

# Council

Date: **Monday 20 February 2017**  
Time: **10.00 a.m**  
Venue: **Council Chamber, County Hall, Norwich**

## Supplementary Agenda

### 4. **Supplementary Information to Item 4 – Revenue and Capital Budget 2017-20**

2017/20 Budget - Amendments

Amendments submitted by:

- |  |                   |
|--|-------------------|
| <b>1. The Labour Group</b>                 | <b>(Page A2 )</b> |
| <b>2. The UKIP &amp; Independent Group</b> | <b>(Page A4 )</b> |
| <b>3. The Liberal Democrat Group</b>       | <b>(Page A5 )</b> |
| <b>4. The Green Group</b>                  | <b>(Page A6 )</b> |

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Date Agenda Published: 16 February 2017

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## **Labour Group amendment, County Council Budget 2017/18:**

### **1. Adult Social Care Committee**

- 1.1 We propose to reverse £1.225m of the Building Resilient Lives cut (Ref ASC016-019 on County Council agenda papers page 79). This will enable the removal or deferral of proposed cuts in 2017/18 of:

- £0.180m in sheltered housing
- £0.280m homeless support through direct access/homeless hostels (single homeless and young people)
- £0.260m move-on accommodation
- £0.505m floating support

### **2. Policy and Resources Committee**

- 2.1 The reversal of the Building Resilient Lives cut is proposed to be paid for by bringing forward from 2018/19 into 2017/18 Policy and Resources Committee savings (Ref P&R 050 cutting costs through efficiencies by a zero based review of our services and P&R 064 cutting costs through efficiencies by reducing unit costs on County Council agenda papers pages 91 and 92 £1.225m).
- 2.2 We recognise that this will involve staff consultation and possibly staff redundancies in the back office but believe in protecting front line services.

### **3. Children's Services Capital budget**

- 3.1 Council agree to the addition of £2.75m to the 2017/18 Capital Programme (County Council agenda papers page 217, Children's Services Committee) for additional investment in Children's service facilities in order to increase complex needs capacity across the county and deliver revenue savings and improved outcomes for young people.

### **4. Community and Environmental Services budget**

- 4.1 Council agree to the addition of £0.250m to the 2017/18 Capital Programme (County Council agenda papers page 221, Community and Environmental Services) for additional investment in CES to increase provision of "Changing Places" facilities across the county.

*Advice from Section 151 Officer:*

*Additional revenue savings (Item 2):*

*Officers had previously advised (28 November 2016 Policy and Resources Committee) that savings P&R 050 and P&R 064 were not deliverable in 2017/18 and should be deferred until 2018/19.*

*Reinstating it to 2017/18 therefore increases the level of risk in the budget as:*

- A) officers felt the savings were undeliverable in its current form in 2017/18*
- B) Reinstating the saving at this point, with only a short time to the financial year means that it is unlikely that a full year effect of savings will be delivered. Therefore in reality a mixture of one-off savings and ongoing savings will need to be identified in 2017/18*
- C) It is most likely that to deliver the savings required staff consultation will be required*
- D) There is likely to be some redundancy costs and these would be funded from the Organisational Change and Redundancy Reserve*
- E) If replacing the 2017/18 Building Resilient Lives saving on a permanent basis, bringing forward the 2018/19 P&R savings (P&R 050 and P&R 064) will add a pressure to the 2018/19 budget for which funding will need to be identified*

*Capital Expenditure (Item 3 and 4):*

*The £3M capital expenditure in 2017/18 would not incur any Minimum Revenue Provision charge and will be unlikely to incur any borrowing costs due to the Council's current cash holdings.*

*(Lost interest would be circa £0.008M which can be accommodated within the existing Treasury budget). As such no additional revenue expenditure needs to be budgeted for in 2017/18.*

*For 2018/19 the additional interest charge would be circa £0.120M. If the amendment is approved the cost will be added to the MTFS and form part of the 2018/19 budget.*

*This would have the effect of increasing the savings gap in 2018/19 from £16.125m to £16.245m.*

## **UKIP&I Group amendment, County Council Budget 2017/18:**

Council resolves to:

1. reverse out the proposed saving CMM022 which is for £0.622m in Libraries in 2018/19 (County Council agenda papers page 88).;
2. reverse out the proposed saving CMM023 in 2018/19 which is for £0.490m in Fire (County Council agenda papers page 88).

*Advice from Section 151 Officer:*

*These would have the effect of increasing the savings gap in 2018/19 from £16.125m to £17.237m.*

## **Liberal Democrat Group amendment, County Council Budget 2017/18:**

1. Adult Social Care Committee
- 1.1 Council resolves to remove over 50% of the proposed 2017/18 reduction in Building Resilient Lives (Ref ASC016-019 on County Council agenda papers page 79). This totals £1.225m.
2. Policy and Resources Committee
- 2.1 The following savings from the Policy and Resources Committee budget are brought forward from 2018/19 to 2017/18: P&R 050 cutting costs through efficiencies by a zero based review of our services and P&R 064 cutting costs through efficiencies by reducing unit costs on County Council agenda papers pages 91 and 92. These total £1.225m.
- 2.2 We recognise that this will involve staff consultation and possibly staff redundancies.

*Advice from Section 151 Officer:*

*Additional revenue savings (Item 2):*

*Officers had previously advised (28 November 2016 Policy and Resources Committee) that savings P&R 050 and P&R 064 were not deliverable in 2017/18 and should be deferred until 2018/19.*

*Reinstating it to 2017/18 therefore increases the level of risk in the budget as:*

- A) officers felt the savings were undeliverable in its current form in 2017/18*
- B) Reinstating the saving at this point, with only a short time to the financial year means that it is unlikely that a full year effect of savings will be delivered. Therefore in reality a mixture of one-off savings and ongoing savings will need to be identified in 2017/18*
- C) It is most likely that to deliver the savings required staff consultation will be required*
- D) There is likely to be some redundancy costs and these would be funded from the Organisational Change and Redundancy Reserve*
- E) If replacing the 2017/18 Building Resilient Lives saving on a permanent basis, bringing forward the 2018/19 P&R savings (P&R 050 and P&R 064) will add a pressure to the 2018/19 budget for which funding will need to be identified*

## **Green Group amendment, County Council Budget 2017/18:**

### **1. Council Tax**

- 1.1 We propose to increase Council Tax to the legal permitted maximum of 4.99% which generates an additional £0.645m.

### **2. Remove savings in Adult Social Care**

- 2.1 Building Resilient Lives: ASC 016-019. Remove savings of £0.545m from this line in 2017/18.
- 2.2 Realign £0.500m of Building Resilient Lives savings from 2018/19 to 2019/20.
- 2.3 So that the cuts now read: 2017/18 £1.555m, 2018/19 £2.9m, 2019/20 £0.5m (County Council agenda papers page 79).

### **3. Environment, Development Transport Committee (new proposal)**

- 3.1 £0.100m for officer time to develop the 5 point Action Plan to improve Air Quality in Norwich & Norfolk. As previously agreed at EDT committee (County Council agenda papers page 85 – new additional cost).

### **4. EDT Committee Capital budget**

- 4.1 £0.650m to be added to the Capital Programme which is to be funded from additional borrowing. The £0.650m is for the following new items:
- £0.150m capital investment in upgrading bus diesel engines to modern standards (County Council agenda papers page 218). This capital is to be used to lever in Department for Transport & Bus operators matched funds to address entire Norfolk bus fleet.
  - £0.500m to fund new pedestrian crossings. Council to agree to the addition of £0.500M to the 2017/18 Capital Programme (Council agenda papers page 218) for ring-fenced additional expenditure on road safety small crossing schemes.

### **Advice from Section 151 Officer:**

*The £0.650m capital expenditure in 2017/18 would not incur any Minimum Revenue Provision charge and will be unlikely to incur any borrowing costs due to the Council's current cash holdings.*

*(Lost interest would be circa £0.002m which can be accommodated within the existing Treasury budget). As such no additional revenue expenditure needs to be budgeted for in 2017/18.*

*For 2018/19 the additional interest charge would be circa £0.026m. If the amendment is approved the cost will be added to the MTFS and form part of the 2018/19 budget.*

*The revenue and capital proposals would have the effect of increasing the savings gap in 2018/19 from £16.125m to £16.651m.*