

# **Revenue Budget 2015/16 - Medium Term Financial Plan and Capital Programme**

*Lead Officer:* Donna Parham, Assistant Director (Finance and Corporate Services)  
*Contact Details:* Donna.parham@southsomerset.gov.uk or (01935) 462225

## **Purpose of Report**

1. To seek approval for the proposed 2015/16 Revenue Budget, Medium Term Financial Plan (Revenue Budgets for 2015/16 to 2019/20) and the Capital Programme.

## **Forward Plan**

2. This report appeared on the District Executive and Council Forward Plan for February 2015.

## **Public Interest**

3. This report sets out the budget for South Somerset District Council for 2015/16 and the estimated budgets for the following four years. It also asks members to approve capital schemes for funding in 2015/16.

## **Recommendations**

4. That full Council:
  - (a) note the report of the Scrutiny Task and Finish Group attached at Appendix A.
  - (b) approves the overall Revenue Budget for 2015/16 of **£17,389,600** and the General Account Summary as shown at Appendix B and note future year projections;
  - (c) approves the detailed budgets for the District Executive and four Area Committees as shown at Appendix C;
  - (d) approves that there is no increase in the Council Tax for 2015/16 for South Somerset District Council, which will result in a continuing Band D charge of **£150.74**;
  - (e) approves the additional expenditure for budget pressure bids as shown in Appendix D;
  - (f) approves the savings proposals in Appendix E in conjunction with the Equalities Impact Schedule at Appendix G;
  - (g) approves the once-off items of expenditure as shown in Appendix F;
  - (h) approves the transfer of the NDR surplus (£0.9595 million) to the NDR Volatility Reserve;
  - (i) notes the current position and future estimation of reserves and balances as shown in paragraphs 53-56;

- (j) approves the revised Capital Programme as shown in Appendix H;
- (k) approves the new schemes to be included in the Capital Programme as shown in Appendix I;
- (l) notes the scoring of new capital schemes outlined in Appendix K;
- (m) notes the proposed funding of the Capital Programme as shown in paragraph 66.
- (n) notes the detailed Capital Investment appraisal forms for new schemes, as shown at Appendix J;

## **Background**

- 5. District Executive and Scrutiny Committee have received update reports on the draft 2015/16 budget, Medium Term Financial Strategy and Medium Term Financial Plan. The drafts were subject to final amendments whilst awaiting clarity around Government grants and funding.
- 6. This report sets out the final proposals agreed by District Executive on 5<sup>th</sup> February 2015. The District Executive has delegated authority to manage and monitor the budget once it has been approved by Council.

## **Medium Term Financial Strategy**

- 7. The Medium Term Financial Strategy (MTFS) outlines how the Medium Term Financial Plan (MTFP) i.e. the budget that will be delivered over the medium to long-term. The MTFP at South Somerset spans three years with a further two years added to show the likely longer-term picture. The Medium Term Financial Strategy links the resources required to deliver the Corporate Plan and the Council's strategies.
- 8. Currently the MTFP shows a projected budget gap for each year of the plan. The figures include all estimates for pay awards, council tax, Government grant, and inflation.
- 9. In October 2014 members agreed a two year savings plan to balance the budget over a two year period 2015/16 and 2016/17. Savings are to be achieved through the following key projects:-
  - **Optimising Income** – actively increasing our income, earning income through new sources, and marketing existing services.
  - **Service Redesign** – process improvement, EDM, specialist roles, channel shift and sharing (includes continuation of the Lean programme).
  - **Contracts and Procurement** – reviewing how procurement is delivered and reducing spend on contracts.
  - **Asset Savings** – identifying savings from council owned assets (land and buildings).

In addition to this budgets will continue to be reviewed in light of economic conditions, interest rates, and underspends.

## **Outcomes Expected from the Medium Term Financial Strategy**

10. The Council will deliver a balanced budget over the term of the plan. A balanced budget means that balances or reserves are not used to meet on-going expenditure commitments.
11. The Council will achieve as much stability as possible for both service delivery and staff in planning the moving of resources (both money and people) to areas of agreed priority.
12. SSDC will continue the drive to make services as efficient as possible.
13. In addition the authority will continue to add value in procuring goods and services and manage its assets effectively.

## **Capital Strategy**

14. The Capital Strategy outlines how the capital programme will be funded. All new receipts will be released for new capital schemes unless the receipt is required to be set aside for the loss of income. A further sum of capital receipts will be released to meet needs that deliver the Corporate Plan once the effect on revenue is assessed and can be funded within the Medium Term Financial Plan.
15. The "Spend to Save" scheme enables projects to come forward at any time which prove to give a return of the same or greater than the loss of interest that could be earned (this can include returning the capital utilised). This allows for individual schemes showing innovation, efficiencies, and income generation to be considered.
16. SSDC's Asset Strategy has now been approved and bids will be made annually for approval within the overall budget process.
17. Members approved a process for releasing Infrastructure Funding in December 2013. This allows for funding outside of the normal annual budget process but all projects must outline the revenue implications when approved and these commitments will be added to the Medium Term Financial Plan.
18. District Executive has delegated authority to approve the use of up to 5% of capital receipts in any one year (approx. £1.5 million). Approvals beyond this sum must be agreed through full Council.

## **Strategy for New Homes Bonus (NHB)**

19. A sum equivalent to 80% of the average annual council tax is received in grant for every new home once occupied. This sum is payable for six years with an additional bonus of £350 for every affordable home occupied.
20. The agreed strategy for New Homes Bonus is to mainstream it with Revenue Support Grant to maintain services.
21. To ensure that risk is minimised the amount of NHB being used to fund the MTFP will be outlined each year, In addition it will always fund the current and next year's budget giving the authority time to make any cuts necessary in a measured way.
22. The current strategy for the use of NHB in priority order is as follows:
  - Supporting revenue spending to retain services that benefit the community;

- Supporting costs (revenue and capital) of spending on infrastructure before and on the introduction of CIL;
  - Supporting capital spending for affordable housing (from the affordable housing element of NHB);
  - Supporting business growth for the retention of business rates to stabilise and increase business rate income.
23. Currently NHB is being fully utilised to support revenue spending – this will be reviewed annually as part of the Medium Term Financial Strategy and Plan.
24. The current plan includes support of up to £3.0 million per annum from New Homes Bonus and assumes that NHB continues beyond the elections in 2015. At present SSDC holds sufficient NHB to fund £2.7 million in 2015/16, up to £3.0 million in 2016/17 and 1.3 million for 2017/18.
25. The maximum support from NHB in any one year for ongoing expenditure has been set at £3 million (10% of SSDC's gross spend). The limit and forward funding has been set to ensure that a reduction or the removal of NHB can be managed successfully over a reasonable length of time.
26. The current estimation is that if members agree to the annual savings targets outlined in the plan some NHB can be released for other priorities by 2016/17.

### **Strategy for Non Domestic Rates Retention (NDR)**

27. The budget set for Non Domestic Rates for 2013/14 and 2014/15 were set around the central Government baseline. The most prudent level to set NDR for any authority is at the safety net level as this is the guaranteed level of income for any authority. However, current estimates are showing that although SSDC was close to the safety net for 2013/14 that there is a surplus expected in 2014/15.
28. The strategy is therefore to assess the expected outturn for 2014/15 and the budget for 2015/16 and set the budget based on the most reasonable set of assumptions at that time. The main risks are still around economic growth and appeals. To mitigate the risks members approved a request to set up a specific reserve of £500,000 to smooth out year to year the volatility of NDR during 2014/15.

### **Strategy for Balances and Reserves**

29. A regular review of financial risks to assess the optimum levels of balances and reserves will be reported to members every quarter. This ensures that the authority has sufficient funds to meet its key financial risks. The strategy remains that balances remain at a level that covers these key risks.

### **Reviewing the Strategy**

30. This strategy will naturally span the life of the Council Plan but will be reviewed annually to take into account changes within and external to the organisation. In more uncertain times the strategy will be reviewed more frequently.

### **The Medium Term Financial Plan**

31. The table below summarises the MTFP projections, showing future commitments over the current year's base budget.

	2015/16	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000	£'000
Base budget	17,540.8	17,389.6	16,933.4	16,711.1	16,613.9
Additional payroll requirement	271.1	598.1	510.3	476.7	320.9
Inflation allowance on contracts	162.0	172.0	175.4	178.9	182.5
Additional budget Pressures	355.9	325.4	322.8	319.8	322.8
Change in Interest Receivable	(163.2)	0.0	0.0	0.0	0.0
Savings	(889.2)	(19.5)	(6.7)	0.0	0.0
Revenue effects of Capital Programme	42.4	95.7	95.7	95.7	40.0
Once-Off Expenditure	69.8	(137.4)	0.0	0.0	0.0
<b>Total Budget Requirement</b>	<b>17,389.6</b>	<b>18,423.9</b>	<b>18,030.9</b>	<b>17,782.2</b>	<b>17,480.1</b>
<b>Financed by:</b>					
Revenue Support Grant	2,709.4	2,032.1	1,524.0	1,143.0	857.3
Council Tax Reduction Scheme then passed to Town and Parish Councils	(351.4)	(320.7)	(292.6)	(272.1)	(257.3)
Business Rate Retention Base Line	3,328.4	3,389.8	3,423.7	3,457.9	3,492.5
New Burdens Grants	25.6	0.0			
Received/Confirmed New Homes Bonus	2,695.4	3,000.0	1,328.0		
Expected New Homes Bonus	0.0	0.0	1,672.0	3,000.0	3,000.0
Once-offs funded from revenue balances	111.8	0.0	0.0	0.0	0.0
NDR Surplus 2014/15	959.5				
NDR Surplus to Balances/Volatility Reserve	(959.5)				
Council Tax Surplus 2014/15	163.0				
Council Tax	8,613.8	8,832.2	9,055.9	9,285.0	9,519.7
Council Tax Freeze 2015/16	93.6	-	-	-	-
	<b>17,389.6</b>	<b>16,933.4</b>	<b>16,711.1</b>	<b>16,613.9</b>	<b>16,612.2</b>
<b>Budget Shortfall</b>	<b>0.0</b>	<b>(1,490.5)</b>	<b>(1,319.9)</b>	<b>(1,168.3)</b>	<b>(867.9)</b>

## Assumptions Made

32. There are several assumptions in line with the MTFs as part of the overall estimates contained therein:

	2015/16	2016/17	2017/18	Notes
Inflation	contractual obligations	contractual obligations	contractual obligations	Assumes inflation remains constant at 2%
Council Tax	0%	2%	2%	Assumes Council Tax that remains broadly in line with inflation
Pay	2.2%	1%	2%	Assumes agreed 2.2% followed by 1% then a 2% increase
Pensions	13.9% plus £840k	13.9% plus £1,040k	13.9% plus £1,240k	Assume employers contributions increases as per actuarial valuation
Investment Income	Base 0.5%	Base 0.5%	Base 0.5%	Assume earnings will be 0.9% for 2015/16. Interest rates may increase in 2015 but estimates have been left at 0.5% until there is more certainty.
Costs of Capital	£42k	£96k	£96k	Assumes gradual release of capital receipts from 2015/16 to fund capital schemes
Revenue Support Grant	-28.1%	-25%	-25%	Based on provisional figures
Non-Domestic Rates	6.24%	1.84%	1.0%	As per Government baseline
New Homes Bonus	£4.0m	£4.6m	£4.6m	Current estimates assuming no top slicing

## Revenue Budget 2015/16

33. Appendix B shows the General Revenue Budget Summary for 2015/16, which totals £17,389.6k. Appendix C provides the detailed budgets for the four Area Committees and the District Executive. Once approved by Full Council, these represent the financial plans that the Executive will manage under their delegated authority and monitor in accordance with the Financial Procedure Rules.

## Government Grants

34. The provisional grant for 2015/16 was announced on the 18<sup>th</sup> December. The figures show a £1.1 million cut (28.1%) reduction from 2014/15.

## Savings

35. Savings plans are outlined in Appendix E. All service savings over £25,000 will be monitored in 2015/16 and reported as part of the budget monitoring process. Of the savings targets set out in the Strategy in October the following shows the achievement of the targets for 2015/16 and the profile target for 2016/17:-

<b>Project Area</b>	<b>Achievement 2015/16 £'000</b>	<b>Assumed Achievement 2016/17 £'000</b>
Optimising Income (the profile shows higher savings in 2016/17 note the Incomes Intern is now in place).	223.0	440.0
Service Redesign (the profile shows that most of the savings are planned to be delivered in 2016/17. The Lean programme delivered £118.5k in 2014/15).	30.3	625.0
Contracts and Procurement	108.4	150.0
Asset Savings	184.8	48.0
<b>Total</b>	<b>546.5</b>	<b>1,263.0</b>
<b>Other:-</b>		
Treasury Management	163.2	-
Increased Income from Economic Upturn	200.0	-
Underspends/other	142.7	-
<b>Total Other</b>	<b>505.9</b>	<b>-</b>
<b>Shortfall to be found from sharing posts and service targets</b>	<b>-</b>	<b>227.5</b>
<b>Overall Total</b>	<b>1,052.4</b>	<b>1,490.5</b>

36. There are no proposals within the 2015/16 budget to increase car parking fees.

### **Unavoidable Budget Pressures**

37. Unavoidable budget pressures are detailed in Appendix D.

### **Band D Equivalent Council Tax**

38. The MTFP has been prepared on the basis of no increase in Council Tax for 2015/16 and the Band D Council Tax charge will remain at **£150.74**. The tax base for 2015/16 will be 57,143.68, an increase of 1,002.87 from 2014/15.

39. As billing authority, SSDC has to calculate a basic level of tax based on its own spending plans, to which is added the precepts from Somerset County Council, Devon and Somerset Fire Authority, Avon and Somerset Police Authority and any town/parish council.

40. The actual total of Council Tax for South Somerset residents will be calculated once all precepting authorities have notified SSDC of their proposals. The total Council Tax will be approved at Full Council on 26th February 2014.

41. The Government has offered the equivalent of 1% in grant (approximately £94k) if the authority freezes council tax. The Government outlined that an increase greater than 2% will result in a local referendum.

## **Estimates for Future Years Band D Council Tax**

42. The current estimate within the Medium Term Financial Plan and Medium Term Financial Strategy is that Council Tax levels will remain in line with inflation estimated at 2% per annum for 2016/17, 2017/18, and 2018/19.

## **Council Tax Reduction Scheme**

43. Council approved the scheme for 2015/16 in January 2015. The Medium Term Financial Plan currently assumes the same number of recipients as at the end of November 2015 will continue into 2015/16. This reflects a further reduction in claimants and the estimated budget is £9.012 million compared to £9.319 million in 2014/15. This will result in a reduction in costs £0.307 million in 2015/16 which reduced costs to SSDC of £32k.
44. The Government grant to support the Council Tax Reduction Scheme for local authorities and town and parish councils has been absorbed into Revenue Support Grant and cannot be identified separately. Members approved in October that £351,410 would be passported to Town and Parish Councils for 2015/16.

## **Non-Domestic Rates (NDR)**

45. In 2013 the Government introduced Non Domestic Rate (NDR) Retention that passed some of the risks and rewards from NDR to local authorities. Each local authority must set a budget for the NDR they expect to retain and in South Somerset this has been delegated to the S151 Officer (Assistant Director – Finance and Corporate Services) because of the considerable time constraints in place. Central Government requires the budget to be set by the 31st January 2015.
46. The budget has been set on the baseline as the final calculations have not yet been completed. Members agreed to pool NDR at full Council in December and we are still working with our partner organisations to finalise our estimates. Current estimations are that SSDC will retain approximately £4 million as well as any share or deficit from the pool. This is £700k above the baseline. This will be monitored closely during 2015/16 to estimate 2016/17 budget. Given the fluctuation so far in NDR it is recommended that the NDR Collection Fund surplus (£959.5k) is transferred to the NDR Volatility Fund.

## **New Homes Bonus**

47. In October 2012 members agreed that New Homes Bonus would be mainstreamed as part of the overall funding package for SSDC services. This is because in effect the funding is top-sliced from grant and then reissued as New Homes Bonus. SSDC has now received a provisional figure of £3.991 million for 2015/16.

## **New Burdens Grants**

48. The Government has made a pledge to pass on support where legislation has increased the financial burden for authorities. The only New Burden currently allocated for 2015/16 is £25.6k towards additional administration of the Council Tax Reduction Scheme.



## **Public/Stakeholder Consultation**

49. Individual savings and additional income plans that were approved in principle are individually consulted upon where there is partnership, economic, or equalities issues to consider. There are no issues as part of this exercise to report to members.

## **Budget Scrutiny**

50. A Task and Finish Group has undertaken a review of the budget with an emphasis of considering the risks and rewards of budgeting in an uncertain landscape. As part of the review the group investigated different components of the budget and the four key workstreams currently being undertaken to meet the budget shortfall over 2015/16 and 2016/17.
51. The report has been included in Appendix A of the Budget Booklet.

## **Diversity and Equality**

52. Each saving put forward has been reviewed by the Equalities Officer to ensure that any impact the saving will have on diversity and equality has been assessed and to ensure that any issues are highlighted to members before a decision is made.

## **Revenue Balances and Contingency & Reserves**

53. In addition to the funds available for the Revenue Budget, the Council has certain balances and reserves. The Financial Strategy is to retain sufficient general balances to meet its major financial risks. Risks were reviewed in January 2015 once the budget figures had been completed, and general balances should be retained within the range of £3.4 to £3.8 million at the start of the new financial year. The current estimate of revenue balances by the year-end is £4.783 million ensuring that balances are more than sufficient next year. The key risks that have been taken into consideration are:

- a. Sustainability of base budget
- b. Reduced income
- c. Reduced investment income
- d. Civil emergencies
- e. Litigation
- f. Medium Term Financial Plan
- g. Assets and property
- h. Bad debts
- i. Housing benefits subsidy
- j. Additional use of capital funds
- k. Bank failure/ bail-in
- l. Redundancies
- m. National increases to pay
- n. Reduction in business rates to the safety net
- o. Risks of the Council Tax Reduction Scheme

54. General Fund Balances represent accumulated revenue surpluses. Within the total, however, are amounts that have been earmarked by the District Executive for specific purposes. The table below shows the current position on the General Fund Balance compared to that previously reported:

<b>General Fund Balances</b>	<b>Estimated As at 31/03/15</b>
	<b>£000</b>
Balance 1/4/14	5,280
Allocations from balances	(573)
NDR Deficit 2013/14	(803)
Estimated underspend on Revenue Budget 2014/15	879
<b>Estimated Unallocated General Fund Balance at 31 March 2015</b>	<b>4,783</b>
Use of Balances for 2015/16 Budget	(112)
<b>Estimated Unallocated General Fund Balance at 1<sup>st</sup> April 2015</b>	<b>4,671</b>

55. Reserves are amounts that have been set aside from annual revenue budgets to meet specific known events that will happen in the future. An example of such a reserve is the amount set aside annually to meet the cost of the SSDC elections that occur every four years. The full list of specific usable reserves and the current balance on each is shown below: -

<b>Reserve</b>	<b>Expected Balance As at 31<sup>st</sup> March 2015 £'000</b>
Usable Capital Receipts	30,436
Capital Reserve	2,017
<b>Total Capital</b>	<b>32,453</b>
New Homes Bonus	3,040
Cremator Replacement Reserve	300
Infrastructure Reserve	988
CAMEO Reserve	363
Voluntary Redundancy/Early Retirement Reserve	408
Housing Benefits Reserve	613
Revenue Grants Reserve	512
Eco-Town Reserve	125
Local Plan Enquiry Reserve	41
Election Reserve	234
Yeovil Athletic Track Repairs Fund	100
LSP	72
Planning Delivery Reserve	32
Save to Earn Reserve	50
Yeovil Vision	100
Park Homes Replacement Reserve	124
Insurance Fund	45
Local Authority Business Grant Incentive (LABGI) Reserve	37
Artificial Grass Pitch Reserve	21
Health Inequalities Reserve	32
Business Support Scheme	235
Bristol to Weymouth Rail Reserve	17
Deposit Guarantee Claims Reserve	17
Wincanton Sports Centre Reserve	21
Closed Churchyard Reserve	7

Car park Income	5
Risk Management Reserve	11
Flooding Reserve	30
Planning Obligations Admin Reserve	39
NNDR Volatility Reserve	500
<b>Total Reserves</b>	<b>40,572</b>

56. A review of balances and reserves and the likely three-year forward prediction has been made. The levels of balances will continually be reviewed and additions from in year savings may be made to ensure they remain at the required level. The levels expected are shown below:

Year	Non-Earmarked Balances at Year End £'000	Capital Reserves at Year End £'000	Revenue Reserves at Year End £'000
2014/15	4,671	30,436	10,136
2015/16	4,500	23,620	9,000
2016/17	4,000	22,808	7,000
2017/18	4,000	23,308	7,000

### Robustness of 2015/16 Revenue Budget

57. Under Section 25 of the Local Government Act 2003 the S151 officer is required to report to Council on the robustness of the estimates made for the purpose of calculations of the budget and the adequacy of the proposed financial reserves.
58. The formulation of the budget has allowed for best estimates of inflation and commitments necessary to maintain service levels. With demand-led budgets this inevitably entails a degree of judgement.
59. There has been a significant degree of scrutiny of the proposed budgets and savings for 2015/16 by:
- The Finance team
  - Management Board
  - Portfolio Holders
  - A Scrutiny Task and Finish Group
  - Scrutiny Committee
60. These examinations of the budgets have led to refinements and provide considerable assurance about the robustness of the estimates.
61. There remains however some key risks inherent in the 2015/16 Revenue Budget since the budget is a financial plan based on assumptions. The current key risks will be managed by the individual officers as shown in italics below:
- (a) There remains substantial risk in the banking sector and the added risk of “bail-ins” protection of SSDC’s principal sums continue to be our primary concern. Financial returns within the budget are set with base rates remaining at 0.5%. The Finance team continues to take regular advice from its treasury advisors Arlingclose and are monitoring the situation closely. A loss of £4 million principal would mean a budget reduction of £36k through loss of interest. (*Assistant Director – Finance and Corporate Services*)

- (b) The NDR has been set at the Government's baseline figure. This is because the pooled figures have not been finalised. We have seen some fluctuations so far because of the requirements to set aside funding for bad debts and appeals. All indications so far are that the income will exceed the budget for 2015/16. If member agree the recommendations in this report the NDR Volatility Reserve will total £1.459 million to meet any unforeseen events and fluctuations. *(Assistant Director – Finance and Corporate Services)*
- (c) The new Council Tax Reduction Scheme carries risks of additional demand and non-collection. This will continue to be monitored through budget monitoring reports in 2015/16. *(Assistant Director- Finance and Corporate Services)*
- (d) Housing Benefit Subsidy is administered on behalf of Central Government by SSDC and a grant reimburses for expenditure incurred. Approximately £46m in benefit is paid out and the grant normally accounts for 100% of this, however adjustments reducing the grant are made for local authority errors. *(Assistant Director – Finance and Corporate Services)*
- (e) Planning income has improved during 2014/15 and the budgeted income is now expected to be over achieved at the year-end by £323k however it is still an area susceptible to the economic downturn. A drop of 5% in income amounts to £58,750. *(Assistant Director - Economy)*
- (f) Building Control income has improved during 2014/15 but remains vulnerable to the economic downturn. A 5% reduction in income is £24,830. *(Assistant Director - Environment)*
- (g) Car parking income has continued to under achieve its budget in 2014/15 reflecting lower numbers of season ticket holders and penalty charge tickets. A further 5% reduction in usage across Yeovil car parks (which accounts for 70% of total income) is equivalent to £71,220 loss in car park income. *(Assistant Director - Environment)*
- (h) The Government is planning to transfer some land charge searches to the Land Registry Dept. The impact on income will be monitored during 2015/16 and the impact assessed for 2016/17 MTFP. *(Assistant Director – Legal & Corporate Services)*

62. In conclusion the process for the formulation of budgets, together with the level of challenge and sensitivity analysis undertaken provides a reasonable assurance of the robustness of the budget as presented.

63. The level of the Council's reserves and balances have been reviewed in light of the risks outlined above and are currently predicted to remain at the required level.

### **Capital Programme 2015/16 to 2019/20**

64. Members are requested to approve capital bids totalling £522,000 for 2015/16. Full details of the revised Capital Programme are shown in Appendix H; new schemes are shown in bold type, with previously approved schemes in ordinary type. A summary of recommended schemes is included at Appendix I and the scoring of all bids at Appendix K. Attached at Appendix J are the Capital Investment Appraisal forms for all 2015/16 new schemes.

65. The District Executive considered the resources available and the various capital bids at its meeting on 8<sup>th</sup> January 2015.

### **Funding the Capital Programme for 2015/16**

66. The table below shows how the 2015/16 Capital Programme will be financed:-

	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>
Gross Capital Spend	6,959	743	0
External Grants	(647)	(531)	(500)
Net Capital Spend / SSDC Financing	6,312	212	(500)

### **Impact of the Capital Programme on Prudential Indicators**

67. The impact of the new capital schemes approved within the capital programme on the average Band D household is as follows:

<b>Prudential Indicator 12</b>	<b>2015/16 £</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
Increase in Council Tax Band D	0.07	0.17	0.17

### **Corporate Priority Implications**

68. The budget is aligned to the Council Plan in terms of funding the plan for 2015/16 and beyond.

### **Carbon Emissions and Climate Change Implications**

69. The budget is aligned to the Carbon Reduction Strategy and new capital projects to deliver the strategy will be included in the Capital programme once approved.

### **APPENDICES**

- Appendix A - Scrutiny Task & Finish Group report
- Appendix B - Revenue Budget Summary 2015/16
- Appendix C - Area Committees & District Executive detailed budgets 2015/16
- Appendix D - Unavoidable Budget Pressures
- Appendix E - Savings
- Appendix F - Once-Off Bids
- Appendix G - Equalities Full Impact Schedule
- Appendix H - Revised Capital Programme
- Appendix I - New Bids with interest
- Appendix J - Capital Bids for new schemes
- Appendix K - Capital Bid Scoring

### **Background Papers**

District Executive Outturn Report June 2014  
 District Executive Medium Term Financial Plan Report Oct 2014, Jan & Feb 2015  
 Scrutiny Task & Finish Group