

BUDGET PLANNING 2017/18 AND BEYOND
Councillor Howard Mordue
Cabinet Member for Finance, Resources and Compliance

1 Purpose

- 1.1 Cabinet considered its initial budget proposals on the 13 December 2016. These were referred to, and then considered by Finance and Services Scrutiny on 9 January 2017.
- 1.2 This report enables Cabinet to update its draft proposals in light of the views received from Scrutiny (updated verbally) and to take into account the Government's provisional announcement of Grant allocations following the Finance Settlement on 15 December 2016.
- 1.3 Based upon this, Cabinet is requested to make a final recommendation on next year's budget to Council.

2 Recommendations / for decision

- 2.1 Cabinet is requested to:
 - a. Consider the comments received from Finance and Services Scrutiny Committee in relation to the budget proposals and make any changes as deemed appropriate.
 - b. In relation to Council Tax, decide whether to proceed with its previous recommendation of increasing Council tax by £5.00 (3.59%), the maximum allowable for lower tier councils.
 - c. Subject to any amendments Members wish to make, recommend to Council the budget for 2017/18 and the Medium Term Financial Plan as set out in summary form in the table at Appendix A.
 - d. Recommend Council to approve Aylesbury Special Expenditure totalling £845,800 supported by a precept of £45.00, which again represents a Council Tax freeze for Special Expenses (as set out in Appendix F).
 - e. Agree the proposed Fees and Charges as set out in Appendix E.

3 Background

- 3.1 The report to Cabinet on 13 December 2016 presented a set of initial budget proposals for Cabinet's consideration.
- 3.2 The report highlighted that there was still uncertainty around a number of issues, particularly retained business rates, further reductions in Government Grant and New Homes Bonus due to the late publication of the grant figures.
- 3.3 In the few weeks since the initial proposals were considered, work has continued to refine the budget assumptions contained within that report.
- 3.4 In practice, little has materially changed at a service level and so the significant elements of the final budget proposals are around the impact of the proposed Government Grant numbers and changes to other centrally funded support.

- 3.5 The revised and Final Recommended budget is attached to this report as Appendix A1. A summary of the changes, savings and pressures which have been used to arrive at the summary position are attached as Appendices A2, C and D.

4 Government Grant Update

- 4.1 The Government announced the draft Grant settlement for councils in the draft Finance Settlement on 15th December 2016.
- 4.2 Despite indications that there might be significant changes, to reflect ongoing pressures on the wider local government sector, the Government largely honoured its commitments contained within the 4 year settlement and left the pre-announced Grant numbers mostly unchanged.
- 4.3 The important numbers of Revenue Support Grant and Baselined Business Rates were identical to those announced for 2017/18 last year within the 4 year settlement.
- 4.4 The only significant change was to the Business Rates Tariff (the proportion of the locally collected Business Rates which has to be paid to Central Government).
- 4.5 It was acknowledged that this figure would need to change in order to reflect the Business Rates revaluation, effective 1 April 2017. Each Council will have either gained business rates income or seen a reduction as a result of the revaluation. To ensure councils neither gain nor lose by virtue of this national re-basing exercise the net effect of the revaluation is captured through the system of Tariffs and Top-ups.
- 4.6 The Government has also taken the opportunity to baseline into the system the impact of some of its more recent national policy changes to Business Rates.
- 4.7 Notably, where the Government extended small business rates relief, the cost of this decision (in terms of lost business rates retained by local councils) was compensated through a separate Grant. This Grant is now being rolled into the Top-up and Tariff adjustments numbers for individual councils.
- 4.8 Combined together, the consequence of the revaluation, the impact of the revaluation on the amount of mandatory relief entitlement, the scope of the transitional relief scheme (for those affected) and the impact of rolling in the compensating grants, make determining the true impact of the revaluation difficult to accurately assess.
- 4.9 The Government's methodology has been validated, and this seems reasonable, but the tangible impact on rates payable locally is difficult to accurately calculate until such time as the Council's software supplier has reflected these changes in the computer system. Only at this point can the new rates payable from 1st April be calculated.
- 4.10 The final budget, therefore, continues to assume the impact of all these changes is neutral, as the Government intended it should be.

- 4.11 The Council maintains a Business Rates Equalisation Reserve to protect and cushion the budget against volatility and fluctuation in its business rates income it receives. Should the impact of the revaluation, and other factors, ultimately prove not to be neutral, against that intended, then the Reserve will be utilised to smooth the impact on the budget.
- 4.12 As a consequence, the net impact of the Finance Settlement on the revenue budget proposals is assumed to be nil.

5 New Homes Bonus

- 5.1 The major concern, in terms of potential changes to the 4 year settlement, was associated with New Homes Bonus.
- 5.2 The Government consulted on sharpening the incentive back at the start of the year, with the aim of reducing its generosity (in order to divert resources in to Adult Social Care) and utilising it to penalise poor planning performance.
- 5.3 Since the consultation closed the Government has made no comment on the feedback it received, nor on how it was minded to reflect these in the final settlement.
- 5.4 With the absence of any significant additional funding being announced in the Autumn Statement for Adult Social Care, concern grew that New Homes Bonus might be raided by an even greater amount in order to provide additional finance for this area.
- 5.5 Ultimately, the Finance Settlement announced that the Government would increase the take from New Homes Bonus by a further £240 million, but the impact on allocations, as a consequence, were less significant than had been feared.
- 5.6 In addition to a reduction in the amount made available for the scheme nationally, the Government made some significant changes to how the scheme will work. The principal elements being;
- Payment of Bonus being reduced to 5 years from 2017/18 and then to only 4 years from 2018/19
 - A new assumed annual amount of baseline growth of 0.4%, with NHB only paid on growth above this
 - NHB to be withheld on Growth approved following a Planning appeal
 - Penalties for areas where Planning performance fails to meet targets
- 5.7 The table below sets out the indicative numbers for New Homes Bonus included in last years 4 year settlement, compared against the revised numbers included in this year's draft Finance Settlement.

	2016-17 £M	2017-18 £M	2018-19 £M	2019-20 £M
2016 NHB - 4 Year Settlement	8.3	8.3	5.2	5.0
2017 NHB - Finance Settlement	8.3	7.9	6.1	5.8
Change (+ =Gain , - = Reduction)	-	-0.4	+0.9	+0.8

- 5.8 Actual numbers will still depend upon actual housing growth in those years and so these must only be seen as indicative. However, it does provide sufficient certainty to validate the revenue contribution assumption included within the Medium Term Financial Plan.
- 5.9 The changes to the New Homes Scheme at a national level also present an opportunity to review the Parish New Homes Bonus Scheme. Having now been operational for 4 bidding rounds any announcement to parishes about the continuation of this scheme have been delayed pending the outcome of the Government's review.
- 5.10 It is therefore proposed that a separate paper be brought back to Cabinet in the New Year reviewing whether the scheme has achieved its objectives thus far, whether it needs to be re-focused and whether the resources allocated to it are appropriate given the future reductions in national funding for the Bonus.

6 Business Rates Pooling

- 6.1 Following the release of the draft Finance Settlement in December, a decision needs to be made on whether to continue with the current pooling arrangements for 2017/18.
- 6.2 Unless one of the Pool members chooses to withdraw within 28 days following the announcement of the draft Finance Settlement on 15 December 2016, the Pool automatically continues into 2017/18. Should any member choose not to accept the Pool numbers, then the entire Pool will be dissolved.
- 6.3 The membership of the pool will continue to be Aylesbury Vale along with Bucks County Council, Bucks Fire and Rescue, Chiltern District Council and South Bucks District Council. The Pool composition can no longer be varied for 2017/18.
- 6.4 Based upon experience gained, thus far, during 2016/17 it is believed that the Council should continue as a member of the Pool during 2017/18 as the Pool is, on balance, likely to produce material gain for the Pool members.

7 Pension Fund

- 7.1 As reported in the initial budget proposals and based upon indicative numbers provided by the Pension Fund Actuary, it was believed that AVDC would be required to pay an additional 2% of employer's pension contributions following the Pension Schemes last revaluation. This would equate to £280,000 and provision has been made in the initial Budget proposals.
- 7.2 The final numbers for Aylesbury Vale increased marginally to £320,000, but include some options which employers may exercise and which might reduce this number back down. This increase will be managed within the total employers provision for pension contributions and annual fluctuations in that budget caused through restructuring.
- 7.3 As reported in the initial proposals, whilst the overall scheme deficit has reduced over the previous 3 years, expectations over future investment performance, taking into account the uncertainty surrounding the UK economy, take up of pensions and changing life expectancy, has lead the Actuary to conclude that the employer contribution needed to increase.

- 7.4 An opportunity exists to make lump sum payments to reduce the deficit outstanding and the benefit of doing so outweighs the advantage the Council can achieve by investing surplus balances in cash deposits.
- 7.5 The scheme Actuary has provided a model which shows the reduction in employer pension contributions which can be achieved by making lumps sum contributions prior to the 31 March 2016.
- 7.6 The Council holds balances for many specific purposes (earmarked) reserves and these amounts total in excess of £30 million. Some of these reserves are used annually whilst some are held for future events, which might not be required for many years hence, (e.g. East West Rail).
- 7.7 As these sums represent tied up cash balances, it is proposed that a sum from these Reserves is paid towards the Pensions Fund deficit prior to the 31 March 2017. The resultant reduction in the Employers Pension Contribution will then be captured and used to repay the Reserves whose balances have been temporarily applied.
- 7.8 Exactly how much of the Council's reserves could be used is likely to depend on the acceleration timeframe for East West Rail and when the Council's commitment is likely to be required as a consequence. Clarification on this issue is expected in the next few weeks and the final decision on application is proposed to be left to the Council's Section 151 officer in consultation with the Resources Portfolio holder.
- 7.9 Work continues with the Actuary in order to finalise the actual numbers payable over the next 3 years, but they will be no greater than the numbers shown here.

8 Fees and Charges

- 8.1 The Council's review of those Fees and Charges, which was felt needed to be changed, was consolidated into a single list for consideration by Cabinet in December.
- 8.2 Any comments received from Finance and Services Scrutiny on the proposed charges will be reported verbally at the meeting and so the proposals are re-produced again, almost un-amended, from those presented in December.
- 8.3 The one charge which was reported as requiring confirmation within that report was the charge for collection of Green Waste and it is now proposed that this has an inflationary increase rounded up to the nearest pound, equating to an increase of £1 in 2017/18.
- 8.4 These numbers are now included in Appendix E to this report for Cabinet's consideration and decision.

9 Implications for Council Tax Strategy

- 9.1 The initial Budget Proposals proposed by Cabinet recommended increasing Council Tax by the assumed maximum expected amount of £5.00 (3.59%).
- 9.2 The Finance Settlement confirmed the Council's ability to increase its Tax by this amount and so, for the reasons justified by Cabinet in December (i.e. as a means of partially mitigating the reductions in Government Grant and thereby protecting services valued by residents and businesses in the Vale), it is proposed that this increase be implemented from 1 April 2017.
- 9.3 The value of Government Grant lost in 2017/18 is £0.9 million.

- 9.4 A Council Tax increase of £5.00 would generate £355,000 per annum and would represent an increase equivalent to 10 pence per week and will increase the Band D Council Tax for Aylesbury Vale District Council to £144.06.

10 Impact on the Budget Proposals

- 10.1 The initial Budget Proposal presented to Cabinet in December considered the options for balancing the budget in the event that the final budget numbers differed from those contained in the initial proposals.
- 10.2 The numbers announced in the draft Finance Settlement in December were (in so far that they affect revenue resources) the same as those assumed in the Cabinet's Initial Budget proposals. Consequently, there is no impact arising from the draft Finance Settlement to reflect here.
- 10.3 Cabinet considered the developing central version of the AVE Business Plan for 2017/18 at its last meeting and this identified a Dividend distribution of £200,000 next year. This is consistent with the number already reflected within the budget proposal.
- 10.4 The AVE Business Plan also includes a downside Business Case, as part of their scenario planning, which does not include a dividend payment. Whilst this is recognised, the budget plan has been developed using the Central Case assumptions and the Downside Case is instead recognised as a budgetary risk and account is taken of this in determining the appropriate level of Working Balances to be held this year.

11 Reserves

- 11.1 Earmarked reserves represent the prudent saving of sums against the recognition of future financial events which, if not prepared for, would be difficult to deal with at the point they occur. In short, earmarked reserves are an essential part of sound financial planning.
- 11.2 As part of the development process for 2017/18 the Cabinet member for Finance, Resources and Compliance undertook the annual review of the Council's Reserves and Provisions. This included an holistic consideration of the total cash balances tied up within these reserves and whether the cash is being held effectively.
- 11.3 The sizeable balance on the New Homes Bonus Reserve (in excess of £10 million), which includes the sum set aside for East West Rail, distorts the Council's overall Reserves Provision. In practice, the entire balance on this reserve is committed, but as discussed in previous sections, the timeframe for delivery on elements is drawn out.
- 11.4 The reserves are held for legitimate reasons and the balances are reasonable given a fair assessment of the budgetary pressures that they are held against.
- 11.5 It is expected that the total balance held in reserves is expected to dip significantly over the next 2 years as the pressures against which they are held materialise and the infrastructure schemes, for which the New Homes Bonus is held, are delivered.

12 Balances

- 12.1 The Council holds general working balances as insurance against unexpected financial events. This includes failure to generate expected income as well as financial claims against the Council.
- 12.2 The current minimum assessed level of balances is £2.5 million which has been arrived at based upon a risk and probability assessment of potential budgetary factors during 2017/18.
- 12.3 Current projections indicate that working balances might end 2016/17 at around £3.6 million. This is above the assessed minimum level.
- 12.4 Given the uncertainty surrounding the scale of organisational change, together with both internal and external factors impacting upon the finances of the organisation it is not recommended that the assessed minimum level of balances is reduced this year.
- 12.5 The holding of excess balances presents the Council with opportunities to offset the upfront costs of change initiatives, (such as redundancy), that will payback and deliver ongoing savings in later years.
- 12.6 One such example was the funding during the current year of the Commercial AVDC change programme. It is expected that the change programme will continue to deliver considerable efficiencies in the organisation. These efficiencies, some of which are already included within this report, will contribute towards balancing the budgets in future years.

13 Medium Term Financial Plan (2017/18 and After)

- 13.1 The report to Cabinet in November 2016 set out the rationale for the core assumptions used in the Medium Term Financial Plan.
- 13.2 Whilst some of the uncertainty surrounding the Government Settlement and the future of News Homes Bonus has now diminished following the publication of the draft Settlement in December, there are still multiple uncertainties and risk factors which will need to be managed.
- 13.3 The single biggest issue that is likely to remain is the ongoing and severe impact of the reductions in Government Grant and how public sector austerity continues to impact upon local government, as a whole, and the demands of the communities it serves and the services it provides.
- 13.4 The reality of continued public sector austerity through this Parliamentary term has been confirmed within the 4 Year Funding Settlement. Further, the Chancellor announced within his Autumn Statement that he expects the austerity agenda to continue into the next Parliamentary term, thereby potentially spanning 6 further years.
- 13.5 The Medium Term Financial Plan set out here is predicated on reductions at the same rate as experienced over the last 5 years through to 2021.
- 13.6 Last year the Government introduced the concept of Negative Grant and it is expected that this will become a feature of local government financing over the planning period.
- 13.7 This is consistent with the historic planning assumption that the Council has been using over the past 6 years and the Council's strategy for balancing its

budget was predicated on this continuing. In this respect, the Strategy around commercialism and efficiency is considered to remain the right strategy to deal with the financial challenges facing the Council.

- 13.8 The additional freedom around Council Tax increases will help soften the challenges marginally, although new pressures, such as those associated with inflation, are likely to absorb any respite offered by them.

14 Scrutiny of the Initial Budget Proposals

- 14.1 Because the Cabinet's meeting in January 2017 and the review of these draft proposals by Finance and Services Scrutiny Committee are only separated by a single day. Cabinet will need to be updated on the views of the Scrutiny Committee verbally at its meeting.
- 14.2 However, the fall of the meeting does allow for Scrutiny to receive a copy of this report and therefore understand the impact of the draft Finance Settlement in terms of reducing the uncertainty in the initial budget proposals.

15 Special Expenses

- 15.1 This report also includes a recommendation on the Special Expenses budget for Aylesbury Town.
- 15.2 The work undertaken since the initial indications has confirmed that the Tax in Aylesbury should remain frozen at its current level.

16 Options Considered

- 16.1 The report provides a commentary on the key elements of choice within the budget proposals and outlines the reasons for the recommendations.

17 Recommendations

- 17.1 These are set out within the report and summarised in paragraph 2.

18 Resource Implications

- 18.1 These are covered within the body of the report.

APPENDIX A1

Medium Term Financial Plan – 2016/17 to 2020/21 – Final Proposals

Classification	2016/17 Base	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£	£
Business Transformation	256,800					
Economic Development Delivery	-1,472,000					
Environment & Waste	5,410,900					
Finance, Resources & Compliance	714,000					
Growth Strategy	1,329,100					
Leader	5,898,200					
Leisure, Communities & Civic Amnts	6,473,600					
Plus: Inflation, Savings / Growth	0	-717,500	-225,200	185,800	-8,100	870,100
Less: Savings Still Required	0	0	0	0	-11,100	-909,000
Service Spend Total	18,610,600	17,893,100	17,667,900	17,853,700	17,834,500	17,795,600
Contingency Items	63,500	137,700	137,700	137,700	137,700	137,700
Financing & Asset Charges	-1,346,400	-1,048,800	-1,048,800	-1,048,800	-1,048,800	-1,048,800
Transfers to / (from) Reserves	135,600	70,100	70,100	70,100	70,100	70,100
Investment Interest	-245,000	-165,000	-165,000	-165,000	-165,000	-165,000
Cost of Borrowing	2,365,700	2,532,000	2,494,000	2,456,000	2,456,000	2,456,000
AVE Interest	-1,983,000	-2,136,000	-2,123,000	-2,113,000	-2,113,000	-2,113,000
Use of Balances	-90,900	0	242,500	27,900	0	0
Plus: Special Expenses	-844,400	-857,100	-878,500	-900,500	-923,000	-946,100
New Homes Bonus	-1,178,000	-1,178,000	-1,178,000	-1,178,000	-1,178,000	-1,178,000
Retained Business Rates	-476,700	-476,700	-476,700	-476,700	-476,700	-476,700
Council Tax Freeze Grant	0	0	0	0	0	0
Less: Parish LCTS Payment	70,600	0	0	0	0	0
Funding Requirement	15,081,600	14,771,300	14,742,200	14,663,400	14,593,800	14,531,800
Funded By						
Government Grant	-5,219,300	-4,300,000	-3,809,500	-3,261,400	-2,713,300	-2,165,200
Collection Fund Transfer	-210,000	-228,000	-228,000	-228,000	-228,000	-228,000
AVDC Council Tax	9,652,300	10,243,300	10,704,700	11,174,000	11,652,500	12,138,600
Council Tax Base	69,409	71,107	71,818	72,536	73,261	73,994
Council Tax	£ 139.06	£ 144.06	£ 149.05	£ 154.05	£ 159.05	£ 164.05
Percentage Increase	1.99%	3.59%	3.47%	3.35%	3.25%	3.14%

Medium Term Financial Plan – 2017/18 to 2021/22

SUMMARY OF CHANGES

Classification	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£	£
Plus:		0	0	0	0	0
<i>Unavoidable Pressure</i>		848,000	200,000	0	0	0
<i>Inflation, Pay and Increments</i>		463,000	676,000	786,000	805,000	928,000
<i>Impact of Major Projects</i>		171,500	275,000	275,000	-57,900	-57,900
Total	0	1,482,500	1,151,000	1,061,000	747,100	870,100
Less:						
<i>New Income and Efficiency Proposals(17/18)</i>		-2,200,000	-1,376,200	-875,200	-755,200	0
<i>Major Projects</i>						
Total	0	-2,200,000	-1,376,200	-875,200	-755,200	0
Total Pressures & Efficiencies Identified	0	-717,500	-225,200	185,800	-8,100	870,100
Change in Available Resources						
Reduction / (Increase) in Investment Interest		80,000	0	0	0	0
Reduction / (Increase) in Contribution From Reserves		-65,500	0	0	0	0
Reduction / (Increase) in Capital Financing		297,600	0	0	0	0
(Reduction) / Increase in Borrowing Costs		166,300	-38,000	-38,000	0	0
(Growth) / Reduction in AVE Interest Payment		-153,000	13,000	10,000	0	0
(Growth) / Reduction in AVE Dividends		0	0	0	0	0
(Increased) / Reduced Use of Balances		90,900	242,500	-214,600	-27,900	0
(Reduction) in Contingency Provision		74,200	0	0	0	0
Reduction in Collection Fund Surplus		-18,000	0	0	0	0
(Additional) / Lower Government Grant - RSG		919,300	490,500	548,100	548,100	548,100
Additional / Lower Business Rate Growth		0	0	0	0	0
New Homes Bonus		0	0	0	0	0
Tax Base Growth		-236,000	-98,900	-103,500	-108,100	-112,900
Additional Council Tax		-355,000	-362,500	-365,800	-370,400	-373,200
Government Funding for Council Tax Freeze		0	0	0	0	0
(Increase) / Decrease in Special Expenses		-12,700	-21,400	-22,000	-22,500	-23,100
Decrease in Parish Grant		-70,600	0	0		
Total Increase in Resources	0	717,500	225,200	-185,800	19,200	38,900
Savings Required	0	0	0	0	-11,100	-909,000
Net Change in Resources	0	0	0	0	0	0

Budget Proposals – 2016/17 to 2020/21
General Fund Revenue Balances

Classification	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£,000s	£,000s	£,000s	£,000s	£,000s	£,000s
Balance brought forward	3,765,000	3,975,000	3,646,100	3,646,100	3,646,100	3,646,100
Windfall Gains & Special Applications of Balances						
- HS2	0	0	0	0	0	0
- Website and E-Commerce Programme	0	0	0	0	0	0
- Commercial AVDC Change Project	0	(1,106,000)	0	0	0	0
Restated Balance Position	3,765,000	2,869,000	3,646,100	3,646,100	3,646,100	3,646,100
Forecast (Overspend) / underspend assumption	210,000	868,000	0	0	0	0
Planned (Use) / Addition to Balances	0	(90,900)	0	0	0	0
Net (Use) of Balances	210,000	777,100	0	0	0	0
Balance carried forward	3,975,000	3,646,100	3,646,100	3,646,100	3,646,100	3,646,100

Budget Savings Identified in 2017/18 Budget Planning

Service Area	2017/18 £	2018/19 £	2019/20 £	2020/21 £	Proposal
Customer Fulfilment					
Green Spaces	46,700	0	23,400	0	Deletion of Vacant Green Spaces Officer Post
Development Management	250,000	150,000	125,000	0	Increase of income from planning applications received.
Operational Parking	55,400	0	0	0	Deletion of Parking Services Manager Post
Operational Housing	52,700	0	0	0	Deletion of Senior Housing Options Officer Post
Building Control	37,300	0	0	0	Deletion of Vacant Engineering Technician Post
Staying Put	200,000	50,000	0	0	Funding structure to be a "Contingency Fund" arrangement
Contract Services	85,900	0	0	0	Delete 3 Vacant Driver posts
Revenues & Benefits	130,700	0	30,100	60,200	Deletion of Supervisor Post
Contact Review	98,700	98,700	30,100	0	Deletion of Supervisor Posts
Customer Fulfilment Overall	132,600	73,500	53,200	240,000	Customer Fulfilment Sector Review
Casework / Other Reviews	72,600	240,400			Casework Review
Waste Services	99,000	19,000	19,000	20,000	Increase Garden Waste Charge
Development Management	0	0	82,900	0	Removal of Development Management Reserve
Business Strategy					
Business Strategy	25,700	0	0	0	IT Review
Business Strategy	56,000	0	0	0	Surcharge on Credit Card Payments
Business Strategy	0	64,900	25,000	0	Democratic Services Review
Business Strategy	0	44,000	0	0	Business Assurance Review
Business Strategy	0	100,000	200,000	300,000	Procurement and Contract Management Review
Community Fulfilment					
Housing Strategy	60,000	0	0	0	Fees From Preferred Development Partners
Communities	64,600	0	0	0	Communities Review of Budgets
Communities	237,000	0	0	0	Communities Review
Communities	0	290,000	0	0	Community Fulfilment Review
Communities	0	0	164,000	0	Community Fulfilment Review
Business Support					
Payroll	38,300	43,200	0	0	Deletion of Vacant Posts
Finance, Recoveries & HR	0	37,500	37,500	0	Finance, Recoveries and Human Resources Review
IT Team	0	100,000	0	0	IT Review
Commercial Property					
Property Services	349,800	65,000	85,000	135,000	Review of Income From AVDC Properties.
Property Services	67,000	0	0	0	Savings from review of Visitors Information Centre
Commercial AVDC	40,000	0	0	0	Savings in Management Roles
	2,200,000	1,376,200	875,200	755,200	

Budget Pressures Identified in 2017/18 Budget Planning

Portfolio	Service Area	2017/18 £	2018/19 £	Pressure	Assessment
Finance, Resources & Compliance	Information Technology	60,000		Cloud Server Hosting and Licence Fees	
Finance, Resources & Compliance	Legal Services	125,000		HB Law Contract Costs	Call on the HB Law contract higher than anticipated.
Finance, Resources & Compliance	Strategic Finance	90,000		Additional cost of Senior Level post following Review	
Finance, Resources & Compliance	Payroll	58,000		New Apprenticeship Levy	Could be reduced if apprentices employed by AVDC
Finance, Resources & Compliance	Debt Management	15,000		Additional Cost of Hosting Adelante (debit / credit payments system)	
Environment & Waste	Recycling and Waste	0	200,000	Provision for loss of income. Contractor has proposed a decrease in the amount paid per tonne for the remainder of the contract and this was reflected in the budget for 2016/17.	In 2017 procurement of the new recycling MRF will need to commence. Current markets show a cost (Gate fee) to AVDC of £30 per tonne. This would be the equivalent of minimum £500K cost to AVDC, base on existing tonnages. The sum here is the anticipated additional cost
Leader	Central Staff Costs	280,000		Increased Employers Pension Costs (2% of £14m)	Revised cost is £320,000, but the £40,000 difference will be managed within the total Pension costs budget
Economic Development	Gateway Office and Conference Centre	20,000		Reduced income from NHS re service charge	
Economic Development	AVDC Properties	200,000		Business Rates of AVDC assets	Increases in Rates from revaluation, primarily Exchange Street car park

848,000 200,000

APPENDIX E

FEES AND CHARGES	2015/16	2016/17	2017/18
Leisure			
Pitches / All Weather Pitches			
All Weather Pitch - MEADOWCROFT			
Peak Time-1/3rd area per hour	£22.50	£24.50	£25.00
Peak Time-2/3rd area per hour	£44.99	£49.00	£50.00
Peak Time-full area per hour	£67.50	£73.00	£75.00
Off peak time-1/3rd area per hour	£16.87	£18.50	£19.00
Off peak time-2/3rd area per hour	£33.75	£37.00	£38.00
Off peak time-full area per hour	£50.62	£55.50	£56.00
Flood lights-1/3rd area per hour	£11.25	£12.25	£12.50
Flood lights-2/3rd area per hour	£16.87	£18.50	£18.90
Flood lights-full area per hour	£28.12	£30.00	£31.00
Football Pitches Grass			
Adult pitch - per match at all venues	£64.90	£70.50	£77.00
Juniors aged 14 to 17 years inclusive, playing on an adult pitch - per match at all venues	£45.43	£49.00	£54.00
Juniors aged 13 years and under, playing on a junior pitch - per match at all venues	£41.32	£44.50	£47.00
Cricket Square			
Adult-afternoon-per match (14:00 - 19:00)	£82.60	£90.00	£92.00
COMMUNITY CENTRES			
Alfred Rose Park, Bedgrove Park, Prebendal Farm, Southcourt and Hawkslade Farm			
All Community Bookings include Churches, Car Boots, Bazaars and Bank Holidays			
Saturday and Sunday			
8.00 - 13.00	£31.00	£33.00	£33.50
13.30 - 17.15	£31.00	£33.00	£33.50
Private and Commercial Events include Adult and Children's Parties and Bank Holidays			
Monday to Thursday			
8.00 - 13.00	£60.00	£65.00	£67.00
13.30 - 17.15	£60.00	£65.00	£67.00
Contract Services	2015/16	2016/17	2017/18
Garden Waste	£38.00	£40.00	£41.00
Garden Waste administration fee for non direct debit payers	£4.50	£4.50	£0.00

AYLESBURY SPECIAL EXPENSES - SUMMARY BUDGET 2017/18

	2015/16 Actual	2016/17 Original Budget	2016/17 Forecast	2017/18 Estimate Budget
	£	£	£	£
Aylesbury Market	4,355	9,700	2,800	(2,200)
Parks and Recreation Grounds				
Parks Administration	208,718	235,700	235,700	237,800
Alfred Rose Park	39,689	41,100	41,100	41,500
Bedgrove Park	64,343	62,700	62,700	63,200
Edinburgh Playing Fields	51,645	50,200	50,200	50,500
Meadowcroft Playing Fields	50,690	65,200	65,200	65,800
Vale Ground	27,194	14,900	14,900	15,200
Walton Court Sports Ground	34,145	44,200	44,200	44,500
Fairford Leys Sports Ground	68,253	83,100	83,100	83,700
	544,677	597,100	597,100	602,200
Community Centres				
Management	-	72,700	74,300	74,400
Bedgrove	57,521	54,600	45,400	55,700
Southcourt	99,666	49,200	56,100	50,200
Alfred Rose	50,889	48,400	49,400	49,500
Prebendal Farm	46,915	40,700	46,900	41,700
Quarrendon & Meadowcroft	68,811	41,600	41,600	41,700
Elmhurst	5,405	-	6,400	-
Haydon Hill	-	4,900	4,900	4,900
	329,209	312,100	325,000	318,100
Asset Rental Adjustment	(72,150)	(72,300)	(72,300)	(72,300)
Impairment Recharge	-	-	-	-
Repair and Maintenance Adjustment	-	-	-	-
Total Net Expenditure	806,090	846,600	852,600	845,800
General Reserve - XF100				
Balance Brought Forward	(504,347)	(425,117)	(503,501)	(468,801)
Expenditure in Year	806,090	846,600	852,600	845,800
Precept - Band D	(802,700)	(815,500)	(815,500)	(828,100)
	(500,957)	(394,017)	(466,401)	(451,101)
Interest on Balances	(2,544)	(2,200)	(2,400)	(2,300)
	(503,501)	(396,217)	(468,801)	(453,401)
Precept - Band D	£45.00	£45.00	£45.00	£45.00
Tax Base	17,838.50	18,122.50	18,122.50	18,403.02