

# Cabinet

11<sup>th</sup> July 2019

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# Latest Budget Position – Before/After Council Tax:

	20/21 £m	21/22 £m	22/23 £m	23/24 £m	Total £m
Excluding an annual council tax increase:					
Total Funding	570.7	574.2	577.9	581.6	
Total Expenditure	619.4	601.0	603.9	607.4	
<b>Budget Gap excluding council tax increase</b>	<b>-48.7</b>	<b>-26.8</b>	<b>-26.0</b>	<b>-25.8</b>	<b>-127.3</b>
Including an annual council tax increase:					
Total Funding	580.0	593.3	607.3	621.9	
Total Expenditure	619.4	610.3	623.0	636.8	
<b>Gap including a 1.99% council tax increase</b>	<b>-39.4</b>	<b>-17.0</b>	<b>-15.7</b>	<b>-14.9</b>	<b>-86.9</b>
Savings as at Feb CC – adjusted	11.5				11.5
<b>Revised Budget Gap</b>	<b>-27.9</b>	<b>-17.0</b>	<b>-15.7</b>	<b>-14.9</b>	<b>-75.5</b>

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# Latest Budget Position:

	20/21 £m	21/22 £m	22/23 £m	23/24* £m	Total £m
Budget Gap as at February County Council	-29.0	-17.0	-15.7	-14.9	-76.6
Less available savings as at February County Council	16.1				16.1
Updated Budget Gap as at February County Council	-12.9	-17.0	-15.7	-14.9	-60.5
Changes since February:					
Reduction in available savings	-4.6				-4.6
Permanent closure of Beechfield	-0.5				-0.5
Home to School Transport	-1.0				-1.0
OFSTED and HMICFRS	-6.4				-6.4
Other – under £0.5m	-2.5				-2.5
<b>Latest Budget Gap</b>	<b>-27.9</b>	<b>-17.0</b>	<b>-15.7</b>	<b>-14.9</b>	<b>-75.5</b>

\*23/24 not included in February County Council

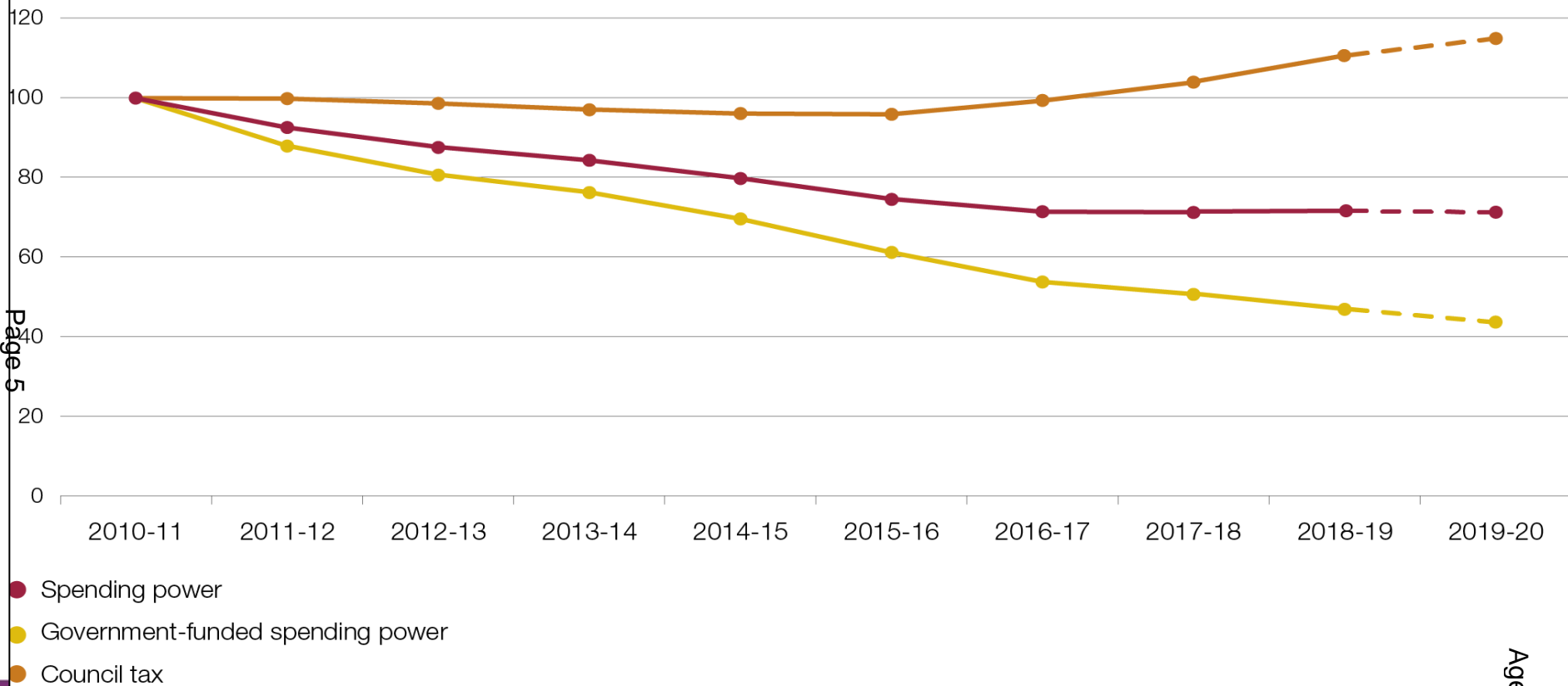
# Additional Financial Pressure

- Children's Improvement Plan
  - One off
  - On - going
- Fire and Rescue Improvement Plan
  - One off
  - On - going

# Estimated change in spending power of local authorities in England, 2010-11 to 2019-20

Previous reductions in spending power have largely levelled off but this is a combination of ongoing reductions in government funding and anticipated increases in council tax

Spending power (real terms in 2016-17 prices) (indexed: 2010-11=100)



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# Local Government Finance Review

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- Potentially headed for a one year settlement for 2020/21
- Likely to be a roll-over of the current year
- We are not likely to gain certainty until the Autumn
- The long awaited Social Services Green Paper will not appear
- A further extension of one-off grants is not known
- Referendum level (council tax capping) is 2%

# 4 Year Settlement Funding

	2016/17 £m	2017/18 £	2018/19 £	2019/20 £m
West Sussex: Settlement Funding Assessment	125.6	101.7	88.4	78.0
England: Settlement Funding Assessment	18,601.5	17,905.5	16,943.1	15,958.2
<i>Annual Change £m</i>				
West Sussex		-23.9	-13.3	-10.4
England		-696.0	-962.1	-984.9
<i>Annual Change %</i>				
West Sussex		-19.0	-13.1	-11.7
England		-3.7	-5.4	-5.8



# 2019/20 Service Specific Grants

	2019/20 £m
Total Service Specific Grants	724.8
Less Dedicated Schools Grant (DSG)	-597.1
Total Service Specific Grants net of DSG	<b>127.7</b>

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# Strategic Budget Options for Consideration

		2020/21 £m
1	Review in-house residential and day care services	0.300
2	Review transport to care services	0.500
3	Limit inflationary increase in fees paid to care providers	4.200
4	Manage demand pressure - Older People	0.970
5	Reduce housing-related support	1.300
6	Reduce Local Assistance Network	0.200
7	Reduce post-16 support service	0.190
8	Increase Special Support Centres in schools	0.936
9	Reduce the number of household waste recycling sites (HWRS)	0.160
10	Withdraw the mobile HWRS service	0.050
11	Reintroduce charging for DIY waste at HWRSS	0.510
12	Reduce recycling credits	4.600
13	Review Community Hubs Library Offer	0.500
14	Reduce Highways Place Based Services	1.500
	Sub-total	15.916

# Strategic Budget Options for Consideration (cont.)

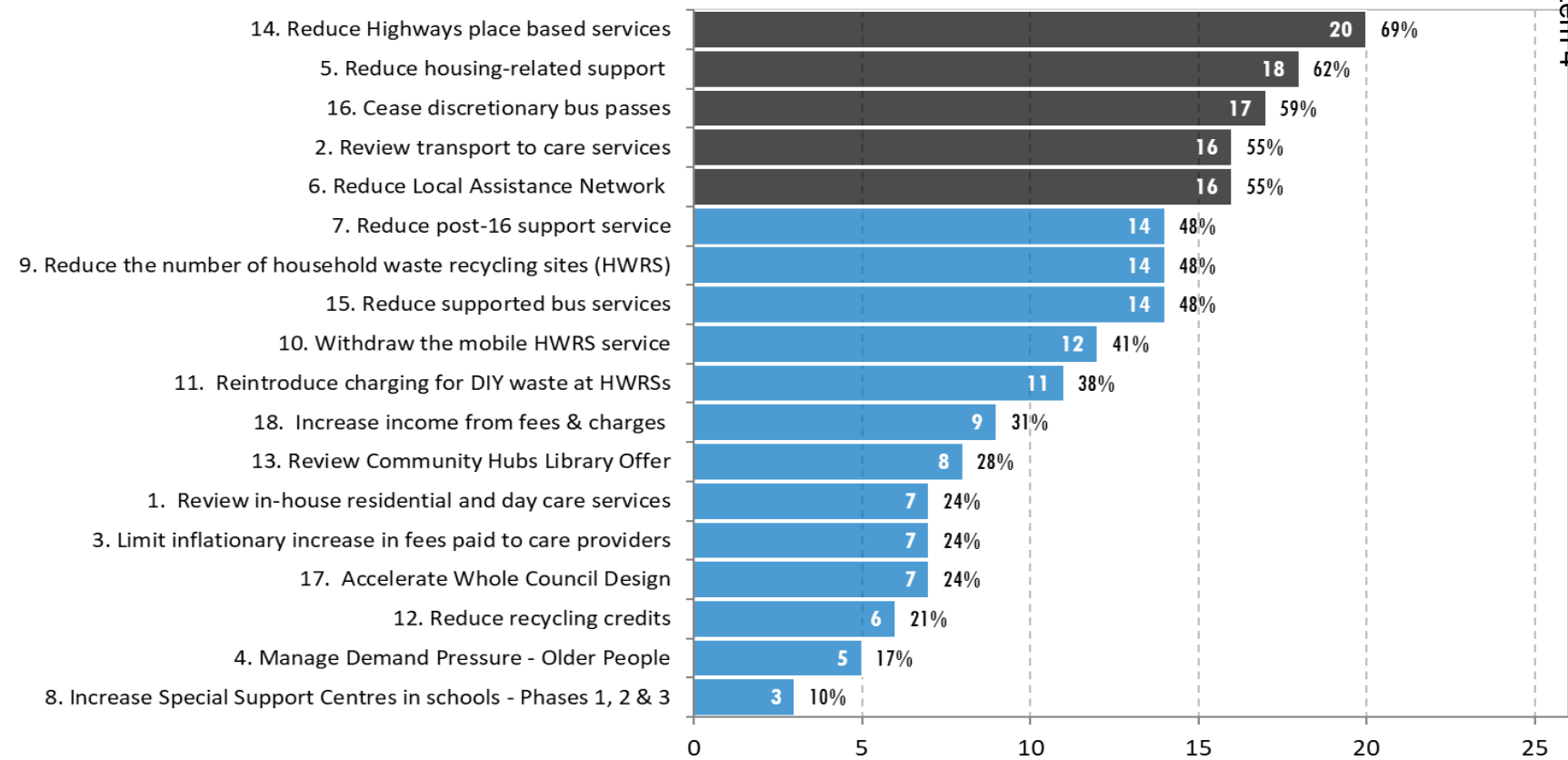
		2020/21 £m	Agenda Item 4
<b>15</b>	Reduce supported Bus Services	0.200	
<b>16</b>	Cease Discretionary Bus Passes	0.200	
<b>17</b>	Accelerate Whole Council Design	5.300	
<b>18</b>	Increase income from fees & charges	0.429	
	Sub-total	6.129	
	<b>Overall total</b>	<b>22.045</b>	

# Member Day Consultation Responses

# Submissions for no change

- In five of the 18 options presented, more than half of the choices were for no change. These options are highlighted in black below:

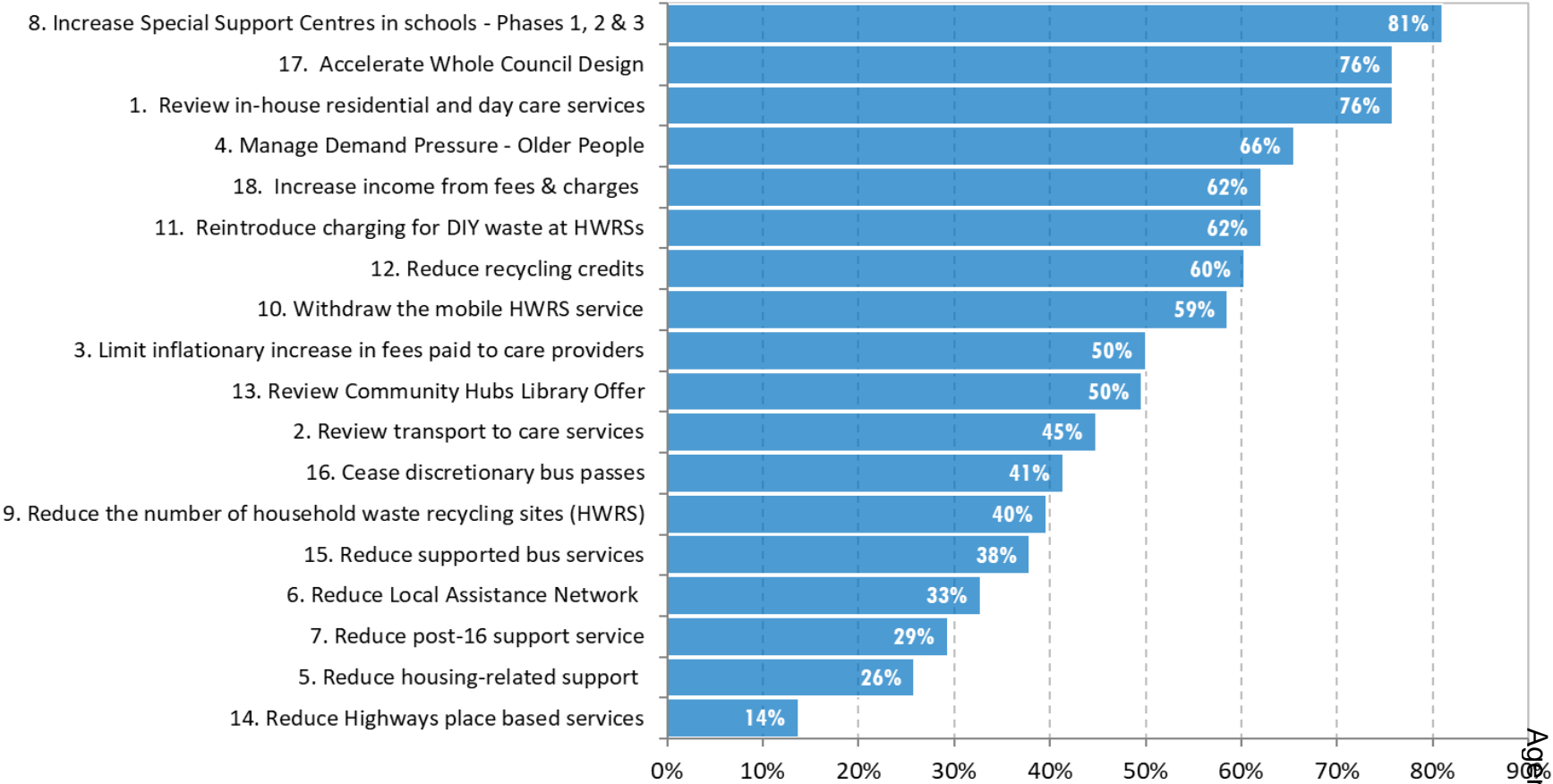
Number of 'No change' submissions per budget option



# Average budget reductions

- In 10 of the 18 options presented, the average reduction was at least half of the total possible reduction:

Average budget reduction as % of total possible reduction



# Option Ranking Matrix

Options in the top right are most preferred with biggest reduction, options in the bottom left are least favourable.

