

Council Budget 2016/17

	CONTENTS	Page
Section 1	Budget Recommendations	3
Section 2	The Financial Background	4
Section 3	The Council's Revenue Funding	5
Section 4	The Council's Overall Revenue Budget	9
Section 5	Revenue Budgets	10
Section 6	Reserves	20
Section 7	Capital Programme	20
Section 8	Prudential Indicators	22
Section 9	Minimum Revenue Provision	23
Section 10	Section 151 Officer's Statement on the Robustness of the Budget and Adequacy of Reserves	23
Section 11	Consultation	27
Appendix A	Revenue Expenditure	28
Appendix B	County Precept 2016/17	29
Appendix C	Equality Impact Analysis relating to increasing the council tax by 3.95% in 2016/17	30
Appendix D	Budget Consultation	43
Appendix E	Financial Strategy	70
Appendix F	Performance Measures - Financial Health and Performance 2016/17	78
Appendix G	Graphical Representation of the Revenue Budget 2016/17	79
Appendix H	Revenue Government Grants 2016/17	81
Appendix I	Revenue Budget Cost Pressures and Savings by Commissioning Strategy	82
Appendix J	Changes between the 2015/16 Budget and the 2016/17 Budget	83
Appendix K	Earmarked Reserves	85
Appendix L	Prudential Indicators	86
Appendix M	Capital Programme	88
Appendix N	Summary of Capital Schemes from the 2016/17 Programme	90
Appendix O	Capital Government Grants 2016/17	91
Appendix P	Summaries of Commissioning Strategy Revenue Estimates:-	92
“	Readiness for School	93
“	Learn & Achieve	95
“	Readiness for Adult Life	97
“	Children are Safe & Healthy	99
“	Adult Safeguarding	101
“	Adult Frailty, Long Term Conditions and Physical Disability	103
“	Carers	105
“	Adult Specialities	107
“	Community Resilience & Assets	109
“	Wellbeing	111
“	Sustaining & Developing Prosperity Through Infrastructure	113
“	Protecting & Sustaining the Environment	115

	CONTENTS	Page
“	Sustaining & Growing Business & the Economy	117
“	Protecting the Public	119
“	How We Do Our Business	121
“	Enablers & Support to Council Outcomes	123
Appendix Q	Glossary of Financial Terms	125
Appendix R	Glossary of Commissioning Strategies	126
Appendix S	Contact Information for Commissioning Strategy Budget Detail	128

1. BUDGET RECOMMENDATIONS

It is recommended that the Council:

1. considers the responses to consultation on the Council's budget proposals as contained in **APPENDIX D** "Budget Consultation";
2. considers the Section 151 Officer's Statement on the Robustness of the Budget and the Adequacy of Reserves as set out in **Section 10** "Section 151 Officer's Statement on the Robustness of the Budget and Adequacy of Reserves";
3. considers the Impact Analysis relating to increasing the Council Tax by 3.95% in 2016/17 as set out **APPENDIX C** "Impact Analysis relating to increasing the Council Tax by 3.95% in 2016/17";
4. approves:
 - 4.1 the service revenue budgets for 2016/17 contained in **Table 2** "Net Service Revenue Budget 2016/17 and change over previous year";
 - 4.2 the capital programme and its funding contained in **Section 7** "Capital Programme" and **APPENDIX M** "Capital Programme";
 - 4.3 the County Council element of the council tax for a Band D property at £1,128.83 for 2016/17 contained in **APPENDIX B** "County Precept 2016/17";

as together being the Council's Budget.

5. approves the Council's Financial Strategy contained in **APPENDIX E** "Financial Strategy";
6. approves the prudential targets for capital finance and notes the prudential indicators contained in **APPENDIX L** "Prudential Indicators";
7. approves that the minimum revenue provision (MRP) be based on the asset life method and made in equal instalments over the estimated life of the assets acquired through borrowing as set out in **Section 9** "Minimum Revenue Provision";

Councillor M Hill OBE
Leader of the Council and
Executive Councillor for Governance,
Communications and Commissioning

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2. THE FINANCIAL BACKGROUND

2.1 This report sets out a one year financial plan for revenue and capital budgets. For the second year running the Council is only able to set a one year budget. This is due to the continued significant reductions in government funding, growing cost pressures from demand led services such as adult and children's social care and the Council's and its contractors' responsibility from 2016/17 to pay staff the National Living Wage. These pressures mean the Council has been unable, at present, to develop sustainable long term financial plans beyond the next twelve months.

2.2 In developing its financial plan the Council has considered all areas of current spending, levels of income and council tax and use of one off funding (including use of reserves and capital receipts) to set a balanced budget.

2.3 All areas of service expenditure have been reviewed to identify cost pressures which must be funded and savings which can be made, through efficiencies and by reducing the level of service provided. The Council remains aware of its high priority areas, but no service has been exempted from helping the Council to deliver its savings target. These high priority areas are:

- Safeguarding children and adults;
- Maintaining and developing highways and infrastructure;
- Managing flood risks;
- Supporting communities to support themselves; and
- Fire and rescue services.

2.4 On an annual basis the Council has the opportunity to review the level of Council Tax. Central government sets thresholds above which a local authority would be required to hold a referendum for Council Tax increases. For 2016/17 it is proposed that this threshold would be 2.00%, plus a further 2.00% for authorities with Adult Social Care responsibilities to deal with pressures in this area including demographic pressures and the impact of the national living wage. A council tax increase of 3.95% (1.95% plus a further 2.00% for the social care 'precept') is proposed.

2.5 The Autumn Statement and Provisional Local Government Settlement has provided local authorities with some flexibilities around the use of capital receipts. Under previous regulations these were required to be utilised to fund capital expenditure or pay down debt. Under these new flexibilities the Council will be able to use capital receipts to fund the revenue cost of transformation, as long as certain criteria are met.

2.6 The budget proposals set out in this paper take a mixed approach to meeting the current challenges of reduced levels of local government funding. Savings identified from service and corporate budgets, as set out in the paper below, plus a proposed increase in Council Tax, the use of reserves and the use capital receipts to fund the cost of transformation will be used to set a balanced budget for 2016/17. During the next twelve months the Council will need to explore further opportunities to bridge the gap between the funding available and levels of expenditure.

3. THE COUNCIL'S REVENUE FUNDING

Local Government Finance Settlement

3.1 The Provisional Local Government Finance Settlement issued on 17 December 2015 has provided the Council with levels of funding for 2016/17, along with indicative figures for the following three years based on the concept of Core Spending Power (funding from central government plus locally collected taxes – Council Tax and Business Rates). These figures have now been updated in the Final Local Government Finance Settlement announced on 8 February 2016.

3.2 The main trends over the four year period are:

- A continuation of the significant year on year reductions in the Settlement Funding Assessment (made up of Revenue Support Grant and Business Rate baseline funding);
- Additional funding for delivering services in rural areas in the form of a separate Rural Services Delivery Grant, £80.5m in 2016/17, £65.0m 2017/18, £50.0m in 2018/19 and £65.0m in 2019/20;
- A transitional grant providing additional funding to ease the pace of central government funding reductions in 2016/17 and 2017/18. This grant will be worth £150m in both years;
- Additional funding for the Better Care Fund. From 2017/18 £105m will be made available to local authorities. This increases to £825m in 2018/19 and £1.5bn in 2019/20; and
- Assumed year on year increases in Council Tax (including a continuation of the additional 2.00% for Adult Care responsibilities).

3.3 There have been two amendments to the Provisional Finance Settlement. These are an additional £5.180m of Rural Services Grant (see bullet point two above) and £0.011m of Transitional Grant (see bullet point three above).

3.4 Taking all these factors into account the most significant reductions in local authority funding are in 2016/17 and 2017/18. These reductions will have a significant impact on service budgets in future years.

3.5 The government has offered every Council which wishes to, and can demonstrate efficiency savings, the opportunity to sign up to these allocations. As the Council is currently only in a position to set a one year budget it is not proposed, at present, to sign up to these allocations beyond 2016/17. This position will be reviewed later in the year, as the government have announced a deadline of 14 October 2016 for acceptance of the four year deal.

Revenue Support Grant (RSG)

3.6 The main points arising for RSG in 2016/17 are:

- The RSG allocation is £70.351m. Indicative figures for future years are as follows: £48.292m in 2017/18, £33.964m in 2018/19 and £20.139m in 2019/20;
- The Care Act Implementation Grant and Carers Grant (£2.619m) plus the Care Act Deferred Payment Agreements (£1.718m) has been rolled into RSG in 2016/17;
- The Lead Local Flood Authority Grant (£0.305m), previously paid as part of the Local Services Support Grant has also been rolled into RSG in 2016/17; and
- The Rural Services Delivery Funding from which the Council received £1.327m in 2015/16 as part of RSG has been removed and will be received as a separate grant in 2016/17.

3.7 Taking the above changes into consideration before comparing RSG funding received for 2015/16 to 2016/17, the Council has seen a reduction of £27.578m or 28.2% in RSG funding between the two financial years. Taking this forward based on the indicative funding announced in the provisional financial settlement the following reductions in RSG would be seen:

- 2016/17 to 2017/18: £22.059m or 31.36%
- 2017/18 to 2018/19: £14.327m or 29.67%
- 2018/19 to 2019/20: £13.826m or 40.71%

Other Revenue Government Grants

3.8 The Government has also announced that it will provide non-specific grants in addition to the settlement:

- Rural Services Delivery Grant of £6.892m will be provided in 2016/17 (an increase of £5.565m from the 2015/16 allocation which was included within RSG). This is in recognition of the higher costs of providing services in rural areas;
- Transition Grant of £0.011m in 2016/17. This is a new grant in 2016/17;
- New Homes Bonus Grant of £4.284m will be provided in 2016/17 (an increase of £0.760m from 2015/16) relating to the increase in the number of new properties built in Lincolnshire;
- Education Services Grant is estimated and budgeted at £4.791m. This reflects the Council's estimate of pupil numbers and funding rates per pupil in local authority and academy schools in 2016/17. The 2015/16 grant was based on £87 per pupil and it falls to £77 per pupil next year. The grant is paid on a quarterly basis with each payment being adjusted as schools convert to Academies throughout the financial year;
- Support for Special Educational Needs Grant (SEND) of £0.478m. Funding for children with special educational needs and disability so they have the same opportunities as any other child;

- Local Services Support Grant. The Lead Local Flood Authority element of this grant has been rolled into RSG (this had a value of £0.301m in 2015/16). No notification has been received regarding the remaining elements of the grant: Extended Rights to Free Travel and Inshore Fisheries Conservation Authorities. It is assumed that these will continue at the same rates as in 2015/16:
 - DfE Extended Rights to Free Travel (£0.632m); and
 - Inshore Fisheries Conservation Authorities (£0.128m).

3.9 The Public Health Grant will continue as a separate ring-fenced grant in 2016/17. The allocations for next year will not be announced until a later date, but the Department of Health indicated that the total grant, including the new 0-5 funding, will be reduced by 2.2% from the 2015/16 baseline which is on top of the £200m reduction nationally, announced part way through 2015/16. The estimated grant for 2016/17 is £34.050m, a reduction of £2.787m from the rebased 2015/16 award.

Council Tax

3.10 It is proposed that Council Tax will be increased by 3.95% (1.95%, plus a further 2.00% for the social care 'precept') for 2016/17. The Secretary of State announced the Government's proposed referendum thresholds in 2016/17 would remain at 2.00%, with a number of exceptions. Authorities with Adult Care responsibilities will be able to increase Council Tax up to 2.00% above the 2.00% threshold, as long as the authority can demonstrate that this additional funding is being allocated to Adult Care Services. It is on this basis that the Council proposes to increase Council Tax by 3.95%. It is estimated that an increase of 3.95% will generate additional income of £9.215m.

3.11 Under section 52ZB of the Local Government Finance Act 1992, the Council as a major precepting authority must in setting its precept determine whether its relevant basic amount of council tax for the financial year under consideration is excessive. That question must be determined by the Council in accordance with any principles determined by the Secretary of State and approved by a resolution of the House of Commons. The principles for 2016/17 have been approved and published and provide (for Care Act authorities such as the County Council) for a 4.00% increase in council tax comprising 2.00% for expenditure on adult social care and 2.00% for other expenditure. Applying those principles the Council can determine that this recommended council tax increase is not excessive.

3.12 An Impact Analysis has been completed for the increase in Council Tax and is attached at **APPENDIX C**.

Council Tax Base and Collection Fund Surplus

3.13 Figures received from the Lincolnshire District Councils show an increase in the tax base and hence the tax yield of 5,023.70 band D equivalent properties or 2.34%. This will provide the Council with additional Council Tax income of £5.671m per annum at the current council tax levels.

3.14 All seven District Councils have declared the position on their Council Tax elements of their Collection Funds. There is a net surplus attributable to the County Council of £5.609m. This is a one off addition to income for 2016/17.

Business Rates

3.15 The Business Rates receivable will be £102.914m; comprising £20.488m actually collected by the seven District Council's in Lincolnshire and a top up grant of £82.426m from Central Government as the total business rates collected in Lincolnshire are not sufficient to cover local authority spending in the area.

3.16 Comparing business rates funding received for 2015/16 to 2016/17, the Council has seen a modest increase of £0.880m or 0.86% in Business Rates funding between the two financial years.

3.17 The Government confirmed that it will compensate local authorities in full for the extension of small business rate relief announced in the Spending Review and Autumn Statement through a section 31 grant, as in previous years. Information on the section 31 grant has now been received.

3.18 The value of the section 31 compensation grant for the County Council is calculated to be £2.418m for 2016/17; this includes:

- £0.299m from the RPI cap on the locally retained elements of the business rates;
- £1.192m from the RPI cap on the top up element of the business rates. Note the value of this element of the grant is still to be confirmed by Central Government; and
- £0.927m to cover the extension of the Small Business Rates Relief and two further business rate reliefs.

3.19 All seven District Councils have reported the business rates element of the Collection Fund and this shows a net deficit attributable to the County Council of £1.804m. As with Council Tax any surplus or deficit from business rates collection will only have a one off effect on the 2016/17 budget. It is worth noting that only 10% of the business rates collected locally is passed to Lincolnshire County Council and any share of surpluses or deficits will be on this basis too.

Business Rates Pooling 2016/17

3.20 The Local Retention of Business Rates Scheme allows the County Council, each year, to consider the option of pooling our business rates with other local authorities. The proposal from central government was that existing pools from 2015/16 would continue into 2016/17 unless any member of the pool chooses to leave, in which case the pool would be dissolved.

3.21 The County Council has agreed to continue to pool business rates with six of the Lincolnshire District Council's (Boston Borough, City of Lincoln, East Lindsey, North Kesteven, South Kesteven and West Lindsey). Calculations show that the County Council could benefit by some £1.238m from the pool. In previous years the Council has budgeted for this additional income, however, due to the timing and size of appeals received by the District Councils, these amounts have been volatile and have not all been delivered. It is therefore, proposed not to budget for the estimated additional income. Any income generated from pooling during 2016/17, when received, could be used to reduce the amount planned to be used from reserves.

3.22 An announcement in January 2016 has highlighted that NHS Trusts which are classed as having charitable status could be eligible for mandatory business rates relief. This has the potential to have a negative effect on business rates income for local government. The statutory position is that each billing authority must take its own legal advice and decide whether or not mandatory relief is applicable and if so, to award it. Any subsequent appeals and awards would be dealt with in the normal way by the billing authorities. Losses of income or appeals will most likely be dealt with through the usual volatility mechanisms. In many cases it is likely that billing authorities may find themselves having to rely on the safety net.

3.23 This has knock on implications for top up authorities (such as the County Council) in pools with these authorities, as the top-up will, in effect, end up having to pay for this loss of income. This development could potentially reduce the amount of income which could be generated through pooling or, in fact, leave the County Council having to contribute towards the pool rather than gaining from it. The position will be clarified in the coming months.

4. THE COUNCIL'S OVERALL REVENUE BUDGET

4.1 The table below (**TABLE 1**) sets out the overall changes in budget, the cost pressures which the Council proposes to fund, the savings to be made and the current proposed use of reserves to bridge the gap between current funding available and service costs.

TABLE 1: Summary Revenue Budget

SUMMARY REVENUE BUDGET	2016/17 £m
EXPENDITURE:	
Base Budget	476.261
Cost Pressures (<i>including inflation</i>)	31.158
Savings	-42.759
Total Expenditure	464.660
Use of Reserves	-19.765
Budget Requirement	444.895
INCOME:	
Local Retention of Business Rates	103.528
Revenue Support Grant	70.351
Other Grants	17.215
County Precept	253.801
Total Income	444.895

4.2 The Council proposes to allocate an additional £1.415m of resources in 2016/17 to fund pay inflation and £2.659m to meet the Council's obligation of increased employers national insurance contributions from 2016/17. Details on all other cost pressures and savings included within the Council's budget for 2016/17 are set out in the Commissioning Strategy narratives below.

4.3 The Council proposes to use £18.965m from the Financial Volatility Reserve. These are one off contributions to the Council's budget shortfall and are planned to smooth the effect of reductions in funding on implementing service changes and reductions. Also £0.800m will

be released in 2016/17 from the General Fund. The Council maintain the General Fund balance at between 2.5% and 3.5% of the Council's total budget. With reducing funding the amount required in the General Fund is also reducing.

4.4 A more detailed analysis of the movement in budget for 2016/17 is shown at **APPENDIX J**.

5. REVENUE BUDGETS

5.1 Revenue budgets for 2016/17 are shown in **TABLE 2** below together with the previous year budget. The Council now delivers services to a Commissioning Model and as such the budgets are presented on this basis. **APPENDIX R** to this report provides further details of the services undertaken in each Commissioning Strategy.

5.2 The budget proposals assume inflation increases of 1.0% for pay for the next financial year.

TABLE 2: Net Service Revenue Budget 2016/17

Commissioning Strategy Revenue Budgets	2015/16	2016/17
	£m	£m
Readiness for School	8.369	7.582
Learn & Achieve	36.073	33.045
Readiness for Adult Life	6.246	4.919
Children are Safe & Healthy	54.568	58.960
Adult Safeguarding	3.256	1.795
Adult Frailty, Long Term Conditions & Physical Disability	93.094	99.208
Carers	2.044	2.044
Adult Specialities	47.243	51.189
Community Resilience & Assets	12.669	10.183
Wellbeing	38.347	32.426
Sustaining & Developing Prosperity Through Infrastructure	49.493	43.709
Protecting & Sustaining the Environment	22.467	23.309
Sustaining & Growing Business & the Economy	1.772	1.315
Protecting the Public	24.801	22.707
How We Do Our Business	8.333	7.835
Enablers & Support to Council Outcomes	38.925	36.189
Public Health Grant Income	-32.672	-34.050
Other Budgets	66.279	67.341
Delegated Schools Budget	464.194	463.809
Dedicated Schools Grant	-492.434	-497.222
Schools Related Expenditure	23.194	28.367
Total Net Expenditure	476.261	464.660
Transfer to/from Earmarked Reserves	-21.871	-18.965
Transfer to/from General Reserves	-0.300	-0.800
Budget Requirement	454.090	444.895

Children's Services

5.3 Children's Services commissioning strategies include the following: Learn and Achieve; Readiness for Adult Life; Readiness for School and Children are Safe and Healthy.

5.4 Through these commissioning strategies, Children's Services has successfully delivered in full, and on time, the savings from 2011/12 to 2014/15, which totalled £30.367m. Also, the services are working towards achieving the 2015/16 savings target of £4.258m. This is at a time of delivering consistently high standards of service delivery. With the challenging financial position of the Council, Children's Services will be required to reduce its budgets further to contribute towards meeting the Council's budget shortfall.

5.5 **Readiness for School** strategy is required to make savings of £0.896m (or 10.71% of the 2015/16 budget) in 2016/17. These reductions are being delivered following a review of its service delivery model and commissioning intentions. £0.662m of the 2016/17 savings relate to legacy 2015/16 decisions through a reduction in commissioning activities being delivered (namely, counselling support, debt advice, speech & language therapists, Homestart).

5.6 To deliver future savings targets in this commissioning strategy, a fundamental review of children centre sufficiency requirements will be required. This may include an alternative operating model which would explore delivering services from alternative venues. Any policy changes would be subject to consultation.

5.7 **Learn and Achieve** strategy is required to make savings of £3.550m (or 9.86% of the 2015/16 budget) in 2016/17. Included within this is savings of £0.428m relating to legacy 2015/16 decisions on activities of non-statutory support for children with disabilities; music service moving to a fully traded service (£0.204m), and school improvement (£1.083m), as the service moves towards a sector-led approach to school improvement.

5.8 In addition, Home to School / College Transport savings of £1.631m is required and this will be achieved through more effective procurement. The budget continues to face cost challenges from market factors affecting transport delivery. To deliver future savings targets in this commissioning strategy, policy changes are likely to be required. Such policy changes would be subject to consultation.

5.9 **Readiness for Adult Life** strategy is required to make savings of £1.464m (or 23.16% of the 2015/16 budget) in 2016/17. These proposed reductions would be delivered from a review of its service delivery model and commissioning intentions including schools traded activities. It is likely to require the Council to stop delivering all non-statutory support for young people and for the Council to only deliver / commission services to meet statutory duties – this exercise will involve all Children's Services commissioning strategies.

5.10 A proportion of the savings (£0.316m) relate to legacy 2015/16 saving decisions (Supported Accommodation re-procurement).

5.11 **Children are Safe and Healthy** strategy is required to make savings of £0.589m (or 1.08% of the 2015/16 budget) in 2016/17 following a review of its service delivery model and commissioning intentions. Members have identified that this strategy is a high priority service e.g. child protection, fostering etc. The Local Authority has a statutory obligation in safeguarding young individuals, and external demands on its services cannot always be controlled. Services are currently experiencing increasing demands, which are subsequently resulting in an increase in costs – this is expected to be £1.544m in 2016/17 for which an additional funding allocation will be considered during the coming year. Lincolnshire's

spending on these individuals is not only the lowest of all the Upper Tier authorities; the level of spending is considerably below the levels of most other Upper Tier authorities. However, the need to make future savings in this strategy is likely to result in a reduction of capacity and targeted activities in supporting young parents and young people and removing the budgets aimed at improving health outcomes.

Adult Care

5.12 Adult Care is responsible for four of the County Council's seventeen Commissioning Strategies: Adult Frailty and Long Term Conditions, Specialist Adult Services, Carers and Safeguarding Adults.

5.13 The Adult Care budget is set in the context of increasing demographic pressure and cost pressures related to service provider fee increases that will occur as a direct consequence of the implementation of the National Living Wage in April 2016. This results in a pressure of £3.946m in 2016/17 in addition to the funded pressure already identified in this budget.

5.14 Savings in 2016/17 of £7.194m are proposed, covering three of the Commissioning Strategies.

5.15 **Adult Safeguarding** propose a £1.500m saving in 2016/17 (or 46.08% of the 2015/16 original budget). It is proposed this saving would be made by reducing the additional funding made available for Best Interest Assessments to address Deprivation of Liberties Safeguards (DoLS) requirements. A review of the additional funding allocated has identified that this budget could be reduced while still meeting statutory requirements.

5.16 **Specialist Adult Services** propose a £0.661m saving in 2016/17 (or 1.40% of the 2015/16 original budget). It is proposed that this will be delivered by efficiencies in micro-commissioning and In-House day care saving as a result of the continued consolidation and improvement of the service.

5.17 **Adult Frailty and Long Term Conditions** propose a £5.032m saving in 2016/17 (or 5.41% of the 2015/16 original budget). It is proposed that this would include: an increase in user contributions to services, via growth in the number of people being supported and a change in the policy (£2.608m); efficiencies made through joint commissioning with partners and pooled funding arrangements (£1.877m); and reshaping management, commissioning and fieldwork teams (£0.435m).

5.18 April 2015 saw the advent of the Care Act, the single biggest legislative change affecting the most vulnerable adults and their carer's in more than 50 years. The first year of the Act the required £6.000m due to be funded via the Better Care Fund (£2.000m) and direct grant (£4.000m). The direct grant has been absorbed into RSG.

5.19 Another area with a profound effect upon Adult Care is the Better Care Fund (BCF) in which £53.000m (£48.100m revenue and £4.900m capital) was earmarked for the Lincolnshire health and care economy in 2015/16. Spend against this allocation was agreed with the four Clinical Commissioning Groups (CCGs). £20.000m was allocated to the County Council in 2015/16 predominantly in Adult Care to help fund the costs of the Care Act (£2.000m) and to 'protect' adult care most of that money is already being spent on such services such as Reablement, Hospital Discharge Teams and on Learning Disability services.

5.20 The Spending Review also announced that £1.5bn would be added to the national ring-fenced Better Care Fund progressively from 2017/18 reaching £1.5bn in 2019/20. However it has been confirmed that there will be no additional funding for the Better Care Fund in 2016/17 above 2015/16 levels.

5.21 Negotiations are currently ongoing in respect LCC's BCF allocation for 2016/17.

Community Wellbeing and Public Health

Community Resilience and Assets

5.22 Savings of £3.031m for 2016/17 have been proposed from the Community Resilience and Assets strategy (or 24% of the 2015/16 original budget of £12.669m). The savings reflect that a number of the activities within this strategy are discretionary and therefore the proposal is to reduce the funding to zero for the **Community Grants** programme and the **Members Big Society Fund**. It is proposed that the grants to voluntary sector organisations will be focused on supporting volunteers who play a crucial role in supporting communities.

5.23 **Library and Information Services** have savings of £1.000m. These are savings that were originally agreed as part of 'core offer', but have been delayed to align with the implementation of the new model of delivery for the Library Service. The procurement process of the library provision, will also deliver further efficiencies which will be built into the 2017/18 budget.

5.24 **The Local Welfare Support Scheme-** the Lincolnshire Community Assistance Scheme (LCAS) was supported by a specific grant when the responsibility transferred from the Department for Work and Pensions. This grant has now ceased so it is proposed that the scheme should reduce to operate on residual grant that has been reserved from previous underspends.

5.25 **Chance to Share** (shared use of sports facilities) proposed saving of £0.223m, can be delivered by ceasing the current Service Level Agreement for Yarborough Sports Centre, when it comes to an end in March 2016.

Wellbeing

5.26 Savings of £6.045m for 2016/17 have been proposed from the Wellbeing Strategy (from a 2015/16 original budget of £38.287m). The savings have been proposed from the following activities:

5.27 **Health Improvement, Prevention and Self-Management** (£3.224m or 44% of the 2015/16 original budget), this proposed saving would cease our commissioning of many of the health improvement activities we currently fund, such as adult weight management, health trainer programme, sports co-ordination, food and health programmes, walking programmes, master gardener and health support for offenders. There would also be reduced support for a smoking cessation programme. Further savings would be realised in 2017/18 when these proposed changes are fully implemented.

5.28 **Public Health Statutory Service** (£0.396m or 10% of the 2015/16 original budget), this budget supports the mandatory function of providing Public Health advice to the NHS and other professionals. The service underwent a restructure in 2015, and this saving will be met from the full year effect of these changes.

5.29 Registration, Celebratory and Coroners Service (£0.060m or 4% of the 2015/16 original budget). This saving is proposed from efficiencies within the Coroners Service including a move to one office base. There are also opportunities for the Registrars Service to generate additional income to meet this saving.

5.30 Wellbeing Service (£0.815m or 10% of the 2015/16 original budget), these savings will be realised from the changes that have already been implemented for the Wellbeing Service.

5.31 Sexual Health Services (£0.591m or 10% of the 2015/16 original budget) this is a mandated responsibility for the Council; the saving would be delivered from a procurement exercise that has recently been undertaken. Any further reduction in service provision is likely to increase charges from out of county providers.

5.32 Prevention and Treatment of Substance Misuse (£0.958m or 13% of the 2015/16 original budget) the service has begun a redesign and procurement of its substance misuse contracts and is aiming to do this with a 25% smaller funding envelope, the remaining savings will be realised when the changes are fully implemented. This would reduce the number of people who can be treated by the service, but would focus on those for whom the most impact can be achieved in terms of outcomes.

Environment and Economy

Sustaining and Developing Prosperity Through Infrastructure

5.33 The Council currently spends £49.492m revenue and £104.818m of capital expenditure delivering the maintenance and management of the County's road network, transport, major road schemes and economic infrastructure.

5.34 The savings proposed from this strategy are £6.255m for 2016/17 and further savings of a similar magnitude would be required in future years. Ultimately, the challenge will be to spend much smaller sums of money in different ways. To achieve this some services will reduce or stop altogether. What the service does in future will not simply be the difference between what is done now, less the "savings". Transformed services will emerge and new "norms" will appear. However, to deliver these budget reductions, changes in the following services are being actively considered:

5.35 Transportation and Concessionary Fares - (Reductions of £2.063m with further savings in 2017/18, from an original 2015/16 budget of £14.782m, half of which is concessionary fares):

- Reducing bus subsidies and transport initiatives and remodelling support to the local transport network. This would result in a different bus service offer with a number of communities not having a service. This will have the effect of moving the cost for the provision of some statutory school transport services to Children's Services; and
- Confirming the removal of the Lincoln Park and Ride (Castle Shuttle) and removing support for a County Council funded service.

5.36 Highway Asset Maintenance – (Reductions of £3.084m with further savings in 2017/18, from an original 2015/16 budget of £22.693m):

- Reducing Road Maintenance;

- Reducing highway grass and verge maintenance;
- Reducing Public Rights of Way maintenance;
- Reducing Parish Amenity Grass Cutting;
- Reducing Street Lighting and investing in new LED technology to reduce street lighting costs; and
- Reducing other inspections and safety maintenance.

5.37 Highway Network Management – (Reductions of £0.915m with further savings in 2017/18, from an original 2015/16 budget of £9.402m):

- Revising the operating model of the management of the highway network which is likely to result in less engagement with the public and elected members; and
- Reducing the winter safety programme to 25% of the network (currently 33%)

5.38 Economic Infrastructure and New Investments – (Reductions of £0.192m in 2016/17 from an original 2015/16 budget of £0.901m):

- Reducing activity in this area resulting in fewer capital projects being developed and external funding being bid for.

5.39 Heritage Operation and Development, whilst no reductions are being budgeted for in 2016/17 we will be investigating models of delivery for the service to deliver future reductions in budget.

Protecting and Sustaining the Environment

5.40 The Council currently spends £22.467m revenue and £6.65m of capital expenditure delivering waste management services, planning, flood and water risk management, the natural built environment and carbon emissions.

5.41 The savings proposed from this strategy are £0.348m for 2016/17. There was an expectation that a saving could be made in 2016/17 from dry recycling, however, a change in market prices for these materials has resulted in the activity creating a cost pressure of £1.100m. Other savings will be delivered by reducing activity levels in the remaining elements of this strategy. This will include consideration being given to stopping services completely (such as some Household Waste Recycling Centre's and supplementary services) and concentrating on delivering a reduced core activity.

Sustaining and Growing Business and the Economy

5.42 The Council currently spends £1.772m of its revenue budget helping to maintain, improve and attract investment into the county's economy. The savings proposed from this commissioning strategy are £0.506m for 2016/17 and would be met by reducing activities. We would focus on priorities such as employability skills, influencing large employers and supporting the work of the Greater Lincolnshire Local Enterprise Partnership. The Council needs to do things that create successful businesses because of the reliance on business rate growth to offset reductions in Revenue Support Grant from Government.

Finance and Public Protection

Protecting the Public

5.43 **Fire and Rescue** have a proposed budget reduction of £0.850m in 2016/17 (or by 4.3% of the 2015/16 original budget) with further savings expected in 2017/18. The 2015/16 original budget for this service is £19.764m. Plans to deliver part of these savings were agreed last year following a public consultation. To find the remaining savings a number of additional options will need to be considered all of which will further affect the level of service provided. These could range from changes to the organisational structure to the closure of fire stations. The impact of each potential option will be assessed and a further consultation undertaken before any decisions are made.

5.44 The service is currently receiving funding from the Better Care Fund (£0.150m) towards the costs of Co-Responding, there will be a financial risk to the service if this funding cannot be secured for future years.

5.45 **Emergency Planning** has a proposed budget reduction of £0.119m in 2016/17 (or by 25% of the 2015/16 original budget) to include some reductions in exercise, command training and equipment budgets.

5.46 **Community Safety** has a proposed budget saving of £1.387m in 2016/17 (or 77% of the 2015/16 original budget), which would require the removal of financial support for PCSO's and a reduction in Community Safety Initiatives.

5.47 **Road Safety** has a proposed budget reduction of £0.119m in 2016/17 (or by 27% of the 2015/16 original budget) which would be met by the Lincolnshire Road Safety Partnership becoming part self-funding. There are no planned reductions to school crossing patrol budgets.

5.48 **Trading Standards** have a 10% proposed budget reduction of £0.254m in 2016/17. An element of this saving is the full year effect of their staffing restructure which was implemented during 2015. This saving would require the service to focus on a narrower set of priorities where there is most harm to communities and consumers e.g. doorstep crime which targets elderly and vulnerable residents. The service would also need to develop its cost recovery model for a number of its services provided to businesses.

5.49 **Youth Offending Service** has already made significant reductions due to previous reductions in their external funding. Their budgets will be reviewed in the light of any further changes in partnership funding.

How we do our Business

5.50 The How We Do Our Business strategy and the budgets that support it provide the corporate governance, risk and standards framework and the democratic machinery for the whole Council. The budget and policy strategies/frameworks and the Council's constitution provide the context for this and the way that the Council works. It also encompasses the corporate, statutory roles of the Head of Paid Service, Monitoring Officer and the Section 151 Officer as part of the framework.

5.51 In **Budget and Policy Framework – Finance and Audit** a saving of £0.631m is proposed in 2016/17 (or by 12.18% of the 2015/16 budget). Both the Finance and Internal Audit functions restructured part way through 2015/16, budget savings in 2016/17 represent a full year effect from these restructurings. The effect of these reductions include: reduced

support to budget holders and projects within the finance area and within the Internal Audit area a reduction to routine school internal audits, counter fraud activity and corporate risk management support. Further savings will be generated through the new contract with SERCO which is volume linked and from income generation.

5.52 In **Decision Making, including Democratic Processes** a saving of £0.045m is proposed in 2016/17 (or by 2.02% of the 2015/16 budget). It is proposed that these would be delivered by a small reduction in Democratic Services support in 2016/17. In 2017/18 Boundary Commission changes will reduce the size of the Council by 10%, this should generate budget savings from this date.

5.53 There are no proposed budget savings in **Fisheries Precept – Inshore Fisheries and Conservation Authority (IFCA)**. The Council is precepted directly by the IFCA and has no direct control over this cost.

Enablers and Support to Council Outcomes

5.54 The Enablers and Support to the Council's Outcomes cover the budgets and activities that support the Council both as a corporate organisation and facilitate the work to achieve the Council's main commissioning outcomes.

5.55 In **Information Management and Technology Strategy and Support** a saving of £0.214m is proposed in 2016/17 (or by 2.31% of the 2015/16 budget). Costs in this area would be driven down through improved contract management, information governance and the new consumption based charging approach, which will allow operations to be scaled. Continuing to move systems into the cloud should leverage the best value for the Council, as should rationalisation of IT systems. These service changes should deliver savings for the Council in 2016/17 and future financial periods.

5.56 In **Property Strategy and Support** a saving of £1.199m is proposed in 2016/17 (or by 10.92% of the 2015/16 budget). Savings would be delivered through rationalisation of the Council's property portfolio, including reductions to the number of buildings occupied and the associated costs of using these buildings, and vacating leased properties as leases expires. It is also proposed to further reduce the staffing budgets in this area. Accommodation reviews and portfolio rationalisation will continue to deliver savings for the Council beyond 2016/17.

5.57 Activity will be undertaken by the Property Team to increase future capital receipts from the sale of land and buildings in order to support some revenue budgets under the new flexibility arrangements.

5.58 In **Legal** a saving of £0.060m is proposed in 2016/17. Legal Services is a shared service that operates as a trading unit covering costs from the income it recovers. Income is dependent on volumes of business from the County Council Clients, district partners and external bodies. The proposed saving will come from increased surplus delivered for the forthcoming financial year.

5.59 **People Management** plans to permanently reduce service budgets by £0.167m in 2016/17 (or by 4.17% of the 2015/16 budget). The proposed budget reductions relate to ending of the graduate programme for new entrants; the ceasing of the leadership management development programme, and available budget following staffing changes made in 2015/16. The largest proportion of the People Management budget (£2.509m) is the SERCO People Management contract.

5.60 In **Commissioning** a saving of £0.431m is proposed in 2016/17 (or by 10.52% of the 2015/16 budget). Proposed savings in this area would be achieved through reductions in the commissioning support unit through vacancy management and the removal of the transformation fund. In future years further savings are proposed by the removal of funding for a fixed term post in this part of the organisation.

5.61 In **Business Support** a saving of £1.283m is proposed in 2016/17 (or by 11.02% of the 2015/16 budget) with a further saving of a similar magnitude in 2017/18. The budget for business support is predominately a staffing budget, with the exception of some corporate budgets, such as, postage and other running costs. As a support service the reshaping of this service will follow changes to areas of the Council. The size and shape of this service will be matched to the needs and demands placed on it by other parts of the Council and will be seeking further potential savings from that process.

5.62 In **Strategic Communications** a saving of £0.009m is proposed in 2016/17 (or by 0.89% of the 2015/16 budget). The £0.009m saving represents a full year effect of staffing reductions from 2015/16. Future savings beyond 2016/17 in this area would include: reductions in the cost of publication and distribution for County News, reshaping involvement in the County Show.

Schools

5.63 The Schools Budget is funded via the Dedicated Schools Grant (DSG). The Government's school funding reforms categorise the DSG into the Schools block, the Early Year's block and the High Needs block.

5.64 Lincolnshire's DSG allocation for 2016/17 is £497.222m, and will be used to support all schools in Lincolnshire including local authority schools and academies. Over half of Lincolnshire pupils attend academy schools; therefore the DSG figure for the Schools block will be revised down for the academy schools budget share allocations. The DSG is a ring-fenced grant and the actual split between academies and local authority schools has no financial risk to the Council from the DSG perspective.

5.65 The DSG has been protected by the government over the last spending period, and in 2016/17, this will continue. The government continues to fund growth for an increase in pupil numbers and has identified £92.5m nationally to support high needs growth pressures in Local Authorities. Overall, Lincolnshire's DSG will increase by 1.05% in 2016/17.

5.66 The government is not planning to make any changes to the school funding arrangements for mainstream schools in 2016/17. The government's intentions are still introduce a national fair funding formula.

5.67 In Lincolnshire, the Schools Forum has supported the proposal to the planned 0.66% reduction in mainstream schools Age Weighted Pupil Units (AWPUs) in 2016/17 to implement a behavioural outreach support service to provide a range of early intervention activities; preventions and support for Schools, Families and to the pupils experiencing social, emotional and behavioural difficulties. No further changes to the funding formulas are planned.

5.68 Protection arrangements will continue to be put in place through application of the Government's minimum funding guarantee (i.e. individual schools budgets will be protected on a per pupil basis, i.e. at 98.5% of the previous year's funding level).

5.69 Lincolnshire's Pupil Premium for 2015/16 is presently £27.295m. Pupil Premium funding nationally is at £2.406 billion, however there are no plans for further growth in funding nationally for 2016/17, other than for the increase in pupils meeting the eligibility criteria. Similarly to the DSG, the pupil premium allocation for Lincolnshire covers both the allocations for local authority schools and academy schools. The Education Funding Agency allocate pupil premium for academy schools, so the grant will be reduced accordingly. However, this has no financial risk to the Council. Publication of 2016/17 allocations will be released in June 2016.

5.70 The 2016/17 allocations per pupil meeting the eligibility criteria is £1,320 for primary-aged pupils; £935 for secondary-aged pupils, and a £300 allocation per pupil for service premium. Schools will continue to receive £1,900 for each child who has been looked after for 1 day or more; has been adopted from care, or has left care. The 2016/17 pupil premium rates remain protected at the 2015/16 level.

Other Budgets

5.71 Capital Financing Charges, within other budgets have been set at a level to reflect the revenue implications of the revised capital programme set out below (paragraphs 7.1 to 7.4). The revenue implications of the capital programme are estimated to cost the Council £52.323m in 2016/17. The overall affordability of the capital programme has been reviewed to ensure the impact on the revenue budget remain affordable. The Council is also budgeting for £1.200m of receipts from investment of cash balances in 2016/17.

5.72 The Council also proposes the following changes to other budgets:

- A saving of £0.923m by the removal of the Second Homes budget from 2016/17. This budget was previously paid over to the Lincolnshire District Council's and used to fund shared objectives between the county and district councils, such as Disabled Facility Grants and community safety schemes;
- An increase of £0.043m for the Council's monetary contribution to the Local Government Pension Fund, taking this to £1.161m in 2016/17. The triennial review of the fund is due to take place during 2016/17 and applies from April 2017, there may be further increases from this date; and
- An amount of £4.790m in 2016/17 has been budgeted for the Council's obligation to pay a National Living Wage to all employees and contractors. These amounts cover all service area obligations across the whole Council. Further amounts of a similar magnitude are expected to be incurred annually to 2019/20.

5.73 It is proposed that the following budget will remain at the same level as the previous financial year:

- The Council's contingency budget would remain at £4.000m in 2016/17 to fund any emerging financial issues which arise during the financial year; and
- The Corporate Redundancy budget will remain at £4.500m in 2016/17. This is to fund any redundancies arising from the Council reshaping services.

5.74 The Autumn Statement and Local Government Settlement has provided local authorities with some flexibilities around the use of capital receipts in 2016/17 and for the

following two financial years. Under previous regulations these were required to be utilised to fund capital expenditure, or pay down debt. Under these new flexibilities the Council will be able to use capital receipts to fund the cost of transformation of which the key criteria is the expenditure will generate ongoing revenue savings to the authority. The guidance provided by government recommends Council's develop a strategy detailing the schemes which will be funded in this way. It is currently proposed that an amount of £4.500m will be used from income generated from capital receipts to fund these types of schemes in 2016/17.

6. RESERVES

6.1 The Council's current financial strategy is to maintain the general reserve within a range of 2.5% to 3.5% of the Council's total budget. General reserves at 31 March 2016 are estimated to be £15.600m which is 3.5%. In future years, as the Council's overall revenue budgets reduce, the balance required to maintain the Council's general fund balance at 3.5% also reduces. To maintain the Council's general fund balance at 3.5% at 31 March 2017 requires a balance of £14.800m. In 2016/17, this will release £0.800m from the general fund to fund other Council services.

6.2 On an annual basis the Council reviews the financial risks it is facing when considering the level at which general reserves should be set at. This review was considered by the Overview and Scrutiny Management Committee in January 2016. This review identified risks in excess of the 3.5% upper limit, however, due to the current financial constraints facing the Council it is not proposed to increase the level above the current 3.5%, but careful monitoring of the risks will be undertaken during 2016/17 and corrective action taken if risks begin to materialise.

6.3 At the 31 March 2015, the Council set aside £53.505m in the Financial Volatility Reserve help smooth the effect of funding reductions in 2016/17 and future financial periods. It is estimated that the balance in this reserve will be £41.634m at the end of 2015/16. It is planned to use £18.965m from the Financial Volatility Reserve to balance the budget in 2016/17. This will leave £22.669m for future years.

7. CAPITAL PROGRAMME

7.1 The proposed capital programme matches the revenue budget and runs until 2016/17, plus major schemes which stretch into future years including: a number of highways schemes and the rolling programme of renewal and replacement of fire fleet vehicles. The gross programme is set at £357.041m from 2016/17 onwards, with grants and contributions of £217.711m giving a net programme of £139.330m to be funded by the County Council.

7.2 The new overall Capital Programme and its funding is shown in **TABLE 3** below:

TABLE 3 – Capital Programme

	2015/16 £m	2016/17 £m	Future Years £m
Children's Services	21.769	18.765	6.759
Adult Care	5.316	4.845	0.000
Community Wellbeing and Public Health	1.095	0.000	0.000
Environment and Economy	79.237	153.420	140.091
Finance and Public Protection	44.803	10.232	15.429
Other programmes	3.000	7.500	0
Gross Programme	155.220	194.762	162.279
Funded By:			
Revenue Funding	5.362	4.500	0.000
Use of Capital Receipts	2.000	3.115	0.000
Borrowing	70.761	78.794	52.921
Use of Other Earmarked Reserves	2.077	0.000	0.000
Government Grants and Other Contributions	75.020	108.353	109.358
Total Funding	155.220	194.762	162.279

7.3 The following amendments have been made to the net capital programme in 2016/17 as part of the budget setting process:

- The addition of maintenance block budgets for:
 - The replacement of short life equipment assets for Fire and Rescue: £0.585m in 2016/17;
 - The maintenance of existing property assets and essential property works linked to Asbestos, work place regulations and disabled access: £2.950m in 2016/17.
 - The ICT infrastructure and IT refresh programme: £0.750m in 2016/17.
- New Developments Capital Contingency budgets of: £7.500m in 2016/17, to fund any emerging schemes identified in these financial years.
- Removal of the Property Contingency budget of £7.298m from the 2016/17 programme. Transfer of £3.279m into 2015/16 and £0.700m into other property schemes in 2016/17. This reflects the Council's changing property needs due to reshaping the delivery of services.
- Transfer of £1.019m into 2016/17 from the fire and rescue block budget from the fleet vehicle budget. This aligns funding with current service requirements.

7.4 The Council receives government grant funding to support large parts of the capital programme, including schools maintenance and provision of school places, and roads maintenance. The following grants have been announced and incorporated into the capital programme in 2016/17 and future years:

- An indicative award for Highways Asset Protection Maintenance Block of £28.431m in 2016/17. Further indicative awards have been made up to 2020/21 when the grant is estimated to be £24.954m.
- A three year award for Integrated Transport Grant of £3.312m per annum from 2015/16 to 2017/18, plus three further indicative years of £3.312m per annum to 2020/21;
- Provision of Schools Place – Basic Need Grant 2016/17 is the final year of a three year award period which will allow the Council to plan strategically for the places needed in schools. The Council has been awarded £12.006m in 2016/17;
- Indicative awards for Devolved Schools Capital and Schools Condition for 2016/17 and 2017/18. These awards give the County Council £1.338m for Devolved Schools Capital and £5.421m for Schools Condition in both 2016/17 and 2017/18; and
- An indicative award for Adult Social Care Capital Grant (£1.875m) and Better Care Funding – Disabled Facility Grants (£2.970m).

7.5 The Council funds the net capital programme primarily through borrowing (£71.543m in 2016/17), with smaller elements coming from revenue contributions (£4.500m) and capital receipts (£3.115m). The Council is estimating capital receipts of £7.615m will be generated in 2016/17. As already mentioned above at paragraph 5.74 the Council plans to utilise an element of capital receipts to fund the cost of transformation in revenue. The Council has currently allocated £4.500m for this purpose. As plans are developed around transformation projects capital receipts currently included within the capital programme may be diverted to fund these revenue costs. Additional borrowing would be taken to replace any capital receipts diverted to meet revenue transformation costs.

8. PRUDENTIAL INDICATORS

8.1 The Council is required to agree targets for specified prudential indicators in relation to capital financing and other treasury management matters. The Council also sets its own targets in addition to the statutory ones. The main purpose of these targets is to ensure that the Council's capital financing, in particular its long term borrowing, is prudent, affordable and sustainable. The proposed targets are set out in **APPENDIX F**.

8.2 One of the key targets in the Council's Financial Strategy, is that "the repayment of external debt including interest will be less than 10% of annual income from general government grants, Dedicated Schools Grant and council tax." This is projected to increase to 7.75% by 2018/19 from 5.96% in 2015/16.

9. MINIMUM REVENUE PROVISION

9.1 The Council has a duty to set a minimum revenue provision (MRP) which “it considers prudent”. The aim is to ensure that debt is repaid over a period reasonably commensurate with the period over which the capital expenditure funded by borrowing provides benefits.

9.2 The Council’s current policy is to apply the asset life method for calculating MRP. This is a prudent approach which is consistent with the Council’s Financial Strategy. It is proposed to continue this method in 2016/17.

10. SECTION 151 OFFICER’S STATEMENT ON THE ROBUSTNESS OF THE BUDGET AND ADEQUACY OF RESERVES

10.1 The Local Government Act 2003 includes a statutory duty for the Council’s Section 151 officer to report to the Council when it is calculating the council tax on “the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves.” The Council has a statutory duty to “have regard to the report when making decisions about the calculations.”

10.2 The Financial Strategy requirement in relation to reserves is based on a full assessment of the Council’s potential financial risks last undertaken in January 2016, informed by estimates of future Government funding for the Council and the Fundamental Budget Review exercise undertaken during 2014 supplemented by the Financial Challenge work undertaken during 2015. A key aspect of that strategy is that Council will maintain its general reserves within a range of 2.5% to 3.5% of its annual budget requirement.

10.3 Currently the Council’s projected year end general reserves stand at £15.600m or 3.5% of the budget requirement (i.e. towards the top of the target range). There is a proposal to reduce the general reserves by £0.800m as part of the 2016/17 budget. This reflects future reductions in the Council’s overall budgets. There are proposals to apply a substantial portion of earmarked reserves in 2016/17 (£18.965m from the Financial Volatility Reserve) to deliver a balanced budget in preparation for ongoing government funding restraint in 2017/18 onwards.

10.4 The new business rate funding regime for local authorities commenced in April 2013 as did revised arrangements for funding local welfare benefits related to the Council Tax. These measures have introduced an element of volatility into the income base of the Council which, acting prudently, has required the establishment of an earmarked reserve to assist with the management of funding risk. That reserve is estimated to be £41.634m at 31 March 2016.

10.5 The January 2016 risk assessment encompassed a full assessment of the potential financial risks facing the Council included the following:

The realism of budget estimates for –

- Pay awards
- Price increases
- Income, including higher risk areas such as capital receipts
- Savings
- Provision for demand led services including: children’s services, waste disposal, adult care, certain aspects of public health, home to school transport, concessionary fares, adverse weather, support for the council tax, etc

Financial management arrangements including –

- The recent history of financial management performance

Potential Losses including –

- Claims against the Council
- Bad debts or failure to collect income
- Major emergencies or disasters
- Failure to deliver budget savings
- Default on loans made by the Council for cash management purposes

10.6 An assessment was also made of the provision against these financial risks including:

- A provision in the form of a contingency budget to deal with pressures related to real or potential legislative change or other unforeseen impacts upon the Council. The general contingency was modestly increased for 2015/16 to in part reflect that no general level of price inflation has been provided for within the service budgets. That position remains unaltered for 2016/17.
- Specific provisions in the accounts and earmarked reserves
- Provision for the funding of capital which provides modest additional financial flexibility
- The potential for slippage and underspending of the capital programme
- The level of the Council's general reserves

10.7 The conclusion from the financial risk assessment is that the Council should ideally increase its General Reserve to around £30.000m as compared to the £14.8m proposed in this budget. The need for this increase is predicated on the combined impact of ever reducing Government funding and ever increasing unavoidable cost pressures. It is not recommended that the General Reserve be increased to £30.0m as this would require a further £15.2m of savings to be made next year in addition to the £42.8m already proposed. There is therefore a very small, but acceptable, risk that the level of the General Reserve may be inadequate going forward.

10.8 In the round the finance settlement from government places significant additional funding pressures on the County Council when compared to 2015/16 – revenue support grant reduces by £27.6m (28%) between the two years. The grant continues to fall materially over the following 3 years to be at £20.1m by 2019/20.

10.9 The scale of revenue support grant reductions in future in tandem with escalating cost pressures from such issues as demographic growth in adult care clients and the new national minimum living wage present an unprecedented challenge to the Council in balancing its finances. Savings next year are now predominately in the form of service reductions in place of service efficiencies that have dominated budget reductions in recent years. Such an approach increases the risk of service failure despite such risks being factored into the decision making process that derived the reduction in the first place. The need to make further base budget savings of the order of £35m pa from April 2017 onwards only adds to that risk.

10.10 For next year close monitoring of the delivery of savings will be undertaken and, if necessary, corrective action will be initiated to examine alternative options should this be necessary. The delivery of the detailed schedule of planned savings will be monitored and reported regularly to senior management teams and to Executive councillors as part of the formal, published reports.

10.11 Financial management remains an important consideration. The introduction of the new Agresso accounting system in April 2015 presented a number of significant challenges to the Council and budget monitoring activity during 2015/16 was severely compromised by system related problems. Extensive remedial work has been undertaken to ensure that the usual frequency and standard of budget monitoring activity will take place next year.

10.12 Spending pressures continue to arise in Adult Care relating to a range of factors such as a demographic growth of the client base. The new national minimum living wage being introduced from April 2016, and increasing by predetermined annual amounts for the following 4 years, will add around £4m pa to the cost of the Adult Care service. It also adds a further £1m pa pressure on other service area budgets.

10.13 In general terms budget pressures in 2015/16 are at the level of those experienced in recent years. However it is still anticipated that service related spending over the whole Council will be at least in balance at the current year end with no need to apply the available general reserves of the Council.

10.14 In relation to the 2016/17 budget, Service Areas have provided brief notes on the realism of their proposed budgets and their ability to manage within these budgets. In that context the following points are relevant:

- All Service Areas are aware that the savings target that has been set is a significant one and will demand sustained and rigorous management action to ensure it is delivered on target. All have affirmed their commitment to achieving the demanding targets set with appropriate caveats as necessary.
- Funding pressures will continue to exist in a number of service areas. The key pressure areas are as follows:
 - (i) Adult Care – ongoing demographic factors continue to place increasing pressure on service demand. The cost of adult care services will rise materially over the next 4 years in line with the new national minimum living wage. Additional base budget funding has been allocated, via the Better Care Fund (BCF), to the service this year in recognition of these, and other, issues. Negotiations on the level of BCF funding available to Adult Care for 2016/17 are presently ongoing. There is a risk that the agreed level of funding will be less than that made available for the current year. The service will continue to integrate its activities with relevant health service organisations within the county and in so doing an increasing reliance will emerge on securing direct funding from health budgets. The future financial viability of the service is linked to the success of health integration initiatives. In that regard the Better Care Fund is pivotal to the financial viability of the service area
 - (ii) Council Tax Support Schemes – local schemes were established by all the District Councils from April 2013. The County Council is, in effect, responsible for around 75% of the financial liability arising from these schemes. Whilst a great deal of work has been undertaken with the Districts to establish financially robust arrangements there remain financial risks to the County Council from their operation. These comprise a general demand risk for local support in a recessionary environment and a risk that the combined impact of above inflation increases in council tax along with reduced entitlement to State funded welfare benefits may result in more people meeting the eligibility criteria. Experience in 2015/16 has been that demand for this support has

reduced modestly as a result of general improvements in the economic environment. However, above inflation increases in council tax are inevitable going forward and the present Government plan to reduce spending on welfare benefits.

(iii) Business Rates – Since April 2013 the Council has had a financial reliance on business rate income both from Central Government and directly from a share of local rate income collected by the Lincolnshire District Councils. This income has the potential to be volatile should major business ratepayers relocate into or out of the county area. In the case of loss of business rate base the Council, by virtue of its pooling agreement with six Lincolnshire District Councils, would not be able to take advantage of the safety net arrangements available from Government. The benefits of pooling outweigh those available via the safety net. The aforementioned financial volatility reserve is available to assist with any temporary pressures arising. A recent trend, expected to be time limited, has seen a significant growth in the volume of business rate appeals resulting in significant provisions being made by Districts against such appeals. This has reduced the yield from business rates in the current year. The trend is not expected to continue into 2016/17.

(vi) Children's Services – there remain significant pressures in children's social care in relation to a rise in the number of children looked after with numbers of children rising by 6% over the current year. Additional resources will be considered during the year in response to quantification of the actual increase in demand.

10.15 The capital programme has been reviewed as part of the current budget cycle and only minor changes are envisaged to the programme for 2016/17. Revenue budget pressures mean there is little additional scope for adding to future capital schemes above those already committed in the existing programme. Significant commitments, relating in particular to major infrastructure schemes, already exist in the period beyond next financial year. A £7.5m capital contingency has been established the use of which will be the subject of business case bids from service areas. The fund can be used as a source of matched funding in respect of external bids for capital funding.

10.16 Taking into account all these factors the Section 151 officer is satisfied that the budget is realistic and that the level of reserves is adequate but notes that the assessment relies heavily on:

- Restoration of the normal standards of budget monitoring and management throughout the Council following the disruption caused by the Agresso implementation in 2015/16.
- Achievement of expected savings that rely on the timing of the delivery of initiatives arising from the fundamental budget review and financial challenge initiatives. The increased risk of challenge with respect to savings initiatives has the potential to result in implementation delays.
- Given that a significant medium term funding shortfall still exists as indicated by the ongoing use of reserves, further work is essential in terms of deriving a sustainable revenue budget and capital programme to be in place for 2017/18 onwards.

11. CONSULTATION

11.1 Individual Scrutiny Committees have received a report and presentation on their respective budget and have had chance to comment on its appropriateness. The Overview and Scrutiny Management Committee also considered the proposals as a whole. These comments were collated and presented to the Executive when it considered the Council's final budget.

11.2 Businesses, Trade Unions and other public organisations were consulted at a meeting on 22 January 2016. Comments made at this meeting were collated and presented to the Executive when it considered the Council's final budget.

11.3 The Council has undertaken public engagement through a survey in County News and on the Council's website asking for views on service spending.

11.4 The Council also invited the public to comment (via the Council's Website) on the Council's budget proposals outlined in the 5 January 2016 Executive report.

11.5 The Council hosted seven consultation events at various locations throughout the County. Members of the public were provided with information about the budget and given the opportunity to comment and vote on the proposals together with their level of satisfaction with Council services.

11.6 A summary of all comments received via the consultation process can be found at **APPENDIX D.**

REVENUE EXPENDITURE

LINE REF	2015/16 BUDGET £	REVENUE BUDGETS	2016/17 BUDGET CHANGES £	2016/17 ORIGINAL ESTIMATE £
		COMMISSIONING STRATEGIES		
1	8,369,223	Readiness for School	-787,604	7,581,619
2	36,073,460	Learn & Achieve	-3,028,778	33,044,682
3	6,245,971	Readiness for Adult Life	-1,326,805	4,919,166
4	54,568,283	Children are Safe & Healthy	4,391,873	58,960,156
5	3,255,543	Adult Safeguarding	-1,460,448	1,795,095
6	93,093,931	Adult Frailty, Long Term Conditions and Physical Disability	6,113,935	99,207,866
7	2,044,492	Carers	0	2,044,492
8	47,242,733	Adult Specialities	3,946,643	51,189,376
9	12,669,396	Community Resilience & Assets	-2,486,661	10,182,735
10	38,347,440	Wellbeing	-5,921,624	32,425,816
11	49,492,334	Sustaining & Developing Prosperity Through Infrastructure	-5,783,537	43,708,797
12	22,466,872	Protecting & Sustaining the Environment	841,855	23,308,727
13	1,771,539	Sustaining & Growing Business & the Economy	-456,755	1,314,784
14	24,801,313	Protecting the Public	-2,094,618	22,706,695
15	8,333,185	How We Do Our Business	-498,473	7,834,712
16	38,924,998	Enablers & Support to Council Outcomes	-2,735,607	36,189,391
17	-32,671,900	Public Health Grant Income	-1,377,801	-34,049,701
18	415,028,813	TOTAL COMMISSIONING STRATEGIES	-12,664,405	402,364,408
		SCHOOLS BUDGETS		
19	464,194,063	Delegated Schools Budget	-385,061	463,809,002
20	-492,434,211	Dedicated Schools Grant	-4,788,058	-497,222,269
21	23,194,358	Schools Related Expenditure	5,173,119	28,367,477
22	-5,045,790	TOTAL SCHOOLS BUDGETS	0	-5,045,790
		OTHER BUDGETS		
23	4,000,000	Contingency	0	4,000,000
24	49,036,702	Capital Financing Charges	2,086,552	51,123,254
25	13,241,189	Other	-1,023,268	12,217,921
26	66,277,891	TOTAL OTHER BUDGETS	1,063,284	67,341,175
27	476,260,914	TOTAL NET EXPENDITURE	-11,601,121	464,659,793
28	-21,870,575	Transfer to/from Earmarked Reserves	2,905,828	-18,964,747
29	-300,000	Transfer to/from General Reserves	-500,000	-800,000
30	454,090,339	BUDGET REQUIREMENT	-9,195,293	444,895,046
		MET FROM:		
31	106,056,701	Business Rates	-2,528,443	103,528,258
32	94,670,099	Revenue Support Grant	-24,319,402	70,350,697
33	16,110,278	Other Non Specific Grants	1,105,062	17,215,340
34	237,253,261	County Precept	16,547,490	253,800,751
35	454,090,339	TOTAL MET FROM	-9,195,293	444,895,046

COUNTY PRECEPT 2016/17

Council Tax Requirement	£
Total Budget Requirement	444,895,046.10
less Government Support	191,094,295.32
County Precept	253,800,750.78
less Net Surplus on Council Tax element of District Council Collection Funds	5,608,736.70
Council Tax Requirement	248,192,014.08

Precepts to be levied on District Councils	Number of Band D Equivalent Properties	Council Tax Requirement £	Council Tax Collection Fund +Surplus/ -Deficit £	County Precept £
City of Lincoln	23,244.38	26,238,953.48	629,650.00	26,868,603.48
Boston	17,967.11	20,281,812.78	275,715.00	20,557,527.78
East Lindsey	42,355.00	47,811,594.65	1,518,172.40	49,329,767.05
West Lindsey	28,878.71	32,599,154.21	890,795.36	33,489,949.57
North Kesteven	35,450.00	40,017,023.50	723,557.00	40,740,580.50
South Kesteven	45,440.40	51,294,486.73	758,224.12	52,052,710.85
South Holland	26,531.00	29,948,988.73	812,622.82	30,761,611.55
Total	219,866.60	248,192,014.08	5,608,736.70	253,800,750.78

County Council Element of Council Tax by Property Band		
Property Band	Proportion of Band D	Council Tax per Property £
Band A	6 / 9	752.55
Band B	7 / 9	877.98
Band C	8 / 9	1,003.40
Band D	9 / 9	1,128.83
Band E	11 / 9	1,379.68
Band F	13 / 9	1,630.53
Band G	15 / 9	1,881.38
Band H	18 / 9	2,257.66

Equality Impact Analysis to enable informed decisions

The purpose of this document is to:-

- I. help decision makers fulfil their duties under the Equality Act 2010 and
- II. for you to evidence the positive and adverse impacts of the proposed change on people with protected characteristics and ways to mitigate or eliminate any adverse impacts.

Using this form

This form must be updated and reviewed as your evidence on a proposal for a project/service change/policy/commissioning of a service or decommissioning of a service evolves taking into account any consultation feedback, significant changes to the proposals and data to support impacts of proposed changes. The key findings of the most up to date version of the Equality Impact Analysis must be explained in the report to the decision maker and the Equality Impact Analysis must be attached to the decision making report.

****Please make sure you read the information below so that you understand what is required under the Equality Act 2010****

Equality Act 2010

The Equality Act 2010 applies to both our workforce and our customers. Under the Equality Act 2010, decision makers are under a personal duty, to have due (that is proportionate) regard to the need to protect and promote the interests of persons with protected characteristics.

Protected characteristics

The protected characteristics under the Act are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

Section 149 of the Equality Act 2010

Section 149 requires a public authority to have due regard to the need to:

- Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by/or under the Act
- Advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share those characteristics
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The purpose of Section 149 is to get decision makers to consider the impact their decisions may or will have on those with protected characteristics and by evidencing the impacts on people with protected characteristics decision makers should be able to demonstrate 'due regard'.

Decision makers duty under the Act

Having had careful regard to the Equality Impact Analysis, and also the consultation responses, decision makers are under a personal duty to have due regard to the need to protect and promote the interests of persons with protected characteristics (see above) and to:-

- (i) consider and analyse how the decision is likely to affect those with protected characteristics, in practical terms,
- (ii) remove any unlawful discrimination, harassment, victimisation and other prohibited conduct,
- (iii) consider whether practical steps should be taken to mitigate or avoid any adverse consequences that the decision is likely to have, for persons with protected characteristics and, indeed, to consider whether the decision should not be taken at all, in the interests of persons with protected characteristics,
- (iv) consider whether steps should be taken to advance equality, foster good relations and generally promote the interests of persons with protected characteristics, either by varying the recommended decision or by taking some other decision.

Conducting an Impact Analysis

The Equality Impact Analysis is a process to identify the impact or likely impact a project, proposed service change, commissioning, decommissioning or policy will have on people with protected characteristics listed above. It should be considered at the beginning of the decision making process.

The Lead Officer responsibility

This is the person writing the report for the decision maker. It is the responsibility of the Lead Officer to make sure that the Equality Impact Analysis is robust and proportionate to the decision being taken.

Summary of findings

You must provide a clear and concise summary of the key findings of this Equality Impact Analysis in the decision making report and attach this Equality Impact Analysis to the report.

Impact – definition

An impact is an intentional or unintentional lasting consequence or significant change to people's lives brought about by an action or series of actions.

How much detail to include?

The Equality Impact Analysis should be proportionate to the impact of proposed change. In deciding this asking simple questions “Who might be affected by this decision?” “Which protected characteristics might be affected?” and “How might they be affected?” will help you consider the extent to which you already have evidence, information and data, and where there are gaps that you will need to explore. Ensure the source and date of any existing data is referenced.

You must consider both obvious and any less obvious impacts. Engaging with people with the protected characteristics will help you to identify less obvious impacts as these groups share their perspectives with you.

A given proposal may have a positive impact on one or more protected characteristics and have an adverse impact on others. You must capture these differences in this form to help decision makers to arrive at a view as to where the balance of advantage or disadvantage lies. If an adverse impact is unavoidable then it must be clearly justified and recorded as such, with an explanation as to why no steps can be taken to avoid the impact. Consequences must be included.

Proposals for more than one option If more than one option is being proposed you must ensure that the Equality Impact Analysis covers all options. Depending on the circumstances, it may be more appropriate to complete an Equality Impact Analysis for each option.

The information you provide in this form must be sufficient to allow the decision maker to fulfil their role as above. You must include the latest version of the Equality Impact Analysis with the report to the decision maker. Please be aware that the information in this form must be able to stand up to legal challenge.

Background Information

Title of the policy / project / service being considered	Increase in the council tax for financial year 2016/17	Person / people completing analysis	David C Forbes – County Finance Officer
Service Area	All Council Services	Lead Officer	Pete Moore – Director of Finance & Public Protection
Who is the decision maker?	Full Council	How was the Equality Impact Analysis undertaken?	Desktop Exercise
Date of meeting when decision will be made	19/02/2016	Version control	1.0
Is this proposed change to an existing policy/service/project or is it new?	Existing policy/service/project	LCC directly delivered, commissioned, re-commissioned or de-commissioned?	Directly delivered
Describe the proposed change	<p>Each February the County Council sets a budget for the forthcoming financial year part of which includes a decision on the amount of Council Tax to be levied in that year. For 4 of the past 5 years the decision taken has been to freeze the level of Council Tax and to accept a time-limited grant from Government for so doing. However, the level of that grant has now fallen and it is to cease by the end of the decade. Increasing service pressures and costs means the Council needs to establish a more robust and sustainable income base going forward.</p> <p>The council tax system requires each billing authority (i.e. district council) to establish and maintain a local council tax support scheme which is a means tested system to allow those on low income to gain financial support to meet their council tax bill either in part or in full. Schemes vary within the county but some schemes positively favour certain classes of council tax payers with protected characteristics (e.g. disability). These schemes are themselves the subject of equality impact assessments undertaken by the individual district council concerned.</p> <p>Over the past 5 years the local council tax has increased by just under 2% whereas general price inflation has been close to 14%.</p>		

Evidencing the impacts

In this section you will explain the difference that proposed changes are likely to make on people with protected characteristics. To help you do this first consider the impacts the proposed changes may have on people without protected characteristics before then considering the impacts the proposed changes may have on people with protected characteristics.

You must evidence here who will benefit and how they will benefit. If there are no benefits that you can identify please state 'No perceived benefit' under the relevant protected characteristic. You can add sub categories under the protected characteristics to make clear the impacts. For example under Age you may have considered the impact on 0-5 year olds or people aged 65 and over, under Race you may have considered Eastern European migrants, under Sex you may have considered specific impacts on men.

Data to support impacts of proposed changes

When considering the equality impact of a decision it is important to know who the people are that will be affected by any change.

Population data and the Joint Strategic Needs Assessment

The Lincolnshire Research Observatory (LRO) holds a range of population data by the protected characteristics. This can help put a decision into context. Visit the LRO website and its population theme page by following this link: <http://www.research-lincs.org.uk> If you cannot find what you are looking for, or need more information, please contact the LRO team. You will also find information about the Joint Strategic Needs Assessment on the LRO website.

Workforce profiles

You can obtain information by many of the protected characteristics for the Council's workforce and comparisons with the labour market on the [Council's website](#). As of 1st April 2015, managers can obtain workforce profile data by the protected characteristics for their specific areas using Agresso.

Positive impacts

The proposed change may have the following positive impacts on persons with protected characteristics – If no positive impact, please state 'no positive impact'.

Age	Increasing the council tax adds a permanent and sustainable income stream to the funding of the Council. In so doing it thereby assists in limiting what would otherwise be more significant cuts in service provision over the wide range of services provided by the Council. Many of those services provided key support to those with protected characteristics.
Disability	As for Age above.
Gender reassignment	As for Age above.
Marriage and civil partnership	As for Age above
Pregnancy and maternity	As for Age above.
Race	As for Age above
Religion or belief	As for Age above.

Sex	As for Age above.
Sexual orientation	As for Age above.

If you have identified positive impacts for other groups not specifically covered by the protected characteristics in the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.	
<p>The benefits outlined above in terms of limiting wider service reductions apply to all those who use Council services and not just to those with protected characteristics.</p>	

Adverse/negative impacts

You must evidence how people with protected characteristics will be adversely impacted and any proposed mitigation to reduce or eliminate adverse impacts. An adverse impact causes disadvantage or exclusion. If such an impact is identified please state how, as far as possible, it is justified; eliminated; minimised or counter balanced by other measures.

If there are no adverse impacts that you can identify please state 'No perceived adverse impact' under the relevant protected characteristic.

Negative impacts of the proposed change and practical steps to mitigate or avoid any adverse consequences on people with protected characteristics are detailed below. If you have not identified any mitigating action to reduce an adverse impact please state 'No mitigating action identified'.

Age	The proposed increase in the council tax of 3.95% will impact on all council tax payers who are responsible for the council tax levied on their property. The level of income of the council tax payer and their ability to afford the increase in the annual charge will be the key issue. To the extent to which those with a protected characteristic are council tax payers then they will be potentially impacted by this change. The existence of a protected characteristic is really a secondary rather than a primary consideration in this case. Clearly if the protected characteristic in question has a direct impact on income generating capacity this will have a more direct effect. As mentioned earlier financial support is available from the schemes operated by district councils to assist in meeting council tax bills for low income individuals.
Disability	As for Age above.
Gender reassignment	As for Age above
Marriage and civil partnership	As for Age above

Pregnancy and maternity	As for Age above
Race	As for Age above
Religion or belief	As for Age above
Sex	As for Age above
Sexual orientation	As for Age above

If you have identified negative impacts for other groups not specifically covered by the protected characteristics under the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.

The ability to afford the proposed council tax increase applies to all individuals who are responsible for paying a council tax bill.

Stakeholders

Stake holders are people or groups who may be directly affected (primary stakeholders) and indirectly affected (secondary stakeholders)

You must evidence here who you involved in gathering your evidence about benefits, adverse impacts and practical steps to mitigate or avoid any adverse consequences. You must be confident that any engagement was meaningful. The Community engagement team can help you to do this and you can contact them at consultation@lincolnshire.gov.uk

State clearly what (if any) consultation or engagement activity took place by stating who you involved when compiling this EIA under the protected characteristics. Include organisations you invited and organisations who attended, the date(s) they were involved and method of involvement i.e. Equality Impact Analysis workshop/email/telephone conversation/meeting/consultation. State clearly the objectives of the EIA consultation and findings from the EIA consultation under each of the protected characteristics. If you have not covered any of the protected characteristics please state the reasons why they were not consulted/engaged.

Objective(s) of the EIA consultation/engagement activity

The proposed council tax increase is simply one, but an important, proposal in a set of measures to enable the Council to set a balanced budget for 2016/17. The other key aspects are a range of across the board service reductions totalling £42m and the use of reserves of £30m to avoid further service reductions. The Council has undertaken a wide ranging public engagement/consultation exercise on all aspects of the budget proposals. This includes articles and a questionnaire in the County News magazine and a series of 7 public engagement sessions throughout the County during January. There will also be more formal consultation with the Scrutiny Committees of the Council and with key stakeholders such as business and trade unions.

Who was involved in the EIA consultation/engagement activity? Detail any findings identified by the protected characteristic

Age	The details of public and wider consultation/engagement are described above. This is undertaken at the level of the whole suite of budget proposals rather than specific concentration on one aspect such as the proposed council tax increase. The nature of this proposal combined with the mitigation available through local council tax support schemes means there is no particularly differential impact between those exhibiting different protected characteristics.
Disability	As for Age above
Gender reassignment	As for Age above
Marriage and civil partnership	As for Age above
Pregnancy and maternity	As for Age above
Race	As for Age above
Religion or belief	As for Age above

Sex	As for Age above
Sexual orientation	As for Age above
Are you confident that everyone who should have been involved in producing this version of the Equality Impact Analysis has been involved in a meaningful way? The purpose is to make sure you have got the perspective of all the protected characteristics.	Yes The proposal has received extensive publicity and a wide ranging engagement initiative has been undertaken to invite feedback from all key stakeholders. The main mitigation of the impact of the proposal rests in the Council Tax Support Schemes operated by District Councils. These scheme themselves are the subject of equality impact assessments undertaken by the District concerned.
Once the changes have been implemented how will you undertake evaluation of the benefits and how effective the actions to reduce adverse impacts have been?	Feedback is received periodically from the Districts on the take up of the County Tax Support Schemes not least because the County Council funds around 75% of the cost of such schemes.

Further Details

Are you handling personal data?	<p>No</p> <p>If yes, please give details.</p>
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Actions required Include any actions identified in this analysis for on-going monitoring of impacts.	Action	Lead officer	Timescale
	NONE		
Signed off by	David C Forbes	Date	11/01/2016

BUDGET CONSULTATION FEEDBACK

This appendix sets out the feedback from a range of budget consultation events occurring during January 2016. These include:

- Reports and presentations to Scrutiny Committees;
- Public Consultation via seven public consultation meetings at various locations in the County;
- Public Consultation via a budget survey on the Council's website and in County News;
- Public Consultation on budget proposals via the Council's website; and
- Meeting with businesses, trade unions and other public bodies.

These comments have been considered by the Executive in recommending the budget for approval by County Council.

Budget Comments from Scrutiny Committees

Adults Scrutiny Committee – 22 January 2016

The Adults Scrutiny Committee supports the Adult Care budget proposals for 2016/17, welcoming the increased expenditure on Adult Care, which equates to 6.1%. The Committee has agreed to highlight two particular issues to the Executive:

- There was a need to minimise the risks on adult care services of reductions in other services area, as such reductions could lead to increased demand on the services provided by Adult Care.
- The Committee acknowledged that there were likely to be national requirements on how the social care precept of 2% would be presented on Council Tax bills. If the precept were adopted by the County Council, the Committee requested that this be clearly indicated on Council Tax bills, so that this was clear to all Council Tax payers what the precept would be used for.

Prior to reaching the above conclusions, the Committee had sought clarification on several issues, which included:

- The Better Care Fund (BCF) had provided £20 million support to Adult Care in 2015/16. The detailed BCF guidance had not yet been issued by NHS England for 2016/17, but there was an expectation that the level of national funding allocated to protect adult social care would continue in the coming year. The preparation of BCF proposals for 2016/17 involved the four Lincolnshire Clinical Commissioning Groups, in addition to the County Council, with plans also being considered by the Health and Wellbeing Board. *(Note – The Committee would be considering an item on the Better Care Fund on 24 February, 2016).*

- The proposals for In-House Day Services were cost neutral in relation to the revenue budget, but £500,000 had been included in the proposed capital programme.
- Encouraging people to live at home, with appropriate home care support, had been a longstanding national policy, which had been adopted and implemented locally. In order to achieve a savings target of £0.5 million, the Council would be considering a proposal to support service users to a level of the least costly option of either home care or residential care.

The Committee reflected on the link between the level of adult care activity and the level of expenditure and this topic would be explored further at the Committee's February meeting.

Children and Young People Scrutiny Committee – 15 January 2016

The Children and Young People Scrutiny Committee made the following comments in relation to each of the Commissioning Strategies:

Readiness for School

- The Committee raised concerns about the potential closure of Wave 3 children's centres and the loss of valuable support to parents. Officers reported that Wave 3 children's centres were in the least deprived areas of Lincolnshire and Waves 1 and 2 children's centres were in areas of greater disadvantage where they were needed more. It was highlighted that some children's centres were well used whereas others were not used as much by the community although overall Reach was over 80% of families under the age of 5 years. The Committee raised concerns that the most vulnerable families may not be accessing children's centres, but officers advised that a lot of work had gone on in this area to encourage the most vulnerable families to access services. Officers were also looking at an alternative operating model where local facilities could be used to run services from so that some provision was maintained in the community where resources allowed.

Learn and Achieve

- Concerns were raised about the proposed increase in the charge for post-16 transport and the impact this would have on poorer families. Officers highlighted that even with the increase the cost was still below many other similar Local Authority charges and the national average for charging and was still being subsidised by circa a 50% rate. Means testing had been looked at as an option but the administration would be quite expensive which would reduce the savings significantly.
- It was queried whether the business sector could be approached to help young people with learning disabilities into work in place of the supported employment team. Officers reported that businesses were already committing significantly to this area by taking the placements and that FE institutes had some funding to pick up some of the work of the supported employment team, although there were limited levers at the Council's disposal to enforce this.

- Concerns were raised about the new School Improvement model and the capacity of schools to provide peer support. It was highlighted that some schools were anxious about how the new model would work and that there was a vast array of views and expectations amongst schools. Officers reported that the old school improvement model could not be kept as schools were not progressing as well as nationally. It was also highlighted that school budgets had not been reduced as they were protected, and that schools were responsible for improving outcomes for children. The sector led approach supports this.

Readiness for Adult Life

- Concerns were raised by the Committee about the proposed reduction in the 14-19 careers guidance service. It was highlighted that there was a lack of the right skills for Lincolnshire businesses and the Economic Development team was doing a lot of work around the skills agenda and apprenticeships. It was noted that the reduction to the traded element of the education welfare officer service was also being decommissioned as the service was not self sustaining. Officers advised that the statutory service would continue to be funded.

Safe and Healthy

- It was queried whether the Grief and Loss Service could be passed onto the health service and included within CAMHS. It was reported that this was a highly valued service but was not statutory. It was noted that the service provided support to young people on a range of issues and not just bereavement. Officers advised that CAMHS was already at capacity with concerns about thresholds for intervention, so it was unlikely that the CAMHS budget could fund this additionally. Officers would look into transferring the service to CAMHS budgets but were not hopeful of this being accepted.

Community and Public Safety Scrutiny Committee – 13 January 2016

The Community and Public Safety Scrutiny Committee made the following comments in relation to each of the Commissioning Strategies:

Overview

- Members highlighted the need for the Council's Executive, local MP's and elected members to continue to put pressure on Central Government in relation to the Local Government Finance Settlement, issued on 17 December 2015. The Committee acknowledged the work already undertaken in challenging the settlement for rural counties and supported continued effort to achieve a fairer settlement for Lincolnshire.

Community Resilience & Assets

- Members sought clarification on the further efficiencies listed in respect of the procurement process of the library provision. Officers confirmed that expected savings of £1.000m would be achieved and that greater savings of an additional £0.400m were also expected and would be built into the 2017/18 budget.

- Members highlighted that it was positive that some efficiencies had already been achieved under the provision of libraries due to a better than expected procurement process.
- Members highlighted concerns with regards to the Local Welfare Support Scheme as this responsibility transferred from the Department for Work and Pensions. Officers confirmed that significant savings had been made in how the scheme had been administered and confirmed that the grant had now ceased. It was proposed that the scheme would be reduced to operate on the residual grant reserved from previous underspends.

Wellbeing

- Members raised concern around the future impact of reducing budgets under the wellbeing strategies as many of these services were preventative and the reduction in funding could have an impact on other public services within Lincolnshire County Council and also within the NHS.
- Members highlighted that Health Services such as those under health improvement, prevention & self-management that were no longer proposed to be commissioned would have an impact on people's health, however, this wouldn't be immediate and it was important to consider that personal responsibility sits with individuals. It was however noted that adequate assessments on all of the services that were being withdrawn or reduced should be undertaken to reduce the impact on other services.

Protecting the Public

- Members raised concerns in respect of the proposed budget reduction of £0.850m to Lincolnshire Fire and Rescue and it was suggested that consideration be given to ring fencing this budget. Officers confirmed that the potential options being considered to meet proposed budget reductions would impact on service delivery although the aim would be to minimise this as far as possible. It was confirmed that ring fencing the budget was not under consideration.
- Members highlighted the funding currently being received as part of the Better Care Fund (£0.150m) used towards the costs of Co-Responding. Officers confirmed that work was being undertaken with EMAS (East Midlands Ambulance Service) to review whether any additional funding was available to support this capability moving forward.

Economic Scrutiny Committee – 12 January 2016

The Economic Scrutiny Committee made the following comments in relation to the proposed savings:

- The Committee felt that the budget could not be reduced any further. If the budget were to be reduced, it would be impossible to deliver services at the current standard. 75% of the overall Council budget was for statutory services with the remaining 25% being apportioned across remaining, discretionary services, of

which this was one. The reduction in budget could mean the Council would be unable to influence partners in economic development resulting in the inability to shape the economic development service that is provided to the county's businesses, individuals, and communities.

- The Committee highlighted its concern with the financial settlement received from the government which was wholly inadequate for rural communities and felt that urban areas appeared to be the focus. It was highlighted that the government was being lobbied to increase the settlement figure to rural authorities but, should this prove unsuccessful, there was little which could be done to improve the position as it currently stood.
- The Committee highlighted that partnership working would be key to delivering what was required in future and the LEP Board and District Leaders would have a role to play in working with Lincolnshire County Council to forge a new way of working.
- The Committee queried what officers would be able to lever in if the £500,000 reduction was put back into the Economy budget. It was highlighted that the £500,000 had been taken out of the tourism, enterprise growth, and investment budgets. The reduction to the tourism budget, which was around £150,000, appeared greater because pre-spending review levels of the budget were maintained during 2015/2016 in order to support the work to promote Lincoln Castle. Officers felt that they would be able to double that £150,000 after 2016/17 as they would be able to bid for funding to support schemes that celebrate the RAF's and the Mayflower's anniversaries. The reduction in the investment budget was about £100,000. Officers felt that they would not be able to attract grants to cover this, and in order to get investment from local business partners, the Council would need to make a material contribution, even if it was staffing and contacts rather than cash. The remaining reduction, around £250,000, was to the enterprise growth budget. Officers expected to attract grants at 60% grant rate to this budget, therefore the £250,000 reduction would be 40% of total costs.
- The Committee requested that an increase in the budget for Economy should seriously be considered by the Executive, depending on the final settlement. The Committee felt that if there was to be a reduction in the budget, it would seriously affect the economy of the County and the essential work programme required in the future.

Environmental Scrutiny Committee – 29 January 2016

During the course of consideration of the budget proposals, the following items were highlighted as a result of the discussions.

- The Committee highlighted concern in relation to the proposed cuts to Flood & Water Risk Management as this was a high priority area and could potentially have a big impact on local residents.
- The Committee expressed concern that the proposed reductions would reduce the national reputation of Lincolnshire as an area of excellence in Flood & Water Risk Management and Planning.

- The Committee supported the need to review and consider delivering services in different, innovative ways such as through effective commissioning, the use of charitable trusts or greater recharging for services.
- The Committee suggested that consideration be given to the transition arrangements surrounding the proposed budget reductions and the impact on other Councils at District and Parish levels.
- The Committee highlighted concern in relation to the impact the closure of Whisby and Leadenham household waste recycling centres would have on the environment. The Committee supported the reasons for the closures (such as the level of investment required at the Leadenham site), but expressed concern around possible increase in fly-tipping or illegal waste dumping and the impact this would have on other areas of local government such as District Councils.
- The Committee highlighted concern regarding the proposed reduction in staffing levels to Sustainable Planning and the impact this would have on the Council's ability to have a strong and effective voice in local planning matters and ensuring that the authority can continue to put forward effective bids to secure additional funding for major projects.
- Concerns were raised in relation to proposed cuts to Planning and the risks this would result in should the Council be required to respond to high impact applications, for example fracking, and highlighted the need for effective use of reduced resources.

Highways and Transport Scrutiny Committee – 18 January 2016

During the course of detailed consideration of the budget proposals, the following items were highlighted as a result of the discussions.

- 1) The Committee highlighted concern for public safety in relation to the proposed reduction to the levels of winter maintenance gritting routes from 33% to 25% coverage. Members requested that the Executive reconsider the proposed reduction and look to maintain current winter maintenance levels until the impact of recent efficiencies, such as more effective weather forecasting and greater route optimisation could be further explored and assessed at the end of winter 2015/16.
- 2) The Committee highlighted concern in relation to the proposed additional financial burden on the Children's Services budget of £0.750m given current arrangements involve shared funding of transportation services with Children's Services. Officers confirmed that changes and efficiencies are being considered in relation to Special Education Needs and Disabilities (SEND) transport through more efficient procurement arrangements.
- 3) The Committee supported the development of initiatives and greater cross-sector approaches for service improvements and efficiency savings such as 'Total Transport' and Community Transport Schemes.

- 4) The Committee supported the need to retain staff skills and experience where possible within Highways & Transportation in order to ensure that the authority can continue to put forward effective bids to secure additional funding for major projects.
- 5) The Committee supported investment in new LED technology to reduce street lighting costs, which could lead to a potential saving of £1.70m per year moving forward. Various options for the use of LED technology would be explored.
- 6) The Committee reflected on the potential impact of reductions in bus services, particularly on those living in rural communities and those who had no alternative but to use and rely on public transport.

In addition to the above, the Committee's consideration led to the following points of factual clarification and additional comments:

Public Transport

- The difference in the size of vehicles would mean that Call Connect would be unlikely to cope with the additional demand of school services. Local operators are being asked to look at possible changes to other services to reduce the impact of these changes.
- A proposed potential increase in the size of Call Connect vehicles from 8 to 16 seats was welcomed by Committee members.
- The proposed staffing reductions in the Passenger Transport Unit (PTU) would be profiled over a three-year period and had been managed by vacancy management during the current year.

Concessionary Fares

- The discretionary element of the concessionary fares scheme, which applies before 09:30am, was only available to Lincolnshire residents travelling in Lincolnshire. The Committee supported retaining the discretionary element of concessionary fares.

Bus Services Operators Grant

- The Committee highlighted concerns in relation to the risk of potential changes to the formula & distribution of the commercial Bus Services Operators Grant and that reduced funding could result in further loss of services. This was awaiting confirmation from the Department for Transport.

Accessibility and Smarter Choices

- The Committee highlighted concerns with regards to the proposal to cease bus stop infrastructure works, including the work to ensure that bus stops meet DDA requirements for accessible bus services. The Committee confirmed with officers that buses with inbuilt ramps were designed to operate alongside an appropriately designed raised curb. These vehicles could not be used in other locations, as they would be unsafe owing to the gradient when using the ramp without a raised curb.

Environmental Maintenance

- The Committee highlighted the potential of replacing grass verges at junctions with other materials, however, this would incur a capital cost and potentially would be more expensive than the continuation of limited grass cutting as outlined in the proposals. The primary focus of the proposed levels of grass cutting would be road safety at junctions.

Winter Maintenance

- The Local Authority publishes a 'Gritting Routes and Winter Driving Advice' leaflet which would be updated and published in advance of any changes to the level of gritting provided. Providing Lincolnshire County Council's policies were clear and available, the authority would meet its statutory responsibilities.

Future Operating Model

- The proposed revision to the operating model of the management of the highways network would not result in reduced levels of communication. More information would be made available online to enable public 'self-service'. Contact with members would be maintained, whilst at the same time officer time would be focused on priority activities.

Value for Money Scrutiny Committee – 26 January 2016

The Committee reiterated its comments following the informal financial challenge workshop, where there was general agreement from Members that:

- There was a need to look at maximising income, including reviewing the Council's property and land.
- There should be a review of consultations and County News to see if further savings could be made.

In addition the Committee welcomed the opportunity to have been involved earlier in the budget process.

Members of the Committee requested that in future years the budget report to the Committee should include details of the Executive's responses to the Committee's comments/recommendations.

Members also requested details of the Executive's consideration of any potential impact of the cuts to services in this area on the rest of the authority.

In response to comments about staffing levels in Strategic Communications, the Committee was advised that in 2009 there were 27 members of staff and a separate web team. There were currently 19 members of staff, which included the web team. The Executive Councillor responsible for this area stressed the need for a vehicle to engage with, and inform, the public.

The Committee was advised that there had been more than 8,000 responses from the budget survey carried out in County News.

Overview and Scrutiny Management Committee – 28 January 2016

The Overview and Scrutiny Management Committee made the following comments in relation to the overall budget proposals:

- The Committee expressed its dissatisfaction with the government's settlement for 2016/17.
- Concerns were raised about the impact of the budget reductions on the services affected and the wider impact on other council activities. The Committee urges the Executive to take into account the impact of the budget reductions on other Council activities.
- The Committee was informed that an additional £12.5M of funding had been identified over the last month. The Committee urges the Executive to allocate extra funding from the additional £12.5M to the high priority areas outlined in the report.

Public Consultation – Public Consultation Meetings

The County Council hosted seven public consultation meetings on budget proposals in January throughout the County. These evening events took the form of an officer presentation followed by an open forum for questions and comments on the budget proposals and related matters.

A summary of the issues raised in the open forums is set out below for each meeting:

Tuesday 12 January – WLDC offices, Gainsborough

LCC Attendees:

Cllrs, M Hill, M Jones, R Davies
Pete Moore & David Forbes

Members of Public = 4

Key questions / points raised:

1. Are savings recurrent or one-off?
2. Can we co-locate emergency services to save money on buildings?
3. How much money do we spend on advertising? We see a lot of school adverts and adverts for the council in newspapers and radio.
4. Why do we have to bus so many children around to get to school?
5. Can we save money by consolidating contracts to get efficiencies by joining up with other areas?
6. Why have we had 2 public enquiries re: Lincoln by-pass and how much money has this cost?
7. What assets can the council sell to get one-off money, and can we increase our income?

8. Nationally museums are free to visit, are we going to start introducing charges for our museums?
9. How much money does LCC get from the increased tourism in Lincolnshire?
10. Where is the money going to come from to care for the elderly in the future given the aging population in Lincolnshire?
11. Will small business rate relief continue? Concerns as a small business man that this will cease.
12. Who funds the cycle path infrastructure and will this continue?

Wednesday 13 January – NKDC Offices, Sleaford

LCC Attendees:

Cllrs, M Hill, M Jones, R Davies, S Woolley, B Young, P Bradwell
Pete Moore & David Forbes

Members of Public = 3 (plus 2 members of the press and 2 County Councillors in the audience)

Key questions / points raised:

1. Council Tax increase of 3.95% - isn't the Council limited to a 2% p.a. increase by statute?
2. Are staffing numbers going to reduce further in 2016/17?
3. What actions have you taken to work collaboratively with other local public bodies (e.g. neighbouring County Council's)?
4. Why wasn't flooding included in the County News Survey?
5. The Emergency Route signage was a waste of money.
6. The population in the County is increasing, how does this match with planned reductions to the fire service and public safety.
7. You now have more full time fire-fighters – would it make sense to go back to having more retained fire-fighters?
8. From the survey and from the meeting tonight spending around public safety seems to be your number one priority (e.g. road gritting, school crossing petrol, fire services).
9. Rural bus services – removing these services will hit the old and the young – this service is already sparse in rural areas can this really be cut even further?
10. Are you looking at reducing the number of Household Waste recycling Centres (e.g. Leadenham)? There will be costs associated with fly-tipping if some of these facilities close.
11. How much money do you think Agresso has cost the Council? And how much will this cost you in 2016/17?
12. How many and how much has been overpaid because of Agresso and what is happening to resolve this? This is also having an impact on Schools.

Monday 18 January – Louth Town Hall, Louth

LCC Attendees:

Cllr M Hill, Pete Moore & David Forbes

Members of Public = 38 (plus 3 County Councillors in the audience)

Key questions / points raised:

1. Street lights – will street lights be turned off just at night or completely?
2. Can building infrastructure savings be achieved in Lincolnshire's public bodies?
3. Signs for low level ground risks and safe areas – due to the cost this should have gone through a public consultation. Dissatisfaction on the amount that was spent on the signs.
4. Gritting / road repairs – weather conditions have not been as bad from previous winters therefore where have these monies been spent as there are still concerns over road surface conditions?
5. Understanding the reason for raising council tax due to the central government reductions, and the Council has a difficult task in undertaking this.
6. Highways should be supported, particular with the state of the roads filled with pot holes in the area.
7. Horrified by the state of the reductions, and the harm and impact it can have on services such as community grants, healthy lifestyles, PCSOs, gritting if reduced.
8. Rural bus service (Tetford in particular) – what are the implications to budget reductions to inter-connect and call connect services in the area, and how will the new supplier of a local contract impact the service too?
9. Department for Transport £0.400m investment – what was the outcome of the investment?
10. Post 16 transport – this should be supported particularly for those pupils in rural areas.
11. The Executive budget paper did not show services performance; it only focused on the savings not the entire Council activities; it did not detail about protected funding; statutory and non-statutory services.
12. Should reduce salaries for senior managers at the Council.
13. What is the cost of delivering essential / statutory services?
14. What would be the savings through being a unitary authority and devolution?
15. Have we knocked on the prime ministers door due to the funding cuts Lincolnshire is facing?
16. With schools becoming an academy are education support costs reducing?
17. Health costs – are the Council carrying the health costs?

LCC Attendees:

Cllr M Hill, Cllr Sue Woolley, Pete Moore, David Forbes, Dave Simpson, Karen Spencer and Marianne Marshall

Members of Public = 14 (plus 2 County Councillors in the audience)

Key questions / points raised:

1. Older people significantly contribute to the well being of the community in terms of volunteering and financially therefore Adult Care services should not be reduced. Charging Older People £400 for a financial assessment is an insult.
2. With regards Children Centres where there has already been a scrutiny committee report on their closure;
 - a. Has the decision already been made?
 - b. Can LCC alternatively supply services they provide?
 - c. Has legal advice on their closure been taken?
 - d. Has LCC reviewed alternative services? and
 - e. When will consultation on the closures start?
3. As Lincolnshire has the 3rd lowest council tax why can't you significantly increase this?
4. LCC has been let down by Central Government, significant lobbying is required to ensure they are fully aware of the position they have left Lincolnshire in
 - f. Have LCC joined forces with other Local Authorities?
 - g. Can residents such as people attending these consultation meetings be used to lobby?
 - h. Can we share the cost of services with neighbouring Counties? and
 - i. Can LCC look to develop links with District Councils?
5. Young people need a voice on what services are being cut. LCC must ensure they are not cutting services in the short term that will have a long term effect eg. Public Health
6. Can we allocate funding out on a proportional basis rather than cutting/stopping specific services?
7. LCC should not have taken the Freeze Grant.
8. LCC appearing to roll over and die rather than fighting their corner.
9. How has LCC got itself into this position as we should have been able to see it coming. Instead of providing short term budgets the Council should have acknowledged this was happening and done something about it.
10. LCC should use local communities to help deliver services, therefore should not be looking to cut Community Grants.
11. Prevention is better than the cure and therefore Healthy lifestyles and other preventative services should not be cut.
12. LCC should reduce discretionary times for using concessionary fares and use savings to keep Children Centres open.
13. LCC should reduce Healthy lifestyle campaigns
14. PCSO's are ineffective therefore LCC should stop funding them.
15. Support for stopping domestic abuse is vital and this service should not be cut.
16. Local Residents should sell inheritance to pay for adult care.
17. Why is LCC only proposing a one year budget yet providing four year forecast?
Does LCC have a medium term financial plan?

18. Can LCC make money from disposing commercial waste at the EfW plant and can LCC utilise the heat generated from the plant.
19. Who regulates what comes out of the EfW chimneys
20. LCC should lobby Government to put a tax on sugar based products.
21. Call Connect is vitally important. Is LCC proposing cutting all bus subsidies or just some?
22. Can you explain what lobbying you have done for Lincolnshire?
23. You mention consultation within County News, why didn't I receive a copy?
24. How much less is funding for rural services as opposed to that for the larger urban areas.

Tuesday 26 January 2016 – Boston

LCC Attendees:

Cllr M Hill, Cllr M Jones, P.Moore, D.Forbes Cllr Woolley

Members of Public = 15 (plus 2 County Councillor in the audience)

Key questions / points raised:

1. For the services areas that the public appear least willing to protect, what percentage reduction in those budgets can we expect to see and how much would the saving be from them?
2. Will the Police and Crime Commissioner replace the funding for the possible reductions in PCSOs?
3. How do you expect OAPs to pay increased charges for Adult care?
4. Will there be any changes to the way business rate income is allocated to local authorities?
5. How have you assessed the impact that the cutting of services will have?
6. How can the local authority spend 45% of the budget on contracted services and still deliver value for money?
7. What are the biggest risks arising from possible reductions to services?
8. Is housebuilding in Lincolnshire likely to bring in more older people to the county and thereby add to the budget pressures?
9. Can senior management be cut by 75% (not just the 40% so far), in recognition of the further planned reduction in service budgets?
10. Should the local authority make more information public about how lean it is and the significant responsibilities it carries?

Wednesday 27th January – South Holland Centre, Spalding

LCC Attendees:

Cllrs, M Hill, M Jones,
Pete Moore & David Forbes

Members of Public = 5 (plus 1 member of press and 10 District/County Councillors in the audience).

Key questions / points raised:

1. Post 16 Transport -Reducing service won't actually save any money
2. Capital Projects – Boston flood barrier not a sensible use of resources and the council should cancel the Lincoln by-pass
3. School Transport – Are the council looking to stop free transport to Grammar Schools, there is a need to consider those on low incomes if this is the case.
4. Peppermint Junction Roundabout – When will the work start on this project and why does it cost so much (£4m quoted)
5. Fees & Charges – Will all fees and charges increase by the same rate as the proposed Council Tax increase?
6. Council Funding – What is the difference in funding between rural counties and urban councils
7. Council Funding – Council's needed to shout earlier that the funding was inadequate and now need to shout even louder and lobby the Chancellor.
8. Do you believe Lincolnshire County Council is being disadvantaged because it is perceived as a safe Conservative area?
9. Are you sure that there are no more savings available from staffing and capital budgets?
10. What is the Council's policy with regards to Business Rates for new start-up businesses?
11. Is the proposed Spalding Relief Road really necessary?
12. Rural Bus Subsidies & Preventative Services – If older people lose the right to concessionary bus and other preventative services the cost of other services such as Adult Social Care will increase.
13. The success of the budget survey is amazing; will you be publishing the results? What are the levels of responses by type?
14. Have you considered generating revenue through commercial opportunities?
15. Are you proposing to review outsourced services to ensure value for money?
16. What is included in the balance of reserves quoted on 31 March 2015?
17. Rural Bus Subsidies – Taking away some of the subsidised bus routes will result in the loss of the bus service altogether. How many routes will be affected by the proposed reduction in subsidies?

Thursday 28 January – SKDC Offices, Grantham

LCC Attendees:

Cllrs, M Hill, M Jones, R Davies
Pete Moore & David Forbes

Members of Public = 15 (plus 1 member of SKDC Staff, and 5 District/County Councillors in the audience).

Key questions / points raised:

1. PCSO's – If we cut funding will we have less PCSO's?
2. Get away from salami slicing, delegate highways maintenance to Parish Councils; we could do the pedestrian crossing (£45k) for £15k and save money.
3. We could save money through joint fire and police service.
4. Is two-tier government working? Can we go towards one tier of government? Some smaller councils are not fit for purpose.
5. Some contradiction in the public consultation survey feedback (page 90 appendix)
6. There is a flaw in the survey; people just consider what impacts on themselves. If we cut libraries how can people use the internet? Cut subsidies on buses, people can't get to libraries.
7. We are not the wealthiest county in the world, why are we suffering these cuts. People are being pushed back to poor times; we shouldn't be losing these services that have been created. What is being doing to government to say these cuts are unfair? What lobbying are we doing for Lincolnshire, what are the politicians doing?
8. Right and proper that you consult, it's disappointing that 9,000 out of 700,000 responded. Shows apathy in getting involved.
9. What effect will public opinion have on council setting budget or is it just a token survey?
10. Will we publish the final findings of the budget survey? Make it easily accessible on the website.
11. Have we gone far enough in terms of savings to protect services?
12. Is this reflected in council pay statement? Voluntary sector don't need a pay increase, what pay inflation are we paying?
13. You're going bust if government carries on.
14. You have outsourced expertise and downsized skills, no purchasing skills; you're going to get inflationary increases from contractors.
15. Where can we increase our revenue stream (e.g. bank financial services)? What are we doing to change law?
16. You need a new business plan, need more revenue, not paying an adequate amount of council tax, need to make IT available.
17. Making Revenue – if we are going to protect things we should be trading to make things more efficient.
18. Inference from public that outsourcing loses quality. LCC commissioning policies brought in voluntary sectors has bought in much expertise.
19. I Fund and manage a local charity, are there further cuts envisaged in areas that are supporting local charities? Can there be a gradual withdrawal of funding for charities such as Homestart?
20. I provide IT to local primary schools, funding has to go through Serco, this is agony.
21. Voluntary Sector not frightened of "match funding", don't want to find that funding has suddenly stopped.
22. Council Tax – No growth in base, what if the figure for growth in the tax base?

23. Is there still time to add comments?

24. ASC Prime Providers – Had they agreed the rates before the National Living Wage announcements? What was the impact of this?

Public Consultation – Public Engagement Budget Survey

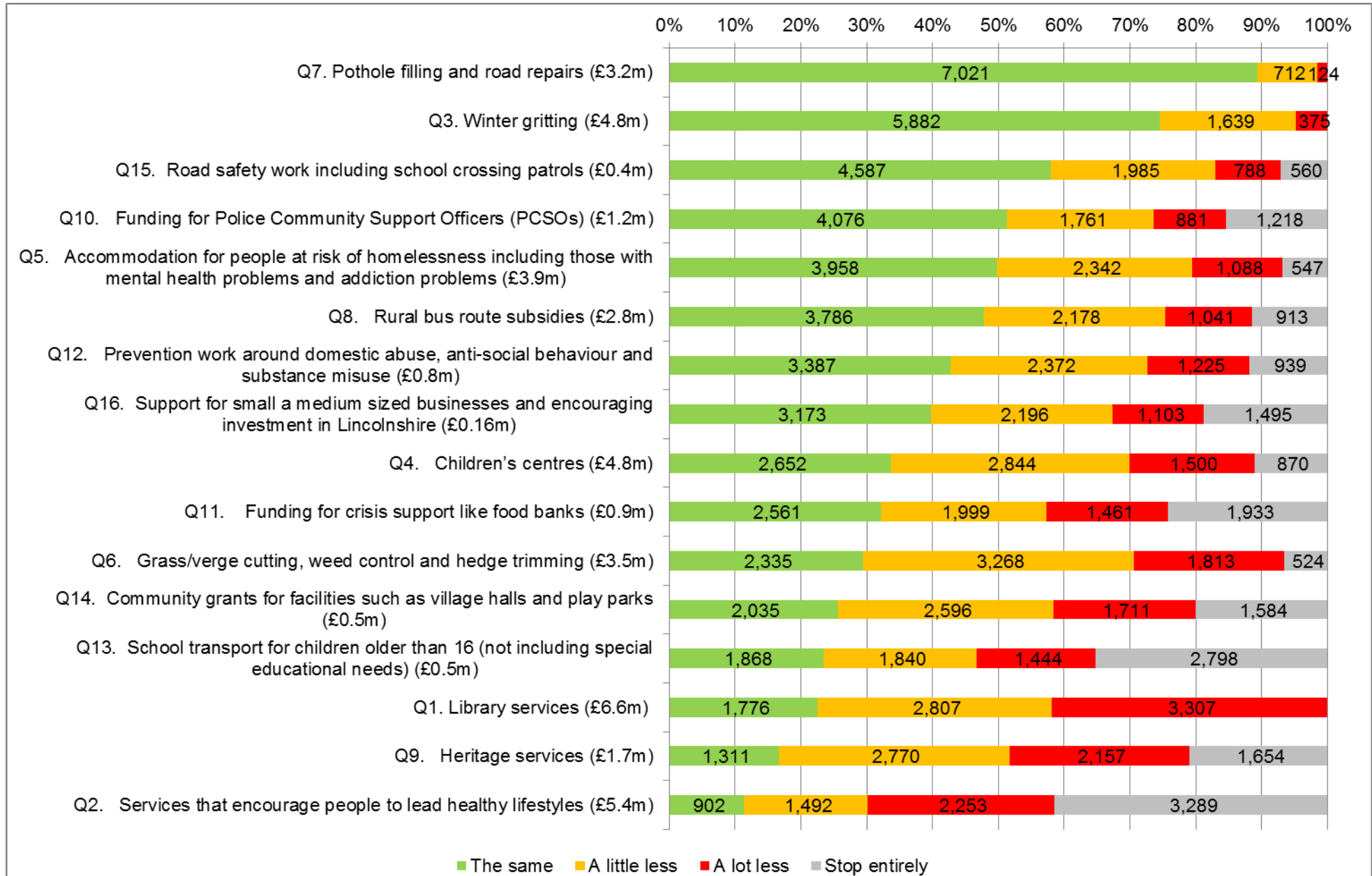
The County Council asked members of the public to complete a survey which considered non-essential areas of spending and whether the Council should spend: the same, a little less, a lot less, or, where possible, stop entirely.

The Council has received and analysed 8,087 responses to the survey. The survey closed on 15 January.

The results from the survey are summarised over:

Please note that the following questions were for services which cannot stop entirely:

- Q1. Library Services (£6.6m);
- Q3. Winter gritting (£4.8m); and
- Q7. Pothole filling and road repairs (£3.2m).



Public Consultation – Comments received from Members of the Public

We have received a number of general responses to the budget proposals consultation and as part of the on-line and County News budget survey. The main points from the responses received are as follows:

There were a number of comments about the survey itself these were mainly:

- No facility to suggest more spending on certain services.
- The total cost of the services highlighted for savings basically was equal to the amount of savings required therefore there was little point to asking for the level of spend on these services.
- More information was required as to what was included in each area to be able to make a valid judgement.
- The list should comprise of all services.

There were many comments on services to cut or reduce funding. These comments were very varied and in most cases there were differences of opinion on each, however, generally the views were:

- Make savings to officer salaries
- Make savings to member allowances and expenses
- Remove free home to school transport especially transport to schools where it isn't the nearest school.
- Funding for Healthy Lifestyles should be reduced or picked up by other organisations
- Funding for PCSO's should be picked up by Lincolnshire Police
- Reduce spending on food banks
- Stop producing County News
- Reduce grass verge cutting
- Reduce translation services costs.
- Reduce funding for Library Services
- Switch off/reduce street lighting.
- Reducing verge mowing.
- Not spending money on flood plans or flood signs.
- Stopping money for the emergency foodbanks.
- The Council should consider reducing spending by:
 - Making quality repairs to the roads, so they last longer.
 - Installing solar panels on the roof of buildings.

There were a large number of comments wishing to maintain current spending levels on:

- Maintaining the roads and in particular pot holes (and increasing road cleaning to help reduce numbers of pot holes).
- Bus Subsidies.
- The Call Connect service.
- Winter gritting, however there were many references to the mild winter with ability to make savings if this continues.
- Domestic Abuse.
- Protection of the vulnerable.
- Councillors Big Society Grants.

There were a number of comments on attracting additional funding or increasing income levels:

- Increase council tax
- A small charge instead of concession fares
- Maximise grants and alternative funding opportunities
- The Council could generate more income by supporting local businesses.

There were a number of general comments particularly on:

- Encouraging partnership working/shared services and other collaborations including moving to a unitary authority.
- Reducing spending on prevention only increases expenditure in the future
- Use Communities to help deliver services
- Lincolnshire has rural communities and expenditure should be focused on these areas as well as in the larger towns and City
- Have the Council undertaken an extensive lobbying of Government to gain extra funding
- Individuals should take responsibility for their own lifestyle choices
- Central Government should provide funding for refugees
- Lincolnshire needs a better transport plan (including a consultation on concessionary fares in peak times).
- Suggests the Council cuts each budget by the same percentage to realise all the savings.
- Mental Health Services should not be in the same budget line as Alcoholic Abuse and the misuse of drugs as some are self-inflicted.
- Would like the Council to operate on a 4 day week to save costs.
- Free transport to the Grammar schools should continue.
- Proposed recycling centres to be closed should be kept open.

Consultation Meeting with External Stakeholders Comments

A Budget Consultation meeting was held with external stakeholders on 22 January 2016.

A list of attendees is detailed below these notes.

The Executive Councillor for Finance and Property, Councillor M S Jones and the County Finance Office, David Forbes, welcomed everyone to the meeting. Attendees were informed that this meeting was part of the normal consultation process which the authority undertook when setting its budget, and provided the opportunity for partners and other organisations to take part in the consultation. It was reported that the proposed budget was also examined by each of the County Council's scrutiny committees who would look in more detail at the budgets for individual service areas. Recommendations would then be made to the full Council at its meeting on 19 February 2016, where the budget would be formally approved.

David Forbes, County Finance Officer, gave a presentation on "Budget Consultation, 22 January 2016", which was a consultation exercise led by the County Council to highlight the Council's current budget and financial outlook for public services over the coming year. The presentation highlighted the following main points:

- It was reported that there had been a recent announcement regarding the complete localisation of business rates for local authorities, Lincolnshire only had a partial localisation, but this was likely to change in the coming years;
- It was clarified that 'Education Services' referred to services that supported schools, rather than the money for schools;
- 18 months ago the Executive undertook a public consultation exercise to set the priorities for the Council, which remain as safeguarding children and adults; maintaining and developing highway infrastructure; managing flood risk; Supporting communities to support themselves; and Fire and Rescue services;
- The current budget strategy went back almost 5 years to the previous coalition government. During this time the Council had achieved savings of £125m through efficiency savings, and used £23 from the reserves;
- The previous year, the Council had only been able to set a one year budget due to the change of government and so this was the sensible thing to do. Going forward, the Council had an aspiration to set a 2 year budget, but the extent of the funding reductions was not known, and they were much worse than expected, and the Council has been unable to set a balanced budget for 2016/17 without the significant use of reserves;
- The time for efficiency savings had passed, now the main option would be service reductions;
- In terms of current spend, the service area with the biggest gross spend was Adult Care at £191million;
- In gross expenditure, the biggest amount was spent on agency and contract services which was the provision of services, where services were bought from the private and voluntary sectors;
- Lincolnshire's profile was relatively unique amongst county councils for the amount spent on agency services;
- In terms of specific grants, the biggest single grant was from Public Health at around £30million;
- Of the business rates which were allocated to Lincolnshire (£106m total) only £20m came from business rates collected in Lincolnshire. The remaining amount was a top up from central government. However, the way this was calculated could change again in the next few years;

- The Revenue Support Grant was the general government grant to local authorities which was unringfenced and could be spent by Councils on the provision of services;
- Of the other income collected, £35-40m was from Adult Care charges, the nature and level of which were set, in the main, by central government;
- It was reported that it was expected that by 2019/20 the revenue support grant would have been reduced to £20million. In the 10 year period from 2010, this equated to a 90% reduction in this government grant;
- There were unavoidable cost pressures which the council would have to meet e.g. increase in the national minimum wage;
- It was proposed to increase council tax by 3.95%, the maximum it could be raised by without going out to referendum. It was noted that this increase included an additional 2% which councils responsible for adult care could implement. This additional money collected had to be spend on Adult Care services;
- It was proposed to £22m from reserves this year, and £39m next year. However, this would mean that the Council was close to exhausting its reserves;
- Staffing numbers continued to fall;
- The County Council currently outsourced a lot of its services, such as IT, personnel, property, finance and catering. The administration of the pensions scheme was currently carried out by the City of Bradford Council as this was more efficient;
- Staff terms and conditions had been changed, by the reduction of travel allowances and sickness;
- £125m had been invested in an Energy from Waste facility in North Hykeham in order to save £13m per year in landfill charges;
- Additional funding from the Better Care Fund had been announced, but it would not start for another two years, and would not have a significant impact until 2018. However, a reconfiguration of the New Homes Bonus from 2018 would in effect, divert £800m of this funding to part fund the Better Care Fund. This could have an effect on district councils in particular;
- The county council received its provisional Local Government Finance Settlement on 17 December 2015. However, the Government had made an offer of a four year deal, but this was not very attractive and would lead to higher than anticipated reductions. This offer would also redistribute the revenue support grant away from Shire counties to London Boroughs and metropolitan areas. It was noted that Lincolnshire was the least worse affected of the Shire counties. It could mean that some could lose up to £12m. The government was being asked to reconsider this;
- Changes in legislation meant that if authorities were able to raise income by selling assets, they could use that money to fund revenue costs of transformational projects which were designed to save money;
- The authority still faced funding difficulties in the next few years, and it did not have the reserves to cover the estimated budget shortfalls;
- There were increasing cost pressures due to the demographics of the County, as data showed a 10 year population growth of over 50% in the 75+ age group, which were the major client base for adult care services. The net spend on adult care services was estimated to rise to £180m by the end of the decade;
- The proposal was to use reserves to fund the £38.7m shortfall in the 2016/17 budget;
- Adult care was one of the biggest cost pressures, and every year there were more and more people that came into the system which were eligible for adult care. Of these many were elderly, but there were also young people with learning disabilities who were moving from children's services to adult care;
- In terms of the impact of the increase in the National Minimum wage, this would not really affect county council staff, but it would have an effect on many contracts such as those for domiciliary care;

- There was a cost pressure with the mixed dry recycling contract, as there was no longer any income from recycling plastics, due to the reduction in oil prices;
- No service was completely protected from savings. The Council was looking at the services it had to provide;
- In terms of reserves, there were two types – the General Reserve (£15.9m) and Earmarked Reserves (£169.8m). The general reserve was funding for unforeseen emergencies/events. Earmarked reserves included money which either did not belong to LCC (e.g. schools) or was a grant for specific purposes such as the better care fund or growth point funding, and accounted for about £86.9m. Of the remaining amount, £22m was being used to supplement this year's budget, and £39m was required to balance the 2016/17 budget;
- The ongoing commitment to major infrastructure schemes such as the Lincoln East/West Link (£15m); Lincoln Eastern Bypass (£48m); Grantham Southern Relief Road (£36m); Spalding Relief Road (£12m); Boston Flood Barrier (£11m), was being maintained. It was noted that this was not the total scheme cost, but just LCC's contribution;
- It was proposed to increase the Council Tax by 3.95% next year, which would equate to an annual increase of £42.90 for a Band D property or 82p per week. The majority of properties (68.5%) in the county were less than Band D. Lincolnshire was likely to retain its position as having one of the lowest levels of council tax for an English Shire County;
- An additional £9.2m would be generated by the 3.95% increase;
- Consultations had taken place with the public via the website; with scrutiny committees throughout January; business, trade unions and partners via this meeting, as well as 7 planned public engagement meetings throughout the county, of which 4 had taken place. Over 9000 people had completed the online questionnaires and paper copies of the preferences for service reduction survey from County News/website, many of which with additional comments. According to the responses received, the highest rated services in terms of limited or no reductions were pothole filling and roads maintenance; winter gritting; road safety work; funding for Police & Crime Support Officers (PCSO's) and accommodation for people at risk of homelessness. The services deemed capable of stopping altogether or having major reductions were libraries; school transport for the over 16's; encouraging healthy lifestyles; and community grants.
- The localisation of business rates was announced by the Chancellor in Autumn 2015. This would include the phasing out of the Revenue Support Grant and complete localisation of business rate income by 2020. It was reported that there was still a lot of detail to be worked out over the next two years including how to deal with areas where business rates retention would create a deficit compared to the current scenario. The changes would mean that local authorities would be able to benefit from these changes by increasing the business rates.

During the course of discussion, the following points were noted:

- £148m was spent on employee expenses and £260m on agency and contracted services. It was queried whether there would be any savings by bringing some of these services back in house. It was noted that some of this was historical and related to how efficiencies were achieved. There could be a time when it became an option to do these things internally;
- The population of Lincolnshire was spread fairly evenly across the county, and adult care carried out 4000 visits per day, it would be very difficult to do this from an in house perspective. When it came to commissioning contracts, there was always an option to bring it back in house;
- The cost pressures from the increase of the national minimum wage could make a move back in house for some services more attractive;
- Could more powers be given to parish councils to carry out repairs etc. as one parish raised funds was fixing its own potholes;
- A lot of work was going on in this area, and the work of all three tiers of local government was valued. There was a need to work together to solve the problems which were now being faced;
- There had been a significant fall in the number of compensation claims received by the Council, and the authority did really well with the money which was available. It was also noted that the authority was very successful at bidding for extra cash from government when it became available;
- Concerns were raised regarding the potential closure of fire stations, as fire and rescue was a valued service to the communities of Lincolnshire. It was also noted that an extra activity Fire and Rescue had taking on was co-responding with the ambulance service, it was acknowledged that this was a valuable service, and was this a financial risk if funding could not be secured in future years. It was queried whether the blue light collaboration project would offer any better savings than closing fire stations;
- The Better Care Fund was negotiated annually, and these negotiations were just about to start. If funding for co-responding could not be secured in the future, the County Council would need to consider whether it could continue to provide this service;
- Like PCSO's co-responding was a service that the county council was happy to provide when it could afford it, but there would be a need to look at core business, and for Fire and Rescue that was protecting people from fire and fire prevention work. The rescue aspect was also an important part. Fire and Rescue had always been a priority, but this did not mean that funding could be ring fenced. The authority could not afford to say that it would definitely ring fence fire and rescue and protect it from cuts, as this would mean that funding would have to be taken from other budgets;
- In terms of the blue light collaboration project, this was being looked into, but there were no savings identified in the budget yet;
- There were concerns in relation to the changes to business rates. The devolution of business rates had not been expected, but there was still a fundamental need for a review of business rates. With the increased availability of the internet, there were a lot businesses based only online that did not pay business rates. Business rates were going to be an incredibly important part of the local spend. The devolution of business rates would change the relationship between the local authority and businesses. It was queried what plans there were for the next 3/4 years to establish contact with businesses;
- It was still too early to know how the changes to business rates would work out, and it was acknowledged that there would need to be a change of relationship, and the

authority would need to be ahead of what was happening on the ground, as things could change quite quickly;

- There was concern about the business rates as well as Lincolnshire only received £20m, the rest came from the redistribution by the government. If this stopped there were questions about how much this amount would be. There was a need to be aware of the risks, and for the authority to work more closely with businesses;
- The town centre management and Chamber of Commerce in Lincoln would be keen to assist in lobbying government on the business rates issue;
- It was noted that there was no correlation between business rate growth and adult care need growth;
- School transport for over 16's was subsidised, and would continue to be provided, but pupils may need to pay more;
- It was commented that there was need for more work in relation to encouraging healthy lifestyles, but it could not be afforded. It was suggested that the NHS should reclaim money from patients treated for drug, smoking and alcohol related issues, and was there anything the local authority could do to change this. It was noted that those people who bought these things legally were paying substantial amount of tax which contributed towards care for these types of illnesses. This was an issue which was constantly under debate. It was also noted that the County Council occasionally received public health grants specifically for campaigns to target one issue;
- It was acknowledged that Public Health's preventative agenda actually generated savings for the NHS and not the County Council;
- It was queried whether there was any research on the impact of not having post 16 transport. It was clarified that the Council was not trying to suggest that it should stop over 16's from accessing transport. It was more about what the authority could afford to subsidise and by how much;
- Attendees were assured that the comments made during the consultation period would be taken on board and would feed into discussions. However, it did not mean that the Council had to deliver on all of it. The discussions held at scrutiny committees also helped to shape the decisions which were made and members of the Executive were encouraged to attend these meetings to hear the discussions which were held;
- It was confirmed that benchmarking against other similar authorities did take place, and Lincolnshire was a member of the County Council Network which was an opportunity to share best practice and identify areas where authorities collectively wanted to lobby government;
- Were there more opportunities to work with North Lincolnshire and North East Lincolnshire Councils on things such as waste collection? It was acknowledged that services such as waste collection and disposal were areas where efficiencies could be looked into further, as the public generally did not mind who collected their bins, it was just 'the council';
- In terms of the four year offer from government for the revenue support grant, the next stage was for the government to take note of the consultation and produce the final settlement. It was believed that this could have been around the 3/4 February 2016, but it could be later as there had been a lot of activity from rural area MP's lobbying against the reallocation of funding for adult care;
- If the authority took the offer, it would need to produce an efficiency plan, which should have been done as part of the budget for this year, however, it was possible that the government was starting to move away from this. The efficiency plan would need to set out the planned cuts for the next four years. This would not be information that the authority would be able to give at this time;
- It was commented that the Council's strategic investment in Lincoln in terms of the tourism at the castle had made a step change, and could be a case study on how

investment had made a measurable difference, as a difference in the number of people visiting had been seen. The challenge now was to maintain those visitor numbers. It was acknowledged that this had been a long term vision and the County Council would continue to invest;

- There would be a need to do things better, and do things smarter, and the authority would continue to look for ways to use public money wisely;
- There was an asset disposal programme running, as the Council did not need as many buildings, and was working its way out of expensive leases;
- There was an ongoing multi million pound savings programme in place to ensure that the authority was as efficient as possible, and it was still looking for efficiencies in the way it does business;
- It was queried what the savings would be if all the services in the results of the survey, that people thought could be stopped, were stopped? The model change for the libraries would generate about £1m and following the procurement process another £400,000. Increasing the subsidy for post 16 transport could generate £500,000. In terms of the public health grant for health lifestyles work, this could only be spent on eligible services, which could include some services provided by children's centres. There were some services which met the criteria better than others;
- It was a really valuable survey, but there was a need for caution to ensure that it did not take away from other important areas;
- The survey did give an idea of what the public thought were priorities to them. 9000 was a significant number of responses, and it was positive that it had engaged the public more. It was noted that over 30 people had attended a public engagement meeting on the budget in the last week in Louth.

The comments made at today's meeting would be reported to the Executive at its meeting on 2 February 2016 and the final budget would be approved at the meeting of Full Council on 19 February 2016.

RESOLVED

That the points made at this meeting be submitted to the meeting of the Executive scheduled to be held on 2 February 2016.

The meeting closed at 11.55am.

Present	Representing
Councillor Jeff Summers	West Lindsey District Council
Paula Pilkington	South West Lincolnshire Clinical Commissioning Group
Freddie Chambers	Lindum Group
Cllr A Newton	LCC & SHDC
Dan Taylor	Lincolnshire Fire Brigades Union
Russell Stone	North Kesteven District Council
Louise Allison	City of Lincoln Council
Matt Corrigan	Lincoln BIG
Reg Breirley	RJB Consultants
Ken Rustidge	NUT
Phil Roberts	North Kesteven District Council
Councillor M S Jones	Lincolnshire County Council
Councillor C L Strange	Lincolnshire County Council
Councillor R G Davies	Lincolnshire County Council
David Forbes	Lincolnshire County Council
Dave Simpson	Lincolnshire County Council
Michelle Grady	Lincolnshire County Council
Councillor B Young	Lincolnshire County Council
Councillor R B Parker	Lincolnshire County Council
Rachel Wilson	Lincolnshire County Council

Response from North Kesteven District Council – Budget proposals for 2016/17 – Whisby Household Waste Recycling Centre (HWRC)

Councillors at the meeting of North Kesteven District Council on Thursday 28 January 2016 debated the proposed changes to HWRC provision which are the subject of current consultation. Cllr Mrs P Woodman MBE proposed, Cllr Mrs S Waring seconded and it was resolved:

‘To express concerns to Lincolnshire County Council Executive Board about the proposed closure of the Whisby Civic Amenity Site and ask them to take account of the following before Lincolnshire County Council makes a final decision at their budget setting meeting that takes place in February’

- **The Consultation process** – the recent consultation in ‘County News’ made no mention of HWRC provision among the list of discretionary services on which the public were asked to express a view regarding future funding levels. Indeed Waste Disposal appeared under the heading ‘What vital services can’t be cut?’ The Council were disappointed by this lack of transparency and considered that as a partner in Lincolnshire waste services, North Kesteven District Council had not been consulted directly regarding the proposals to reduce HWRC provision;
- **Accessibility to services by North Kesteven residents** – the proposed closure of the Whisby HWRC would primarily impact residents in two District Council Wards (Bassingham and Brant Broughton and Eagle, Swinderby and Witham St. Hughes.) Residents in parts of these Wards would face a return journey to the Great Northern Terrace HWRC, on the far side of Lincoln, which could in some cases be in excess of 20 miles. This would considerably inconvenience residents by increasing significantly the travel time to dispose of waste (particularly during the current long term city-centre traffic restrictions) and would increase both the transportation costs and the carbon emissions resulting from their journeys. Furthermore, this is likely to exacerbate local conditions as the traffic and queuing time into Great Northern Terrace is likely to be significantly increased by additional usage;
- **Impact on fly tipping** – anything that makes disposal at an HWRC more difficult potentially has an impact on residents’ decisions as to how to dispose of their waste. It is possible that this could lead to an increase in fly tipping in our district – the costs of clear up being borne by North Kesteven District Council. Thus a decision by Lincolnshire County Council to reduce its costs may have the effect of increasing the costs to the District Council.

I would be obliged if you would confirm that these points will be considered and taken into account when the final budget decision on this matter is taken.

FINANCIAL STRATEGY

1 Spending and council tax

- 1.1 Resources will be allocated in revenue and capital budgets to support and promote achievement of the Council's Business Plan and statutory responsibilities.
- 1.2 Total spending and the council tax will be set with regard to:
- the impact on Lincolnshire service users;
 - the impact on Lincolnshire council tax payers;
 - the impact on the local economy;
 - government requirements, in particular likely council tax referendum thresholds or other government constraints; and
 - the impact on the County Council of local council tax support schemes set by the District Council's in Lincolnshire.

The Council will aim to keep the level of council tax one of the lowest in the country and remain in the lowest quartile of all English county councils.

- 1.3 The Council will implement a planned programme of major improvement, efficiency and transformation projects derived directly from key strategies such as the commissioning council model.

The programme will aim to achieve substantial savings to keep the Council's spending within the funding available from government grants and the council tax, and to allow modest development and improvement of priority services where possible.

Savings will be achieved through improved efficiency wherever possible.

The Council will seek to identify and assess appropriate opportunities to engage in partnership/shared services initiatives with other partners in the public, voluntary and private sectors where this will result in tangible efficiency improvements.

- 1.4 Revenue and capital budgets, typically covering at least three years, will be prepared and set realistically, taking into account the Council's key strategies. However, in setting budget timeframes, close regard will be given to the current programme of comprehensive spending reviews undertaken by the incumbent Government.

2 Financial standing

- 2.1 The Council will maintain its general reserves within a range of 2.5% to 3.5% of its annual budget requirement.

The Overview and Scrutiny Management Committee will consider the adequacy of the Council's reserves each Autumn by reviewing a financial risk assessment of the overall financial standing of the Council.

- 2.2 A number of earmarked reserves will be maintained where considered prudent to do so. A specific earmarked reserve will be maintained to assist the Council in dealing with the inherent volatility now present in the funding regime for local government.

All Earmarked Reserves will be reviewed on a periodic basis. Any reserves no longer required for their original purpose will be transferred into general balances.

- 2.3 The Council will implement its Risk Management Strategy and keep it under review, including the maintenance and regular review of a Corporate Risk Register.
- 2.4 The Council will annually review and report on its governance arrangements including the system of internal control and address any significant governance issues.
- 2.5 The Audit Committee will monitor the effectiveness of risk management and governance arrangements.
- 2.6 The Council will maintain an internal audit function operating in accordance with the CIPFA Code of Practice.
- 2.7 The Council will operate a combination of internal and external insurance arrangements. The balance between internal and external insurance will be reviewed at each insurance tender, and on each occasion the opportunity will be taken to examine the cost effectiveness of alternative combinations of internal and external insurance. The Council's external insurance needs will be tendered at the end of each Long Term Agreement, which is usually between five and seven years.

3 Financial management standards

- 3.1 Training and information will be provided which is appropriate for the financial skills required of councillors, including treasury management.

A finance seminar for councillors will typically be held each Autumn to brief councillors on the overall financial standing of the Council, the latest developments in local government funding and key issues relating to the upcoming budget setting process.

- 3.2 A comprehensive continual profession development programme covering all the key aspects of financial competencies will be delivered to ensure officers accountable for finance are able to carry out their role effectively.
- 3.3 The County Finance Officer must ensure that appropriate training and development in financial competencies is provided to meet agreed needs.
- 3.4 He/she must also ensure that appropriate, specialist financial expertise is available to provide good quality financial advice to the Council and to manage its financial affairs.
- 3.5 He/she will seek actively to improve financial performance in any poorer performing areas of the Council.

4 Financial decision making

- 4.1 The Executive Director of Finance and Public Protection will provide comments on financial implications, compliance and value for money as necessary for all decisions to be taken by the Council, Executive or Executive Councillors.
- 4.2 Business cases and option appraisals, in a format agreed by the County Finance Officer, will be completed and agreed before all major revenue and capital projects, developments and change programmes are commenced.

5 Budget management

- 5.1 The Executive and officers discharging executive functions must manage within approved budgets.
- 5.2 Executive Directors and budget holders must:
- Monitor and report financial performance monthly;
 - Control expenditure and income within their area against approved budgets; and
 - Take any action necessary to avoid exceeding approved budgets.
- 5.3 Executive Members will monitor financial performance on a monthly basis.

The Overview and Scrutiny Management Committee and the Executive will:

- Receive detailed quarterly reports on performance and spending;
 - Seek detailed explanations from executive directors where expenditure is not being managed within approved budgets; and
 - Review financial performance at each year end.
- 5.4 The Council's organisational arrangements will reflect the principles of good financial management. They will:
- Promote budget ownership;
 - Establish clear responsibility and accountability; and
 - Recognise budget management as an essential part of good management.

6 Budget changes

- 6.1 The Council's Constitution requires that decisions can only be taken in line with the Council's approved budget. Decisions which would be contrary to, or not wholly in accordance with the budget approved by full Council will only be taken by full Council following a recommendation from the Executive, subject to the budget reallocation rules set out at paragraph 6.3 below.
- 6.2 Changes to the budget which increase the Council's total expenditure and require either the use of the Council's general reserves or increased borrowing must be referred by the County Finance Officer to the Executive for consideration before being referred to the full Council for approval.

6.3 Subject to the above, budgets can be reallocated between service headings as follows:

- Reallocations of up to £250k may be approved by the relevant Executive Director and should be notified to the Executive Director Finance and Public Protection;
- Reallocations of between £250k and £500k may be approved by the relevant Executive Councillor/s in consultation with the County Finance Officer and the relevant Executive Directors; and
- Reallocations over £500k will be considered by the Executive and must be approved by the full Council.

Budget reallocations within service headings will be made in line with Directorate Schemes of Authorisation.

7 Carry forward of over and under spendings

7.1 All under and overspendings on service revenue budgets of up to 1% will be carried forward without exception.

The use of all underspendings on service budgets in excess of 1% will be considered by the Executive and decided by the full Council.

The means of funding all overspendings on service budgets in excess of 1% will be considered by the Executive and decided by the full Council.

7.2 All under and overspendings on the following budgets will be carried forward without exception:

- All capital budgets;
- Dedicated Schools Budgets;
- All specific grants; and
- Revenue budgets relating to formally constituted shared services will be carried forward reflecting the joint ownership of such funds.

Earmarked Reserves will be maintained for areas where expenditure is uneven in its nature (for example: insurance and Adverse Weather). Each year any under spendings on these revenue budgets will be transferred into the reserve, and any over spendings funded from the reserve, up to the maximum available in the reserve.

8 Expenditure

8.1 The Council will acquire goods and services to achieve best value in accordance with Procurement Lincolnshire's Sustainable Procurement Strategy in order to:

- Deliver year on year efficiencies but not at the cost of quality; and
- Develop and embrace socially responsible procurement that delivers value for money, promotes the local economy, and takes into account the social and environmental impact of spending decisions.

- 8.2 Undisputed invoices will be paid in line with either contracted terms or within 30 days on a reasonable endeavours basis.

The Council will seek actively to resolve disputed invoices.

- 8.3 Procurement and payment processes will utilise available technology where appropriate including e-procurement and the use of procurement cards.

9 Income

- 9.1 The Council will review its policies on fees and charges for discretionary services bearing in mind the impact on both service users and council tax payers.

- 9.2 The Council will aim to collect all the income owed to it, to collect it promptly, and to take effective action to pursue non-payment, taking into account the circumstances of the individual debtor.

- 9.3 Income collection processes will utilise available technology where appropriate including the use of the on-line payments and credit cards.

- 9.4 The Council will not seek to use the discretionary power to set a Supplementary Business Rate unless there is general support from Lincolnshire businesses.

10 External funding and partnerships

- 10.1 The Council will work with partners and national bodies to ensure that Lincolnshire receives appropriate levels of government grant.

- 10.2 The Council will consider annually as part of the budget setting process the merits and risks associated with pooling business rates with all or some of the Lincolnshire District Councils.

- 10.3 The Council will consider annually as part of the budget setting process the merits and risks associated with pooling resources with Clinical Commissioning Groups or other regional health bodies in relation to the potential integration of services.

- 10.4 In deciding whether or not to make a bid for external funding or enter into a pooled funding arrangements Directors, Executive Councillors or the Executive must ensure that:

- The project or fund contributes to the Council's corporate objectives;
- Matched funding is available within existing budgets;
- Partner contributions are confirmed;
- Risks are assessed and minimized including:
 - Where funding is linked to the achievement of specific outcomes or identified performance measures.
 - Where success relies on others.
- The Council has the capacity to deliver the outcomes and timescales required; and
- There is a clear exit strategy where external funding is for a limited period.

And must consider:

- The probability of success in obtaining funding, particularly in relation to the resource costs of preparing bids;
- Co-ordination of bids and initiatives within the Council and with partners; and
- Whether the project represents value for money.

10.5 Approval for external funding bids should be sought from:

- the appropriate Executive councillor or the Executive – for projects costing more than £250,000;
- officers authorised to bid for external funding under directorate Schemes of Authorisation – for projects costing less than £250,000.

10.6 The County Finance Officer must ensure that:

- Costs, benefits and risks are assessed fully before partnership agreements are made;
- Governance, accountability and reporting arrangements are appropriate and clear; and
- Financial arrangements are appropriate and safeguard the Council's interests.

11 Funding the capital programme

11.1 The Council will actively dispose of surplus assets where appropriate in order to reinvest in capital assets.

11.2 Capital spending will be funded largely through long-term borrowing in accordance with government policy.

Consideration will be given as part of developing the annual treasury management strategy to the use of the Council's existing cash resources to delay the need to undertake external borrowing, known as internal borrowing.

11.3 Annual provision will be made for the repayment of long term borrowing. The amount repaid will be related directly to the useful life of the assets acquired through borrowing so that debt is not outstanding after an asset's useful life.

11.4 Provision for the repayment of long term borrowing including interest will not exceed a long term limit of 10% of annual income from general government grants, and council tax.

12 Accounting and financial processes

12.1 Strong financial controls will be maintained with the County Finance Officer responsible for determining or agreeing all financial processes, systems and financial records used by the Council.

- 12.2 Accounting policies will comply fully with International Financial Reporting Standards and statutory regulations as set out in the CIPFA Code of Practice on Local Authority Accounting in the UK. The annual statement of accounts will give a true and fair view of the financial position and transactions of the Council in the opinion of its external auditor.

13 Treasury management

- 13.1 The Council will comply at all times with the CIPFA Code of Practice on Treasury Management and related locally determined statements, strategies and practices.

The Council will provide a treasury management service to its Pension Fund.

- 13.2 The Council will employ external treasury management advisors and will outline the service received and the arrangements in place with the advisors within the Annual Treasury Management Strategy. The overall responsibility for risk management and control of the treasury operation rests with the Council.

- 13.3 The committee responsible for the scrutiny of the treasury management function is the Value For Money Scrutiny Committee, which will receive the Treasury Management Strategy and Annual Report on an annual basis and also quarterly monitoring reports throughout the year that will compare activity against approved strategy. Quarterly monitoring reports will also be made to the Pensions Committee in respect of the management of its cash resources.

Members and officers will receive appropriate training to assist them in discharging their roles regarding treasury management.

- 13.4 The Council will finance long term debt relating to capital expenditure at periods and interest rate levels that minimise the cost to the Council. The total level of long term debt will be managed within prudential levels pre-determined by the Council. The maturity profile of long term debt will also be managed with the aim of achieving an even maturity structure.

- 13.5 The Council will actively pursue debt rescheduling to the extent that it will generate financial savings without adding significantly to the overall debt burden.

- 13.6 The Council will operate a lending strategy in line with best professional practice that seeks to minimise the risk of capital loss while maximizing the income return to the Council. Priority will be given to security and liquidity over return within the lending strategy at all times.

- 13.7 When making investments, the Council will make use of a wide range of information, including credit ratings, financial press, market data and other relevant information, when determining an appropriate counterparty creditworthiness policy. Limits which diversify investments over country, sector and counterparty group will be applied.

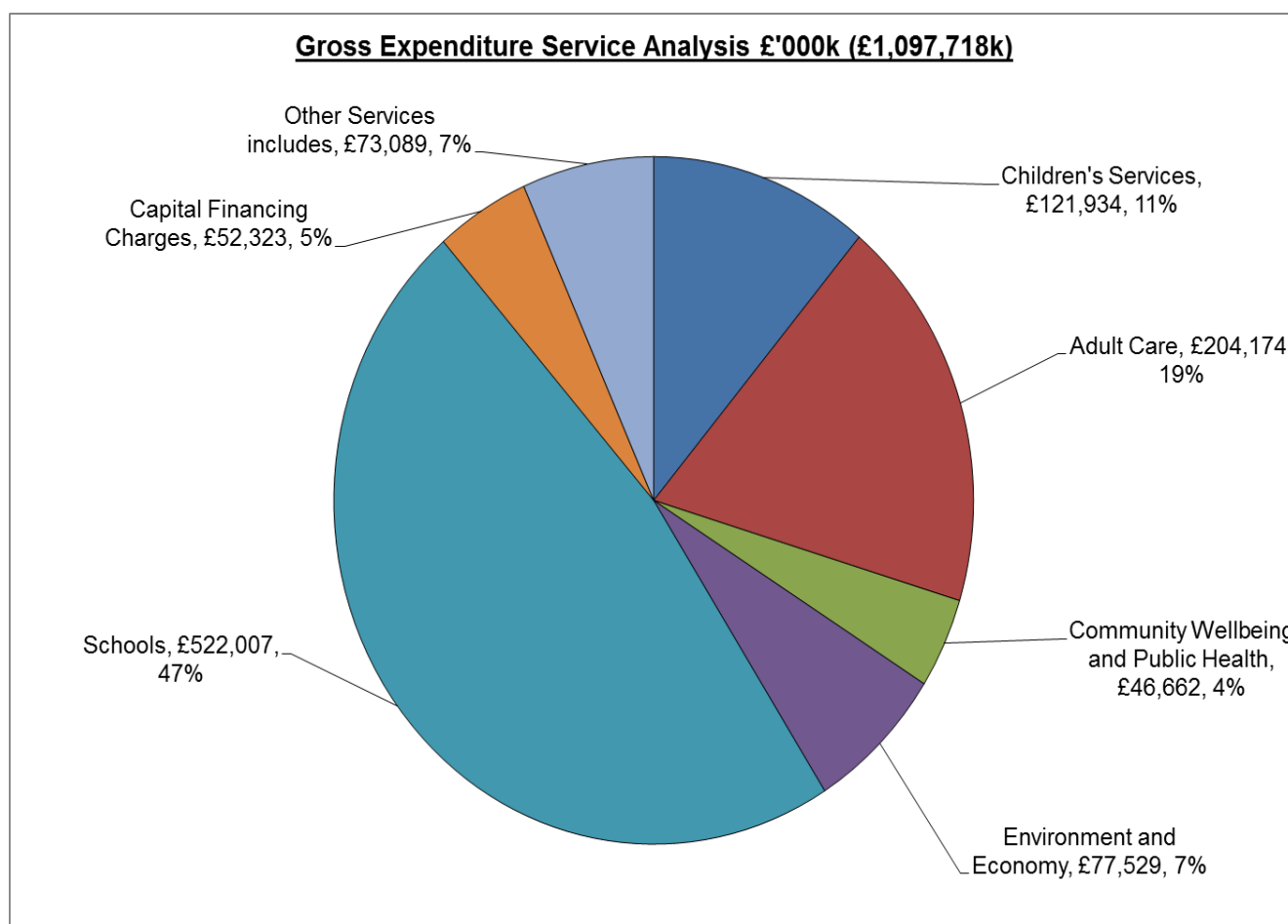
14 Performance measures and targets

- 14.1 Implementation of the Financial Strategy will be monitored and managed with reference to the measures of financial health and performance set out in the **APPENDIX F**.
- 14.2 The Financial Strategy will be reviewed at least every four years at the start of each new Council or when circumstances suggest an earlier review would be advisable.
- 14.3 Further details and guidance can be found in the Council's Financial Procedures.

KEY FINANCIAL PERFORMANCE MEASURE: FINANCIAL HEALTH AND PERFORMANCE

REF	PERFORMANCE INDICATOR	MEDIUM TERM TARGET	2015/16 Estimate	2016/17 Estimate
1	Council tax compared with other counties	In lowest quartile of all English county councils (out of 27 county councils).	Yes	Yes
2	Government grants	Lobby for annual increases in general government grants to be above the county average.	Yes	Yes
3	Capital receipts	At least £2.0m per annum from 2015/16.	£2.000m	£7.615m
4	Minimum Revenue Provision and Interest	MRP and Interest repayments not to exceed 10% of net income	5.96%	6.69%
5	Accounting	Unqualified external audit opinion.	Yes	Yes
6	General Reserves	Maintained within the range of 2.5% to 3.5% of the annual budget requirement net of Dedicated Schools Grant.	Within range 3.5%	Within range 3.5%
7	Internal control	None of the processes audited receive a "no assurance" opinion from internal audit.	Yes	Yes
8	Income collection	Overall top quartile performance compared with other counties (100 = top quartile).	85.0	85.0
9	Expenditure - prompt payment	At least 90% of undisputed invoices paid within 30 days.	Less than 90.0%	90.0%
10	Treasury management	Risk adjusted return comparison.	Weighted Benchm'k	Weighted Benchm'k

GRAPHICAL REPRESENTATION OF THE REVENUE BUDGET 2016/17



Children's Services includes: Readiness for School, Learn and Achieve, Children are Safe & Healthy and Readiness for Adult Life.

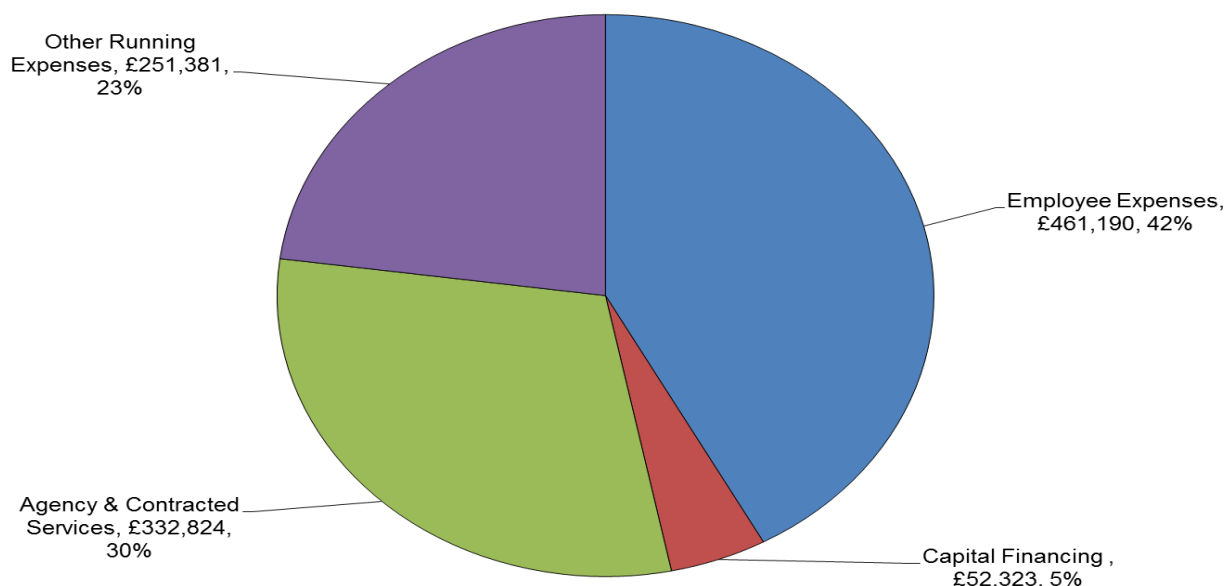
Adult Care Includes: Adult Safeguarding, Adult Frailty, Long Term Conditions and Physical Disability, Carers and Adult Specialities.

Community Wellbeing and Public Health includes: Community Resilience & Assets and Wellbeing

Environment and Economy includes: Sustaining & Developing Prosperity Through Infrastructure, Protecting & Sustaining the Environment and Sustaining & Growing Business & the Economy.

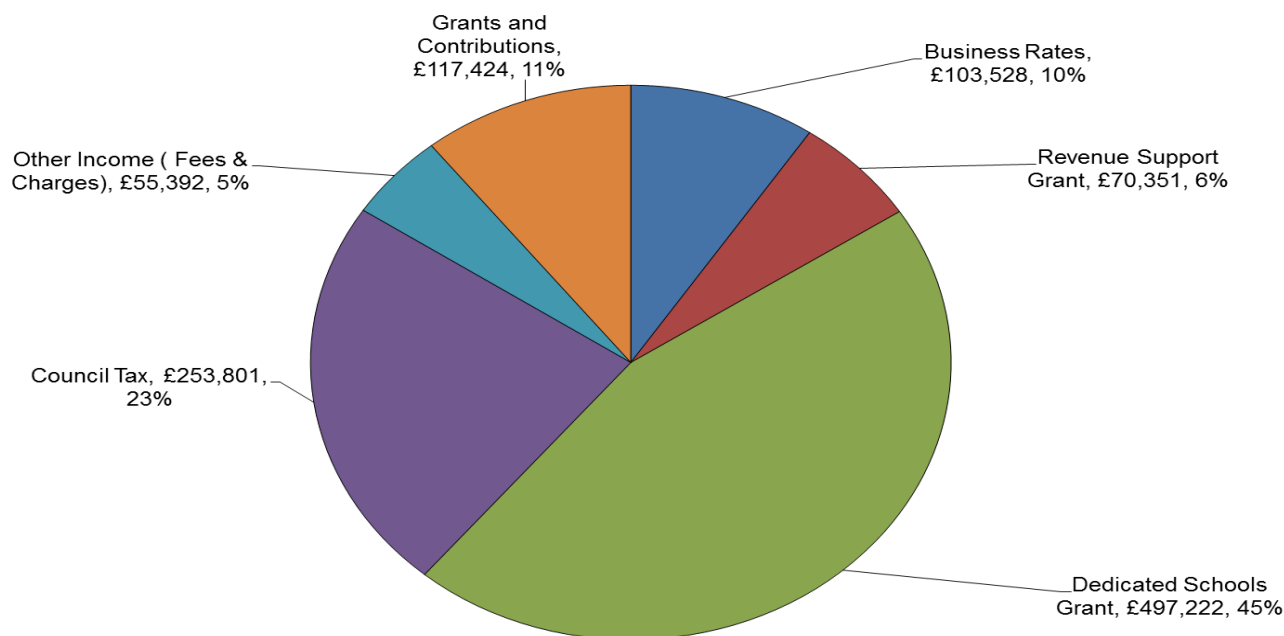
Other Services includes: Protecting the Public, How We Do Our Business and Enablers & Support to Council Outcomes, Contingency Budgets, Transfer to/from Earmarked Reserves and General Reserves.

Gross Expenditure Subjective Analysis £'000k (£1,097,718k)



The distribution of budgets differs significantly between different services. For example employee expenses comprise 58% of budgeted expenditure in schools, for other (non-schools) budgets it is only 27% of budgeted expenditure.

Sources of Finance £'000k (£1,097,718k)



Dedicated Schools Grant. Lincolnshire has been awarded £497.222m, which is for all schools in Lincolnshire including local authority schools and Academies. Approximately half of all pupils attend academy schools. Therefore, it is expected that this figure will be revised down by half for funding to academy schools. DGS is a ring-fenced grant that is passed directly through to schools.

REVENUE GOVERNMENT GRANTS 2016/17

The revenue budget for 2016/17 includes the following Government Grants which have been allocated to the County Council:

	£'000
<u>Council's Non-Specific Grants</u>	
Revenue Support Grant (*1)	70,351
Education Services Grant (*2)	4,791
SEND Implementation Local Allocation	478
New Homes Bonus	4,284
Extended Rights to Free Travel (Local Services Support Grant)	632
Inshore Fisheries Conservation Authorities (Local Services Support Grant)	128
Rural Services Delivery Grant	6,892
Transition Grant	11
<u>Schools Budgets</u>	
Dedicated Schools Grant (ring-fenced) (*3)	497,222
Pupil Premium (*4)	27,295
<u>Service Budgets</u>	
Public Health Grant (ring-fenced)	34,050
Total Revenue Grants	646,134

(*1) Revenue Support Grant in 2016/17 includes the Lead Local Flood Authorities funding and the Care Act Implementation Grant which was awarded separately in 2015/16. The Rural Services Delivery Funding which was included in this figure in 2015/16, has been awarded to the Council separately in 2016/17.

(*2) Education Support Grant is budgeted at £4.791m. This reflects the Council's estimate of pupil numbers and funding rates per pupil in local authority and academy schools in 2015/16. The grant is paid on a quarterly basis with each payment being adjusted as schools convert to Academies throughout the financial year.

(*3) Dedicated Schools Grant. Lincolnshire has been awarded £497.222m, which is for all schools in Lincolnshire including Local Authority Schools and Academies. Approximately half of all pupils attend academy schools, therefore it is expected that this figure will be revised down by half for funding to academy schools. DGS is a ring-fenced grant that is passed directly through to schools.

(*4) Pupil Premium. Similarly to the DSG, the pupil premium allocation for Lincolnshire covers both the allocations for local authority and academy schools. The figure for 2016/17 (£27.295m) is currently an estimate, based on the grant expected to be received in 2015/16, as there have been no changes to grant allocation methodology. The final allocation for 2016/17 is not expected to be announced until June 2016.

APPENDIX I

REVENUE BUDGET COST PRESSURES AND SAVINGS BY COMMISSIONING STRATEGY

	2016/17 COST PRESSURES (*1) £'000	2016/17 SAVINGS £'000
Readiness for School	109	-896
Learn & Achieve	521	-3,550
Readiness for Adult Life	137	-1,464
Children are Safe & Healthy	4,980	-589
Adult Safeguarding	40	-1,500
Adult Frailty, Long Term Conditions & Physical Disability	11,147	-5,032
Carers	0	0
Adult Specialities	4,608	-661
Community Resilience & Assets	544	-3,031
Wellbeing	123	-6,045
Sustaining & Developing Prosperity Through Infrastructure	-29	-5,754
Protecting & Sustaining the Environment	1,790	-948
Sustaining & Growing Business & the Economy	49	-506
Protecting the Public	785	-2,880
How We Do Our Business	178	-676
Enablers & Support to Council Outcomes	634	-3,370
Total Commissioning Strategy Budgets	25,616	-36,902
Other Budgets	6,920	-5,856
Total Expenditure	32,536	-42,758

(*1) Please note that cost pressures also include inflation.

CHANGES BETWEEN THE 2015/16 BUDGET AND THE 2016/17 BUDGET

	Impact on budget	
	£'000	%
COST PRESSURES:		
Pay Inflation	1,415	0.32%
Employer National Insurance Contributions Increase wef April 2016	2,659	0.60%
Learn and Achieve	294	0.07%
Children are Safe & Healthy		
Full year effect of the 0-5 Children's Public Health Grant	4,166	0.94%
Adult Frailty, Long Term Conditions and Physical Disability		
Community/Home Support Inflation and Demographic Pressures	1,356	0.30%
Long Term Placements Inflation and Demographic Pressures	2,733	0.61%
Funding of inflation and Demographic pressures for Integrated Commissioning arrangements	5,000	1.12%
Adult Frailty, Long Term Conditions and Physical Disability - Other Cost Pressures	1,727	0.39%
Adult Specialities		
Long & short term residential care Inflation and Demographic Pressures	2,605	0.59%
Adult Specialities - Other Cost Pressures	1,874	0.42%
Community Resilience & Assets	398	0.09%
Sustaining & Developing Prosperity Through Infrastructure	-500	-0.11%
Protecting & Sustaining The Environment		
Mixed Dry Recycling Costs	1,700	0.38%
Protecting the Public	182	0.04%
Enablers & Support to Council Outcomes	7	0.00%
Other Budgets		
Funding for National Living wage increases	4,790	1.08%
Changes in Capital Financing Costs	2,087	0.47%
Other Budgets -Other Cost Pressures	43	0.01%
TOTAL COST PRESSURES:	32,536	7.31%

SAVINGS:		
Readiness for School	-896	-0.20%
Learn and Achieve		
Home to School Transport - Procurement	-1,250	-0.28%
Learn and Achieve - Other Savings	-2,300	-0.52%
Readiness for Adult Life	-1,464	-0.33%
Children are Safe & Healthy	-589	-0.13%
Adult Safeguarding		
Best Interest Assessments - reduction to additional funding to reflect expected change in legislation	-1,500	-0.34%
Adult Frailty, Long Term Conditions and Physical Disability		
Additional funding from the Better Care Fund for LHAC	-1,750	-0.39%
Review of contributions policy to reflect Care Act and maximising income	-1,025	-0.23%
Adult frailty, Long Term Conditions and Physical Disability - Other Savings	-2,258	-0.51%
Adult Specialities	-661	-0.15%

Community Resilience & Assets		
Library Needs Assessment Savings	-1,000	-0.22%
Community Resilience & Assets - Other Savings	-2,031	-0.46%
Wellbeing		
Health Improvement Activities	-1,863	-0.42%
Health Improvement, Prevention & Self Management and associated prescribing costs	-1,339	-0.30%
Wellbeing - Other Savings	-2,843	-0.64%
Sustaining & Developing Prosperity Through Infrastructure		
Transport - bus subsidies	-1,200	-0.27%
Highway Asset Maintenance - Reduction in Area Maintenance Team, street lighting and grass cutting	-2,356	-0.53%
Sustaining & Developing Prosperity Through Infrastructure - Other Savings	-2,198	-0.49%
Protecting & Sustaining The Environment	-948	-0.21%
Sustaining & Growing Business & The Economy	-506	-0.11%
Protecting the Public		
Preventing and Reducing Crime - Removal of PCSO Grant to Lincs Police and Other Community Safety Initiatives	-1,387	-0.31%
Protecting the Public - Other Savings	-1,493	-0.34%
How We Do Our Business	-676	-0.15%
Enablers and Support to Council Outcomes		
Business Support - Staffing Restructuring and Realignment	-1,283	-0.29%
Enablers and Support to Council Outcomes - Other Savings	-2,087	-0.47%
Public Health Grant	-1,378	-0.31%
Other Budgets		
Use of Capital Receipts Income to fund Transformation Costs	-4,500	-1.01%
Other Budgets - Other Savings	-1,356	-0.30%
TOTAL SAVINGS:	-44,137	-9.92%

Other Movements:		
Use of Earmarked Reserve (change over last year)	2,906	0.65%
Release of Funding from the General Fund Balance (change over last year)	-500	-0.11%
TOTAL OTHER MOVEMENTS:	2,406	0.54%

TOTAL CHANGE IN BUDGET REQUIREMENT:	-9,195	-2.1%
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Reduction in funding from Revenue Support Grant (RSG)	-24,319	-5.5%
Reduction in other council general grants	-6,611	-1.5%
Increase in other council general grants	814	0.2%
New Grant - Rural Services Delivery Grant	6,892	1.5%
New Grant - Transition Grant	11	0.0%
Decrease in Business Rates (including Pooling Income and Section 31 Grant)	-550	-0.1%
Business Rates Collection Fund Surplus/Deficit	-1,979	-0.4%
Increase in Council Tax Base and Council Tax Collection Fund Surplus	16,547	3.7%
TOTAL CHANGE IN GENERAL GRANT AND COUNCIL TAX INCOME:	-9,195	-2.1%

EARMARKED RESERVES

	Actual Balance as at 31 March 2015 £'000	Planned Use / Contribution in 2015/16 £'000	Estimated Balance as at 31 March 2016 £'000	Planned Use / Contribution in 2016/17 £'000	Estimated Balance as at 31 March 2017 £'000
Balances from dedicated schools budget including those held by Schools under a scheme of delegation	31,568	0	31,568		31,568
Other Earmarked Reserves					
Other Services	2,167	-2,167	0		0
Adverse Weather	1,000	0	1,000		1,000
Insurances	6,220	0	6,220		6,220
Schools Sickness Insurance Scheme	788	0	788		788
Museum Exhibits	144	0	144		144
Development - Economic Development Reserve	443	0	443		443
Health and Wellbeing	2,177	0	2,177		2,177
Development - Lincs Coastal Country Park	373	0	373		373
Legal	1,967	-1,098	869		869
Procurement	825	0	825		825
Salix Carbon Management	166	33	199		199
Safer Communities Development Fund	833	0	833		833
Community Safety Development Fund	473	0	473		473
Co-Responders Services	150	0	150		150
Financial Volatility Reserve - Budget Shortfall	21,871	-2,906	18,965	-18,965	0
Financial Volatility Reserve	31,634	-8,965	22,669		22,669
Teal Park	50	0	50		50
Youth Service Positive Activities Development Fund	107	0	107		107
Corby Glen/South Lincolnshire Sports Fund	171	0	171		171
Youth Offending Service	363	0	363		363
Domestic Homicide Reviews	100	0	100		100
Civil Parking Enforcement	313	0	313		313
Support Service Contract Reserve (FDSS)	2,632	0	2,632		2,632
Roads Maintenance Reserve	2,203	-2,000	203		203
New Salt Dome Willingham	200	0	200		200
Planning Appeals Reserve	80	0	80		80
Adoption Reform Reserve	600	0	600		600
Community Advisors Reserve	156	0	156		156
Local Welfare Provision Reserve	416	110	526		526
Property Management	250	0	250		250
Energy from Waste Lifecycles	1,286	0	1,286		1,286
Broadband Project	135	0	135		135
Broadband Clawback	157	0	157		157
Flood and Water Risk Management	431	0	431		431
Young People in Lincolnshire	334	0	334		334
Members Big Society	8	0	8		8
Lincoln Eastern Bypass (LEB)	500	0	500		500
Unsuitable Transport Routes	100	0	100		100
Families Working Together	611	0	611		611
Enterprise Schemes	191	0	191		191
Asbestos Pressure	50	0	50		50
DAAT Pooled Budget	265	-18	247		247
Other Earmarked Reserves	82,940	-17,011	65,929	-18,965	46,964
Revenue Grants and Contributions Unapplied	55,317	-30	55,287		55,287
Total Earmarked Reserves	169,825	-17,041	152,784	-18,965	133,819

PRUDENTIAL INDICATORS

PRUDENTIAL INDICATORS		2015/16	2016/17	2017/18	2018/19
PRUDENTIAL INDICATOR TARGETS					
External Debt:					
1	<u>Authorised limit for external debt -</u> The authority will set for the forthcoming financial year and the following three years an authorised limit for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities <u>Authorised limit for external debt -</u> borrowing other long term liabilities Total	£m 569.078 14.938 584.016	£m 584.851 14.198 599.049	£m 611.799 13.722 625.521	£m 637.747 13.107 650.854
2	<u>Operational boundary -</u> The authority will set for the forthcoming financial year and the following three years an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities <u>Operational boundary -</u> borrowing other long term liabilities Total	£m 545.078 12.938 558.016	£m 560.851 12.198 573.049	£m 587.799 11.722 599.521	£m 613.747 11.107 624.854
Treasury Management Indicators:					
Interest Rate Exposures The Authority will set for the forthcoming financial year and the following three years upper limits to its exposures to the effects of changes in interest rates. These prudential indicators relate to both fixed and variable interest rates.					
3	<u>Upper limit for fixed interest rate exposure</u> Net principal re fixed rate borrowing less investments	£m 640.563	£m 640.563	£m 640.563	£m 640.563
4	<u>Upper limit for variable rate exposure</u> Net principal re variable rate borrowing less investments	192.169	192.169	192.169	192.169
Gross Debt The Authority will ensure that gross debt does not, except in the short term, exceed the total of Capital Financing Requirement (CFR) in the preceding year plus the estimates of any additional CFR for the current and next two financial years. This is to ensure that over the medium term debt will only be for a capital purpose.					
5	<u>Gross Debt and the Capital Financing Requirement</u>	✓	✓	✓	✓
Borrowing in Advance of Need The Authority will set for the forthcoming financial year and the following three years upper limits to its Borrowing in Advance of need.					
6	<u>Borrowing in advance of need limited to percentage of the expected increase in CFR over 3 year budget period. (Voluntary Indicator).</u>	25%	25%	25%	25%
Total principal sums invested for periods longer than 364 days Where a local authority plans to invest, for periods longer than 364 days the local authority will set an upper limit for each forward year period for the maturing of such investments					
7	<u>Upper limit for total principal sums invested for over 364 days</u> (per maturity date)	£m 40.000	£m 40.000	£m 40.000	£m 40.000

PRUDENTIAL INDICTORS TO NOTE																	
8	Repayment of minimum revenue provision and interest will not exceed 10% of Net Revenue Stream including Dedicated Schools Grant (Voluntary Indicator)	5.96%	6.69%	7.18%	7.75%												
9	Estimates of capital expenditure - The Authority shall make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the two following years. Reported in the Revenue Budget and Capital Programme to Full Council	✓	✓	✓	✓												
10	Ratio of Financing Costs to Net Revenue Stream The Authority will estimate for the forthcoming financial year and the following three years the ratio of financing costs to Net Revenue Stream, including Dedicated Schools Grant.	5.89%	6.58%	6.94%	7.43%												
11	Capital Financing Requirement The Authority shall make reasonable estimates of the total of capital financing requirement at the end of the forthcoming financial year and the following three years. Estimate of the Capital Financing Requirement for the Authority Estimate of Gross External Borrowing	£m 596.583 500.424	£m 599.970 505.072	£m 631.704 537.246	£m 640.563 546.676												
12	Estimate of the incremental impact of Capital Investment decisions on the Council Tax The Authority will calculate the addition or reduction to Council Tax that results from any proposed changes to the capital programme Band D Council Tax	-£2.07	£22.29	£11.63	£15.66												
13	Treasury Management: The Authority has adopted the CIPFA's Code of Practice for Treasury Management in Public Services Treasury Management Indicator:	✓	✓	✓	✓												
14	<u>Maturity structure of new fixed rate borrowing</u> The Authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of borrowing under 12 months 12 months and within 24 months 24 months and within 5 years 5 years and within 10 years 10 years and above	<table><tr><th>upper limit</th><th>lower limit</th></tr><tr><td>25%</td><td>0%</td></tr><tr><td>25%</td><td>0%</td></tr><tr><td>50%</td><td>0%</td></tr><tr><td>75%</td><td>0%</td></tr><tr><td>100%</td><td>0%</td></tr></table>				upper limit	lower limit	25%	0%	25%	0%	50%	0%	75%	0%	100%	0%
upper limit	lower limit																
25%	0%																
25%	0%																
50%	0%																
75%	0%																
100%	0%																

CAPITAL PROGRAMME

Capital Programme (2016/17 plus Future Years)	Revised Net Programme 2015/16 £'000	Grants and Contributions 2015/16 £'000	Gross Programme 2015/16 £'000	Revised Net Programme 2016/17 £'000	Grants and Contributions 2016/17 £'000	Gross Programme 2016/17 £'000	Revised Net Programme Future Years £'000	Grants and Contributions Future Years £'000	Gross Programme Future Years £'000
Children's Services									
<u>Readiness for School</u>									
Other Readiness for School	153	0	153	0	0	0	0	0	0
Sub Total	153	0	153	0	0	0	0	0	0
<u>Learn and Achieve</u>									
Devolved Capital	-19	1,344	1,325	0	1,338	1,338	0	1,338	1,338
Provision of School Places (Basic Need)	0	11,434	11,434	0	12,006	12,006	0	0	0
School Condition / Maintenance Capital	-63	0	-63	0	0	0	0	0	0
Schools Modernisation / Condition Capital	122	5,421	5,543	0	5,421	5,421	0	5,421	5,421
Academy Projects	1,290	0	1,290	0	0	0	0	0	0
Other Learn and Achieve	1,489	0	1,489	0	0	0	0	0	0
Sub Total	2,819	18,199	21,018	0	18,765	18,765	0	6,759	6,759
<u>Readiness for Adult Life</u>									
Other Readiness for Adult Life	-4	0	-4	0	0	0	0	0	0
Sub Total	-4	0	-4	0	0	0	0	0	0
<u>Children are Safe and Healthy</u>									
Other Children are Safe and Healthy	602	0	602	0	0	0	0	0	0
Sub Total	602	0	602	0	0	0	0	0	0
Adult Care									
<u>Adult Frailty, Long Term Conditions and Physical Disability</u>									
Adult Care	471	1,875	2,346	0	1,875	1,875	0	0	0
Better Care Fund - Disabled Facility Grants	0	2,970	2,970	0	2,970	2,970	0	0	0
Sub Total	471	4,845	5,316	0	4,845	4,845	0	0	0
Community Wellbeing and Public Health									
<u>Community Resilience and Assets</u>									
Libraries	1,095	0	1,095	0	0	0	0	0	0
Sub Total	1,095	0	1,095	0	0	0	0	0	0
Environment and Economy									
<u>Sustaining and Developing Prosperity Through Infrastructure</u>									
Highways Asset Protection	1,968	31,012	32,980	0	28,431	28,431	0	77,478	77,478
Integrated Transport	3,880	3,312	7,192	0	3,312	3,312	0	9,936	9,936
Lincoln Eastern Bypass	2,000	0	2,000	37,524	35,000	72,524	3,992	14,950	18,942
Lincoln East-West Link	10,375	0	10,375	1,403	0	1,403	0	0	0
Spalding Relief Road (Phase I)	0	0	0	0	0	0	10,000	0	10,000
Grantham Southern Relief Road	137	9,200	9,337	11,500	18,000	29,500	23,500	0	23,500
Transforming Street Lighting	400	0	400	6,000	0	6,000	0	0	0
Lincolnshire Waterways	993	0	993	0	0	0	0	0	0
Skegness Countryside Business Park	1,073	0	1,073	0	0	0	0	0	0
Historic Lincoln	-2,143	3,952	1,809	0	0	0	0	0	0
Other Sustaining and Developing Prosperity Through Infrastructure	2,284	0	2,284	0	0	0	0	0	0
Sub Total	20,967	47,476	68,443	56,427	84,743	141,170	37,492	102,364	139,856

Capital Programme (2016/17 plus Future Years)	Revised Net Programme 2015/16 £'000	Grants and Contributions 2015/16 £'000	Gross Programme 2015/16 £'000	Revised Net Programme 2016/17 £'000	Grants and Contributions 2016/17 £'000	Gross Programme 2016/17 £'000	Revised Net Programme Future Years £'000	Grants and Contributions Future Years £'000	Gross Programme Future Years £'000
Protecting and Sustaining the Environment									
Flood Defence	6,000	0	6,000	0	0	0	0	0	0
Boston Barrier	0	0	0	11,000	0	11,000	0	0	0
Bourne Household Recycling Centre	1,450	0	1,450	0	0	0	0	0	0
Boston Household Recycling Centre	250	0	250	1,250	0	1,250	0	0	0
Other Protecting and Sustaining the Environment	2,849	0	2,849	0	0	0	0	235	235
Sub Total	10,549	0	10,549	12,250	0	12,250	0	235	235
Sustaining and Growing Business and the Economy									
Other Sustaining and Growing Business and the Economy	245	0	245	0	0	0	0	0	0
Sub Total	245	0	245	0	0	0	0	0	0
Finance and Public Protection									
Protecting the Public									
Youth Offending	26	0	26	0	0	0	0	0	0
Fire and Rescue	2,692	0	2,692	5,208	0	5,208	0	0	0
Fire Fleet Vehicles and Associated Equipment	1,183	0	1,183	624	0	624	15,429	0	15,429
Sub Total	3,901	0	3,901	5,832	0	5,832	15,429	0	15,429
Enablers and Support to Council's Outcomes									
Broadband	13,409	4,500	17,909	0	0	0	0	0	0
Infrastructure and Refresh Programme	2,601	0	2,601	750	0	750	0	0	0
Replacement ERP Finance System	2,812	0	2,812	0	0	0	0	0	0
Care Management System (CMPP)	1,781	0	1,781	0	0	0	0	0	0
IMP Development	38	0	38	0	0	0	0	0	0
ICT Development Fund	2,690	0	2,690	0	0	0	0	0	0
Property	7,080	0	7,080	2,950	0	2,950	0	0	0
Property Rationalisation Programme	5,991	0	5,991	700	0	700	0	0	0
Property Contingency	0	0	0	0	0	0	0	0	0
Sub Total	36,402	4,500	40,902	4,400	0	4,400	0	0	0
Other programmes									
New Developments Capital Contingency Fund	3,000	0	3,000	7,500	0	7,500	0	0	0
Sub Total	3,000	0	3,000	7,500	0	7,500	0	0	0
TOTAL	80,200	75,020	155,220	86,409	108,353	194,762	52,921	109,358	162,279

SUMMARY OF CAPITAL SCHEMES FROM THE 2016/17 PROGRAMME

The Council's Capital Programme includes the following schemes which are due to be undertaken in 2016/17:

Children's services:

- Programme of expansion and new build construction of school buildings to meet the statutory responsibility for provision of educational places.
- Programme to improve the condition of the school estate, for example roofing, boiler replacements and window replacements.

Adult Care

- Schemes including: Extra Care Housing; Telecare/Telehealth; Disable Facilities Grants; Modernisation and Minor Works & Health and Safety.

Environment and Economy:

- Maintenance of roads, bridges, safety fencing, street lighting, signs and lines, and traffic signals.
- Integrated transport schemes across the County including minor capital improvements, rights of way, road safety, public transport and town/village enhancements.
- Lincoln Eastern Bypass, Lincoln East-West Link Road and Grantham Southern Relief Road – three major new roads projects.
- Boston Barrier Scheme - investment in infrastructure around the Environment Agency flood risk scheme.
- Construction of a new waste recycling centre in Boston.
- Street Lighting transformation to integrate new technology.

Finance and Public Protection:

- New fire station builds at Sleaford and maintenance and improvement programme to ensure fire properties remain fit for purpose.
- Replacement of fire-fighters' personal protective equipment.
- Rolling programme for the replacement of fire and rescue fleet vehicles and associated equipment.
- Repairs, maintenance and improvement to council properties.
- Property rationalisation programme, projects throughout the County.
- General IT programmes including: IT development; Replacement of PC's and other IT equipment and ICT infrastructure.

Other Programmes:

- A council wide budget has been created to fund any schemes that are currently in the development stage. This funding will be awarded to these schemes on the approval of their business cases throughout 2016/17.

CAPITAL GOVERNMENT GRANTS 2016/17

The Capital Programme for 2016/17 includes the following Government Grants which have been allocated to the County Council:

	£'000
Adult's Social Care Capital Grant	1,875
Better Care Fund - Disabled Facility Grants (*1)	2,970
Highways Asset Maintenance	28,431
Highways Integrated Transport	3,312
Schools Basic Needs	12,006
Schools Condition Allocation	5,421
Schools Devolved Formula Capital	1,338
Total Capital Grants	55,353

(*1) Better Care Fund - Disabled Facility Grants. Funding to be passported to the Lincolnshire District Council's for delivery of the service.

Note: the Adult Social Care Capital Grant, the Better Care Fund - Disabled Facilities Grant and the Schools Condition and Devolved Formula Grants are indicative figures only.

Further grants included in the programme will be received on a claim basis as spend is incurred.

SUMMARIES OF COMMISSIONING STRATEGY REVENUE ESTIMATES

REVENUE EXPENDITURE - READINESS FOR SCHOOL

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	8,369,223	
	BUDGET CHANGES:		
2	Inflation	37,896	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	70,838	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Commissioned activities in Children's Centres	- 661,538	Ref 4 The full year effect of reductions in commissioned activities in Children's Centres that were undertaken in 2015/16.
5	Support to Childcare Providers	- 234,800	Ref 5 Savings achieved through a new delivery model following the early help and birth to five review.
6	2016/17 BUDGET	7,581,619	

REVENUE EXPENDITURE - READINESS FOR SCHOOL

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	CHILDREN'S CENTRES - CENTRE COSTS	4,798,477	54,487	4,852,964
2	CHILDREN'S CENTRES - COMMISSIONED SERVICES	1,801,087	-607,291	1,193,796
3	EARLY EDUCATION	1,769,659	-234,800	1,534,859
4	NET TARGET BUDGET	8,369,223	- 787,604	7,581,619

REVENUE EXPENDITURE - LEARN AND ACHIEVE

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	36,073,460	
	BUDGET CHANGES:		
2	Inflation	79,624	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	147,462	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Home to School/College Transport Centres	- 1,470,000	Ref 4 Procurement efficiencies for special schools, an increase in post 16 charges and reducing the capacity within the transport review team.
5	University Technology College	- 161,330	Ref 5 To end the additional transport provision provided for the UTC from September 2016, and to provide the same offering as all other schools in Lincolnshire in line with the agreed policy.
6	SEND High Cost Equipment	- 187,500	Ref 6 The provision of high cost equipment will be met by another funding source.
7	School Improvement	- 1,083,333	Ref 7 Saving resulting from a sector-led approach to the service.
8	Children with Disabilities	- 203,807	Ref 8 Decommission the supported employment team.
9	Music Service	- 204,000	Ref 9 Removal of the Council's contribution towards the Music Service. Central government grants will remain with the service.
10	SEND Grant	54,106	Ref 10 An increase in the SEND grant. The Government announced on the 29th January 2016 Local Authority allocations for 2016/17 (Lincolnshire's allocation: £477,599).
11	2016/17 BUDGET	33,044,682	

REVENUE EXPENDITURE - LEARN AND ACHIEVE

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	SCHOOL SUPPORT SERVICES	926,089	-119,615	806,474
2	PARENT PARTNERSHIP	187,110	3,917	191,027
3	SCHOOL IMPROVEMENT	2,330,521	-1,083,333	1,247,188
4	STATEMENTING PROCESS AND INTERVENTION	3,006,468	134,473	3,140,941
5	HOME TO SCHOOL/COLLEGE TRANSPORT	25,168,248	- 1,630,213	23,538,035
6	SCHOOL ADMISSIONS AND OTHER EDUCATION COSTS	271,597	7,389	278,986
7	CHILDREN WITH DISABILITIES	3,804,353	- 147,399	3,656,954
8	SUPPORTED EMPLOYMENT	379,074	- 193,997	185,077
9	NET TARGET BUDGET	36,073,460	- 3,028,778	33,044,682

REVENUE EXPENDITURE - READINESS FOR ADULT LIFE

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	6,245,971	
	BUDGET CHANGES:		
2	Inflation	48,200	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	89,930	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Career Guidance	- 847,156	Ref 4 Decommission part of the careers service while retaining some capacity for tracking young people. The Local Authority will also review other school trading activities to fully assess their cost and operational effectiveness - this will include services from other commissioning strategies.
5	Positive Activities for Young People	- 109,911	Ref 5 To decommission the Duke of Edinburgh Award scheme.
6	Teenage Pregnancy	- 191,878	Ref 6 A decision was previously made on decommissioning this service and savings will be realised in 2016/17.
7	Supported Accommodation	- 315,990	Ref 7 The contract for housing 16 and 17 year olds plus care leavers had been re-commissioned and savings for 2016/17 will be achieved. Public Health will continue to commission services for vulnerable young people aged 18-25.
8	2016/17 BUDGET	4,919,166	

REVENUE EXPENDITURE - READINESS FOR ADULT LIFE

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	14 - 19 EDUCATION/TRAINING AND APPRENTICESHIPS	99,035	3,756	102,791
2	CAREER GUIDANCE	1,307,539	-820,197	487,342
3	POSITIVE ACTIVITIES FOR YOUNG PEOPLE	1,840,381	-78,614	1,761,767
4	TEENAGE PREGNANCY	191,878	- 191,878	
5	SUPPORTED ACCOMMODATION/LODGINGS	1,336,303	- 315,990	1,020,313
6	LINCS SECURE UNIT	- 412,211	71,904	- 340,307
7	LEAVING CARE	1,883,046	4,214	1,887,260
8	NET TARGET BUDGET	6,245,971	- 1,326,805	4,919,166

REVENUE EXPENDITURE - CHILDREN ARE SAFE AND HEALTHY

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	54,568,283	
	BUDGET CHANGES:		
2	Inflation	281,775	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	532,718	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Family Support	- 217,826	Ref 4 Savings achieved through integrating family support capacity.
5	Commissioning and Performance	- 135,000	Ref 5 Reduced staffing capacity in the commissioning and performance teams.
6	Targeted Support - Young People	- 185,794	Ref 6 Reduction in capacity of support service for young people.
7	CAMHS (Section 75)	- 50,000	Ref 7 Removal of the counselling for grief and loss service.
8	0-5 Children's Public Health Grant	4,166,000	Ref 8 The transfer of Public Health commissioning responsibilities for children aged 0-5 from NHS England to Local Authorities on 1 October 2015. The full year budget is £8,332,000 in 2016/17.
9	2016/17 BUDGET	58,960,156	

Page 101

100

REVENUE EXPENDITURE - ADULT SAFEGUARDING

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	3,255,543	
	BUDGET CHANGES:		
2	Inflation	12,269	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	27,284	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	DoLs Best Interest Assessments	- 1,500,000	Ref 4 Reduction in original funding made to address DoLs to reflect expected change in legislation
5	2016/17 BUDGET	1,795,096	

REVENUE EXPENDITURE - ADULT SAFEGUARDING

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	FIELDWORK TEAM	1,245,368	39,553	1,284,921
2	BEST INTEREST ASSESMENTS	1,930,175	- 1,500,000	430,175
3	SAFEGUARDING BOARD	80,000	0	80,000
4	NET TARGET BUDGET	3,255,543	- 1,460,447	1,795,096

REVENUE EXPENDITURE - ADULT FRAILTY, LONG TERM CONDITIONS AND PHYSICAL DISABILITY

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	93,093,931	
	BUDGET CHANGES:		
2	Inflation	125,097	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	205,133	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Direct Payments	681,127	Ref 4 Inflation and Demographic Pressures in 16/17
5	Community Home support	1,355,757	Ref 5 Inflation and Demographic Pressures in 16/17
6	Long Term Placements	2,732,973	Ref 6 Inflation and Demographic Pressures in 16/17
7	Short term and respite care	257,998	Ref 7 Inflation and Demographic Pressures in 16/17
8	Other Services	61,261	Ref 8 Inflation and Demographic Pressures in 16/17
9	Additional Pressures	700,000	Ref 9 Additional funding for Winter pressures 2016/17
10	Integrated Commissioning	5,000,000	Ref 10 Funding of inflation and Demographic pressures for Integrated Commissioning arrangements
	<u>Savings</u>		
11	Staff savings	435,000	Ref 11 Senior Management review and other staff savings
12	LHAC	1,750,000	Ref 12 Additional funding from the Better Care Fund
13	Income Maximisation	60,000	Ref 13 Review of contributions policy to reflect Care Act and maximising income
14	Charging Policy	1,025,000	Ref 14 Review of contributions policy to reflect Care Act and maximising income
15	Non residential income growth	386,391	Ref 15 Review of contributions policy to reflect Care Act and maximising income
16	Residential income growth	987,020	Ref 16 Review of contributions policy to reflect Care Act and maximising income
17	Increased service user income	150,000	Ref 17 Review of contributions policy to reflect Care Act and maximising income
18	Contract savings	212,000	Ref 18 Savings due to contract renegotiations
19	2016/17 BUDGET	99,207,866	

REVENUE EXPENDITURE - ADULT FRAILTY, LONG TERM CONDITIONS AND PHYSICAL DISABILITY

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	LONG AND SHORT TERM RESIDENTIAL CARE	46,535,770	2,873,207	49,408,977
2	HOME BASED CARE SERVICES	17,545,000	474,945	18,019,945
3	DIRECT PAYMENTS	9,120,250	334,734	9,454,984
4	DAY CARE SERVICES	268,000	116,760	384,760
5	REABLEMENT SERVICES	2,034,835	1,782,604	3,817,439
6	HIRED AND CONTRACTED SERVICES	100,000	482,000	582,000
7	FIELDWORK TEAM	11,245,504	- 640,194	10,605,310
8	COMMISSIONING SUPPORT	6,244,572	689,879	6,934,451
9	NET TARGET BUDGET	93,093,931	6,113,935	99,207,866

REVENUE EXPENDITURE - CARERS

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	<p>2015/16 BUDGET</p> <p>BUDGET CHANGES:</p> <p><u>Cost Pressures</u></p> <p><u>Savings</u></p>	<p>2,044,492</p>	
2	2016/17 BUDGET	2,044,492	

REVENUE EXPENDITURE - CARERS

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	ADULT AND YOUNG CARERS SERVICE CONTRACTS	1,294,492	0	1,294,492
2	PERSONAL BUDGETS	750,000	0	750,000
3	NET TARGET BUDGET	2,044,492	0	2,044,492

REVENUE EXPENDITURE - ADULT SPECIALITIES

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	47,242,733	
	BUDGET CHANGES:		
2	Inflation	50,484	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	78,793	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Long and Short term Residential Care	2,604,652	Ref 4 Inflation and Demographic pressures in 16/17
5	Home Based Care Services	906,675	Ref 5 Inflation and Demographic pressures in 16/17
6	Direct Payments	472,105	Ref 6 Inflation and Demographic pressures in 16/17
7	Day Care Services	311,487	Ref 7 Inflation and Demographic pressures in 16/17
8	Mental Health section 75 agreement	183,702	Ref 8 Inflation and Demographic pressures in 16/17
	<u>Savings</u>		
9	Mental Health Section 75	- 200,000	Ref 9 Reduction in the section 75 funding to Health 2016/17
10	Long and Short Term Residential Care	- 93,122	Ref 10 Efficiencies and other savings within the service
11	Home Based Care Services	- 18,133	Ref 11 Efficiencies and other savings within the service
12	Day Care Services	- 350,000	Ref 12 Efficiencies and other savings within the service
13	2016/17 BUDGET	51,189,376	

REVENUE EXPENDITURE - ADULT SPECIALITIES

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	LONG AND SHORT TERM RESIDENTIAL CARE	9,661,436	8,400,541	18,061,977
2	HOME BASED CARE SERVICES	18,818,976	- 3,083,702	15,735,274
3	DIRECT PAYMENTS	4,983,528	- 8,997	4,974,531
4	DAY CARE SERVICES	5,519,023	- 841,419	4,677,604
5	FIELDWORK TEAM	2,445,898	- 325,131	2,120,767
6	MENTAL HEALTH	5,813,872	- 194,649	5,619,223
7	NET TARGET BUDGET	47,242,733	3,946,643	51,189,376

REVENUE EXPENDITURE - COMMUNITY RESILIENCE & ASSETS

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	12,669,396	
	BUDGET CHANGES:		
2	Inflation	50,442	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	95,269	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Financial Challenge update	398,207	Ref 4 Change in profile of the channel shift changes at the Customer Service Centre.
	<u>Savings</u>		
5	Grants to voluntary sector orgs	- 162,037	Ref 5,6 & 7 The community grants programme and members Big Society Fund will cease along with some grants to the voluntary sector. It is proposed that the grants to voluntary sector organisations will be focused on supporting volunteers who play a crucial role in supporting communities.
6	Community grants	- 509,885	
7	Members Big Society Fund	- 154,000	
8	Library and Information services	- 1,000,000	Ref 8 Savings agreed as part of the core offer, delivered through the procurement process of the library provision.
9	Chance to Share	- 223,109	Ref 9 The current service level agreement for Yarborough Sports Centre ceases at the end of March 2016.
10	Financial Inclusion	- 63,074	Ref 10 Savings from bringing together a number of LCC CAB agreements.
11	Local Welfare Support Scheme	- 918,474	Ref 11 Grant funding for this service has stopped. The scheme will continue to operate for as long as possible on residual grant that has been reserved through previous underspends.
12	2016/17 BUDGET	10,182,735	

REVENUE EXPENDITURE - COMMUNITY RESILIENCE & ASSETS

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	ADVICE, INFORMATION AND SUPPORT FROM COMMUNITY AND VOLUNTEER SECTOR INFRASTRUCTURE SECTIONS	891,401	-151,173	740,228
2	COMMUNITY ENGAGEMENT AND DEVELOPMENT (COMMUNITY GRANTS)	509,885	-509,885	0
3	COMMUNITY ENGAGEMENT AND DEVELOPMENT (BIG SOCIETY FUND)	154,000	-154,000	0
4	COMMUNITY ENGAGEMENT AND DEVELOPMENT (CONTRIB TO SPORTS CENTRE FACILITIES)	451,455	-223,109	228,346
5	FINANCIAL INCLUSION	747,668	-63,074	684,594
6	LIBRARY AND INFORMATION SERVICES	6,651,806	-865,153	5,786,653
7	CUSTOMER SERVICE CENTRE	2,344,707	398,207	2,742,914
8	LOCAL WELFARE SUPPORT	918,474	- 918,474	0
9	NET TARGET BUDGET	12,669,396	- 2,486,661	10,182,735

REVENUE EXPENDITURE - WELLBEING

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	38,347,440	
	BUDGET CHANGES:		
2	Inflation	30,614	Ref 2 An allocation for inflation.
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	92,325	Ref 3 An allocation for the increase in Employers National Insurance contributions.
	<u>Savings</u>		
4	Health Improvement activities	- 3,223,514	Ref 4 Cease commissioning health improvement activities such as adult weight management, food & health programmes and walking programmes. Also reduced support for smoking cessation.
5	Statutory Public Health service	- 396,445	Ref 5 Savings from the full year effect of the restructure.
6	Registration and Celebratory service	- 24,500	Ref 6 Additional income from the Registrars Service.
7	Coroners Service	- 35,000	Ref 7 Efficiencies within the Coroners Service including a move to one office base.
8	Wellbeing Services	- 815,834	Ref 8 Savings from the recent procurement exercise.
9	Sexual Health services	- 591,172	Ref 9 Savings from the recent procurement exercise.
10	Substance misuse and prevention	- 958,098	Ref 10 Savings from a redesign and procurement of the substance misuse contracts.
11	2016/17 BUDGET	32,425,816	

REVENUE EXPENDITURE - WELLBEING

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	HEALTH IMPROVEMENT, PREVENTION AND SELF MANAGEMENT	7,298,638	- 3,209,104	4,089,534
2	PUBLIC HEALTH STATUTORY SERVICE	3,857,474	- 325,906	3,531,568
3	REGISTRATION, CELEBRATORY AND CORONERS SERVICE	1,356,276	- 28,944	1,327,332
4	WELLBEING SERVICE (INCL SPCEIALIST EQUIPMENT, ASSISTIVE TECHNOLOGY AND DISABLED FACILITIES GRANTS)	8,156,375	- 815,219	7,341,156
5	SEXUAL HEALTH	6,084,331	- 584,353	5,499,978
6	HOUSING RELATED SERVICE	3,984,822	0	3,984,822
7	PREVENTION AND TEATMENT OF SUBSTANCE MISUSE	7,609,524	- 958,098	6,651,426
8	NET TARGET BUDGET	38,347,440	- 5,921,624	32,425,816

REVENUE EXPENDITURE - SUSTAINING & DEVELOPING PROSPERITY THROUGH INFRASTRUCTURE

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	49,492,334	
	BUDGET CHANGES:		
2	Inflation	163,110	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	308,066	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Magna Carta	- 500,000	Ref 4 Removal of park and ride for Magna Carta
	<u>Savings</u>		
5	Transportation	- 1,563,000	Ref 5 Reduction in bus subsidies (-£1.200m) and other transport initiatives (-£0.363m)
6	Highways Asset Maintenance	- 3,084,400	Ref 6 Reductions in road maintenance; highway grass and verge maintenance; public right of way maintenance; amenity grass cutting; street lighting and investing in new LED technology to reduce street lighting costs; and safety maintenance
7	Highways Network Management	- 914,800	Ref 7 Revising the operating model of the Highways Network Management
8	New Investments	- 156,029	Ref 8 Reduction in the capacity to develop future Major Schemes
9	Infrastructure & Regeneration	- 36,485	Ref 9 A reduction in Economic Infrastructure & Regeneration
10	2016/17 BUDGET	43,708,797	

REVENUE EXPENDITURE - SUSTAINING & DEVELOPING PROSPERITY THROUGH INFRASTRUCTURE

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	TRANSPORTATION INCLUDING CONCESSIONARY FARES AND OTHER GOVERNMENT GRANTS ETC	14,782,581	-1,971,523	12,811,058
2	HIGHWAYS ASSET MAINTENANCE	22,692,650	-3,006,247	19,686,403
3	HIGHWAY NETWORK MANAGEMENT	9,401,989	-745,866	8,656,123
4	NEW TRANSPORT INVESTMENTS INCLUDING HIGHWAYS IMPROVEMENTS AND BYPASSES, GROWTH CORRIDORS AND PROGRAMMES	681,397	-73,569	607,828
5	ECONOMIC INFRASTRUCTURE AND REGENERATION	219,763	-27,876	191,887
6	HERITAGE & TOURISM OPERATION AND DEVELOPMENT	1,713,954	41,544	1,755,498
7	NET TARGET BUDGET	49,492,334	- 5,783,537	43,708,797

REVENUE EXPENDITURE - PROTECTING AND SUSTAINING THE ENVIRONMENT

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	22,466,872	
	BUDGET CHANGES:		
2	Inflation	31,215	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	58,956	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Waste Management	1,100,000	Ref 4 Mixed Dry Recycling costs
	<u>Savings</u>		
5	Reducing Carbon Emissions	- 47,654	Ref 5 Cessation of much of current activity to reduce carbon emissions and promote energy efficiency.
6	Flood Risk Management	- 89,658	Ref 6 Reduction of minor flood risk management schemes
7	Protecting and enhancing the natural & built environment	- 66,749	Ref 7 Reduction in Natural Environment provision
8	Sustainable Planning	- 144,254	Ref 8 Reduced service level provision resulting in a more focussed approach on the major development, investment and infrastructure priorities with the County acting to facilitate an improved sense of place-making
9	2016/17 BUDGET	23,308,727	

REVENUE EXPENDITURE - PROTECTING AND SUSTAINING THE ENVIRONMENT

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	REDUCING CARBON EMISSIONS	205,924	-43,397	162,527
2	FLOOD RISK MANAGEMENT	1,367,259	-85,238	1,282,021
3	PROTECTING AND ENHANCING THE NATURAL & BUILT ENVIRONMENT	335,513	-55,027	280,486
4	WASTE MANAGEMENT	19,404,147	1,134,030	20,538,177
5	SUSTAINABLE PLANNING	1,154,029	-108,513	1,045,516
6	NET TARGET BUDGET	22,466,872	841,855	23,308,727

REVENUE EXPENDITURE - SUSTAINING AND GROWING BUSINESS AND THE ECONOMY

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	1,771,539	
	BUDGET CHANGES:		
2	Inflation	18,541	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	30,954	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Improving skills and employability	- 83,000	Ref 4 A reduction in Adult Learning (-£0.084m), Employability & ESF training (£0.033m) and Performance Team (Adult Learning & Libraries) (-£0.032m)
5	Enterprise	- 338,500	Ref 5 A reduction in Enterprise Growth (-£0.102m) and Tourism (-£0.236m)
6	Investment	- 40,250	Ref 6 A reduction in Investment development (-£0.040m)
7	Lobbying	- 44,500	Ref 7 A reduction in Rural Development / research (-£0.044m)
8	2016/17 BUDGET	1,314,784	

REVENUE EXPENDITURE - SUSTAINING AND GROWING BUSINESS AND THE ECONOMY

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	IMPROVING SKILLS & EMPLOYABILITY	471,584	-66,611	404,973
2	ENCOURAGE ENTERPRISE THROUGH SUPPORT TO BUSINESS & OUR GROWTH SECTORS	473,925	-324,026	149,899
3	ATTRACTING & EXPANDING BUSINESS INVESTMENT	381,267	-33,334	347,933
4	LOBBYING & ATTRACTING FUNDING FOR LINCOLNSHIRE	444,763	-32,784	411,979
5	NET TARGET BUDGET	1,771,539	- 456,755	1,314,784

REVENUE EXPENDITURE - PROTECTING THE PUBLIC

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	24,801,313	
	BUDGET CHANGES:		
2	Inflation	208,676	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	393,935	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Employer pension increase	32,470	Ref 4 An increase to the employer contributions for the fire fighters pension scheme
	<u>Savings</u>		
5	Preventing and reducing crime	- 1,387,053	Ref 5 The removal of the support to PCSO's and a reduction in Community Safety initiatives.
6	Road Safety Partnership	- 119,124	Ref 6 Savings resulting from the Road Safety Partnership becoming part self-funding.
7	Trading Standards	- 254,400	Ref 7 Full year effect of the current staffing restructure and focussing on a narrower set of priorities.
8	Fire and Rescue	- 850,000	Ref 8 The implementation of changes agreed in the 2015/16 Integrated Risk Management Plan consultation document. To find the remaining savings a number of additional options will need to be considered, all of which will affect the level of service provided.
9	Emergency planning	- 119,122	Ref 9 Changes to include some reductions in exercise, command training and equipment budgets.
10	2016/17 BUDGET	22,706,695	

REVENUE EXPENDITURE - PROTECTING THE PUBLIC

(1)	(2)	(3)	(4)	(5)
Line No	Description	2015/16 Budget £	Budget Changes £	2016/17 Original Estimate £
1	PREVENTING AND REDUCING CRIME	1,794,106	- 1,383,445	410,661
2	TACKLING DOMESTIC ABUSE	305,894	2,674	308,568
3	PREVENTING AND TACKLING FIRES AND EMERGENCIES	19,764,537	- 319,977	19,444,560
4	TRADING STANDARDS	1,464,007	- 213,548	1,250,459
5	PLANNING AND RESPONDING TO EMERGENCIES	423,088	- 101,671	321,417
6	IMPROVING ROAD SAFETY	446,385	- 100,662	345,723
7	REDUCING YOUTH OFFENDING	602,396	22,911	625,307
8	NET TARGET BUDGET	24,800,413	- 2,093,718	22,706,695

REVENUE EXPENDITURE - HOW WE DO OUR BUSINESS

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	8,333,185	
	BUDGET CHANGES:		
2	Inflation	61,463	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	116,085	Ref 3 An allocation for the increase in Employers National Insurance contributions
	<u>Savings</u>		
4	Democratic Processes	- 44,800	Ref 4 Slight reorganisation in the support to councillors
5	Budget & Policy Framework	- 631,221	Ref 5 Financial Strategy - Savings to be achieved from team restructure, increased income from schools buyback and savings from the Serco contract (-£0.536m). Audit - Savings from team restructure (-£0.095m)
6	2016/17 BUDGET	7,834,712	

REVENUE EXPENDITURE - HOW WE DO OUR BUSINESS

(1) Line No	(2) Description	(3) 2015/16 Budget £	(4) Budget Changes £	(5) 2016/17 Original Estimate £
1	Budget & Policy Framework - Finance & Audit	5,181,274	-515,891	4,665,383
2	Corporate Standards and Culture Including Chief Executive	439,056	10,534	449,590
3	Decision Making Including Democratic Processes	2,222,855	6,884	2,229,739
4	Precepts - Fisheries	490,000	0	490,000
5	NET TARGET BUDGET	8,333,185	- 498,473	7,834,712

REVENUE EXPENDITURE - ENABLERS & SUPPORT TO COUNCIL'S OUTCOMES

Ref No	Main Area of Expenditure	2016/17 Estimate £	Notes
1	2015/16 BUDGET	38,924,998	
	BUDGET CHANGES:		
2	Inflation	216,526	Ref 2 An allocation for Inflation
	<u>Cost Pressures</u>		
3	Employers National Insurance Increase	410,917	Ref 3 An allocation for the increase in Employers National Insurance contributions
4	Business Support	7,000	Ref 4 Cost of offsite document storage
	<u>Savings</u>		
5	ICT Strategy & Support	- 213,615	Ref 5 Savings to be achieved through improved contract management, information governance and a new consumption based charging approach
6	Property Strategy & Support	- 1,199,026	Ref 6 Closure of buildings as part of the Property Rationalisation project (-£0.851m), Server room savings due to re-procurement of contract (-£0.118m), staffing savings (-£0.150m) and reduction in FDSS transition support (-£0.08m)
7	People Strategy & Support	- 167,119	Ref 7 A reduction in Strategic People Management staffing (-£0.058m), the ceasing of the Leadership Management Programme (-£0.082m), DSB checks (-£0.020m) and the ending of the graduate programme for new entrants(-£0.007m).
8	Legal	- 60,325	Ref 8 Reducing stationery and copying costs. Increased use of the video conferencing facility to reduce travel and time costs.
9	Commissioning	- 431,102	Ref 9 Savings consist of the remaining 2% balance from the 2015/16 Fundamental Budget Review staffing restructure, the release of the Transformation Budget in 2016/17 and post reductions in the Commercial Projects and Performance Team
10	Business Support	- 1,289,850	Ref 10 Savings proposed from staffing due to restructuring / realignment (-£1.100m) and from centrally held corporate budgets (-£0.190m) e.g. County Courier.
11	Strategic Communications	- 9,013	Ref 11 Extended savings from staffing restructure
12	2016/17 BUDGET	36,189,391	

Page 125

124

GLOSSARY OF FINANCIAL TERMS

Budget carry forward - The actual under/overspending at the end of the financial year compared with the revised budget target which is allowed to be carried forward into the next financial year.

Budget requirement - Net revenue expenditure to be financed from Business Rates, Revenue Support Grant, other non-ring fenced Government Grants and Council Tax Income.

Budget Target - A corporately determined spending limit for an individual service.

Capital Grants - Government grants received that contribute towards capital expenditure incurred on a particular service or project e.g. Highways Asset Protection Grant received from the government which contributes towards planned capital expenditure on roads.

Capital Receipts - Proceeds received from the sale of property and other fixed assets (assets which have a value beyond one financial year). These can be used to contribute towards the cost of capital expenditure, generally not revenue expenditure.

Central support - A charge to a service which is the service's share of the cost of the central administration and professional departments which support direct service provision.

Contingency - A sum of money set aside to provide for foreseen but unquantifiable commitments and for unforeseen expenditure that may occur at any time in the future.

County precept - The income which District Councils collect on the County Council's behalf from Council Tax payers.

Capital financing charges - Charges to the revenue account which fund capital expenditure. Such charges comprise debt charges, direct revenue financing and leasing payments.

Dedicated Schools Grant (DSG) - The main grant paid by central government to support schools within the county. This must all be spent on supporting schools.

Education Services Grant – New grant from 2013/14 non ring fenced grant paid by central government to local authorities. This grant is to cover central services costs of providing services to schools, e.g. admissions policy and administration.

Revenue Support Grant (RSG) - The main grant paid by central government to local authorities to support the provision of all services, except for schools.

Interest on revenue balances - The money earned or paid in relation to the temporary investment of, or temporary borrowing to support, the County Council's cash balances.

Local retention of business rates – Business rates set by central government and levied on business properties. This is collected by District Councils who pay this income over to the County Council.

Precept - An amount levied by one body on another e.g. the Environment Agency precepts on the County Council.

Reserves - The revenue reserves available to provide a working balance during the financial year, for example in periods when expenditure exceeds income.

Specific grants - Grants made to a local authority by central government for a particular project or service e.g. Private Finance Initiative.

Total Expenditure - Budget requirement plus expenditure financed by drawing from balances (or the budget requirement less contributions to balances).

COMMISSIONING STRATEGY	COMMISSIONING ACTIVITIES	DEFINITION OF COMMISSIONING STRATEGY
Readiness for School	Children Centres - and commissioned services Early Years sufficiency and support to the PVI sector Birth to 5 Service	This commissioning strategy aims to ensure all children will be ready to learn when they start school enabling them to achieve their full potential.
Learn & Achieve	School Support Services School Improvement Statementing process and interventions (to be replaced with new health, education and social care plan) Home to school/college transport	This commissioning strategy aims to ensure all children and young people will learn and achieve, enabling them to reach their potential.
Readiness for Adult Life	14-19 education/training and apprenticeship Careers Service Positive activities for young people Teenage Pregnancy Supported accommodation/lodgings Supported employment Lincs Secure Unit Leaving Care Service	This commissioning strategy aims to ensure all young people will be prepared and ready for adult life.
Children are Safe and Healthy	School Nursing Healthy schools & healthy child Child protection (contact, referral and assessment) Targeted Support - young people Looked after Children Fostering and adoption Residential homes CAMHS Family support Commissioning Support for all Children's Strategies	This commissioning strategy aims to ensure all children and young people will be safe and healthy.
Adult Frailty, Long Term Conditions and Physical Disability	Supporting Adult frailty (older people) Physical disability Dementia	This commissioning strategy aims to ensure that individuals receive appropriate care and support that enables them to feel safe and live independently.
Carers	Adult & Young carers	This commissioning strategy aims to ensure that carers feel respected and are able to balance their caring roles and maintain their quality of life.
Adult Specialities	Supporting Adults with learning disability Mental health Autism	This commissioning strategy aims to improve outcomes for adults with mental health, learning disabilities and/or autism.
Adult Safeguarding	Adult Safeguarding (including Mental Capacity Act)	This commissioning strategy aims to ensure all vulnerable adults rights are protected to live in safety and free from abuse and neglect.
Community Resilience and Assets	Advice, information and support services from community and voluntary sector infrastructure organisations Community Grants Big Society Fund Chance to share contributions Financial Inclusion Library and information services Lincolnshire Community Assistance Scheme - local welfare support Customer Service Centre	This commissioning strategy aims to assist communities in the county to support themselves. It will also include the community response to emergencies.

Wellbeing	Health Improvement, prevention and self management	This commissioning strategy aims to assist improvements in the health and wellbeing of the population as a whole, it covers advice, information and preventative services.
	Public Health statutory service	
	Mental health	
	Registration, Celebratory and Coroners service	
	Wellbeing Service (including specialist equipment, assistive technology and Disabled Facility Grants)	
	Physical Activities	
	Water fluoridation	
	Sexual Health	
	Housing related support	
	Prevention and treatment of substance misuse	
Protecting the Public	Preventing and reducing crime	This commissioning strategy will cover all of the work required in order to protect the communities in Lincolnshire.
	Tackling domestic abuse	
	Preventing and tackling fires & emergency response	
	Protecting the public through trading standards	
	Protecting the public by planning for and responding to emergencies	
	Improving road safety	
	Reducing youth offending	
	Reducing anti-social behaviour	
Sustaining & Developing Prosperity Through Infrastructure	Transportation including concessionary fares and other government grants etc	This commissioning strategy facilitates growth and prosperity through encouraging investment and enhancing the economic potential of the county.
	Highway asset maintenance	
	Highway network management	
	New transport investments including highways improvements and bypasses, growth corridors and programmes	
	Heritage & tourism operation and development	
	Monitoring Officer requirements	
Protecting & Sustaining the Environment	Reducing carbon emissions	This commissioning strategy covers how the Council will protect, enhance and balance our environmental needs.
	Flood risk management	
	Protecting and enhancing the natural & built environment	
	Waste management	
	Waste recovery & recycling	
	Sustainable Planning	
Sustaining & Growing Business & the Economy	Improving skills and employability	This commissioning strategy covers how the council will help businesses to be the drivers of economic growth through supporting a climate in which they are able to invest, enhance their business performance, and offer attractive jobs to a skilled workforce.
	Encourage enterprise through support to business and our growth sectors	
	Attracting and expanding business investment	
	Lobbying and attracting funding for Lincolnshire	
How We Do Our Business	Budget & Policy Framework - Finance & Audit	This commissioning strategy will include the overarching governance and standards for the Council, including decision making through the democratic process.
	Chief Executive's Office	
	Decision making, including the democratic processes and elections	
	Eastern Inshore Fisheries & Conservation Authority - Levy	
Enablers & Support to Council's Outcomes	Information Management & Technology Strategy & support	This commissioning strategy will include the enablers required to support the delivery of the Councils agreed outcomes.
	Property Strategy & support (including County Farms)	
	People Management Strategy & support	
	Legal Advice	
	Commissioning Strategy & Support	
	Business support	
	Strategic Communications	
Enablers & Support to Key Relationships	Partnership engagement & support	This commissioning strategy encompasses the Council's corporate strategies and the support to our relationships with the public, service users, partners and outside bodies.

CONTACT INFORMATION FOR COMMISSIONING STRATEGY BUDGET DETAIL

The information on revenue budgets provided in this booklet summarises the detailed estimates approved by individual Commissioning Strategies. If you require further detail please contact:-

Email – finance@lincolnshire.gov.uk

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