

## **AGENDA ITEM 5 - BUDGET & COUNCIL TAX SETTING 2018/19 AND FUTURE YEARS FORECASTS**

Amendment to Cabinet recommendations proposed by the  
LIBERAL DEMOCRAT GROUP

## BUDGET & COUNCIL TAX SETTING 2018/19 AND FUTURE YEARS FORECASTS

That the recommendations of the Cabinet of 15 February 2018 minute 66 (17/18) on "Budget & Council Tax Setting 2018/19 and Future Years Forecasts be amended as follows:-

### Recommendation 2(a) be amended to:

2(a) The revised Revenue Budget for the financial year 2017/18 and the Revenue Budget for the financial year 2018/19 as set out in the General Fund Summary (attached as Appendix A amended) which includes the changes listed in the tables below, but Members note that:

**the responsibility of the Council is to approve the overall Budget and the associated cash limits of its Portfolios; it is not the responsibility of the Council to approve any individual savings or additions within those Portfolios, that responsibility is reserved for Cabinet Members. The budget savings and additions in the tables below are therefore indicative only.**

### i) Additional Savings - Reductions to Budget Estimates

Indicative Portfolio Savings Proposal	Impact on Level of Service & Service Outcomes	2018/19 £	2019/20 & Future Years £
<b><u>REGENERATION &amp; BUSINESS DEVELOPMENT</u></b>			
44	Further reduction in the use of specialist "bought in" services (reducing regeneration projects from 10 to 8 over the next 3 years)	(150,000)	(150,000)
<b><u>RESOURCES</u></b>			
New	Transfer from the Revenue Reserve for Capital arising from a reduction to the Capital Programme in 2018/19	(71,000)	0
<b>Total</b>		<b>(221,000)</b>	<b>(150,000)</b>

## ii) Additional Costs - Additions to Budget Estimates

Saving No.	Increases to Portfolio Budgets - Deletion of Indicative Savings	2018/19	2019/20 & Future Years
		£	£
<b><u>ADULT SOCIAL CARE &amp; PUBLIC HEALTH</u></b>			
9	Re-instate Cross Solent Travel	30,000	30,000
New	Contingency fund to support any necessary transitional arrangements in the event that the impact of the proposed Adult Social Care savings require further short term mitigation measures (to be returned to General Fund Reserves if unused)	500,000	0
New	Passporting of 1% Council Tax precept to Adult Social Care in 2019/20	0	819,185
<b><u>CHILDREN'S SERVICES</u></b>			
19	Re-instate 50% for 1 year - Youth Offer	111,500	0
20	Re-instate for 1 Year - Short Breaks	15,000	0
23	Re-instate for 1 Year - Sponsorship opportunities to fund Looked After Children events	3,000	0
29	Re-instate for 1 Year - Reduction in discretionary support for the Careers Service	33,000	0
<b><u>ENVIRONMENT &amp; HERITAGE</u></b>			
64	Re-instate - Phased reduction in grants to Community Libraries for 2018/19 and then follow a phased reduction thereafter	8,000	2,000
70	Re-instate - Review opening times at Newport Roman Villa during shoulder months	2,000	2,000
New	Investment in Cultural activities to stimulate inward investment (one year pilot)	20,000	0
<b><u>PLANNING &amp; HOUSING</u></b>			
78	Re-instate - Reduction in "floating support" to housing tenants	15,000	15,000
New	Re-invest the efficiency savings in Domestic Violence into additional service provision	16,000	16,000
<b>Total</b>		<b>753,500</b>	<b>884,185</b>

## **Recommendation 2(f) be amended to:**

That the level of Council Tax be increased by a further 2.0% beyond the referendum threshold (as calculated in Appendix B amended) to take advantage of the flexibility offered by Government to implement a "Social Care Precept"; but the equivalent of a 3% increase in the Council Tax of £2,329,000 continues to be passported direct to Adult Social Care

## **Recommendation 2(g) be amended to:**

That the amounts set out in Appendix B amended (attached), reflecting an overall increase in Council Tax of 4.99%, be now calculated by the Council for the financial year in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992

## **Recommendation 2(i) be amended to:-**

The savings proposals for each Portfolio amounting, in total, to £6.97m for 2018/19 as set out below:

<b>Portfolio</b>	<b>Savings Proposal</b>	
	<b>£</b>	<b>% Budget</b>
Adult Social Care & Public Health*	3,533,100	6.4%
Children's Services	546,800	2.2%
Community Safety & Public Protection	409,300	5.6%
Environment & Heritage	407,100	12.7%
Infrastructure & Transport**	494,300	3.1%
Planning & Housing	176,500	4.3%
Procurement, Projects & Forward Planning	324,000	4.1%
Regeneration & Business Development	256,000	13.3%
Resources	820,400	6.3%
<b>Grand Total</b>	<b>6,967,500</b>	<b>5.2%</b>

\* Excludes the additional funding passported through the Adult Social Care Precept of £2.3m and additional funding for the Improved Better Care Fund of £2.2m

\*\* Excludes £19.4m of PFI Grant funding, on a Gross expenditure basis the saving amounts to 1.7%

**Recommendation 2(j) be amended to:-**

Directors be instructed to start planning how the Council will achieve the savings requirements of £17.4m for the 3 year period 2019/20 to 2021/22 and that this be incorporated into Service Business Plans

**Recommendation 2(m) be amended to:-**

The Capital Programme 2017/18 to 2022/23 set out in the attached appendix (Appendix E amended) which includes all additions, deletions and amendments for slippage and re-phasing

**Recommendation 2(n) be amended to:-**

The "Funded Schemes" as described in Appendix D be amended to reflect the following changes and the changes also be reflected in the Capital Programme 2017/18 to 2022/23 as set out in the attached appendix (Appendix E amended) and be funded from the available Corporate Capital Resources

Scheme Description - Reductions & Additions		Increase / (Decrease) in Corporate Resources	Total Corporate Resources Allocated
		£	£
<b>Reductions / Deletions to Proposed Capital Schemes:</b>			
108	Replacement microphone/hearing loop and projection systems for council chamber	(57,000)	0
111	Newport One Stop Shop	(214,000)	0
<b>Additional Capital Scheme Proposals (New):</b>			
New	Community Fund for Town and Parish Councils (any associated on-going costs to be met by the T&P Councils)	200,000	200,000
<b>Total Overall Change</b>		<b>(71,000)</b>	

## **SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 2(l), Members must have regard to the Statement of the Section 151 Officer in accordance with the Local Government Act 2003. The Section 151 Officer advises as follows:-**

The proposals contained within this amendment are legal and present a balanced budget for 2018/19.

The amendment presents additional financial risk to the Council and the sustainability of Council Services in the medium term. It is less prudent than the Administration's proposal and provides a lower degree of financial resilience for the following reasons:

- (a) It serves to increase the Council's overall forecast financial deficit over the period 2019/20 to 2021/22 from £16.5m to £17.4m, an increase of £0.9m
- (b) It results in a level of savings required in 2019/20, 2020/21 and 2021/22 of £5.8m per annum (compared with the Administration's proposals of £5.5m per annum)
- (c) Assuming that savings of £17.4m are achieved over the period 2019/20 to 2021/22, the level of General Reserves will amount to £10.1m at the end of the period (compared with the Administration's proposals for a lower level of savings of £16.5m over the period and a greater level of General Reserves of £11.8m at the end of the period).

The reduction in General Reserves of £1.7m over the period represents a significant reduction in financial resilience and the ability to respond in a managed way to a negative outcome from the forthcoming review of Local Government funding.

The S.151 Officer reminds the Council that the Local Council Tax Support scheme is available to residents and is accompanied by an Exceptional Hardship Policy. The scheme is means tested and provides financial support to those who can least afford to pay Council Tax.

## **LEGAL IMPLICATIONS**

The Head of Legal Services is satisfied that it is within the Council's powers to approve the amendment as set out, and supports the advice of the Section 151 Officer given above.

## **EQUALITY AND DIVERSITY**

The Head of Legal Services is satisfied that the amendment does not alter the content or conclusions set out in the Equality Impact Statement at Appendix G

# GENERAL FUND SUMMARY - 2017/18 to 2021/22

## APPENDIX A Amended

NET REQUIREMENTS OF PORTFOLIOS	Revised budget 2017-18 £	Original budget 2018-19 £	Forecast 2019-20 £	Forecast 2020-21 £	Forecast 2021-22 £
Adult Social Care & Public Health	48,635,455	46,076,091	46,234,550	48,038,748	49,838,748
Children's Services	25,630,826	25,071,984	24,982,372	25,157,372	25,334,372
Community Safety & Public Protection	7,365,755	7,237,792	7,366,792	7,499,792	7,636,792
Environment & Heritage	3,311,580	3,050,420	3,024,420	3,024,420	3,024,420
Infrastructure & Transport	16,747,506	7,003,263	(5,338,074)	19,074,419	16,704,399
Leader & Strategic Partnerships	598,516	686,896	686,896	686,896	686,896
Planning & Housing	4,345,738	3,803,724	3,983,267	3,983,267	3,983,167
Procurement, Projects & Forward Planning	8,131,209	5,526,913	3,950,878	4,216,536	4,604,445
Regeneration & Business Development	2,276,579	1,139,041	1,139,041	1,139,041	1,139,041
Resources	33,501,074	49,085,601	67,512,491	48,139,283	56,625,980
Savings to be identified	0	0	(5,800,000)	(11,600,000)	(17,400,000)
<b>Portfolio Expenditure</b>	<b>150,544,238</b>	<b>148,681,725</b>	<b>147,742,633</b>	<b>149,359,774</b>	<b>152,178,260</b>
<b>FUNDED BY:</b>					
Contribution (to)/from Balances & Reserves	3,621,686	(1,922,615)	130,049	(219,157)	(182,617)
Revenue Support Grant	12,718,346	0	4,446,679	4,224,345	4,013,128
Business Rates Retention	31,758,233	45,699,573	36,431,628	37,299,568	38,225,371
Other General Grants	25,572,421	22,992,783	22,361,335	21,568,640	21,469,625
Collection Fund (Council tax)	76,873,552	81,911,984	84,372,942	86,486,378	88,652,753
<b>Total Financing</b>	<b>150,544,238</b>	<b>148,681,725</b>	<b>147,742,633</b>	<b>149,359,774</b>	<b>152,178,260</b>
<b>BALANCES &amp; RESERVES</b>					
Balance brought forward at 1 April	11,553,188	7,931,502	9,854,117	9,724,068	9,943,224
(Deficit)/Surplus for year	(3,621,686)	1,922,615	(130,049)	219,157	182,617
<b>Balance carried forward at 31 March</b>	<b>7,931,502</b>	<b>9,854,117</b>	<b>9,724,068</b>	<b>9,943,225</b>	<b>10,125,841</b>
<b>Minimum level of balances</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Underlying Budget Deficit/(Surplus) - assuming future savings are met</b>	<b>3,621,686</b>	<b>(1,922,615)</b>	<b>130,049</b>	<b>(219,157)</b>	<b>(182,617)</b>

## APPENDIX B amended

### **Calculation of the Council Tax for the Financial Year 2018/19**

(In accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992)

1. The S.151 Officer has determined that the Council Tax base for the financial year 2018/19 will be **52,998.0** [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].
2. The Council calculates that the Council Tax requirement for the Council's own purposes for 2018/19 (excluding Parish and Town Council precepts) is **£81,511,984**
3. That the following amounts be now calculated by the Council for the financial year 2018/19 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	To be determined by the S.151 Officer following notification of the final Town and Parish precepts	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 and Town Councils.
(b)	To be determined by the S.151 Officer following notification of the final Town and Parish precepts	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	To be determined by the S.151 Officer following notification of the final Town and Parish precepts	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(1) of the Act.
(d)	To be determined by the S.151 Officer following notification of the final Town and Parish precepts	Being the amount at 3(c) above (Item R), all divided by Item 1 above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish and Town Council precepts).
(e)	To be determined by the S.151 Officer following notification of the final Town and Parish precepts	Being the aggregate amount of all special items (Parish and Town Council precepts) referred to in Section 34(1) of the Act
(f)	£1,538.02	Being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by 1 above (Item T) calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year (excluding Town and Parish Council precepts)



(g) Valuation Bands (Isle of Wight Council)

<b>A</b> <b>£</b>	<b>B</b> <b>£</b>	<b>C</b> <b>£</b>	<b>D</b> <b>£</b>	<b>E</b> <b>£</b>	<b>F</b> <b>£</b>	<b>G</b> <b>£</b>	<b>H</b> <b>£</b>
1,025.35	1,196.24	1,367.13	1,538.02	1,879.80	2,221.58	2,563.37	3,076.04

Being the amounts given by multiplying the amount at 3(f) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

4. That it be noted that for the financial year 2018/19 the Hampshire Police & Crime Commissioner has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Police & Crime Commissioner)

<b>A</b> <b>£</b>	<b>B</b> <b>£</b>	<b>C</b> <b>£</b>	<b>D</b> <b>£</b>	<b>E</b> <b>£</b>	<b>F</b> <b>£</b>	<b>G</b> <b>£</b>	<b>H</b> <b>£</b>
118.31	138.02	157.74	177.46	216.90	256.33	295.77	354.92

5. That having calculated the aggregate in each case of the amounts at 3(g), and 4 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2018/19 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

<b>A</b> <b>£</b>	<b>B</b> <b>£</b>	<b>C</b> <b>£</b>	<b>D</b> <b>£</b>	<b>E</b> <b>£</b>	<b>F</b> <b>£</b>	<b>G</b> <b>£</b>	<b>H</b> <b>£</b>
1,143.66	1,334.26	1,524.87	1,715.48	2,096.70	2,477.91	2,859.14	3,430.96

6. The Council determines in accordance with Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2018/19, which represents a 4.99% increase, is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Act.

The 4.99% increase includes a 2% increase to support the delivery of Adult Social Care.

As the billing authority, the Council has not been notified by a major precepting authority (the Police and Crime Commissioner for Hampshire) that its relevant basic amount of Council Tax for 2018/19 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

## APPENDIX E Amended

### SUMMARY CAPITAL PROGRAMME 2017/18 - 2022/23 INCLUDING NEW CAPITAL SCHEMES

	FORECAST SPEND 2017/18 £	ESTIMATE 2018/19 £	ESTIMATE 2019/20 £	ESTIMATE 2020/21 £	ESTIMATE 2021/22 £	ESTIMATE 2022/23 £	ESTIMATE TOTAL £
<b>SUMMARY OF PORTFOLIOS</b>							
Adult Social Care & Public Health	2,323,085	1,794,182	0	0	0	0	4,117,267
Children's Services	4,525,055	7,007,135	46,875	0	0	0	11,579,065
Community Safety & Public Protection	264,453	395,000	300,000	300,000	0	0	1,259,453
Environment & Heritage	1,722,670	1,431,508	354,872	245,000	100,000	0	3,854,050
Infrastructure & Transport	3,014,750	5,480,000	5,480,000	30,000	0	0	14,004,750
Planning & Housing	3,323,592	4,009,905	0	0	251,633	0	7,585,130
Procurement, Projects & Forward Planning	32,556,585	20,060,113	2,318,435	0	0	0	54,935,133
Regeneration & Business Development	3,284,791	50,775,000	51,550,000	300,000	0	0	105,909,791
Resources	1,924,367	4,286,457	1,464,700	0	0	0	7,675,524
<b>Total Capital Programme</b>	<b>52,939,348</b>	<b>95,239,300</b>	<b>61,514,882</b>	<b>875,000</b>	<b>351,633</b>	<b>0</b>	<b>210,920,163</b>
<b>Total Financing</b>	<b>52,939,348</b>	<b>95,239,300</b>	<b>61,514,882</b>	<b>875,000</b>	<b>351,633</b>	<b>0</b>	<b>210,920,163</b>

## **AMENDMENT 2**

### **AGENDA ITEM 5 - BUDGET & COUNCIL TAX SETTING 2018/19 AND FUTURE YEARS FORECASTS**

Amendment to Cabinet recommendations proposed by  
CLLR MICHAEL LILLEY

## **BUDGET & COUNCIL TAX SETTING 2018/19 AND FUTURE YEARS FORECASTS**

That the recommendations of the Cabinet of 15 February 2018 minute 66 (17/18) on "Budget & Council Tax Setting 2018/19 and Future Years Forecasts be amended as follows:-

### **Recommendation 2(a) be amended to:**

- 2(a) The revised Revenue Budget for the financial year 2017/18 and the Revenue Budget for the financial year 2018/19 as set out in the General Fund Summary (attached as Appendix A amended) which includes the changes listed in the tables below, but Members note that:

**the responsibility of the Council is to approve the overall Budget and the associated cash limits of its Portfolios; it is not the responsibility of the Council to approve any individual savings or additions within those Portfolios, that responsibility is reserved for Cabinet Members. The budget savings and additions in the tables below are therefore indicative only.**

**i) Additional Costs - Additions to Budget Estimates**

Saving No.	Increases to Portfolio Budgets - Deletion of Indicative Savings	2018/19	2019/20 & Future Years
		£	£
<b><u>ADULT SOCIAL CARE &amp; PUBLIC HEALTH</u></b>			
9	Re-instate Cross Solent Travel	30,000	30,000
10	Re-instate changes to the non-residential care charging policy	678,700	678,700
New	Reinvest savings from substance misuse contract (saving reference 14) to use in partnership with Children's Services to target families at high risk of entering into statutory services	85,200	85,200
<b><u>CHILDREN'S SERVICES</u></b>			
20	Re-instate Short Breaks	15,000	15,000
21	Re-instate Social Care Education Professional (SCEP) staffing reduction	146,000	146,000
<b><u>PLANNING &amp; HOUSING</u></b>			
80	Re-instate grant for domestic violence project	16,000	16,000
<b><u>REGENERATION &amp; BUSINESS DEVELOPMENT</u></b>			
New	Utilise savings from the closure of Branstone Farm (£70,300) along with additional investment of £58,800 to enable a community transfer and partnership with a range of Green Investors through the project "Transition Island" (see also recommendation 2(s) below)	129,100	129,100
<b>Total</b>		<b>1,100,000</b>	<b>1,100,000</b>

**Recommendation 2(i) be amended to:-**

The savings proposals for each Portfolio amounting, in total, to £6.4m for 2018/19 as set out below:

Portfolio	Savings Proposal	
	£	% Budget
Adult Social Care & Public Health*	3,269,200	5.9%
Children's Services	548,300	2.2%
Community Safety & Public Protection	409,300	5.6%
Environment & Heritage	437,100	13.6%
Infrastructure & Transport**	494,300	3.1%
Planning & Housing	191,500	4.7%
Procurement, Projects & Forward Planning	324,000	4.1%
Regeneration & Business Development	-23,100	-1.2%
Resources	749,400	5.7%
<b>Grand Total</b>	<b>6,400,000</b>	<b>4.8%</b>

\* Excludes the additional funding passported through the Adult Social Care Precept of £2.3m and additional funding for the Improved Better Care Fund of £2.2m

\*\* Excludes £19.4m of PFI Grant funding, on a Gross expenditure basis the saving amounts to 1.7%

**Recommendation 2(j) be amended to:-**

Directors be instructed to start planning how the Council will achieve the savings requirements of £17.7m for the 3 year period 2019/20 to 2021/22 and that this be incorporated into Service Business Plans

**Recommendation 2(s) be added as follows:-**

The Cabinet be requested to instruct Officers to investigate the opportunity, potential benefits and any risks associated with establishing a Social Impact Bond between Social Investors and the Council which is intended to provide future savings to the Council. The Social Impact Bond would finance a programme of activity aimed at reducing the numbers of vulnerable adults and children/families coming into statutory services through intensive interventions, enabling them to become more resilient, self-sufficient, and sustainable.

As set out in Recommendation 2 (a) i) above, the opportunity to also include the establishment of a Green Innovation and Life Skills Centre at Branstone Farm (an intervention Hub) operated by a new community asset company established by the voluntary/community sector.

## **SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 2(l), Members must have regard to the Statement of the Section 151 Officer in accordance with the Local Government Act 2003. The Section 151 Officer advises as follows:-**

The proposals contained within this amendment are legal and present a balanced budget for 2018/19.

The amendment presents a substantial increase in financial risk to the Council and the sustainability of Council Services in the medium term. It is less prudent than the Administration's proposal and provides a lower degree of financial resilience for the following reasons:

- (a) It serves to increase the Council's overall forecast financial deficit over the period 2019/20 to 2021/22 from £16.5m to £17.7m, an increase of £1.2m
- (b) It results in a level of savings required in 2019/20, 2020/21 and 2021/22 of £5.9m per annum (compared with the Administration's proposals of £5.5m per annum)
- (c) Assuming that savings of £17.7m are achieved over the period 2019/20 to 2021/22, the level of General Reserves will amount to £9.8m at the end of the period (compared with the Administration's proposals for a lower level of savings of £16.5m over the period and a greater level of General Reserves of £11.8m at the end of the period).

The reduction in General Reserves of £2.0m over the period represents a significant reduction in financial resilience and the ability to respond in a managed way to a negative outcome from the forthcoming review of Local Government funding.

## **LEGAL IMPLICATIONS**

The Head of Legal Services is satisfied that it is within the Council's powers to approve the amendment as set out, and supports the advice of the Section 151 Officer given above.

## **EQUALITY AND DIVERSITY**

The Head of Legal Services is satisfied that the amendment does not alter the content or conclusions set out in the Equality Impact Statement at Appendix G.

## GENERAL FUND SUMMARY - 2017/18 to 2021/22

## APPENDIX A Amended

NET REQUIREMENTS OF PORTFOLIOS	Revised budget 2017-18 £	Original budget 2018-19 £	Forecast 2019-20 £	Forecast 2020-21 £	Forecast 2021-22 £
Adult Social Care & Public Health	48,635,455	46,339,991	46,179,265	47,983,463	49,783,463
Children's Services	25,630,826	25,070,484	25,143,372	25,318,372	25,495,372
Community Safety & Public Protection	7,365,755	7,237,792	7,366,792	7,499,792	7,636,792
Environment & Heritage	3,311,580	3,020,420	3,020,420	3,020,420	3,020,420
Infrastructure & Transport	16,747,506	7,003,263	(5,338,074)	19,074,419	16,704,399
Leader & Strategic Partnerships	598,516	686,896	686,896	686,896	686,896
Planning & Housing	4,345,738	3,788,724	3,968,267	3,968,267	3,968,167
Procurement, Projects & Forward Planning	8,131,209	5,526,913	3,950,878	4,216,536	4,604,445
Regeneration & Business Development	2,276,579	1,418,141	1,418,141	1,418,141	1,418,141
Resources	33,501,074	49,156,601	67,512,491	48,139,283	56,625,980
Savings to be identified	0	0	(5,900,000)	(11,800,000)	(17,700,000)
<b>Portfolio Expenditure</b>	<b>150,544,238</b>	<b>149,249,225</b>	<b>148,008,448</b>	<b>149,525,589</b>	<b>152,244,075</b>
<b>FUNDED BY:</b>					
Contribution (to)/from Balances & Reserves	3,621,686	(2,131,536)	419,180	(29,442)	(92,304)
Revenue Support Grant	12,718,346	0	4,446,679	4,224,345	4,013,128
Business Rates Retention	31,758,233	45,699,573	36,431,628	37,299,568	38,225,371
Other General Grants	25,572,421	22,992,783	22,361,335	21,568,640	21,469,625
Collection Fund (Council tax)	76,873,552	82,688,405	84,349,626	86,462,478	88,628,255
<b>Total Financing</b>	<b>150,544,238</b>	<b>149,249,225</b>	<b>148,008,448</b>	<b>149,525,589</b>	<b>152,244,075</b>
<b>BALANCES &amp; RESERVES</b>					
Balance brought forward at 1 April	11,553,188	7,931,502	10,063,038	9,643,858	9,673,300
(Deficit)/Surplus for year	(3,621,686)	2,131,536	(419,180)	29,442	92,304
<b>Balance carried forward at 31 March</b>	<b>7,931,502</b>	<b>10,063,038</b>	<b>9,643,858</b>	<b>9,673,300</b>	<b>9,765,604</b>
<b>Minimum level of balances</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Underlying Budget Deficit/(Surplus) - assuming future savings are met</b>	<b>3,621,686</b>	<b>(2,131,536)</b>	<b>419,180</b>	<b>(29,442)</b>	<b>(92,304)</b>



### **AGENDA ITEM 5 - BUDGET & COUNCIL TAX SETTING 2018/19 AND FUTURE YEARS FORECASTS**

Amendment to Cabinet recommendations proposed by  
CLLR GEOFF BRODIE - INDEPENDENT LABOUR

## Amendment to Cabinet recommendations **proposed by Councillor Geoff Brodie (Independent Labour)**

Council resolves to use **£1,731,536** of the Cabinet's proposed £3.2m transfer to General Reserves in 2018/19 and **£500,000** from the Transformation Reserve (still leaving £1.2m) to fund:

- **A reduction in the proposed Council Tax increase from 5.99% to 4.49%** (cost £1,164,450), leaving 1.5% of the Adult Social Care precept flexibility until next year, but with the equivalent of a 3% increase in the Council Tax of £2,329,000 continuing to be passported direct to Adult Social Care
- **£30,000 reinstatement to Cross Solent Travel support**
- **£360,000 reduction to the 2018/19 target for reviews of complex residential care packages'** (from £1.6m)
- **£450,000 reduction to the 2018/19 proposed savings from the 'changes to non-residential care charging policy'**, with the £450k reduction then phased in equally over 2019/20 and 2020/21
- **£111,500 reinstatement to the Youth Offer** for one more year (as indicated to providers in autumn 2017)
- **£100,000 reinstatement of discretionary, concessionary travel** for people with enduring mental health problems and who require a carer when travelling
- **£16,000 reinstatement of grant to the domestic violence project**