



Multi-Year Funding Settlement

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The Multi-Year Funding Offer and Efficiency Plans

- Local Government Finance Settlement announcement
18 December 2015 - Offer to local government to 'fix' for 4 years (subject to efficiency plan)
- Final settlement announcement 8 February 2016

'Firstly, although the statutory settlement is for 2016 to 2017, I set out indicative figures to allow councils to apply for a 4 year budget, extending to the end of the Parliament. Such a change permits councils to plan with greater certainty'

Statement by the Secretary of State for Communities and Local Government
The Rt Hon Greg Clark MP



Background

- Financial Plan 2015/2020 approved at Council Meeting on 25 February 2016
- Council agreed to take up the option to ‘fix’ the four year settlement subject to publication of an ‘efficiency plan’
- Consultation on New Homes Bonus closed on 10 March 2016 – Government still analysing the feedback



Background

- Consultation on Self-sufficient local government: 100% Business Rates Retention opened on 5 July 2016 and closes on 26 September 2016
- Business Rate Reform Fair Funding Review: Call for evidence on Needs and Redistribution. Discussion paper issued July 2016. Responses to the discussion paper by 26 September 2016 with consultation on the principles for needs assessment in the autumn of 2016 and final consultation on the formulae in the summer of 2018.



Background

- Revaluation of Business Rates from 2017 – draft list to be published on line on 30 September 2016
- ‘Efficiency Plan’ to support the multi-year funding settlement to be agreed by Council and published by 14 October 2016 – to be considered by Cabinet at the meeting on 7 September 2016



The Multi-Year Funding Offer and Efficiency Plans

- Multi-Year Offer applies to
 - Revenue Support Grant (RSG)
 - Rural Services Delivery Grant
 - Transitional Grant (not applicable to BCKLWN)
- Excludes
 - New Homes
 - Retained Business Rates



The Multi-Year Funding Offer and Efficiency Plans

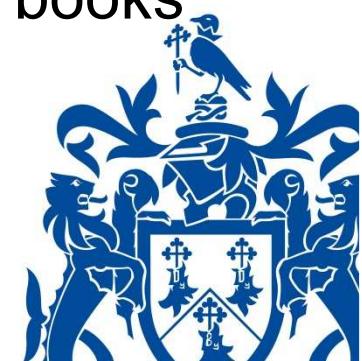
For BCKLWN Multi-Year Offer 2016/2020 applies to

- Revenue Support Grant (RSG) and Rural Services Delivery Grant £8m
- Excludes New Homes Bonus and Retained Business Rates £37m



The Multi-Year Funding Offer and Efficiency Plans

- DCLG advised that core commitment by Secretary of State of a minimum offer
- No mandated template
- Expect to include
 - How benefits your Council and Community
 - Collaboration with local neighbours and public sector partners
- Financial Sustainability not just efficiency plan – books not going to be balanced just by efficiencies – shape of organisations will change
- On going monitoring as part of medium term financial plan



The Multi-Year Funding Offer and Efficiency Plans

- Cornerstone of the efficiency plan is the Medium Term Financial Plan
- Clear links to the Council's corporate plan
- Key partnerships
- Reference to ongoing and planned projects and programmes to reduce costs/generate additional income
- Need to be about more than just money
- Need not be any more than an 'abridged version' of Council's key/existing public documents



Financial Sustainability Corporate Business Plan

The six priority aims within the Corporate Business Plan are:

1. Provide important local services within our available resources
2. Drive local economic and housing growth
3. Work with our communities to ensure they remain clean and safe
4. Celebrate our local heritage and culture
5. Stand up for local interests within our region
6. Work with our partners on important services for the borough



Financial Sustainability

Medium Term Financial Plan

Continue to examine all operational service areas to identify achievable revenue cost savings through delivering services in different ways, reductions in service level, increasing income and reviewing discretionary expenditure.

Some of the identified areas include:

channel shift

joint and shared working arrangements

sharing office space



Financial Sustainability

Medium Term Financial Plan

Identify capital investment opportunities to maximise the use of our assets, generate a revenue return, in excess of that achieved from traditional banking investments, promote housing development, increased council tax base and new homes bonus, promote local economic and business growth and increased business rates.

Some of the identified areas include:
major housing development project,
commercial investment and development,
Rationalise public assets (One Public Estate)



Financial Sustainability

Medium Term Financial Plan

- Invest early win revenue savings and reserves in the income generating major projects
- As a lower quartile Council, increase Band D council tax by £5 per annum from 2017/2018 in line with government expectations



Summary of Savings

Target savings of £3.1m required by 2019/2020

	Estimate 2016/2017 £	Projection 2017/2018 £	Projection 2018/2019 £	Projection 2019/2020 £
Revenue Cost Reductions/Increased Income/Efficiencies	425,930	1,261,950	1,658,000	1,960,550
Major Projects	21,000	247,600	655,400	1,148,500
£5 Council Tax Increase	0	137,910	275,580	413,750
TOTAL	446,930	1,647,460	2,588,980	3,522,800



Financial Sustainability Partnership Working

The Council works closely with a wide range of partners in the public Sector and beyond. These joint working arrangements are one of the key priorities identified in our Corporate Business Plan.

The Council is working with all Norfolk District Councils, the County Council, NHS, Police and new Anglia Local Enterprise Partnership to deliver a One Public Estate (OPE) programme for Norfolk.



Financial Sustainability Partnership Working

The Council is working with Norfolk County Council, District and neighbouring Councils to collaborate and deliver services in the most effective way, including progressing the implementation of the East Anglia devolution agreement for Norfolk and Suffolk.



The offer of a four year funding allocation provides the Council with the opportunity to plan service delivery and changes to services with a greater degree of confidence.

The overall reductions in the Council's Settlement Funding Assessment set out in the four year settlement remain extremely challenging.



Questions

