the cross-cutting nature of the

savings detailed in Appendix 3 and our avoidance of traditional service cuts, it is particularly difficult to confirm the exact staffing impact in 2017/18. However, it is estimated that the proposals will lead to a maximum reduction of 80 posts, with the deletion of vacant posts and approval of voluntary redundancies keeping the need for compulsory redundancies to a minimum.

#### **4 OUTCOME BASED BUDGETING (OBB) PROCESS**

- 4.1 The Council operates an outcomes based approach to budgeting; the purpose being to provide a long term strategic and sustainable financial plan. Outcomes Based Budgeting (OBB) is a process designed to create a public sector that works better, costs less, focuses on delivering outcomes, puts citizens and their priority needs first and emphasises accountability and innovation. The process requires the Council to work across organisational boundaries, be proactive rather than reactive and encourages longer term planning and sustainability.
- 4.2 The OBB approach is to identify and select areas to focus on and review the associated budgets to understand what is being spent, what services/functions are provided by this budget, how the services/functions are structured and how the spend relates to commissioning themes and priorities to ensure value for money can be demonstrated and a tangible benefit derived from outcomes. By use of this approach, budget pressures and saving proposals will be identified.
- 4.3 The overall OBB ambition and associated timeframe is that within 4 years (2015/16 to 2018/19) the Council will have developed a sustainable budget. In achieving this, the associated commissioning, budget and change processes will become ongoing systematic programmes of activity that run throughout the year(s).
- 4.4 As the OBB process reflects a longer term scenario, it is recognised that many proposals will come to fruition later and therefore not generate savings or income until future years. Change and transformation projects may also require initial investment, facilitated through the 'Invest to Save' programme, to allow the project to take shape with the benefit of an increased payback once the project is complete. In these circumstances, bids can be made to draw down funds from the MTFP 'smoothing' reserve to pump prime proposals. The Council has additionally developed and had agreed by Executive Board an 'Enterprising Warrington Commercial Strategy' as part of a coordinated approach to addressing lost government funding.
- 4.5 As part of the OBB process Council budgets have been considered under the commissioning themes of:
- Demand Management and Behaviour Change
  - Enterprise
  - Technology and Digital Transformation
- 4.6 The Demand Management and Behaviour Change theme will examine relationships with the community to promote self-service, early intervention or

prevention and also address high cost spend areas.

- 4.7 The Enterprise theme will develop proposals for innovative investments, alternative delivery models and scope for further income generation.
- 4.8 The Technology and Digital Transformation theme will take forward the technology strategy to allow anytime/anywhere access for customers and workforce leading to increased flexibility and responsiveness.
- 4.9 Proposals identified through the themes were challenged by the Executive Board and Senior Management through Spotlight Challenge Panels. The Panels offered the opportunity for Members to challenge how the proposals aligned with the Council's priorities and what impact they would have on the outcomes for Warrington. Instead of a long list of cuts, the OBB approach has led to a more manageable list of transformational/enterprise savings which can deliver income to mitigate government cuts. A list of saving proposals is included at Appendix 3.
- 4.10 As always, the Council works closely with staff and the Trade Unions. There is close involvement and regular meetings with Trade Unions throughout the year with the intent to minimize the number of redundancies.
- 4.11 A separate examination was undertaken to look at the capital programme in detail to confirm that the capital schemes were aligned with the Council's priorities and whether there were opportunities to remove or rephase capital schemes to release some of the revenue provision.

### **Consultation and Engagement**

- 4.12 The setting of a four year budget means that to be meaningful, our approach to consultation and engagement will need to be phased to ensure that we seek feedback from all sections of the community in relation to any specific proposals that may affect them over the duration of the budget period, in turn enabling a more constructive, detailed and informed dialogue at the relevant point in time at the point when proposals for change are being formed.
- 4.13 By law the Council has a duty to consult on the overall budget with local businesses and to this end a series of breakfast meetings have been held. In addition to the statutory meetings, sessions have been held with other groups including Trade Unions, Youth Council and Third/Voluntary Sector.
- 4.14 The Council is committed to being transparent about its income and expenditure and about changes to its financial position. To ensure that the public has greater visibility of the Council's finances, new pages have been set up on the Council's website that explain the detail of the Council's budget in plain English, with a link that enables people to ask questions. As our financial position becomes more challenging it is important that we are responsive to this feedback and also that we address any misconceptions about our income, or what we spend public money on.

- 4.15 Internally, a new section has also been created on the Council's intranet that sets out the budget challenge in more detail and that seeks to ensure our own employees have full visibility of the overall budget position, including any current and emerging savings proposals. This is designed to be supplementary to the usual face to face communication and consultation processes. In addition information has and will continue to be, circulated in internal Council publication, Your Voice and via social media, the wider media and the Council's own email publication The Wire.

## **5 MEDIUM TERM FINANCIAL PLAN**

- 5.1 Warrington's submission of a financial efficiency plan in October 2016 secured the Government's offer of a four year funding settlement for the period 2016/17 to 2019/20. Given this element of certainty, the budget approach has been to develop the medium term financial plan over a four year period so as to enable a better planned and managed outcome.
- 5.2 It has been announced that the Final 2017/18 Local Government Finance Settlement will take place shortly after Parliament returns from recess on Monday 20 February. It is anticipated that the Final Settlement will be published by the Department of Communities and Local Government by Wednesday 22 February. In view of the delayed announcement any significant changes in the Final Settlement compared to the Provisional Settlement will need to be verbally reported to Full Council on the 27 February.
- 5.3 The Provisional Settlement announcement (15 December 2016) provided details of the settlement funding levels together with flexibility to increase the 'social care precept' up to 3% in 2017/18 and 2018/19 and provision of a one-year Adult Social Care Support grant for 2017/18 (albeit funded by top slicing New Homes Bonus funding). Funding of £3.277m (3% 'social care precept' £2.450m plus Adult Social Care Support grant £0.827m) is available by this means in 2017/18, however, additional Adult Social Care pressures in 2017/18 amount to £4.754m – a difference of some £1.5m.
- 5.4 The table overleaf shows the Council's forecasted budget position for the next four years. The funding position for 2020/21 is an estimate based on previous years funding. Due to a number of budget pressures and a reduced funding position the Council will need to achieve savings of £30m over the next four years. This figure includes the 2017/18 budget gap of £9.9m.

Ref		2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
	<b>Budget set for 2016/17</b>	<b>133,890</b>			
	In-year changes to funding	70			
	<b>Net Budget Brought Forward</b>	<b>133,960</b>	<b>145,172</b>	<b>152,120</b>	<b>159,473</b>
1	Inflation pressure	(242)	(242)	(242)	(242)
2	Additional budget pressures	11,524	7,190	7,595	565
3	Reversal of one year savings proposals	-	-	-	-
4	Funding adjustments	(70)	-	-	-
	<b>Total Budget Needed</b>	<b>145,172</b>	<b>152,120</b>	<b>159,473</b>	<b>159,796</b>
5	Funding	135,291	131,437	130,328	129,524
	<b>Budget Shortfall</b>	<b>9,881</b>	<b>20,683</b>	<b>29,145</b>	<b>30,272</b>

A brief synopsis of the above table is given below:

- **Inflation pressure** - This has been calculated as 0% for price inflation and a 3% expected rise in Fees and Charges income. Pay inflation has been provided for as a 1% increase.
- **Additional budget pressures** - This consists of legislative and demand pressures and non-achievement of previously committed MTFP savings. For further detail for 2017/18 see Appendix 2.
- **Reversal of one year savings proposals** – These are one-off temporary savings used as part of setting the 2016/17 budget.
- **Funding adjustments** - Shows minor adjustments to Government grant funding, where the grants are used for a specific purpose.
- **Funding** - This shows the funding that will be received in 2016/17 and estimated funding for future years. This is made up of Revenue Support Grant, Business Rates, Council Tax and non-ringfenced Government Grants.

5.5 The graphics overleaf show how the gross expenditure is currently distributed, and how the income received will change between 2016/17 and 2020/21. Benefits payments and the Dedicated Schools Grant have been removed from the graphics as funding received is passported directly out of the Authority.

Gross Expenditure 2016/17

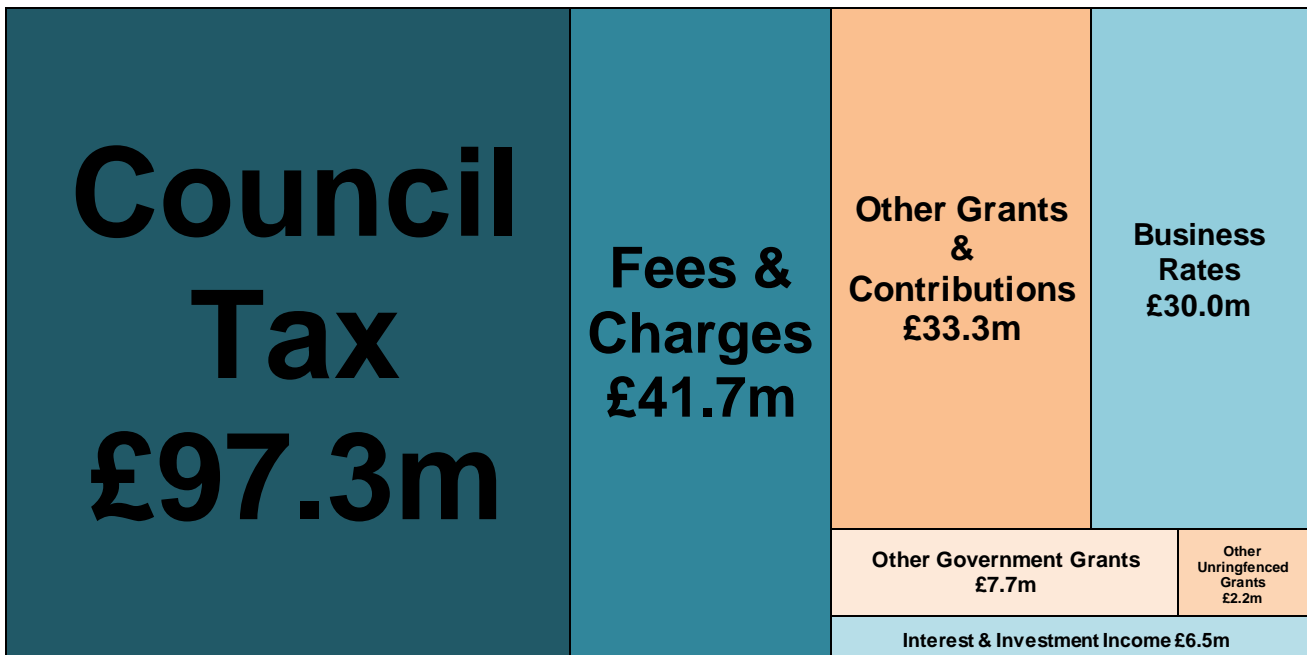
<b>Families &amp; Wellbeing</b> <b>£141.6m</b>	<b>Economic Regeneration, Growth &amp; Environment</b> £34.5m
	<b>Resources &amp; Strategic Commissioning</b> £17.1m
	<b>Corporate Financing</b> £25.4m

Gross Income 2016-17

<b>Council Tax</b> <b>£83.2m</b>	<b>Fees &amp; Charges</b> £37.1m	<b>Business Rates</b> £24.9m
		<b>Revenue Support Grant</b> £17.2m
	<b>Other Grants &amp; Contributions</b> £33.3m	<b>Other Unringfenced Grants</b> £8.7m
		<b>Other Government Grants</b> £7.7m
		<b>Interest &amp; Investment Income</b> £6.5m



## Gross Income 2020-21



### 6 BUSINESS RATE RETENTION SCHEME

- 6.1 The Business Rate Retention Scheme was implemented on 1 April 2013.
- 6.2 Previously all income raised from Business Rates was transferred directly to Central Government and any surplus or shortfall would have no impact on the Council's Funding. As part of the Business Rate Retention Scheme, 50% of all Business Rates are transferred to Local Authorities and any movement in business rates will have a direct funding impact. This is to provide a greater incentive for Local Government to increase the Business Rate income in their area. However, the value of business rates actually retained is dependent on whether an authority is a top-up or tariff authority.
- 6.3 We are predicting an in-year deficit for Warrington in the 2016/17 financial year. This estimate will be distributed as part of our business rate funding for 2017-18.

#### Levy Payments & Mid-Mersey Business Rate Pool

- 6.4 As part of the Business Rate Retention Scheme any authority who is classed a tariff authority (i.e. the business rate collected is higher than the business rate funding due to the authority) is required to pay a levy payment to Central Government. Warrington's levy for 2017/18 is calculated as 36%.
- 6.5 Warrington has formed a Business Rate Pool with Halton Borough Council and St Helens Metropolitan Borough Council and as a result the levy payment that would have been due to Central Government will be distributed below, as

agreed in the governance arrangements of the Pool:

- 20% Economic Regeneration & Shared Working Fund
- 30% Safety Net Reserve
- 25% to Warrington Borough Council
- 13% to Halton Borough Council
- 12% to St Helens Metropolitan Borough Council

6.6 The submission and authorisation of the NNDR1 return (which informs Central Government of the estimated Business Rate income for 2017/18 and the estimated surplus for 2016/17) was delegated to the Director of Finance & Information Services at Audit and Corporate Governance on 19 January 2017 and was authorised and returned to DCLG on 30 January 2017.

## **7 2017/18 – 2019/20 CAPITAL PROGRAMME**

7.1 The Council has a statutory responsibility to set a fully funded 3 year capital programme each year when agreeing the budget. There are largely two main funding streams to finance capital schemes, capital grants received from the government and direct funding from the Council (which is made up of Prudential Borrowing, Capital Receipts, and Revenue Contributions).

7.2 Capital expenditure mainly includes spending on the acquisition or improvement of physical assets.

7.3 In agreeing the 2017/18 – 2019/20 capital programme it is proposed to follow the previous years practice of ring fencing government capital grants to the service that they are allocated to. The bulk of the capital grant allocation is accounted for by the Local Transport Plan and Children's Services allocations, which are all priority service areas.

7.4 The Council's strategic management of the capital programme allows new schemes to be added to the programme quarterly by agreement with the Executive Board.

7.5 The proposed 2017/18 – 2019/20 capital programme is £1,179.932m. As part of the budget process the programme has been reviewed to ensure it continues to meet Council priorities and remains affordable within the level of resources available.

7.6 The table below provides a summary of the 2017/18 – 2019/20 capital programme. A full copy of the draft capital programme on a scheme by scheme basis can be found at Appendix 4.

## 2017/18 – 2019/20 Capital Programme

Capital Programme Directorate Budgets	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Families & Wellbeing	8.839	0.153	-	<b>8.992</b>
Resources & Strategic Commissioning	2.256	2.498	1.000	<b>5.754</b>
Economic Regeneration, Growth & Environment	66.083	26.279	19.137	<b>111.499</b>
Invest to Save Programme	540.516	247.603	265.568	<b>1,053.687</b>
<b>Total - Capital Spending Plans</b>	<b>617.694</b>	<b>276.533</b>	<b>285.705</b>	<b>1,179.932</b>

### Financing the Capital Programme

7.7 The level and availability of capital funding determines the size of the overall capital programme and is heavily reliant on external funding, mainly in the form of capital grants from the Government. The programme is also reliant on internal funding to deliver more local priorities like town regeneration, Housing, Highways, Parks and Schools. These internal funds are largely in the form of prudential borrowing but can also include capital receipts and earmarked reserves. There are significant constraints on the availability of internal funds due to a finite asset base which puts pressure on delivering capital receipts from the sale of surplus assets. Borrowing tends to pay for major Invest to Save schemes, for example the Time Square Scheme, Stadium Quarter Scheme and Housing Schemes. All borrowing is done within agreed prudential limits and needs to be affordable and sustainable. A range of indicators are maintained to demonstrate this. These indicators are contained within the Council's Treasury Management Strategy and monitored and reported to the Audit & Corporate Governance Committee on a quarterly basis. All Invest to Save schemes require the production of a detailed business case which is subject to stringent internal challenge before recommending to the Executive Board for approval. The Council's Invest to Save Programme has proved very successful. This can be evidenced by the positive financial return the schemes have generated to the Council and the increase in Balance Sheet worth to the Council that they have created.

7.8 The table below provides a summary of the funding of the 2017/18 – 2019/20 Capital Programme and Appendix 4 provides a breakdown of funding on a scheme by scheme basis.

### Funding the 2016/17 – 2018/19 Capital Programme

Capital Programme Funding	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Unsupported Borrowing - Corporate	46.046	15.653	5.163	<b>66.862</b>
Unsupported Borrowing - Invest to Save	540.516	247.603	265.568	<b>1,053.687</b>
Capital Grants & Reserves	16.855	6.711	4.357	<b>27.923</b>
Capital Receipts	1.339	-	-	<b>1.339</b>
External Funding	12.938	6.566	10.617	<b>30.121</b>
<b>Total - Capital Funding Plans</b>	<b>617.694</b>	<b>276.533</b>	<b>285.705</b>	<b>1,179.932</b>

7.9 It can be seen from the table above that the Council borrows for two types of schemes. Corporate borrowing, this is borrowing for schemes that generate a borrowing cost to the Council and do not generate additional revenue e.g. parks, highway schemes, building maintenance. Invest to Save borrowing is for schemes that generate a financial return to the Council after the repayment of borrowing costs. The Invest to Save programme over the previous two years has generated income to the Council of £6.088m, delivered savings of £3.757m and will generate future forecast income to the Council of £13.863m. The largest allocation is for the Council's potential future loans programme. All loans entering the programme must be approved by the Executive Board.

7.10 The 2017/18 – 2019/20 Capital Programme generates an additional revenue borrowing cost to the Council of £7.134m a breakdown of which is given below:

- 2017/18 - £1.981m
- 2018/19 - £3.938m
- 2019/20 - £1.215m

These costs relate to schemes previously agreed by the Council the bulk of which can be accounted for by 3 schemes - Major Transport Projects, Highways Investment Strategy and Warrington Priority Infrastructure Schemes - and the new scheme contained within the New Corporate Schemes section.

### **New Invest to Save Schemes**

7.11 It is proposed the following new Invest to Save schemes are added to the 2017/18 – 2019/20 Capital Programme:

- **Housing Company** – a £60m allocation has been made for the creation of a fully owned Council Housing company. The company will build properties for affordable and market rent.
- **The Strategic Asset Investment Programme** – this has increased from £50m to £265.712m. This is for the purchase of investment assets within the borough. No additional borrowing allocation will be needed for this because it will be met by reducing the future loans borrowing allocation by the corresponding amount.

### **New Corporate Schemes**

7.12 The following projects are proposed for inclusion in the 2017/18 – 2019/20 Capital Programme:

- **Active Travel Investment Strategy** – Burtonwood to Omega shared use path, Chester Road shared use path and upgrades of the Trans Pennine Trail. Total budget of £2.667m with prudential borrowing of £750k which will cost the Council an extra £50k per annum for a 25 year period.

- **Warrington East Phase 2** – partial signalisation of College Place roundabout, toucan crossing on Crab Lane, new slip road at Oakwood Gate roundabout, bus gate at Gig Lane and merge improvements on Birchwood Way from Daten Avenue. Total budget of £13.344m with prudential borrowing of £3.955m which will cost the Council an extra £253k in borrowing costs for the next 25 years.
- **Omega Local Highway Schemes Phase 1** – Omega Boulevard/Lingley Green Avenue junction improvement and other supporting highway improvements. Total budget of £6.465m with prudential borrowing of £1.038m which will cost the Council an extra £67k per annum for the next 25 years.

### **Capital Receipts Flexibilities Policy**

- 7.13 On the 17th December 2015 the Government announced the new capital flexibilities that would allow revenue expenditure to be funded by capital that they announced in the Spending Review 2015.
- 7.14 The new guidance allows the use of capital receipts to fund revenue expenditure and recommends that each authority should prepare a strategy that includes separate disclosure of the individual projects that will be funded or part funded through capital receipts flexibility and that the strategy is approved by Full Council or the equivalent.
- 7.15 From 2017-18 strategies will be required to review whether planning savings outlined in previous years are being realised.
- 7.16 The guidance also states that local authorities can only use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered, but not existing receipts. It is forecast that the Council will receive £1.9m of capital receipts in 2017/18 largely from the Housing Trust VAT arrangements and right to buy receipts.
- 7.17 It is proposed that the Council potentially uses these powers to capitalise redundancy, early retirement pension costs and IT transformation costs in 2017/18.

## **8 TREASURY MANAGEMENT STRATEGY**

- 8.1 In agreeing the budget each year Council also need to approve the 2017/18 Treasury Management Strategy. This is an extensive technical report that is presented to Audit and Governance Committee for review before going on to Full Council. This strategy largely covers the Council's borrowing and investment activity for the following year. Key points in the strategy are:

- The Council forecast to borrow £586.562m in 2017/18
- Interest is forecast to remain unchanged at 0.25% until quarter two in 2019 and not to rise above 0.75% by quarter one in 2020
- Lending will only take place with high credit rating institutions
- To reduce risk, the Council will diversify its investment portfolio
- The bulk of investments will be of a short term nature to minimise risk and maximise liquidity
- The expansion of the Invest to Save schemes
- The evaluation of borrowing through a bond issue if this offers greater value for money than borrowing from the Public Works Loans Board

## **9 COUNCIL TAX**

- 9.1 In 2016/17 Warrington increased the Council Tax by 3.98% (1.98% Council precept plus the additional 2% 'social care precept'). Central Government confirmed the 2% referendum limit for the Council precept will continue for the 2017/18 financial year. Additionally, Central Government have announced that social care authorities, such as Warrington, will be able to increase the 'social care precept' by up to 3% in 2017/18 and 2018/19. Arrangements for Councils to report on their use of the additional 'social care precept' are to be put in place by Central Government.
- 9.2 It is proposed that Warrington increase Council Tax by 1.98% in 2017/18 and also apply the additional 3 per cent 'social care precept' in 2017/18. This report is therefore based on an assumed 4.98% Council Tax increase for 2017/18, a 4.98% Council Tax increase for 2018/19 and a 1.98% increase for each of the next two years.
- 9.3 Appendix 6 shows the Council Tax resolution and confirms the 2017/18 proposed Council Tax increase is 4.98% (1.98% Council Tax precept plus the additional 3% 'social care precept') and that a referendum is not required.
- 9.4 If a revenue budget for Warrington is set at £136.349m then this would lead to a Council Tax requirement calculated as follows:

<b>Council Tax Requirement</b>	<b>2017/18</b>
	<b>£m</b>
Council Net Budget	136.349
Less Revenue Support Grant	-10.259
Less Business Rate Support Scheme Income	-29.258
Less Other Government Grants	-6.731
Less Use of MTFP Reserve	-1.058
<b>Council Tax Requirement</b>	<b>89.043</b>
Less Surplus on Collection Fund	-1.500
<b>Council Tax Requirement after surplus</b>	<b>87.543</b>
Tax Base	66,527
<b>Band D Council Tax</b>	<b>£ 1,315.90</b>

- 9.5 However, the Council Tax increase is also dependent upon Cheshire Constabulary and Cheshire Fire & Rescue precepts and where appropriate individual parish precepts. Taking these into account, if the Council Tax resolution at Appendix 6 is approved, the total Band D Council Tax will be as follows:

	<b>2016/17</b>	<b>2017/18</b>	<b>%</b>
	<b>£</b>	<b>£</b>	<b>Increase</b>
Warrington Borough Council	1,253.48	1,315.90	4.98
Cheshire Police Authority	161.23	164.44	1.99
Cheshire Fire Authority	71.86	73.29	1.99
<b>Sub-Total</b>	<b>1,486.57</b>	<b>1,553.63</b>	<b>4.51</b>
Parish Council (Average)	23.72	26.88	13.33
<b>Total</b>	<b>1,510.29</b>	<b>1,580.51</b>	<b>4.65</b>

## 10 RESERVES

- 10.1 The Local Government Act 2003 requires the Director of Finance & Information Services to report on the adequacy of reserves and provisions, and the robustness of budget estimates, as part of the annual budget setting process.
- 10.2 Best practice guidance does not advise on the actual level of unallocated general reserves, but on the processes that should be in place. There is a broad range within which a Council might reasonably operate, depending on its particular circumstances and each Council should make its own judgement, based on the advice of its Chief Finance Officer. In making this decision the Director of Finance & Information Services takes account of strategic, operational and financial risks. The financial risks are assessed in the context of the Council's overall approach to risk management.

## **Statement on the Adequacy of Proposed Financial Reserves and Robustness of Estimates**

- 10.3 It is the view of the Director of Finance & Information Services that the budget setting process and the information provided is sufficient to allow the Council to come to an informed view regarding the 2017/18 budget, capital programme and council tax requirement.
- 10.4 The Council has always operated within tight financial constraints. As a consequence of increasing financial pressures and reductions in financial settlement from government these constraints continue. Robust budget monitoring and a thorough budget and financial planning process have allowed the Council to operate with a relatively low level of reserves.
- 10.5 The Council's financial planning processes enable issues with a significant financial impact to be highlighted by Executive Directors in good time. The level of reserves is only adequate for the forthcoming financial year and financial planning period through the continuing commitment of Members, the Chief Executive and Executive Directors to control spend within approved budgets.
- 10.6 An annual review of the Council's reserves and balances has been undertaken as part of the annual financial planning exercise. This review has followed best practice guidance on Local Authority Reserves and Balances as required by the Local Government Act 2003.
- 10.7 The Council is required to make financial provisions for known future liabilities or losses of uncertain timings or amount. These are reviewed on an ongoing basis and are detailed in the annual Statement of Accounts. The 2015/16 Statement was approved by Audit and Corporate Governance Committee on 22 September 2016. For 2016/17 the draft Statement will be presented to Audit and Corporate Governance Committee in June 2017.
- 10.8 The review confirmed that there is currently sufficient resilience for the Council to meet the financial consequences of any unforeseen events. The Director of Finance & Information Services is satisfied that the Council's ongoing approach to its reserves and provisions is robust. The Council's strategic reserve is held at £4.7m (between 3% - 5% of the net budget requirement) and will ensure that the Council has adequate resources to fund unforeseen financial liabilities, and that the Council's approach to general balances for 2016/17 is deemed appropriate. The level of reserves and the movement in year are included at Appendix 5.
- 10.9 The Council has in place well established robust and regular budget monitoring processes. These take account of the current level of reserves, the latest budget requirements calling on reserves to meet current commitments and to make contributions to reserves to meet future commitments. Approval to use or make contributions to reserves is given by the Director of Finance & Information Services as part of the regular budgetary process.



10.10 The Director of Finance & Information Services has considered strategic, operational and financial risks in arriving at this statement. The financial risks have been assessed within the context of the Council's overall approach to risk management. Account has also been taken of key budget assumptions and existing financial management arrangements. Savings proposals put forward by Executive Directors have been subject to a full risk assessment and Equality Impact Assessments by the responsible Executive Director.

10.11 This statement of assurance is based on the 2017/18 and 2017-21 Medium Term Finance Plan (MTFP) contained in this report. Any significant changes to these proposals, changes to MTFP assumptions, or additional budget proposals require further full evaluation by the Director of Finance & Information Services before assurance could be given.

## **11 BUDGET CONSULTATION**

11.1 Engagement with residents of Warrington, local businesses, council staff, elected members, partner agencies and other stakeholders is ongoing and continuous. A series of engagement events have been held with key groups including trade union representatives, young people, local businesses and local third sector organisations.

## **12 SCHOOLS BUDGETS**

12.1 The Dedicated Schools Grant (DSG) is the funding stream which supports individual school budgets, plus funding for many non-school educational activities. Since the 2013/14 settlement, DSG has been determined in specific blocks, although Authorities are at liberty, with School Forum agreement, to transfer funding between blocks. The blocks are,

- Schools Block – supports mainstream activities in primary and secondary schools (i.e. basic school delegated budgets).
- Early Years Block – supports nursery provision in dedicated nursery schools, nurseries attached to mainstream schools, and private, voluntary or independent nursery providers within the Authority's boundaries.
- High Needs Block – intended to support special school budgets, Pupil Referral Units, designated/specialist provision in mainstream schools, pupil placement in independent schools or non-mainstream special schools outside of the home Authority. It also funds all Special Educational Needs requirements for Warrington pupils. Any other whole-school activities should likewise be funded by this block, as there is presently no specific allocation for central education functions.
- Additions/Amendments – variations to Early Years and High Needs blocks.

- 12.2 The Schools Block is determined by a flat rate (different for each Authority) for each mainstream student on roll at the October census prior to the funding year e.g. October 2016 for the 2017/18 settlement. Early Years funding for 3 and 4 year olds is similar, except that the total pupil numbers from the previous January Early Years census are taken. Because moderated and validated figures from the newest census are not available in time, year-old data are used, with the actual allocation modified some months later to reflect the updated pupil count. High Needs Block allocations are incremental from a baseline, flexed for pupil number growth.
- 12.3 Indicative DSG allocation for Warrington in 2017/18 is £157.1 million (see below). Not all of this will be managed by Warrington Borough Council; Academies will have their relevant funding paid direct, through a process known as recoupment. The High Needs Block has also been reduced to reflect the places in other LA settings taken by Warrington students.

	£ Value	2017/18	
		CENSUS NOR	ALLOCATION £
Schools Block	4,279.35	29,316	125,453,000
Early Years Block (3/4 year olds)	4,084.96	2,050	8,374,985
Early Years Block (3/4 year olds 30 hr entitlement) - September to March	4,084.96	676	1,611,614
Early Years Block (2 year olds)	5,015.92	406	2,037,299
High Needs Block			19,414,874
<b>Additions</b>			
Nursery School Protection			71,174
Early Years Disability Access Fund			43,050
Early Years Pupil Premium			98,817
<b>Total DSG (before recoupments)</b>			<b>157,104,813</b>

- 12.4 The remainder of the schools' allocations is through the mainstream Pupil Premium, based on historical pupil entitlement to Free School Meals (FSM), status as a Looked After/Adopted Child, or being from a Services family. Each qualifying student will attract varying bands of funding:

Secondary FSM	£ 935
All other FSM	£1,320
Looked After Children	£1,900
Service Children	£ 300

These funding levels are unchanged from 2015/16, and in total approximate to around £7 million for Warrington.

## **13 SCRUTINY COMMITTEE**

- 13.1 A report detailing the budget process was presented to Scrutiny Committee on the 8 February 2017. The Executive Board Member for Corporate Finance introduced the report. The recommendation for the Executive Board was that in future the Scrutiny report should include a section on the Capital Programme OBB process.

## **14 FINANCIAL CONSIDERATIONS**

- 14.1 The financial considerations are dealt with throughout the report.

## **15 RISK ASSESSMENT**

- 15.1 The budget is prepared in accordance with detailed guidance and timetable to ensure that statutory requirements are met and a balanced budget is prepared that aligns resources with corporate objectives.
- 15.2 As part of the Outcome Based Budgeting process the risks of each savings proposal were discussed with the Spotlight Panel before being agreed, and these risks, along with the risk of slippage around the delivery of savings proposals will be closely monitored during the year. The Council already has robust systems in place for monitoring the delivery of savings and will continue to use the existing approach to ensure the delivery of savings throughout 2017/18. Large transformational or long running savings will be subject to full risk assessment.
- 15.3 Due to the volatile nature of the Business Rates income the predictions of funding could change significantly from the estimates that were reported on the NNDR1 form. Although this is a high risk to the Council, any change from the current estimates will not alter the funding for 2017/18, but will be carried forward to 2018/19. The Business Rates income will be monitored throughout the year and will be incorporated into next year's budget monitoring process.

## **16 EQUALITY AND DIVERSITY / EQUALITY IMPACT ASSESSMENT**

- 16.1 The Finance Service undertakes Equality Impact Assessment in its wider functions. Service changes that emerge from proposals contained in the MTFP are subject to individual Equality Impact Assessments.
- 16.2 All proposals put forward as part of the budget are subject to an Equality Impact Assessment during the Outcome Based Budgeting process. Each assessment will be reconsidered further before the implementation of any of the proposals and will follow the recognised consultation process for each specific activity.

## **17 REASONS FOR RECOMMENDATION**

17.1 To fulfil the Council's statutory responsibilities under the Localism Act 2011 of calculating a Council Tax requirement.

## **18 RECOMMENDATION**

18.1 It is recommended that the Council:

- (i) note that the 2017/18 Final Settlement announcement will not be available until after the 20 February and delegate to the Director of Finance & Information Services, following consultation with the Executive Board Member, Corporate Finance, to incorporate any substantial changes which may arise from the Final Settlement before Full Council on the 27 February 2017.
- (ii) note the consultation with the public, partners and business community set out in section 11 of this report in setting the 2017/18 budget.
- (iii) consider the Director of Finance & Information Services' judgement on the robustness of the estimates made for the purposes of the budget calculation and the adequacy of the proposed financial reserves and following this consideration determine that the estimates are robust for this purpose and that the proposed financial reserves are adequate.
- (iv) agree the 2017/18 to 2019/20 capital programme and funding arrangement set out in section 7 of this report.
- (v) agree the 2017/18 revenue budget of £136.349m set out in section 3 of this report.
- (vi) note at the Audit & Corporate Governance Committee meeting of 19 January 2017, the 2017/18 tax base was set at 66,527.
- (vii) note the calculation of the Council Tax as directed by section 3A of the Local Government Finance Act 1992 contained in section 9 of this report.
- (viii) adopt the formal Council Tax Resolution requiring Council Tax to be increased by 4.98% to a Band D of £1,315.90 set out in Appendix 6, and note that votes will be recorded on this resolution.

**19 BACKGROUND PAPERS**

- 2017/21 MTFP Papers
- 2017/18 MTFP Report to Executive Board 13 February 2017
- 2017/18 Budget Update Report to Scrutiny Committee 8 February 2017
- 2016-20 Medium Term Financial Strategy Report to Executive Board 12 September 2016

**Contacts for Background Papers:**

<b>Name</b>	<b>E-mail</b>	<b>Telephone</b>
Stephen Owen	sowen1@warrington.gov.uk	01925 443852

<b>20. Clearance Details</b>				
	<b>Name</b>	<b>Consulted</b>		<b>Date Approved</b>
		<b>Yes</b>	<b>No</b>	
Relevant Executive Board Member	Cllr R Bowden	x		16/02/2017
SMT		x		15/02/2017
Relevant Executive Director	K Fairclough	x		15/02/2017
Solicitor to the Council	M Cumberbatch	x		15/02/2017
S151 Officer	L Green	x		15/02/2017

## Appendix 1a – North West Authorities Band D Council Tax

Authority	Local Services Band D	Funding £m
Trafford	1,105.23	-8.088
Wigan	1,192.14	-2.426
Manchester	1,195.59	-2.201
Halton	1,226.89	-0.162
<b>Warrington</b>	<b>1,229.37</b>	<b>0.000</b>
St Helens	1,237.49	0.529
Cheshire East	1,237.62	0.538
Tameside	1,257.18	1.812
Knowsley	1,270.88	2.705
Bolton	1,295.71	4.322
Cheshire West & Chester	1,300.61	4.642
Wirral	1,303.69	4.843
Bury	1,329.13	6.500
Blackpool	1,331.93	6.682
Sefton	1,343.82	7.457
Salford	1,349.52	7.828
Rochdale	1,353.64	8.097
Liverpool	1,412.08	11.905
Oldham	1,416.63	12.201
Stockport	1,421.50	12.518
<b>Average</b>	<b>1,290.53</b>	<b>3.985</b>

## Appendix 1b – Settlement Funding Per Dwelling

Authority	Settlement Funding Per Dwelling £	Funding £m
Cheshire East	311	-10.899
Warrington	429	0.000
Cheshire West and Chester	448	1.706
Stockport	486	5.200
Trafford	502	6.666
Bury	589	14.697
Wigan	686	23.619
Sefton	693	24.244
Bolton	763	30.708
Wirral	766	30.989
Tameside	769	31.307
St Helens	777	32.046
Halton	900	43.331
Salford	910	44.292
Rochdale	937	46.737
Oldham	951	47.997
Blackpool	979	50.572
Liverpool	1,126	64.181
Manchester	1,141	65.528
Knowsley	1,374	87.008
<b>Average</b>	<b>777</b>	<b>31.996</b>

## Appendix 2a – Pressures by Directorate

Directorate Pressures					
Ref.	Pressures	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Resources &amp; Strategic Commissioning</b>					
1	Reduction in Housing Benefit administration subsidy	70	-	-	-
2	Investment in Counter Fraud Team	100	-	-	-
<b>Total</b>		<b>170</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Families &amp; Wellbeing</b>					
3	Court of Protection pressures - Mental Capacity Act	411	25	113	124
4	Mental health & learning disability transitional client costs	600	600	600	600
5	Additional pressure (one year only) re 14 care periods in one year	-	1,900	(1,900)	-
6	Children's social care recruitment and retention investment	1,376	-	84	-
7	Child arrangement orders pressure	120	-	-	-
8	Fostering allowances pressure	140	-	-	-
9	Pre-court forensic tests & family assessments	180	-	-	-
10	Child disability direct payments pressure	90	-	-	-
11	Children with disabilities pressure	110	-	-	-
12	Care purchase demand management	600	-	-	-
13	Care Act funding rolled into settlement	1,314	22	525	-
14	Impact of national living wage on care market	2,240	-	-	-
15	Housing development staffing resource	100	-	-	-
<b>Total</b>		<b>7,281</b>	<b>2,547</b>	<b>(578)</b>	<b>724</b>
<b>Economic Regeneration, Growth and Environment</b>					
16	Market Re-development	259	-	-	(259)
17	The Base - NNDR	400	-	-	-
18	The Base - Business Plan Assumption	200	(100)	(100)	-
19	School Crossing Patrols - maintain current service provision	90	-	-	-
20	Walton Hall Catering - review income targets	150	-	-	-
21	Waste Recycleable Materials - income target unachievable due to market conditions	600	-	-	-
22	Waste Strategy Review 2015/16	279	-	-	-
23	Waste Strategy Review 2016/17	451	-	-	-
<b>Total</b>		<b>2,429</b>	<b>(100)</b>	<b>(100)</b>	<b>(259)</b>
<b>Corporate Financing</b>					
24	Additional costs of Concessionary Travel	400	-	-	-
25	Apprenticeship Levy payable	296	-	-	-
26	Living Wage increase	27	-	-	-
27	Capital Financing Costs	1,981	3,743	1,215	100
28	Minimum Revenue Provision	-	-	4,000	-
29	Loans to Registered Housing Providers	-	1,000	-	-
<b>Total</b>		<b>2,704</b>	<b>4,743</b>	<b>5,215</b>	<b>100</b>
<b>Grand Total</b>		<b>12,584</b>	<b>7,190</b>	<b>4,537</b>	<b>565</b>
<b>Adjusted (90%) Grand Total</b>		<b>11,524</b>			



## Appendix 2b – Pressures by Theme

OBB Theme Pressures					
Ref.	Pressures	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Demand Management and Behaviour Change</b>					
1	School Crossing Patrols - maintain current service provision	90	-	-	-
2	Waste Strategy Review 2015/16	279	-	-	-
3	Waste Strategy Review 2016/17	451	-	-	-
4	Court of Protection pressures - Mental Capacity Act	411	25	113	124
5	Mental health & learning disability transitional client costs	600	600	600	600
6	Children's social care recruitment and retention investment	1,376	-	84	-
7	Child arrangement orders pressure	120	-	-	-
8	Fostering allowances pressure	140	-	-	-
9	Pre-court forensic tests & family assessments	180	-	-	-
10	Child disability direct payments pressure	90	-	-	-
11	Children with disabilities pressure	110	-	-	-
12	Care purchase demand management	600	-	-	-
13	Care Act funding rolled into settlement	1,314	22	525	-
14	Impact of national living wage on care market	2,240	-	-	-
15	Reduction in Housing Benefit administration subsidy	70	-	-	-
16	Additional costs of Concessionary Travel	400	-	-	-
17	Apprenticeship Levy payable	296	-	-	-
18	Living Wage increase	27	-	-	-
19	Additional pressure (one year only) re 14 care periods in one year	-	1,900	(1,900)	-
20	Minimum Revenue Provision	-	-	4,000	-
<b>Total</b>		<b>8,794</b>	<b>2,547</b>	<b>3,422</b>	<b>724</b>
<b>Enterprise</b>					
21	Market Re-development	259	-	-	(259)
22	The Base - NNDR	400	-	-	-
23	The Base - Business Plan Assumption	200	(100)	(100)	-
24	Walton Hall Catering - review income targets	150	-	-	-
25	Waste Recycleable Materials - income target unachievable due to market conditions	600	-	-	-
26	Investment in Counter Fraud Team	100	-	-	-
27	Capital Financing Costs	1,981	3,743	1,215	100
28	Housing development staffing resource	100	-	-	-
29	Loans to Registered Housing Providers	-	1,000	-	-
<b>Total</b>		<b>3,790</b>	<b>4,643</b>	<b>1,115</b>	<b>(159)</b>
<b>Grand Total</b>		<b>12,584</b>	<b>7,190</b>	<b>4,537</b>	<b>565</b>
<b>Adjusted (90%) Grand Total</b>		<b>11,524</b>			

## Appendix 3a – Savings by Directorate

Directorate Savings					
Ref.	Savings Proposal	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Resources &amp; Strategic Commissioning</b>					
1	Review of Election service including external funding, fees, staff structure and possible "all out" election	110	-	-	-
2	Service review and redesign and potential trading opportunities	11	-	-	-
3	Benefits and Exchequer - full effect of 2016 Service Review	28	-	-	-
4	Income generation from Human Resources	10	10	-	-
5	Savings from new Occupational Health contract	10	10	-	-
6	Full effect of savings from Essential Car User allowance changes in 2015	50	-	-	-
7	Savings from Senior Management Team Restructure	232	-	-	-
8	Advertising and Sponsorship	25	75	-	-
9	Customer Delivery Programme	800	800	-	-
10	Paperlight Office - Phase 2	50	50	-	-
11	Additional Technology Saving, including new mobile phone contract	200	-	-	-
12	Business Transformation to deliver a new operating model for 2020 for back & middle office services	-	-	1,500	-
<b>Total</b>		<b>1,526</b>	<b>945</b>	<b>1,500</b>	<b>-</b>
<b>Families &amp; Wellbeing</b>					
13	Develop a housing company	200	750	1,000	1,800
14	Trading services with Schools / savings to mitigate Govt Education Services Grant cut	1,500	755	-	-
15	Reviewing transition from children's and young peoples services into adults services	20	-	-	-
16	Review out of borough placements project (SEND)	180	180	180	180
17	Developing assistive technology and telecare project	200	400	400	300
18	Demand management asset based approach to adult social care	500	1,500	2,000	-
19	Reduce the numbers of children in care population	160	940	660	300
20	Reducing dependency by growing reablement service	174	174	174	174
<b>Total</b>		<b>2,934</b>	<b>4,699</b>	<b>4,414</b>	<b>2,754</b>
<b>Economic Regeneration, Growth and Environment</b>					
21	Savings from Senior Management Team Restructure	113	-	-	-
22	Warrington property investment and re-investment	200	200	200	200
23	Review of Fees & Charges	30	-	-	-
24	Catering Income opportunities	200	-	-	-
25	Waste Treatment Review	-	-	4,000	-
<b>Total</b>		<b>543</b>	<b>200</b>	<b>4,200</b>	<b>200</b>
<b>Corporate Financing</b>					
26	Impact of previously agreed changes to Council Tax discounts	150	100	-	-
27	Income from anticipated loans to Registered Social Landlords	2,000	-	-	-
28	Local Authority fixed income investment fund	200	200	200	200
29	Capitalisation of Redundancy cost	1,470	-	-	-
<b>Total</b>		<b>3,820</b>	<b>300</b>	<b>200</b>	<b>200</b>
<b>Grand Total</b>		<b>8,823</b>	<b>6,144</b>	<b>10,314</b>	<b>3,154</b>

## Appendix 3b –Savings by Theme

OBB Theme Savings							
Theme Ref.	Directorate Ref.	Savings Proposal	Savings Outline	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Demand Management and Behaviour Change</b>							
1	ERGE 21	Savings from Senior Management Team restructure.	Savings arising from the review and restructuring of senior management posts in the Economic Regeneration, Growth and Environment Directorate.	113	-	-	-
2	RASC 1	Review of Election service including external funding, fees, staff structure and possible "all out" election.	Moving borough elections to once every four years has reduced the annual cost of elections. There will be some possible costs if by-elections are required and a one off cost every four years to hold local elections.	110	-	-	-
3	RASC 5	Savings from new Occupational Health contract.	Review of Occupational Health Service contract. The contract has been respecified and retendered to generate savings.	10	10	-	-
4	RASC 6	Full effect of savings from Essential Car User allowance changes in 2015.	This savings was delivered in 2015, the protection on some car allowances will cease in 2017 and therefore this is an automatic saving.	50	-	-	-
5	RASC 7	Savings from Senior Management Team restructure.	Savings arising from the review and restructuring of senior management posts in the Resources and Strategic Commissioning Directorate.	232	-	-	-
6	CORP 26	Impact of previously agreed changes to Council Tax discounts.	Review and redesign of Warrington's Scheme for Council Tax discounts, to help reduce the number of empty properties.	150	100	-	-
7	FWB 15	Reviewing transition from children's and young peoples services into adults services.	Review the transition of individuals from Childrens Services into Adults Services and promote independence.	20	-	-	-
8	FWB 16	Review out of borough placements project (Special Education Needs and Disabilities).	Promote development of more services in the borough.	180	180	180	180
9	FWB 17	Developing assistive technology and telecare project.	Develop use of assistive technology to further client independence.	200	400	400	300
10	FWB 18	Demand management asset based approach to adult social care.	A programme of culture and system change by working with service users and their families and communities to identify existing support and emphasising what people can do.	500	1,500	2,000	-
11	FWB 19	Reduce the numbers of children in care population.	Reduction in numbers of children entering care or becoming the subject of a child protection plan.	160	940	660	300
12	FWB 20	Reducing dependency by growing the reablement service.	Reduction in increases in care packages for those discharged from hospital and promote independence.	174	174	174	174
<b>Total</b>				<b>1,899</b>	<b>3,304</b>	<b>3,414</b>	<b>954</b>

## Appendix 3b –Savings by Theme cont'd

OBB Theme Savings							
Theme Ref.	Directorate Ref.	Savings Proposal	Savings Outline	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Enterprise</b>							
13	RASC 2	Service review and redesign and potential trading opportunities.	Recharge of services to Loans and Investments and Capital projects in Accountancy.	11	-	-	-
14	RASC 4	Income generation from Human Resources.	Human Resources advice and support to external organisations which already have a relationship with the Authority i.e. private nurseries.	10	10	-	-
15	RASC 8	Advertising and Sponsorship.	Scope for income generation from advertising/sponsorship initiatives, by maximising the Council's existing assets.	25	75	-	-
16	ERGE 22	Warrington property investment and re-investment.	Opportunity to invest in property to generate income.	200	200	200	200
17	ERGE 23	Review of Fees & Charges.	Exploring opportunities to increase income from fees and charges.	30	-	-	-
18	ERGE 24	Catering Income opportunities.	Examining franchising agreements for catering services across the Authority.	200	-	-	-
19	FWB 13	Develop a housing company.	Evaluating the option of setting up a housing company to build houses in Warrington.	200	750	1,000	1,800
20	FWB 14	Trading services with Schools / savings to mitigate Government Education Services Grant cut.	Proposal to mitigate the reduction in funding following the Government removal of the Education Support Grant.	1,500	755	-	-
21	CORP 27	Income from anticipated loans to Registered Housing Providers.	Income received (both set up fees and ongoing interest payments) from arranging loan facilities with Registered Housing Providers.	2,000	-	-	-
22	CORP 28	Local Authority fixed income investment fund.	Opportunity to expand on Warrington experience of Investing in Solar to enable other Council's to do the same through a single financial vehicle, with the opportunity for Warrington to make significant financing, investment and energy savings.	200	200	200	200
23	CORP 29	Capitalisation of redundancy cost.	Opportunity to capitalise redundancy costs, where the Council is reducing staff numbers and delivering ongoing savings to the revenue budget.	1,470	-	-	-
24	ERGE 25	Waste Treatment review.	Potential to establish a joint venture with an external organisation to manage and handle the Authority's waste stream.	-	-	4,000	-
<b>Total</b>				<b>5,846</b>	<b>1,990</b>	<b>5,400</b>	<b>2,200</b>

## Appendix 3b –Savings by Theme cont'd

OBB Theme Savings							
Theme Ref.	Directorate Ref.	Savings Proposal	Savings Outline	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<b>Technology and Digital Transformation</b>							
25	RASC 3	Benefits and Exchequer - full effect of 2016 Service Review.	Review of operations and reduction in use of overtime.	28	-	-	-
26	RASC 9	Customer Delivery Programme.	Review of all of the Council's end to end customer facing services, to deliver a simpler back office and better customer experience.	800	800	-	-
27	RASC 10	Paperlight Office - Phase 2.	Continuing work on reducing paper, printing and storage requirements.	50	50	-	-
28	RASC 11	Additional Technology Saving, including new mobile phone contract.	New phone contract retendered through Crown Commercial Services to generate rental and call savings.	200	-	-	-
29	RASC 12	Business Transformation to deliver a new operating model for 2020 for back and middle office services.	Review and transformation of business systems and processes across the organisation.	-	-	1,500	-
<b>Total</b>				<b>1,078</b>	<b>850</b>	<b>1,500</b>	<b>-</b>
<b>Grand Total</b>				<b>8,823</b>	<b>6,144</b>	<b>10,314</b>	<b>3,154</b>

## Appendix 4a

### Capital Programme 2017/18 to 2019/20 – Schedule for all capital projects by Directorate

#### FAMILIES & WELLBEING - CAPITAL PROGRAMME

Project Description	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
<b>Children &amp; Young People's Universal Services</b>				
Additional primary places - St Phillips	0.045	-	-	<b>0.045</b>
Additional primary places - Barrowhall Primary	0.200	-	-	<b>0.200</b>
School Priority Maintenance Programme	0.011	-	-	<b>0.011</b>
Callands Primary Refurbishment	0.022	-	-	<b>0.022</b>
Evelyn Street - Pitched Roof	0.010	-	-	<b>0.010</b>
Alderman Bolton Primary - Heating	0.291	-	-	<b>0.291</b>
Cherry Tree Primary - Roof	0.012	-	-	<b>0.012</b>
Ravenbank Primary - Roof	0.011	-	-	<b>0.011</b>
Dallam Primary - External Improvements	0.285	0.015	-	<b>0.300</b>
Secondary Places in West Warrington	3.359	0.138	-	<b>3.497</b>
Woolston Brook (was Grappenhall)	0.003	-	-	<b>0.003</b>
Replacement of ICS Case Management for Children's Social Work	0.545	-	-	<b>0.545</b>
Warrington Youth Zone	1.500	-	-	<b>1.500</b>
<b>Total Children &amp; Young People's Universal Services</b>	<b>6.294</b>	<b>0.153</b>	-	<b>6.447</b>
<b>Public Health</b>				
Disabled adaptations to private housing	0.140	-	-	<b>0.140</b>
Acquisition of housing for use as temporary accommodation	1.500	-	-	<b>1.500</b>
Dallam Estate Project - Bewsey & Dallam	0.702	-	-	<b>0.702</b>
Refurbishment of Fearnhead Cross Community Centre	0.203	-	-	<b>0.203</b>
<b>Total Public Health</b>	<b>2.545</b>	-	-	<b>2.545</b>
<b>TOTAL FAMILIES &amp; WELLBEING</b>	<b>8.839</b>	<b>0.153</b>	-	<b>8.992</b>

#### RESOURCES & STRATEGIC COMMISSIONING - CAPITAL PROGRAMME

Project Description	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
<b>Finance &amp; Information Services</b>				
Capitalisation of Redundancy & Pension Costs	1.000	1.000	1.000	<b>3.000</b>
ICT Projects arising from consequences of major investment within ICT modernisation programme	0.211	-	-	<b>0.211</b>
Superfast Broadband Project	0.073	-	-	<b>0.073</b>
End User Computing - Management Systems and Technologies	0.872	1.498	-	<b>2.370</b>
<b>Total Finance &amp; Information Services</b>	<b>2.156</b>	<b>2.498</b>	<b>1.000</b>	<b>5.654</b>
<b>Partnerships &amp; Performance</b>				
Digital Strategy Phase 1	0.060	-	-	<b>0.060</b>
Replacement of Q-matic queuing system & DART reporting solution for Contact Warrington	0.040	-	-	<b>0.040</b>
<b>Total Partnerships &amp; Performance</b>	<b>0.100</b>	-	-	<b>0.100</b>
<b>TOTAL RESOURCES &amp; STRATEGIC COMMISSIONING</b>	<b>2.256</b>	<b>2.498</b>	<b>1.000</b>	<b>5.754</b>

**ECONOMIC REGENERATION, GROWTH & ENVIRONMENT - CAPITAL PROGRAMME**

<b>Project Description</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>Total £m</b>
<b>Transport &amp; Environment</b>				
Road Maintenance	1.512	1.369	1.369	<b>4.250</b>
Bridge Maintenance	0.484	0.438	0.438	<b>1.360</b>
Traffic Signals - Maintenance	0.134	0.121	0.121	<b>0.376</b>
Bus Stop - Maintenance	0.016	0.014	0.014	<b>0.044</b>
Street Lighting Structural Works	0.440	0.398	0.398	<b>1.236</b>
Footpath & Cycleway - maintenance	0.255	0.231	0.231	<b>0.717</b>
Capitalisation of Potholes	0.500	-	-	<b>0.500</b>
Chapelford Street Lighting Works (commuted sum)	0.060	-	-	<b>0.060</b>
Lower Bridge St & Town Centre (street enhancement)	0.742	-	-	<b>0.742</b>
Highways Maintenance Investment	15.084	10.000	-	<b>25.084</b>
Grey to Green - Highways Improvements	1.000	-	-	<b>1.000</b>
Longshaw Street Playing Fields - Car Park Extension	0.245	-	-	<b>0.245</b>
S106 Omega (Walking & Cycling)	0.125	0.005	-	<b>0.130</b>
S106 Omega (Burtonwood Village)	0.355	0.079	-	<b>0.434</b>
S106 Omega (Public Transport)	0.030	0.164	-	<b>0.194</b>
S106 Omega (HGV Order)	0.024	-	-	<b>0.024</b>
S106 Omega (MOVA/CCTV - M62 Junction 8)	0.070	-	-	<b>0.070</b>
S106 Farrell Street South	0.265	0.048	-	<b>0.313</b>
S106 Eagle Ottawa	0.030	-	-	<b>0.030</b>
S106 Gemini Retail Park	0.126	-	-	<b>0.126</b>
Greenways	0.164	0.164	0.164	<b>0.492</b>
Cycling Improvements	0.071	0.071	0.071	<b>0.213</b>
Pedestrian Improvements: PRow	0.049	0.049	0.049	<b>0.147</b>
General Accessibility Improvements	0.053	0.053	0.053	<b>0.159</b>
Cycle Training - Bikeability	0.006	0.006	0.006	<b>0.018</b>
Travel Planning and Marketing	0.020	0.020	0.020	<b>0.060</b>
Rail Schemes & Studies	0.007	0.007	0.007	<b>0.021</b>
Bus Stop Enhancements	0.019	0.019	0.019	<b>0.057</b>
Parking Strategy	0.015	0.015	0.015	<b>0.045</b>
Safer Routes to Schools	0.120	0.120	0.120	<b>0.360</b>
Road Safety - Local Safety Schemes	0.305	0.305	0.305	<b>0.915</b>
Traffic Management - Minor Works	0.195	0.195	0.195	<b>0.585</b>
Pedestrian Improvements: (Crossings)	0.078	0.078	0.078	<b>0.234</b>
Traffic Signal Enhancements	0.102	0.102	0.102	<b>0.306</b>
UTMC Development	0.069	0.069	0.069	<b>0.207</b>
Network Management Plan	0.104	0.104	0.104	<b>0.312</b>
Monitoring & Strategic Studies	0.117	0.117	0.117	<b>0.351</b>
Centre Park Link	14.344	2.430	0.292	<b>17.066</b>
Warrington West Station	10.205	0.930	-	<b>11.135</b>
Birchwood Pinch Point	0.368	-	-	<b>0.368</b>
Omega M62 Junction 8	8.472	0.235	-	<b>8.707</b>
ITB Allocation 'top up'	0.950	0.600	1.800	<b>3.350</b>
ITB Smaller LST Scheme	0.515	0.500	-	<b>1.015</b>
Multi-modal Model	0.325	-	-	<b>0.325</b>
Green Space Delivery Programme & Parks and Streets Refurbishment	0.002	-	-	<b>0.002</b>
Victoria Park Improvement	0.323	0.300	-	<b>0.623</b>
Sankey Valley Park Improvement	0.121	0.100	-	<b>0.221</b>
Dallam/Bewsey Regeneration Programme	0.031	-	-	<b>0.031</b>
Warrington Allotments Improvement Programme	0.060	-	-	<b>0.060</b>
Alexander Park Developments Phase 1 - Play Area Phase 2 - Pavilion	0.132	-	-	<b>0.132</b>
Sankey Canal Restoration Project	0.184	-	-	<b>0.184</b>
Bank Park Enhancements & Improvement	0.136	-	-	<b>0.136</b>
Walton Estate Old Riding School	0.050	-	-	<b>0.050</b>
Walton Estate (Heritage Lottery Fund)	0.500	0.300	-	<b>0.800</b>
Walton 'Old Laundry' building – prevention of failure and further deterioration	0.218	-	-	<b>0.218</b>
Cenotaph Retaining Wall Structural Improvements	0.250	-	-	<b>0.250</b>
Walton Lea Crematorium - traffic management improvements	0.140	-	-	<b>0.140</b>
S106 G J Greenalls (Loushers Lane)	0.282	0.028	-	<b>0.310</b>
S106 Total Fitness	0.010	-	-	<b>0.010</b>
S106 The Hermit Inn (Golborne Road)	0.009	-	-	<b>0.009</b>
S106 Omega (Bericote Land)	0.050	0.054	-	<b>0.104</b>
S106 Riverside Point (Farrell Street)	0.100	-	-	<b>0.100</b>
S106 Land Adjacent Farmers Arms	0.020	-	-	<b>0.020</b>
S106 Former Ship Inn (Chester Road)	0.010	-	-	<b>0.010</b>
<b>New Corporate Bids:</b>				<b>-</b>
Active Travel Investment Strategy	0.100	0.741	1.826	<b>2.667</b>
Warrington East Phase 2	2.030	4.800	6.514	<b>13.344</b>
Omega Local Highway Schemes Phase 1	0.925	0.900	4.640	<b>6.465</b>
<b>Total Transport &amp; Environment</b>	<b>63.853</b>	<b>26.279</b>	<b>19.137</b>	<b>109.269</b>

**ECONOMIC REGENERATION, GROWTH & ENVIRONMENT - CAPITAL PROGRAMME cont'd**

Project Description	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
<b>Regulation &amp; Public Protection</b>				
Air Quality	0.004	-	-	<b>0.004</b>
<b>Total Regulation &amp; Public Protection</b>	<b>0.004</b>	-	-	<b>0.004</b>
<b>Warrington &amp; Co</b>				
Building Maintenance Programme	0.224	-	-	<b>0.224</b>
Travellers transit site	1.866	-	-	<b>1.866</b>
Town Centre - empty shops grant	0.136	-	-	<b>0.136</b>
<b>Total Warrington &amp; Co</b>	<b>2.226</b>	-	-	<b>2.226</b>
<b>TOTAL ECONOMIC REGENERATION, GROWTH &amp; ENVIRONMENT</b>	<b>66.083</b>	<b>26.279</b>	<b>19.137</b>	<b>111.499</b>

**INVEST TO SAVE - CAPITAL PROGRAMME**

Project Description	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
<b>Resources &amp; Strategic Commissioning</b>				
Shared Ownership Mortgages (Local Authority Partnership Purchase)	1.000	-	-	<b>1.000</b>
Loans to Registered Social Landlords	200.000	200.000	201.072	<b>601.072</b>
Business Bank	10.000	10.000	-	<b>20.000</b>
Housing Company	1.000	15.000	44.000	<b>60.000</b>
Great Sankey Hub Loans	7.200	-	-	<b>7.200</b>
Green Energy Programme	10.000	7.273	-	<b>17.273</b>
Wider Area Network (WAN) Redesign and Hardware Refresh	0.131	-	-	<b>0.131</b>
<b>Total Resources &amp; Strategic Commissioning</b>	<b>229.331</b>	<b>232.273</b>	<b>245.072</b>	<b>706.676</b>
<b>Economic Regeneration, Growth &amp; Environment</b>				
Street Lighting Energy, Carbon & Asset Improvement	9.773	-	-	<b>9.773</b>
Strategic Property Investment Programme to support Regeneration & Investment Portfolio	265.712	-	-	<b>265.712</b>
Bridge Street Quarter Project	35.700	15.330	20.496	<b>71.526</b>
<b>Total Economic Regeneration, Growth &amp; Environment</b>	<b>311.185</b>	<b>15.330</b>	<b>20.496</b>	<b>347.011</b>
<b>TOTAL INVEST TO SAVE</b>	<b>540.516</b>	<b>247.603</b>	<b>265.568</b>	<b>1,053.687</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>617.694</b>	<b>276.533</b>	<b>285.705</b>	<b>1,179.932</b>



## Appendix 4b

### Capital Programme Financing by Scheme

#### FAMILIES & WELLBEING - CAPITAL PROGRAMME

Project Description	Capital Receipts £m	External Funding £m	Grants & Contributions £m	Unsupported Borrowing £m	Total Funding £m
<b>Children &amp; Young People's Universal Services</b>					
Additional primary places - St Phillips	-	-	0.045	-	0.045
Additional primary places - Barrowhall Primary	-	-	0.200	-	0.200
School Priority Maintenance Programme	-	-	0.011	-	0.011
Callands Primary Refurbishment	-	-	0.022	-	0.022
Evelyn Street - Pitched Roof	-	-	0.010	-	0.010
Alderman Bolton Primary - Heating	-	-	0.291	-	0.291
Cherry Tree Primary - Roof	-	-	0.012	-	0.012
Ravenbank Primary - Roof	-	-	0.011	-	0.011
Dallam Primary - External Improvements	-	-	0.300	-	0.300
Secondary Places in West Warrington	-	-	3.497	-	3.497
Woolston Brook (was Grappenhall)	-	-	0.003	-	0.003
Replacement of ICS Case Management for Children's Social Work	-	-	0.123	0.422	0.545
Warrington Youth Zone	-	-	-	1.500	1.500
<b>Total Children &amp; Young People's Universal Services</b>	-	-	<b>4.525</b>	<b>1.922</b>	<b>6.447</b>
<b>Public Health</b>					
Disabled adaptations to private housing	-	-	-	0.140	0.140
Acquisition of housing for use as temporary accommodation	1.000	-	0.500	-	1.500
Dallam Estate Project - Bewsey & Dallam	-	-	-	0.702	0.702
Refurbishment of Fearhead Cross Community Centre	0.203	-	-	-	0.203
<b>Total Public Health</b>	<b>1.203</b>	-	<b>0.500</b>	<b>0.842</b>	<b>2.545</b>
<b>TOTAL FAMILIES &amp; WELLBEING</b>	<b>1.203</b>	-	<b>5.025</b>	<b>2.764</b>	<b>8.992</b>

#### RESOURCES & STRATEGIC COMMISSIONING - CAPITAL PROGRAMME

Project Description	Capital Receipts £m	External Funding £m	Grants & Contributions £m	Unsupported Borrowing £m	Total Funding £m
<b>Finance &amp; Information Services</b>					
Capitalisation of Redundancy & Pension Costs	-	-	-	3.000	3.000
ICT Projects arising from consequences of major investment within ICT modernisation programme	-	-	-	0.211	0.211
Superfast Broadband Project	-	-	-	0.073	0.073
End User Computing - Management Systems and Technologies	-	-	-	2.370	2.370
<b>Total Finance &amp; Information Services</b>	-	-	-	<b>5.654</b>	<b>5.654</b>
<b>Partnerships &amp; Performance</b>					
Digital Strategy Phase 1	-	-	-	0.060	0.060
Replacement of Q-matic queuing system & DART reporting solution for Contact Warrington	-	-	-	0.040	0.040
<b>Total Partnerships &amp; Performance</b>	-	-	-	<b>0.100</b>	<b>0.100</b>
<b>TOTAL RESOURCES &amp; STRATEGIC COMMISSIONING</b>	-	-	-	<b>5.754</b>	<b>5.754</b>

#### ECONOMIC REGENERATION, GROWTH & ENVIRONMENT - CAPITAL PROGRAMME

Project Description	Capital Receipts £m	External Funding £m	Grants & Contributions £m	Unsupported Borrowing £m	Total Funding £m
<b>Transport &amp; Environment</b>					
Road Maintenance	-	-	4.250	-	4.250
Bridge Maintenance	-	-	1.360	-	1.360
Traffic Signals - Maintenance	-	-	0.376	-	0.376
Bus Stop - Maintenance	-	-	0.044	-	0.044
Street Lighting Structural Works	-	-	1.236	-	1.236
Footpath & Cycleway - maintenance	-	-	0.717	-	0.717
Capitalisation of Potholes	-	-	-	0.500	0.500
Chapelford Street Lighting Works (commuted sum)	-	-	0.060	-	0.060
Lower Bridge St & Town Centre (street enhancement)	-	-	-	0.742	0.742
Highways Maintenance Investment	-	-	-	25.084	25.084
Grey to Green - Highways Improvements	-	-	-	1.000	1.000
Longshaw Street Playing Fields - Car Park Extension	-	-	-	0.245	0.245
S106 Omega (Walking & Cycling)	-	-	0.130	-	0.130
S106 Omega (Burtonwood Village)	-	-	0.434	-	0.434
S106 Omega (Public Transport)	-	-	0.194	-	0.194
S106 Omega (HGV Order)	-	-	0.024	-	0.024
S106 Omega (MOVA/CCTV - M62 Junction 8)	-	-	0.070	-	0.070
S106 Farrell Street South	-	-	0.313	-	0.313
S106 - Eagle Ottawa	-	-	0.030	-	0.030
S106 Gemini Retail Park	-	-	0.126	-	0.126

**ECONOMIC REGENERATION, GROWTH & ENVIRONMENT - CAPITAL PROGRAMME cont'd**

Project Description	Capital Receipts £m	External Funding £m	Grants & Contributions £m	Unsupported Borrowing £m	Total Funding £m
<b>Transport &amp; Environment</b>					
Greenways	-	-	0.492	-	0.492
Cycling Improvements	-	-	0.213	-	0.213
Pedestrian Improvements: PRow	-	-	0.147	-	0.147
General Accessibility Improvements	-	-	0.159	-	0.159
Cycle Training - Bikeability	-	-	0.018	-	0.018
Travel Planning and Marketing	-	-	0.060	-	0.060
Rail Schemes & Studies	-	-	0.021	-	0.021
Bus Stop Enhancements	-	-	0.057	-	0.057
Parking Strategy	-	-	0.045	-	0.045
Safer Routes to Schools	-	-	0.360	-	0.360
Road Safety - Local Safety Schemes	-	-	0.915	-	0.915
Traffic Management - Minor Works	-	-	0.585	-	0.585
Pedestrian Improvements: (Crossings)	-	-	0.234	-	0.234
Traffic Signal Enhancements	-	-	0.306	-	0.306
UTMC Development	-	-	0.207	-	0.207
Network Management Plan	-	-	0.312	-	0.312
Monitoring & Strategic Studies	-	-	0.351	-	0.351
Centre Park Link	-	5.555	2.407	9.104	17.066
Warrington West Station	-	6.780	0.654	3.701	11.135
Birchwood Pinch Point	-	-	-	0.368	0.368
Omega M62 Junction 8	-	1.053	5.422	2.232	8.707
ITB Allocation 'top up'	-	-	-	3.350	3.350
ITB Smaller LST Scheme	-	-	-	1.015	1.015
Multi-modal Model	-	-	-	0.325	0.325
Green Space Delivery Programme & Parks and Streets Refurbishment	-	-	0.002	-	0.002
Victoria Park Improvement	-	-	-	0.623	0.623
Sankey Valley Park Improvement	-	-	-	0.221	0.221
Dallam/Bewsey Regeneration Programme	-	-	-	0.031	0.031
Warrington Allotments Improvement Programme	-	-	-	0.060	0.060
Alexander Park Developments Phase 1 - Play Area Phase 2 - Pavilion	-	-	-	0.132	0.132
Sankey Canal Restoration Project	-	-	-	0.184	0.184
Bank Park Enhancements & Improvement	-	-	-	0.136	0.136
Walton Estate Old Riding School	-	-	-	0.050	0.050
Walton Estate (Heritage Lottery Fund)	-	-	-	0.800	0.800
Walton 'Old Laundry' building – prevention of failure and further deterioration	-	-	-	0.218	0.218
Cenotaph Retaining Wall Structural Improvements	-	-	-	0.250	0.250
Walton Lea Crematorium - traffic management improvements	-	-	-	0.140	0.140
S106 G J Greenalls (Loushers Lane)	-	-	0.310	-	0.310
S106 Total Fitness	-	-	0.010	-	0.010
S106 The Hermit Inn (Golborne Road)	-	-	0.009	-	0.009
S106 Omega (Bericote Land)	-	-	0.104	-	0.104
S106 Riverside Point (Farrell Street)	-	-	0.100	-	0.100
S106 Land Adjacent Farmers Arms	-	-	0.020	-	0.020
S106 Former Ship Inn (Chester Road)	-	-	0.010	-	0.010
<b>New Corporate Bids:</b>	-	-	-	-	-
Active Travel Investment Strategy	-	1.917	-	0.750	2.667
Warrington East Phase 2	-	9.389	-	3.955	13.344
Omega Local Highway Schemes Phase 1	-	5.427	-	1.038	6.465
<b>Total Transport &amp; Environment</b>	-	<b>30.121</b>	<b>22.894</b>	<b>56.254</b>	<b>109.269</b>
<b>Regulation &amp; Public Protection</b>					
Air Quality	-	-	0.004	-	0.004
<b>Total Regulation &amp; Public Protection</b>	-	-	<b>0.004</b>	-	<b>0.004</b>
<b>Warrington &amp; Co</b>					
Building Maintenance Programme	-	-	-	0.224	0.224
Travellers transit site	-	-	-	1.866	1.866
Town Centre - empty shops grant	0.136	-	-	-	0.136
<b>Total Warrington &amp; Co</b>	<b>0.136</b>	-	-	<b>2.090</b>	<b>2.226</b>
<b>TOTAL ECONOMIC REGENERATION, GROWTH &amp; ENVIRONMENT</b>	<b>0.136</b>	<b>30.121</b>	<b>22.898</b>	<b>58.344</b>	<b>111.499</b>

**INVEST TO SAVE - CAPITAL PROGRAMME**

Project Description	Capital Receipts £m	External Funding £m	Grants & Contributions £m	Unsupported Borrowing £m	Total Funding £m
<b>Resources &amp; Strategic Commissioning</b>					
Shared Ownership Mortgages (Local Authority Partnership Purchase)	-	-	-	1.000	<b>1.000</b>
Loans to Registered Social Landlords	-	-	-	601.072	<b>601.072</b>
Business Bank	-	-	-	20.000	<b>20.000</b>
Housing Company	-	-	-	60.000	<b>60.000</b>
Great Sankey Hub Loans	-	-	-	7.200	<b>7.200</b>
Green Energy Programme	-	-	-	17.273	<b>17.273</b>
Wider Area Network (WAN) Redesign and Hardware Refresh	-	-	-	0.131	<b>0.131</b>
<b>Total Resources &amp; Strategic Commissioning</b>	-	-	-	<b>706.676</b>	<b>706.676</b>
<b>Economic Regeneration, Growth &amp; Environment</b>					
Street Lighting Energy, Carbon & Asset Improvement	-	-	-	9.773	<b>9.773</b>
Strategic Property Investment Programme to support Regeneration & Investment Portfolio	-	-	-	265.712	<b>265.712</b>
Bridge Street Quarter Project	-	-	-	71.526	<b>71.526</b>
<b>Total Economic Regeneration, Growth &amp; Environment</b>	-	-	-	<b>347.011</b>	<b>347.011</b>
<b>TOTAL INVEST TO SAVE</b>	-	-	-	<b>1,053.687</b>	<b>1,053.687</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>1.339</b>	<b>30.121</b>	<b>27.923</b>	<b>1,120.549</b>	<b>1,179.932</b>

## Appendix 5 Revenue Reserves

<b>EARMARKED REVENUE RESERVES</b>	<b>PURPOSE OF RESERVE</b>	<b>31st March 2016 £</b>	<b>31st March 2017 £</b>
<b>Resources and Strategic Commissioning</b>			
Members Voluntary Initiative	To fund International Partnerships initiative	-7,822	-7,822
Museum Arts	To fund future museum exhibitions or art acquisitions	-12,877	-12,877
Community Investment Funding Reserve	To fund Community Investment Schemes	-91,070	-91,070
Coroners Reserve	To fund any one off costs of future judicial reviews	-100,743	-71,084
Union Learner Representatives	To increase participation in union training services	-16,623	-16,623
Salary Sacrifice Car Leasing Reserve	Potential future liability on salary sacrifice car leasing scheme	-93,075	-93,075
Local Land Charges Reserve	Statutory fund to ring-fence surpluses/deficits over three year cycle for fee setting purposes	-20,646	0
Insurance Fund Reserve	Third Party Insurance Claim excesses and self insure certain areas of risk	-2,128,663	-2,128,663
Medium Term Financial Plan Reserve	To ensure the Council's future financial sustainability	-7,795,551	-5,266,098
Local Authoritys Mortgage Scheme Reserve	Potential future LAMS defaults	-571,703	-571,703
Municipal Mutual Insurance Payments Reserve	To fund future potential MMI clawback	-465,350	-465,350
Early Release Reserve	To fund movements in the redundancy calculation	-609,545	-609,545
Loans and Investment Reserve	Contingency for repayment of the Council's loan portfolio	-3,000,000	-3,000,000
Assistant Chief Executive Reserve Carry Forwards	To fund future expenditure in Assistant Chief Executives	-6,022,789	-1,003,037
<b>TOTAL - RASC Reserves</b>		<b>-20,936,457</b>	<b>-13,336,947</b>
<b>Families &amp; Wellbeing</b>			
Childrens Comfort Funds Reserve	Held on behalf of children in care and not available to the Council	-7,168	-7,168
Criminal Injuries Compensation Reserve	To provide for any criminal injury claims from children in care	-11,744	-11,744
2 Way Youth Offenders Team Reserve	Warrington and Halton Council's joint provision of Youth Offending services	-273,181	0
Warrington Youth Offenders Team Reserve	Warrington Council's provision of Youth Offending services	0	-271,664
Halton Youth Offenders Team Reserve	Halton Council's provision of Youth Offending services	0	-271,663
Cheshire West & Chester Youth Offenders Team Reserve	Cheshire West & Chester Council's provision of Youth Offending services	0	-135,073
3 Way Youth Offenders Team Reserve	Warrington, Halton and Cheshire West Council's joint provision of Youth Offending services	-339,517	0
Home to School Transport	Future potential home to school transport claims	-71,248	0
Schools Forum Service Development	To fund the development of service packages to Schools Forum and Warrington schools	-58,890	-58,890
Children & Young People Reserve Carry Forwards	To fund future expenditure in Children's Services	-4,058,964	-270
Joint Primary Care Trust Initiative	To fund Joint PCT Initiative	100	100
Homelessness Bond Money	Closing the Gap proposals	-91,172	-91,172
Solar Panel Lifecycle Fund	Future replacement cost on solar panels	-277,026	-277,026
Unitary Charge Reserve - Public Finance Initiative schemes	Future variations on unitary charge on PFI schemes	-835,680	-835,680
Financial Protection Team Balance	To fund FWB(Adults) with specific criteria	-20,035	-20,035
Public Health Grant	To fund public health expenditure	-495,452	0
Sinking Fund	To contribute to any refurbishment or enhancements of Alder Lodge Homeless Unit	-234,773	-234,773
Community Drug & Alcohol Misuse Service	To fund the Council's drug and alcohol misuse strategy	-289,594	-10,351
Prison Substance Misuse Service	To fund the Council's prison substance misuse strategy	-55,176	0
Better Care Fund Pooled Reserve	To fund Better Care Fund expenditure	-87,614	0
Neighbourhood & Community Reserve Carry Forwards	To fund future Neighbourhood & Community expenditure	-156,900	-13,000
<b>TOTAL - FWB Reserves</b>		<b>-7,364,034</b>	<b>-2,238,409</b>

<b>EARMARKED REVENUE RESERVES</b>	<b>PURPOSE OF RESERVE</b>	<b>31st March 2016 £</b>	<b>31st March 2017 £</b>
<b>TOTAL - FWB Reserves</b>		<b>-7,364,034</b>	<b>-2,238,409</b>
<b>Economic Regeneration, Growth &amp; Environment</b>			
Town Centre Sinking Fund	Potential future Town Centre overspends	-368,646	-303,297
Taxi Surplus	Ringfenced account with surpluses/losses earmarked for use in respect of this service	-68,348	-68,348
Walton Hall Reserve	Walton Hall refurbishment	-4,743	-4,743
Time Square Reserve	Regeneration of Time Square area in accordance with the Bridge Street Quarter plan	-4,471	-4,471
Winwick Road Account - Surplus / Deficit	To contribute to any refurbishment or enhancements of Alder Lodge Homeless Unit	-110,555	-110,555
Environment & Regeneration Reserve Carry Forwards	To fund future expenditure in Environment Services	-730,685	-90,000
<b>TOTAL - ERGE Reserves</b>		<b>-1,287,448</b>	<b>-581,414</b>
<b>TOTAL EARMARKED REVENUE RESERVES</b>		<b>-29,587,939</b>	<b>-16,156,770</b>
<b>OTHER GENERAL FUND RESERVE</b>			
Council Strategic Reserve	To cover emergency events such as unforeseen financial liabilities or natural disasters	-4,760,076	-4,760,076
Council General reserve		-1,064,192	-1,064,192
<b>TOTAL - Strategic Reserve</b>		<b>-5,824,268</b>	<b>-5,824,268</b>
<b>TOTAL REVENUE RESERVES</b>		<b>-35,412,207</b>	<b>-21,981,038</b>

## Appendix 6

Regulations laid before parliament on 31<sup>st</sup> January 2014 and come into force on 25<sup>th</sup> February 2014 require that immediately after any vote is taken at a budget decision meeting (relating to the adoption of the Council Tax resolution below) there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

### **The Council is recommended to resolve as follows:**

1. That it be noted that on 19 January 2017, the Audit & Corporate Governance Committee approved the following amounts as the Council's Council Tax Base for the financial year 2017/18:
  - (a) for the whole Council area as 66,527 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
  - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix 7; and that
  - (c) the Audit and Corporate Governance Committees approval be affirmed.
2. That pursuant to section 31(A) of the Act the Council Tax requirement for the Council's own purposes for 2017/18 (excluding Parish precepts) is £87,543,099.
3. That the following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Act:
  - (a) £138,137,901 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) £48,806,580 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - (c) £89,331,321 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
  - (d) £1,342.78 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - (e) £1,788,222 being the aggregate amount of all special items (Parish

precepts) referred to in Section 34(1) of the Act (as per the attached Appendix 7).

- (f) £1,315.90 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
4. That it be noted that the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Act 1992 for each category of dwellings in the Council's area as indicated in Appendix 8.
  5. That the Council, in accordance with Sections 30 and 36 of the Act 1992, hereby sets the aggregate amounts shown in the Appendix 8 as the amounts of Council Tax for 2017/18 for each part of its area and for each of the categories of dwellings.
  6. That it considered and determines whether the relevant basic amount of Council Tax for 2017/18 is excessive in accordance with the principles approved under Section 52ZB of the Act.

## Appendix 7

Parish Council	2016/17			2017/18					Council Tax Increase
	Tax Base	Precept (£)	Council Tax Band D (£)	Unadjusted Tax Base	Total Precept (£)	Final Tax Base	Council Tax Precept (£)	Council Tax Band D (£)	
Appleton	4,483	76,218	17.00	5,059	126,475	4,532	113,288	25.00	47.06%
Birchwood	3,181	305,978	96.19	3,604	353,601	3,228	316,732	98.11	2.00%
Burtonwood & Westbrook	3,385	75,358	22.26	3,897	88,479	3,491	79,254	22.70	2.00%
Croft	854	62,366	73.00	960	71,550	860	64,090	74.53	2.10%
Cuerdley	42	0	0.00	46	0	41	0	0.00	0.00%
Culcheth & Glazebury	3,097	62,815	20.28	3,567	109,935	3,195	98,472	30.82	51.97%
Grappenhall & Thelwall	3,503	130,331	37.21	3,984	151,124	3,569	135,367	37.93	1.95%
Great Sankey	9,231	236,588	25.63	10,501	351,784	9,406	315,105	33.50	30.71%
Hatton	146	2,021	13.86	163	2,305	146	2,065	14.14	2.03%
Lymm	4,934	127,640	25.87	5,596	173,712	5,013	155,600	31.04	20.00%
Penketh	2,524	152,223	60.31	2,860	179,811	2,562	161,063	62.87	4.25%
Poulton with Fearnhead	4,867	93,906	19.29	5,539	111,135	4,961	99,547	20.06	4.00%
Rixton with Glazebrook	673	21,888	32.52	766	24,620	686	22,053	32.14	-1.17%
Stockton Heath	2,251	67,532	30.00	2,542	101,680	2,277	91,078	40.00	33.33%
Stretton	338	7,095	21.00	387	8,289	347	7,425	21.42	1.99%
Walton	664	7,057	10.63	750	7,970	672	7,139	10.63	0.00%
Winwick	1,639	99,439	60.69	1,863	114,110	1,669	102,212	61.25	0.93%
Woolston	2,159	16,922	7.84	2,437	19,798	2,183	17,734	8.12	3.63%
Unparished	17,184	0	0.00	19,750	0	17,691	0	0.00	0.00%
<b>Total /Average</b>	<b>65,156</b>	<b>1,545,376</b>	<b>23.72</b>	<b>74,271</b>	<b>1,996,378</b>	<b>66,527</b>	<b>1,788,222</b>	<b>26.88</b>	<b>13.33%</b>



## Appendix 8

<b>Council Tax Schedule 2017/18</b>	<b>Band A Disabled</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Warrington Borough Council</b>	731.06	877.27	1,023.48	1,169.69	1,315.90	1,608.33	1,900.75	2,193.17	2,631.81
<b>Cheshire Police Authority</b>	91.35	109.63	127.90	146.17	164.44	200.98	237.52	274.06	328.88
<b>Cheshire Fire Authority</b>	40.72	48.86	57.00	65.15	73.29	89.58	105.86	122.15	146.58
<b>Total Unparished</b>	<b>863.13</b>	<b>1,035.75</b>	<b>1,208.38</b>	<b>1,381.01</b>	<b>1,553.63</b>	<b>1,898.88</b>	<b>2,244.13</b>	<b>2,589.39</b>	<b>3,107.26</b>
<b>Total by Parish</b>									
Appleton	877.02	1,052.42	1,227.82	1,403.23	1,578.63	1,929.44	2,280.25	2,631.05	3,157.26
Birchwood	917.64	1,101.16	1,284.69	1,468.22	1,651.75	2,018.80	2,385.85	2,752.91	3,303.49
Burtonwood & Westbrook	875.74	1,050.89	1,226.04	1,401.19	1,576.34	1,926.63	2,276.93	2,627.23	3,152.67
Croft	904.54	1,085.44	1,266.35	1,447.26	1,628.16	1,989.98	2,351.79	2,713.61	3,256.33
Cuerdley	863.13	1,035.75	1,208.38	1,381.01	1,553.63	1,898.88	2,244.13	2,589.39	3,107.26
Culcheth & Glazebury	880.25	1,056.30	1,232.35	1,408.40	1,584.45	1,936.55	2,288.65	2,640.75	3,168.90
Grappenhall & Thelwall	884.20	1,061.04	1,237.88	1,414.72	1,591.56	1,945.25	2,298.93	2,652.61	3,183.13
Great Sankey	881.74	1,058.09	1,234.44	1,410.78	1,587.13	1,939.83	2,292.52	2,645.22	3,174.26
Hatton	870.98	1,045.18	1,219.38	1,393.58	1,567.77	1,916.17	2,264.56	2,612.95	3,135.55
Lymm	880.37	1,056.45	1,232.52	1,408.60	1,584.67	1,936.82	2,288.97	2,641.12	3,169.35
Penketh	898.06	1,077.67	1,257.28	1,436.89	1,616.50	1,975.73	2,334.95	2,694.17	3,233.01
Poulton with Fearnhead	874.28	1,049.13	1,223.99	1,398.84	1,573.70	1,923.41	2,273.12	2,622.83	3,147.39
Rixton with Glazebrook	880.98	1,057.18	1,233.38	1,409.58	1,585.77	1,938.17	2,290.56	2,642.95	3,171.55
Stockton Heath	885.35	1,062.42	1,239.49	1,416.56	1,593.63	1,947.77	2,301.91	2,656.05	3,187.26
Stretton	875.03	1,050.03	1,225.04	1,400.04	1,575.05	1,925.06	2,275.07	2,625.08	3,150.10
Walton	869.03	1,042.84	1,216.65	1,390.45	1,564.26	1,911.87	2,259.48	2,607.10	3,128.52
Winwick	897.16	1,076.59	1,256.02	1,435.45	1,614.88	1,973.75	2,332.61	2,691.47	3,229.76
Woolston	867.64	1,041.17	1,214.70	1,388.23	1,561.76	1,908.81	2,255.87	2,602.93	3,123.51
<b>Average Band D</b>	<b>878.06</b>	<b>1,053.67</b>	<b>1,229.29</b>	<b>1,404.90</b>	<b>1,580.51</b>	<b>1,931.74</b>	<b>2,282.96</b>	<b>2,634.19</b>	<b>3,161.02</b>