

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	EXECUTIVE COMMITTEE
DATE:	7 NOVEMBER 2016
SUBJECT:	DRAFT REVENUE BUDGET 2017/18
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES
HEAD OF SERVICE:	MARC JONES
REPORT AUTHOR:	MARC JONES
TEL:	01248 752601
E-MAIL:	rmjfi@ynysmon.gov.uk
LOCAL MEMBERS:	n/a

A - Recommendation/s and reason/s

The final budget will not be approved by the Full Council until 28 February 2017, however, at this point the Executive is recommended to approve the following:-

- a) To approve the standstill budget for 2017/18 of £128.259m and this should form the basis of the 2017/18 revenue budget;
- b) To determine whether the grants incorporated into the AEF and the additional funding for new responsibilities is allocated to the appropriate budgets;
- c) That the Executive should seek to make sufficient savings in 2017/18 to balance the revenue budget without resorting to the use of general reserves;
- d) That the Executive should seek the opinion of the public on the proposed savings.

The detailed report on the preparation of the 2017/18 standstill budget, the provisional settlement and funding the budget gap is attached as Appendices 1 – 4.

B - What other options did you consider and why did you reject them and/or opt for this option?

N/A

C - Why is this a decision for the Executive?

This matter is delegated to the Executive.

CH - Is this decision consistent with policy approved by the full Council?

Yes

D - Is this decision within the budget approved by the Council?

Yes

DD - Who did you consult?

What did they say?

	Who did you consult?	What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	Comments from the SLT have been incorporated into the report
2	Finance / Section 151 (mandatory)	n/a– this is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	TBC
4	Human Resources (HR)	

5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	<p>The proposed Budget Consultation Plan to be actioned during the period commencing on 7th November, 2016 through to 16th December, 2016 was presented to a meeting of the Corporate Scrutiny Committee on 19th October, 2016 for consideration and comment. The Committee and those Members present representing the Partnership and Regeneration Scrutiny Committee considered the proposed Consultation Plan and made the following observations:</p> <ul style="list-style-type: none"> • The Committee recognised the challenge involved in presenting proposals for savings within Council services to the public year on year in a way that does not automatically generate a negative response, and it sought clarification on how it was proposed this would be done this year. • In light of the Welsh Government's announcement the previous day regarding a better than expected local government settlement, the Committee sought clarification whether the message to communities about the outlook for the coming financial year will therefore be different to what it otherwise might have been. • The Committee sought assurance that the budget consultation process will not simply be a tick box exercise and that the Council will have a meaningful dialogue with the public about its budget proposals and will listen to the views expressed and if necessary be prepared to change its approach on the basis of what the public has to say. • The Committee sought clarification whether the Council has any leeway within its budget plans to be able to respond positively to what the public may want as expressed through the consultation process. • The Committee also sought clarification of what changes have been made to the consultation process on the basis of previous experience and whether less effective elements eg certain meetings that were poorly attended have been dispensed with. • The Committee suggested that it might be beneficial once the 2017/18 budget has been set and approved, to conduct a review of the public consultation process to establish what has worked and what has not worked so that changes can be made for the following year. <p>Having obtained assurance and clarification with regard to these matters, the Committee resolved to endorse the Engagement and Communication Plan for the 2017/18 budget proposals as presented.</p>

8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<ul style="list-style-type: none"> • Appendix 1 – Report on Draft Revenue Budget 2017/18 • Appendix 2 – Analysis of the Movement from the 2016/17 Final Revenue Budget to the 2017/18 Standstill Budget • Appendix 3 - 2017/18 Standstill Budget by Service • Appendix 4 – Potential Revenue Budget Savings for 2017/18 		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • Medium Term Financial Plan 2017/18 – 2019/20 – See Executive Meeting Agenda 19 September 2016 – Item 9 		

DRAFT REVENUE BUDGET 2017/18**1. INTRODUCTION**

- 1.1. The following report sets out the Executive's provisional revenue budget for 2017/18. The budget is prepared based on assumptions set out in the Medium Term Financial Plan approved by the Executive in September 2016, the provisional local government settlement which was issued by the Welsh Government on 19 October 2016 and the proposed revenue savings which have been identified by the individual services and have been discussed at the various workshops that have taken place during the summer.
- 1.2. The provisional budget approved by the Executive will then be subject to a formal public consultation process which will run from 11 November 2016 to 16 December 2016.
- 1.3. Following receipt of the final settlement figures in late December 2016, the final budget proposal will be subject to a review by the Scrutiny Committee in February 2017, will be recommended for approval by the Executive on 13 February 2017, with the final 2017/18 budget being approved by the Council at its meeting on 28 February 2017.

2. MAIN ASSUMPTIONS ARISING FROM THE MEDIUM TERM FINANCIAL PLAN

- 2.1. The Medium Term Financial Plan sets out a number of assumptions and these assumptions have been taken into account in calculating the standstill budget for 2017/18. The standstill budget is a budget which provides resources to operate services at 2016/17 levels but updated to reflect any known changes outside the control of the services (committed changes) and to reflect the costs in 2017/18.
- 2.2. The main assumptions used to set the standstill budget are as follows:-

2.2.1. Pay Inflation

Both the Teachers pay award and non teaching pay award have been assumed at 1%, this reflects the Government's current policy in respect of public sector pay awards.

2.2.2. Pension Costs

The results of the triennial valuation of the Local Government Pension Scheme will not be known until 10 November 2016. The Pension Authority have received an early indication from the Actuary that there will not be a need to increase the employer's pension contribution rate in general, but the situation regarding each individual employer within the fund may differ depending on the individual circumstances of the employer. It should be noted that a 1% increase in the employer contribution rate would increase the cost by approximately £75k.

No increase is expected in the Teacher's Pension employers contribution rate.

2.2.3. General Price Inflation

The Medium Term Financial Plan allowed for a level of general price inflation of 1%. The Consumer Prices Index (CPI), which is now widely recognised as the best measure of inflation, is currently 1.0% (as at September 2016) and is expected to rise gradually during 2017/18. It is, therefore, considered that an inflation rate of 1% is reasonable and this rate has been applied to all general supplies and services budgets. Where specific contracts have specific methods to determine the inflation to be applied, then that specific rate will have been applied to the appropriate budget.

2.2.4. Non Statutory Income

Over the past few years, the policy has been to increase the non-statutory income budgets by an average of 5% in each service. It has been for the service to decide the setting of individual fees and charges within their service. It is difficult to continue with a policy which increases fees and charges at a higher rate than inflation, but it should be noted that non statutory income is a significant source of income for the Council, around £5m per annum, and can be used to reduce the level of budget savings required. In accordance with the MTFP, a 3% increase has been applied to non-statutory income budgets.

3. COMMITTED CHANGES

3.1. Committed changes are amendments which are taken into account in drawing up the standstill budget and they reflect an increase or decrease in costs which are outside the control of the Council or the individual service. The changes can include items of one off funding required or falling out of the budget, costs arising from legislative changes, changes in costs arising as a result of a tendering exercise, capital financing costs etc. The total adjustments made to the budget total £4,095k, details of the major changes are discussed in the paragraphs below.

3.2. County Council Elections

The County Council elections will take place in May 2017. No ongoing budget exists to cover the cost of the election and a sum of £150k has been allowed for in the budget. The figure is in line with the budget put in place in 2013 and should be sufficient again to meet the costs.

3.3. Apprenticeship Levy

Following the 2015 Budget and the Chancellor's Autumn Statement, the introduction of an Apprenticeship Levy was included in the Finance Act 2016 which received Royal Assent on 15 September 2016. The levy will be introduced from 6 April 2017 and will require employers whose pay bill exceeds £3m to pay a levy of 0.5% of the total pay bill. Based on the estimated pay bill and after taking into account that each employer receives an allowance of £15k, it is estimated that the introduction of the levy will increase pay costs by £290k.

The levy is payable to the UK Treasury and it is not clear at this stage the sum that will be transferred back to Wales and how public bodies, such as the Council, will be able to access the funds generated by the levy.

3.4. Edge of Care Team

In order to develop a more preventative approach with Children's Services, the Executive have agreed to fund an Edge of Care Team until March 2019. The work of the Edge of Care Team is designed to reduce the numbers of children formally coming into care, which can lead to considerably higher costs for the Council. After March 2019, it is anticipated that the reduction in care costs will exceed the cost of the Team and will allow the Team to continue on a permanent basis, however, progress made by the Team will need to be monitored closely over the next two years in order to ensure that the anticipated savings are achieved. A sum of £240k has been allocated in the budget to meet the cost of the Edge of Care Team.

3.5. Job Evaluation Pay Protection

The 2016/17 budget was prepared during a period of uncertainty in respect of staffing budgets as the job evaluation process was being completed and individual staffing grades were being revised constantly. This made determining an accurate staffing budget very difficult. In order to fund the impact of Job Evaluation, a reserve had been built up over a number of years to meet the cost of implementation. The 2016/17 budget allocated £2.916m from this reserve. However, only £352k of these costs were one off cost relating to pay protection, the remaining £2.564m becomes a permanent budget pressure which now has to be funded from the core funding. In addition, where staff were regraded upwards, they would have been placed on the bottom of the new scale as of 1 April 2015 and then receive an increment in April 2016 and April 2017. The cost of the April 2016 increment was funded from the Job Evaluation reserve in 2016/17 but must be funded from core funding in 2017/18 and is included in the £2.564m noted above.

3.6. National Non Domestic Rates

All non-domestic properties in Wales have been revalued with the new valuations coming into effect on the 1 April 2017. For Council properties, the revaluation will increase the rates payable by £87k although it should be noted that these are provisional valuations and can be appealed by the Council.

3.7. Capital Financing

As the Council incurs capital expenditure, the required Minimum Revenue Provision (MRP) increases along with the additional interest costs on the additional borrowing drawn down to fund the capital programme. In each year's settlement, the cost of an element of borrowing is provided for through extra funding (supported borrowing). The additional MRP and interest costs for 2017/18 are estimated at £374k, taking the capital financing budget to £8.83m.

The Council also earns interest by investing surplus cash in accordance with its Treasury Management Policy. Since the 2016/17 budget was set, the result of the EU referendum has been decided and the initial impact of the vote to leave the EU has resulted in the bank base rate falling to its lowest level for decades. As a result, current investment returns are minimal and there is little prospect of an increase in rates in 2017/18. In 2016/17, the Interest Earned budget was set at £150k and this was based on a bank base rate of 1% and the prospect of it rising during 2016/17. The revised budget has been set at £15k, which is a loss in budgeted income of £135k.

As part of the Welsh Government's Invest to Save project, the Council borrowed funding to undertake energy efficiency work at the main Council Offices and at one Leisure Centre. The sum borrowed is repaid over a period of 5 years, funded from the savings made in energy budgets. A sum of £44k is due to be paid in 2017/18 and this has been transferred from the appropriate energy budgets and transferred into the capital financing budget, i.e. it has no net impact on the overall revenue budget.

3.8. Local Development Plan

A sum of £259k was included in previous budgets to fund the cost of preparing the Local Development Plan. As the majority of the work is now complete, this sum has been taken out of the 2017/18 budget.

3.9. Pupil Numbers

The Medium Term Financial Plan estimated an increase of 85 pupils between September 2015 and September 2016. This gave an estimated increase of £183k in the budget. This assumption underestimated the increase in pupil numbers and the increase in pupil numbers has been revised to an additional 144 pupils, which has resulted in an additional budget requirement of £366k.

3.10. Council Tax Reduction Scheme

Up until 2013/14, taxpayers eligible to receive a reduction in their Council Tax bills through the benefits system in the form of Council Tax Benefit which was funded by the Department of Work and Pensions. In 2013/14, Council Tax benefit was replaced by the Council Tax Reduction Scheme, with the funding for the scheme being transferred into the Revenue Support Grant. Initially, the scheme was fully funded but, as the level of Council Tax has risen and the number of claimants changed since 2013/14, it has been necessary for the Council to provide additional funding to meet the cost of the scheme (in addition to the sum provided in the Revenue Support Grant).

For 2017/18, the budget requirement has been reassessed taking into account the current level of expenditure and an increase in the Council Tax for 2017/18. This has resulted in a reduction of the budget of £290k to bring the overall budget to £5.52m.

3.11. North Wales Fire & Rescue Service Levy

The Fire Service raise a levy each year which is allocated across the six North Wales Authorities based on population numbers. The overall levy has remained unchanged since 2012/13. The Fire Service estimate that the costs of running the service will increase by £2.3m over the next three years and they aim to bridge the gap by increasing the levy by £1.4m and by implementing efficiency savings to the value of £0.9m. The change to the levy equates to a 4% increase which the Fire Service plans to implement in 2017/18 with the efficiency savings not made until 2019/20. A 4% increase for Anglesey is £128k, although the final figure may vary depending on the change in population.

3.12. Others

A number of other budgets have been adjusted to reflect changes that have taken place during the year which are outside the control of the service, these include income budgets where the Service can no longer charge the income. Adjustments are also made to reflect the full year effect of savings implemented part way during 2016/17 e.g. cleaning contract. The total effect of all these changes totals an increase in the net budget of £310k.

4. CONTINGENCIES

- 4.1. As part of the budgeting process, a number of contingency budgets are built into the budget to cover fixed term costs, potential risks that may require funding during the year or as a general contingency which is utilised during the year as additional budget pressures arise or as unexpected events occur. The changes made to the contingency budgets are shown in Table 1 below:-

Table 1 Movement in Contingency Budgets between 2016/17 and 2017/18					
		End Date	2016/17 Budget £'000	Proposed 2017/18 Budget £'000	Change £'000
Improvement	Citrix	-	200	0	-200
Improvement	Northgate HR / Payroll	-	200	0	-200
Cost of Change	Workforce Development	-	44	0	-44
Cost of Change	Procurement	2017/18	48	48	0
Cost of Change	ICT Support	2017/18	44	44	0
Earmarked	Respite Home Care Income	-	200	0	-200
Earmarked	Haulfre Residential Home	2017/18	95	95	0
Earmarked	Nursing Domiciliary Care Costs	2017/18	330	330	0
Salary & Grading	Voluntary Redundancy Costs	2019/20	500	300	-200
	NNDR Discretionary Rate Relief	Ongoing	60	60	0
	General Contingency	Ongoing	318	350	32
TOTAL			2,039	1,227	-812

5. INFLATION AND OTHER ADJUSTMENTS

- 5.1. The standstill budget is the budget required to provide the same level of service as in 2016/17, after adjusting for any known changes (as set out in paragraph 3 and 4 above) and after adjusting for pay and price inflation. The final adjustments in order to determine the standstill budget for 2017/18 are set out below.

5.2. Staff Increments

Staffing budgets are based on the actual pay point that a member of staff will be paid on in 2017/18. Normally, the cost of increments is small as the majority of staff have reached the top of their scale. However, the implementation of single status resulted in a number of staff being regraded to a higher grade and they would have been placed on the bottom of the new grade backdated to April 2015. The new pay scales are generally made up of 3 pay points. Staff received an increment in April 2016 (see para 3.5 above) and will receive a further increment in April 2017. The total estimated cost of increments for 2017/18 is £1.29m. In future years, the cost of increments will be significantly lower as staff will now have reached the top of the scale.

5.3. Staff Turnover Adjustment

For a number of years, staff budgets have been calculated at the full cost of each post in the structure. This ensures that sufficient budget is available to meet all staffing costs in the year but, in practice, staff leave during the year and posts remain unfilled for a number of weeks and, as a result, staffing budgets are underspent. In order to reduce this underspend, staffing budgets for 2017/18 have included a turnover adjustment of 1.5%, i.e. the staff budget only covers 98.5% of the full cost. This has resulted in a reduction of staffing budgets of £0.698m.

5.4. Other Staffing Adjustments

The 2016/17 budgets were drawn up at a time when the Job Evaluation process was not fully completed and assumptions had to be made in respect of the pay grades of a number of staff. The 2017/18 pay budgets have been set using the finalised pay grades and this has resulted in pay budgets being reduced by £0.317m.

5.5. Inflation

In accordance with the assumptions in the Medium Term Financial Plan, a general level of inflation of 1% has been allowed for both pay and general prices, unless a different inflation rate is defined in any contract which the Council has entered into. All non-statutory income budgets have increased by 3%. The net cost of the inflation applied amounts to £1.064m.

6. BUDGET RISKS

6.1. Inflation

The general level of inflation (CPI) has been below 1% since 2014 and, prior to the result of the EU referendum, it was forecast to stay at this low level during 2017. However, as the value of sterling has weakened the costs of some commodities (food, fuel) have increased and this has increased inflation to 1% in September 2014 and there is a risk that inflation could rise to between 2% and 3% in 2017/18. An additional 1% increase in pay costs equates to an increase in costs of £800k and an increase of 1% in general prices is equivalent to an additional £400k in costs.

6.2. Pension Contributions

The results of the triennial valuation of the Local Government Pension Scheme are due to be released in mid November 2016. It has been assumed that there will be no increase in the employer's contribution rate, although this may not be the case once the valuation process is completed. An additional increase of 1% in the contribution rate would increase costs by a further £70k.

6.3. Specific Revenue Grants

In 2016/17, the Council received £10.5m in specific revenue grants which are utilised to provide specific services. To date no indication has been received as to the level of funding that will be received in the form of specific grant funding in 2017/18 and, as a result, no reductions have been factored into the standstill budget. Any reduction in these grants will result in a direct cut in the services they fund or will require the Council to subsidise the loss of grant from the core budget.

6.4. Council Tax Reduction Scheme

The budget for the Council Tax Reduction Scheme is based on the current caseload and the prediction for the change in caseload over 2017/18. After the results of the EU referendum and the uncertainty it has created, it is difficult to predict what will happen to the UK economy. A significant worsening of the economy and an increase in unemployment will naturally lead to an increase in the caseload and increased costs.

7. STANDSTILL BUDGET 2017/18

7.1. Based on all of the adjustments and assumptions detailed above, the standstill budget for 2017/18 totals £128.259m, an increase of £4.222m on the 2016/17 final budget. A summary of the changes made in comparison with the Medium Term Financial Plan is attached as Appendix 2. A breakdown of the standstill budget by Service is attached as Appendix 3.

7.2. In drawing up the standstill budget, it has been possible to increase the budgets for the major services, Schools, Adult Services and Childrens Services, however, Schools and Adult Services are expected to put forward budget savings in order to bridge the funding gap in 2017/18.

8. PROVISIONAL SETTLEMENT

8.1. The provisional settlement for Local Government in Wales, announced on 19 October 2016, shows an increase of £3.78m in the overall level of funding for Wales, which is equivalent to a 0.1% increase. The details are shown in Table 2 below:-

8.2.

Table 2 2017/18 Provisional Settlement		
	Anglesey	Wales
	£'m	£'m
2016/17 AEF	91.928	4,101.551
Previous Years Grants Transferred In / (Out)		
Delivering Transformation Grant	0.063	2.830
Deprivation of Living Standards	0.005	0.184
Blue Badge	0.000	0.010
Food Hygiene Rating Scheme	0.002	0.057
Education Workforce Council Teachers Reg Fees	(0.023)	(1.000)
2016/17 Adjusted AEF	91.975	4,103.632
New Responsibilities		
Increasing Capital Limits for Residential Care	0.111	4.400
War Disablement Pension Disregard	0.007	0.300
Top Up Funding – Settlement Floor	0.000	2.286
Funding Adjustment for 2017/18	0.196	(3.198)
Provisional AEF 2017/18	92.289	4,107.420

8.3. The written statement made by the Cabinet Secretary for Finance and Local Government stated that the settlement includes an additional £54m and the Standard Spending Assessment across Wales has risen by this amount, however, the settlement also shows that the Welsh Government's assessment of the increase in Council Tax amounts to £48m (3.5% increase) which gives a net increase in the cash received by local government of £6m.

8.4. Any increase in the level of cash received in the settlement is welcomed and is an improvement on the previous predictions that the settlement would lead to a reduction in funding of between 0.6% and 2%. However, the increase of £314k is only just sufficient to meet the costs of the apprenticeship levy and does not meet the cost of pay and price inflation, increasing pupil numbers, increasing demand within Children and Adult Services, an increased Fire Services levy and an increase in capital financing costs.

8.4. No adjustment has been made in the standstill budget for the grants transferred into the settlement nor the additional funding relating to the new responsibilities. The grants which are brought into the settlement are:-

Delivering Transformation Grant	£63k
Deprivation of Liberty Standards	£ 5k
Food Hygiene Rating Scheme	£ 1k

The Delivering Transformation Grant has been used on a regional basis (Denbighshire being the lead authority). The service is requesting that the grant is included in the Council's base budgets and is then transferred to Denbighshire to enable the existing arrangements to continue.

The delegated schools budget currently includes a sum in respect of the Education Workforce Council Registration Fees. £23k has been taken out of the settlement as a result of a change in the arrangements relating to registration.

The settlement includes £110k to mitigate the impact on the Council's income in increasing the capital limit used to calculate residential care charges from £24k to £30k. An additional £7k has been included into the settlement to compensate for any loss of income resulting from the introduction of a full disregard of the War Disablement pension in financial assessments for charging for social care.

- 8.5** The provisional settlement also gives some details on specific grants on an all Wales level. There is a 6.7% reduction in the Single Environment Revenue Grant, which, if it is applied to Anglesey's allocation, would equate to a reduction of £110k in the grant. The Education Improvement Grant and School Uniform Grant is combined into an Education Standards Grant and this is reduced by 0.7% (would equate to a reduction of £25k for Anglesey). No information has been provided on the individual allocations of these grants to Anglesey.

9. THE FUNDING GAP

- 9.1.** Assuming an increase in Council Tax of 3%, the funding gap for 2017/18 is shown in Table 3 below:-

Table 3 Budget Funding Gap 2017/18		
	£'m	£'m 128.259
Standstill Budget		
Funded By:		
Revenue Support Grant (RSG)	69.286	
Share of Non Domestic Rates Pool	23.002	
Council Tax ^{note 1}	33.073	
Total Funding		125.361
Funding Shortfall		2.898
<small>Note 1 - Assumes an increase of 3% in Council Tax</small>		

- 9.2.** The impact of various levels of Council Tax increase and on the Band D equivalent charge (currently £1,061.46 in 2016/17) is shown in Table 4 below:-

9.3.

Table 4 Impact of Various Council Tax Increases on the Funding Shortfall				
% Increase	Council Tax £'m	Funding Shortfall £'m	Weekly Effect on Band D £	Total Increase £
1.0	32.431	3.540	0.20	10.62
1.5	32.591	3.380	0.31	15.93
2.0	32.751	3.220	0.41	21.24
2.5	32.912	3.059	0.51	26.55
3.0	33.073	2.898	0.61	31.86
3.5	33.233	2.738	0.71	37.17
4.0	33.394	2.577	0.82	42.48
4.5	33.554	2.417	0.92	47.79
5.0	33.715	2.256	1.02	53.10

- 9.4. The initial budget work estimated that the funding gap would be £4m in 2017/18 and services were, therefore, asked to identify budget savings of 4% which would generate the £4m savings required. A number of budget workshops were held over the summer and Heads of Service identified potential savings of £2.9m, the details of which are attached as Appendix 4. The savings proposals will be subject to a public consultation process between 11 November 2016 and 16 December 2016.

10. MATTERS FOR DECISION

- 10.1. The final budget will not be approved by the Full Council until 28 February 2017, however, at this point, the Executive is recommended to approve the following:-
- (a) To approve the standstill budget for 2017/18 of £128.259m and this should form the basis of the 2017/18 revenue budget;
 - (b) To determine whether the grants incorporated into the AEF and the additional funding for new responsibilities is allocated to the appropriate budgets;
 - (c) That the Executive should seek to make sufficient savings in 2017/18 to balance the revenue budget without resorting to the use of general reserves;
 - (ch) That the Executive should seek the opinion of the public on the proposed savings.

ANALYSIS OF THE MOVEMENT FROM THE 2016/17 FINAL BUDGET TO THE 2017/18 STANDSTILL BUDGET

	Medium Term Financial Plan		Standstill Budget		Report Ref
	£'m	£'m	£'m	£'m	
2016/17 Budget		124.037		124.037	
Funded from Reserves		2.916		2.916	
Revised Ongoing Budget 2016/17		126.953		126.953	
Contingencies Adjustments					
ICT Citrix	- 0.200		- 0.200		
Northgate HR	- 0.200		- 0.200		
Workforce Development	- 0.044		- 0.044		
Salary & Grading	- 0.200		- 0.200		
Nursing Domicillary Care	- 0.200		- 0.200		
General Contingency	0.010		0.032		
		- 0.834		- 0.812	Para 4.1
One Off Costs					
County Council Elections		0.150		0.150	Para 3.2
New Ongoing Commitments					
Edge of Care Team	0.240		0.240		Para 3.4
Apprenticeship Levy	0.275		0.290		Para 3.3
		0.515		0.530	
Committed Changes					
Fire Service Levy	0.128		0.128		Para 3.11
Pupil Numbers	0.183		0.366		Para 3.9
Council Tax Reduction Scheme	0.174		- 0.290		Para 3.10
Capital Financing Costs	0.498		0.509		Para 3.7
NNDR Revaluation	-		0.087		Para 3.6
Local Development Plan	-		- 0.259		Para 3.8
Other Committed Changes	-		- 0.310		Para 3.12
		0.983		0.851	
Staffing Budget Changes					
Pay Protection Ending	- 0.400		- 0.352		Para 3.5
Increments	0.960		1.290		Para 5.2
Staff Turnover Adjustment	- 0.635		- 0.698		Para 5.3
Other Staffing Budget Adjustments	- 0.250		- 0.317		Para 5.4
		- 0.325		- 0.077	
Smarter Working / Voluntary Redundancies		- 0.400		- 0.400	
Inflation		0.733		1.064	Para 5.6
Standstill Budget		127.775		128.259	

STANDSTILL BUDGET 2017/18 BY SERVICE				
Budget	2016/17 Budget	2017/18 Standstill Budget	Movement	% Change
	£'m	£'m	£'m	%
Lifelong Learning				
Schools	38.421	38.721	+ 0.300	+ 0.8%
Central Education ¹	8.953	8.933	- 0.020	- 0.2%
Culture	1.429	1.432	+ 0.003	+ 0.2%
Total Lifelong Learning	48.803	49.086	+ 0.283	+ 0.6%
Highways, Waste & Property				
Highways	6.618	6.519	- 0.099	- 1.5%
Waste	6.296	6.335	+ 0.039	+ 0.6%
Property	1.230	1.248	+ 0.018	+ 1.5%
Total Highways, Waste & Property	14.144	14.102	- 0.042	+ 0.3%
Regulation & Economic Development				
Economic Development & Maritime	1.058	1.067	+ 0.009	+ 0.9%
Planning & Public Protection	2.555	2.279	- 0.276	- 10.8%
Leisure	0.944	0.842	- 0.102	- 10.8%
Total Reg & Economic Development	4.557	4.188	- 0.369	- 8.1%
Adult Services	22.343	22.759	+ 0.416	+1.9%
Children Services ²	7.443	7.852	+ 0.409	+ 5.5%
Corporate Transformation				
Human Resources ¹	1.205	1.243	+0.038	+ 3.2%
ICT	1.618	1.690	+0.072	+ 4.4%
Transformation	0.821	0.890	+0.069	+ 8.4%
Total Corporate Transformation	3.644	3.823	+ 0.179	+ 4.9%
Housing	0.869	0.863	- 0.006	- 0.7%
Resources	2.901	2.863	- 0.038	- 1.3%
Council Business ³	1.512	1.675	+ 0.163	+ 10.8%
Total Service Budgets	106.216	107.211	+0.995	+0.9%
Corporate Budgets				
Corporate Management	0.722	0.761	+ 0.039	+ 5.4%
Levies	3.194	3.323	+ 0.129	+ 4.0%
Corporate & Democratic	1.913	1.915	+ 0.002	+ 0.1%
Capital Financing Costs	8.302	8.854	+ 0.552	+ 6.6%
HRA Recharges	- 0.622	- 0.622	0	0.0%
Council Tax Reduction Scheme	5.890	5.600	- 0.290	- 4.9%
Contingencies	1.979	1.457	- 0.522	- 26.38%
Discretionary Rate Relief	0.060	0.060	0	0.0%
Corporate Savings	-0.700	- 0.300	+0.400	57.1%
Total Corporate Budgets	20.738	21.048	+ 0.31	+ 1.8%
TOTAL BUDGET ⁴	126.954	128.259	+ 1.305	+1.1%

Note 1 – The 2016/17 budget has been restated to reflect the transfer of Human Resources staff from the Education Service to the Central Human Resources team.

Note 2 – The 2017/18 Standstill Budget includes a sum of £240k as funding for the Edge of Care Team. This funding will be withdrawn from the budget in 2019/20

Note 3 – The 2017/18 Standstill Budget includes a sum of £150k as funding for the County Council elections. This sum will be withdrawn from the budget in 2018/19

Note 4 – The total standstill budget includes a sum of £2.916m which was funded from reserves in 2015/16

ATODIAD 4 / APPENDIX 4

GWEITHRED / ACTION	Arbedion Tebygol / Probable Savings £'000	Isafswm Arbedion Posib / Minimum Potential Savings £'000	Uchafswm Arbedion Posib / Maximum Potential Savings £'000
Lleihau y costau Cytundeb Glanhau 50% / Reduce the cleaning contract costs by 50%	230	-	230
Arbedion trwy wneud defnydd gwell o gontractau corfforaethol (pwrcasu) e.e. ynni, papur, defnydd swyddfa, dodrefn / Savings from making better use of corporate contracts (procurement) e.g. energy, paper, office supplies, furniture	170	170	170
Lleihau lefel o Salwch - Lleihau Costau athrawon llanw (tori premiwm 10%) / Reduce sickness level - reduce cost of supply teachers (cut the premium 10%)	100	50	100
Trawsnewid Gwasanaeth Ieuenctid / Youth Service Transformation	90	42	217
Cynyddu y prisiau at lefel awdurdodau eraill sef o £2.10 y diwrnod i £2.50 / Increase the price to the same level as other Authorities i.e. from £2.10 per day to £2.50	60	30	120
Codi pris trafndiaeth llai na 2 neu 3 milltir i adennill y gost yn llawn sef o £80 y flwyddyn i £465 / Increase the cost of transport for pupils who live within 2 or 3 miles to fully recover the cost i.e. from £80 per annum to £465	50	13	50
Cludo disgyblion ôl 16 yn ol i'r Ysgol parhaol o'i lleoliad olaf y dydd, yn hytrach nag adref / Transport Post 16 pupils back to their permanent School, rather than to their home	48	-	48
Lleihau ein cyfraniadau i'r mudiadau blynyddoedd cynnar / Reduce our contribution towards early years organisations	35	35	35
Lleihau cyfraniad at gostau rheoli cwmni Cynnal / Reduce contribution towards the management costs of Cynnal	30	30	30
Tori Cyfraniad tuag at y CBAC / Reduce contribution towards WJEC	20	20	20
Lleihau costau tuag at wasanaeth cerdd William Mathias / Reduce costs towards William Mathias music service	7	7	7
Adolygu'r posibilrwydd ar gyfer lleihad mewn cyllidebau ysgolion naill ai drwy ostyngiad mewn costau cynorthwywyr addysgu neu drwy arbedion eraill i'r gyllideb ddirprwyedig ysgolion / To review the potential for a reduction in school budgets either through a reduction in teaching assistant costs or through other savings to the delegated schools budget	490	400	600

GWEITHRED / ACTION	Arbedion Tebygol / Probable Savings £'000	Isafswm Arbedion Posib / Minimum Potential Savings £'000	Uchafswm Arbedion Posib / Maximum Potential Savings £'000
Yn dilyn ail stwythuro / Following restructure	50	50	50
Yn dilyn ail stwythuro / Following restructure	50	50	50
Stopio creu a postio slip cyflog papur. Staff yn cael mynediad i system electronig (Amdanafi)/ Stop creating and printing paper payslips. Staff to have access to electronic system (My View)	21	21	21
Lleihau cyllideb papur trwy ddefnyddio papurau Pwyllgor electronig : Reduce the paper budget as a result of using electronic Committee papers	15	15	15
Dileu gyllideb sydd heb i ddefnyddio /Delete an unused budget	3	3	3
Lleihau y gyllideb / Reduce the budget	30	30	30
Adolygu y strwythyr staffio ar draws y pump swyddogaeth / Review the staffing structure across the five functions.	24	12	24
Adolygu y sefyllfa staffio / Review Staffing position	22	11	22
Codi lefel y gyllideb i gyd-fynd gyda'r gwir incwm / Raise the level of the budget to match the actual income	20	20	20
Lleihau Costau / Reduce Costs	10	-	10
Trosglwyddo Melin Llynon / Transfer Melin Llynon	40	-	40
Dod a'r cytundeb i ben / Terminate the agreement	13	-	13
Trosglwyddo y Llys a'r Cwrt / Transfer Beaumaris Gaol & Courthouse	6	-	6
Trawsnewid y Gwasanaeth Llyfrgelloedd / Library Service Transformation	30	30	45
Cynyddu y targed incwm / Increase Income Targets	35	35	35
Dileu y Gyllideb yn dilyn trosglwyddiad yr ased o'r Cyngor yn 2016 / Removal of Budget following the transfer of the asset from the Council in 2016	28	28	28
Lleihau oriau Glanhau yn y 3 canolfan / Reduce Cleaning hours at the 3 Centres.	10	10	10
Adolygu y sefyllfa staffio / Review the staffing position	6	6	6
Allanoli y Caffi yn Amlwch / Outsource the Café at Amlwch	5	-	5
Lleihau y Gyllideb / Reduce the Budget	2	2	2
Rhesymoli gwasanaethau dydd - Anableddau Dysgu/ Rationalisation of Day Services - Learning Disability	15	10	20

GWEITHRED / ACTION	Arbedion Tebygol / Probable Savings £'000	Isafswm Arbedion Posib / Minimum Potential Savings £'000	Uchafswm Arbedion Posib / Maximum Potential Savings £'000
Harmoneiddio ffioedd Telecare/ Harmonisation of Telecare fees	10	-	10
Datblygu gwasanaethau arbenigol yn Garreglwyd - arbedion o leoliadau allsirol/ Develop specialist services in Garreglwyd - savings from out-of-county placements	20	20	40
Adolygu trefniadau trafndiaeth gofal dydd/Review Day care transportation arrangements	15	10	20
Cynnydd mewn ffioedd Gofal cartref mewnol/ Increase in internal Home care fees	100	30	125
Prosiect Gofalwr Sengl/ Single Carer Project	75	35	75
Taliadau Uniongyrchol/ Direct Payments	50	25	50
Arbedion o fewn yr Uned Ddarparu/ Efficiency savings within the Provider Unit	50	25	50
Tynnu cyllideb sydd yn weddill ar gyfer y gwasanaeth Wardeiniad/ Remove remaining budget for Warden service	36	36	36
Adolygu contractau gwasanaethau dydd I glientau gyda anabledau dysgu/ Review of day services' contracts for clients with learning disabilities	21	10	21
Model gofal - Penucheldre/ Care model - Penucheldre	2	2	2
Lleihau lleoliadau preswyl/ Reduce residential places	150	63	250
Pecynnau cymorth canlyniadau gyda ffocws penodol - byw gyda chefnogaeth/ Outcome focused support packages - supported living			
Asesu opsiynau a'i gwireddu i unai allanoli neu rhesymoli / Assess options and implement to either outsource or rationalise	30	30	50
Increase Income Budget and reduce Repairs and Maintenance Budget	150	150	150
Allanoli Cyfleusterau Cyhoeddus a lleihau costau rhedeg y rhai sy'n cael i gadw / Outsourcing Public Conveniences and reduce the running costs of those that are kept	50	30	75
Adolygu trefniadau staffio / Review staffing arrangements	64	32	64
Lleihau'r gyllideb refeniw trwy defnyddio y gyllideb cyfalaf i sicrhau fod cyfanswm y gwariant yn cyrraedd yr isafswm sy angen/ Reduce the revenue budget by using the capital budget to ensure that the total expenditure reaches the minimum value required	50	50	50
Adolygu trefniadau staffio : Review staffing arrangements	50	25	50
Apwyntio swyddog i wneud gwaith cynnal a chadw cyffredinol yn hytrach na apwyntio contractwyr allanol / Appoint officer for general Repairs and Maintenance work, rather than to appoint an external contractor.	5	5	5
Lleihau y gyllideb 10% : Reduce the budget 10%	12	12	12

GWEITHRED / ACTION	Arbedion Tebygol / Probable Savings £'000	Isafswm Arbedion Posib / Minimum Potential Savings £'000	Uchafswm Arbedion Posib / Maximum Potential Savings £'000
Adolygu trefniadau glanhau y Pencadlus / Review Headquarters Cleaning arrangements	7	7	7
Lleihau cyllideb cyfleustodau / Reduction in Utilites budget	6	6	6
Arbedion cyffredinol ar y cytundeb Gwastraff / General saving on Waste Contract	6	6	6
Adolygu Patrôl Croesi ger Ysgolion / Review School Crossing Patrol	5	5	5
Lleihau Cyllideb Hawliau Tramwy Cyhoeddus / Reduce Public Rights of Way budget	5	5	5
Adolygu trefniadau gorfodi parcio / Review Parking Enforcement arrangements	5	-	5
Incwm drwy ymgymryd a gwaith Tystysgrifau Perfformiad Ynni / Income from undertaking Energy Performance Certificate work	19	19	19
Ffi am waith y Swyddog Tai Gwag / Fee for work undertaken by the Empty Homes Officer	11	11	11
Incwm o arolygu cyn eiddo cyngor/ Income from assessing the repurchase of former council houses	7	7	7
Codi'r ffi gweinyddu Rhestr Aros Tai i Gymdeithasau Tai a'r Cyfrif Refeniw Tai / Increased fee for the Housing Register work to Housing Associations and the Housing Revenue Account	5	5	5
Dileu y gyllideb am swyddi gwag tu fewn i'r gwasanaeth/ Delete the budget for vacant posts within the service	90	90	90
Terfynnu Les Ty William / End the Lease of Ty William	20	20	20
Arbedion costau Cyfryngau / Media Cost Savings	3	3	3
Dileu y Gyllideb - Dim angen ddim pellach/ Removal of Budget - No longer required	3	3	3
Lleihau cyllideb costau teithio / Reduce travel budget	2	2	2
Lleihau costau trwy peidio cynhyrchu fersiwn papur / Reduce costs by not producing a paper copy	2	2	2
CYFANSWM / TOTAL	2,900	1,911	3,413