

Summary Budget Booklet

2016-17, 2017-18 and 2018-19



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Medium Term Financial Plan (MTFP)

This summary revenue budget, supported by the Capital Investment Plan, forms the Council's Medium Term Financial Plan (MTFP). The MTFP forecasts the resources available to the Council over the next 3 years, and deploys them to support the achievement of the Council's vision, our shared priorities, service needs and legislative obligations; in particular informed by emerging budget proposals for a New Council over the 2016-19 MTFP.

Revenue Budget 2016-17 & indicative plans for the following 2 years

National Government, over successive parliaments, has committed to reducing the national debt burden and generating a national surplus by 2020. As part of this approach, there have been significant funding reductions across a number of public services, including Local Government. The impact of this locally has been a reduction in national funding to the Council over the 2010-16 period in excess of 40%.

Successive Council budget rounds indicate an overall planned saving requirement for Kirklees of £165m over the 2011-19 period. The Council has planned for, and will have achieved, savings of £106m over the 2011-16 period and assumes a further savings requirement of £59m over the next three years to 2019.

In view of the scale of this challenge, the Council's MTFP has been informed in particular by the outcome of the Council's comprehensive review of everything that the Council spends, with the aim of reshaping the Council, guided by the Council's two strategies; the Economic Strategy and Joint Health & Wellbeing Strategy, to achieve the following:

- The Council will use available resources to best effect/support the Council's priorities
- The Council can live within its means for the foreseeable future

The MTFP reflects a focus on developing options to deliver a New Council which includes specific priorities on Early Intervention and Prevention, and Economic Resilience.

To meet the overall funding available, Directorates (including cross-Directorate activity) have set out budget plans for 2016-19 that are key to the delivery of a New Council. These include planned savings totalling £31m over the three year period and the use of £15.7m available Council balances in the first year to meet the remaining funding gap and achieve a balanced budget for 2016-17.

The budget allocations set out in the MTFP reflect continuing financial constraints on the Council over the next 3 years, noting that early year plans mark continuing progress towards a New Council. Longer term, there is a remaining budget gap of £16m in 2017-18 increasing to £30m in 2018-19, that will need to be addressed through future budget rounds. Service redesign and implementation plans will be firmed up throughout 2016-17 as we continue working towards the New Council, and it anticipated that current budget profiles and organisational structures will continue to be further refreshed.

Demands on Services

Where combinations of legislative obligations and local policies define a level of service for particular sets of clients (e.g. children in schools, social care clients etc.), the MTFP is based on projected needs, using trend analysis and known information about those clients. It is also acknowledged that a number of budget allocations represent an increase in risk taken, and this approach will be kept under review alongside the Council's policy on reserves and balances.

Costs of Provision

The MTFP allows for an amount of inflation for pay, price, and income increases each year. Furthermore, provision has been made specifically through reserves for the anticipated one off costs arising from voluntary severance in 2016-17. Earmarked reserves totalling £3m have also been set aside for one-off developments to support the delivery of a New Council over the MTFP.

Inflation provision is reflected within Central Budgets, and will be allocated to services at the start of the financial year.

Resources

Formula funding, dedicated schools grant and other central government grant allocations make up the majority of the funding for the Council in 2016-17 (approx. two-thirds in total). The balance of funding comes from a combination of locally retained business rates, externally generated income, council tax and one-off general balances.

Some of the Council's balances are set aside to cover specific risks (earmarked reserves). Remaining balances are planned to be used in a phased way beyond 2016-17 to support future year MTFP updates.

The revenue budget reflects an increase in council tax bills to Kirklees residents in 2016-17 of 3.95%; comprised of 1.95% for services in general and 2.00% in respect of an Adult Social Care Precept. The precept falls outside the referendum threshold requirement with the

understanding that the income raised is directly hypothecated to Adult Social Care. The Adult Social Care Precept will raise an additional £2.9m in 2016-17.

Funding Capital Investment

The Capital Investment Plan makes provision for new investment of £80.9m (excluding PFI Partners Capital Expenditure) in 2016-17, increasing to £92.4m by 2018-19. The capital plan reflects a strategic review and prioritisation of overall capital investment needs going forward. This has also taken account of prudential borrowing costs and future revenue affordability. Funding sources include capital grants, capital receipts, and matched funding from Housing Revenue Account to support HRA investment needs.

The plan makes provision for new prudential borrowing of £19.7m in 2016-17, increasing to £28.2m by 2018-19, to fund investment in the Council's infrastructure, economy and to make service delivery more effective. In making revenue provision for the repayment of this borrowing, the Council is satisfied that this level of investment is affordable and sustainable, at least for the duration of this MTFP. It is the Council's strategy to maintain the proportion of overall general fund budget taken up by interest and debt repayment to just below 13% over the MTFP. To give this some historical context, the actual ratio back in 2010 was about 13.5%.

Risk Assessments

The Council has updated its corporate risk assessment, which sets out the major issues which could have an impact on this budget. In accepting the detailed recommendations in the officer report, the Council has made sufficient provision, either in earmarked reserves or by retaining minimum levels of general balances, to cover these risks. This includes earmarked reserves set aside acknowledging that a number of budget allocations represent an increase in risk taken. The specific allocation of earmarked reserves to meet the short term severance costs arising from savings programmes remains a key part of the strategy.

Engagement in Budget Preparation

The issues identified as having significant implications for this plan have been presented to Council, Cabinet, and senior management meetings; underpinned by explicit reference throughout to accompanying evidence on the equalities impact on a range of budget proposals, to ensure that key decision-makers have due regard to the Council's equalities duties on key decisions taken through the budget process.

There has been ongoing 'engagement' with residents, business, voluntary and community sectors as part of this budget round. Draft MTFP budget proposals were included as part of a wider, public consultation exercise from October through to December 2015. Feedback from this and other correspondence received on specific budget proposals was reported to Cabinet on 12 January 2016 and final decisions made on the budget proposals at full Council on 17 February 2016.

The Council will need to do things differently to meet the anticipated funding gap in future years and discussions will continue to inform the re-shaping of the Council going forwards.

Corporate Planning framework

The Council's budget works alongside the corporate plan, which sets out how the Council's Vision (including the Joint Health and Wellbeing Strategy and Kirklees Economic Strategy) links to the Council's activities and performance management framework. The plan this time is focused on the approach that will be taken to develop a New Council, including the vision, goals and behaviours needed to make it successful and the key principles that will be followed. The Plan includes the agreed cross party Principles, and the approach for developing a New Council draws heavily on these.



Adrian Lythgo
Chief Executive

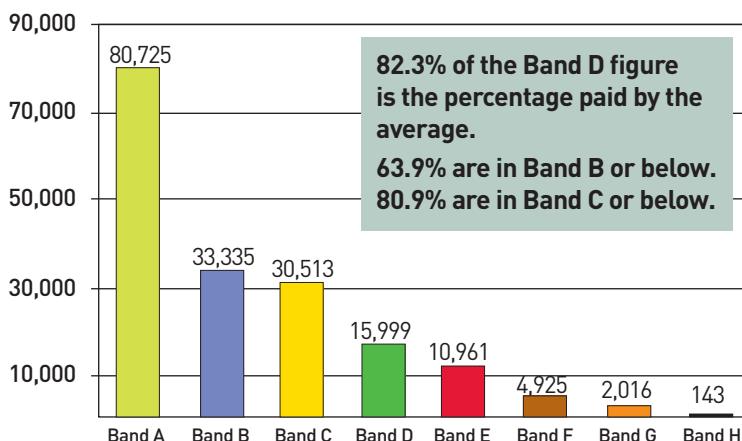


David Smith
Director of Resources

Calculation of council tax for 2016-17

	Expenditure 2016-17 £k	Council Tax at Band D 2016-17 £
Kirklees gross expenditure	826,523	7,289
Funded by:-		
Dedicated Schools Grant & Other Schools Grants	259,269	2,286
Other Government Grants	168,131	1,483
External income	88,287	779
	310,836	2,741
Government Funding Allocation	69,280	611
Local Share of Business Rates	51,441	454
Unringfenced Grants	21,259	187
General Fund balances	17,500	154
Collection Fund balances	2000	18
Kirklees Demand on Collection Fund	149,356	1,317
WY Fire Authority	6,770	60
WY Police Authority	16,549	146
Amount to be raised from Council Tax payers	172,675	1,523
Parish precepts	557	5
Total amount to be raised	173,232	1,528
Taxbase		113,388.90
KMC Council tax increase on previous year		3.82%
Council tax for each band (before parish precepts)	2 adults £	1 adult £
Band A	1,015	761
Band B	1,184	888
Band C	1,354	1,016
Band D	1,523	1,142
Band E	1,861	1,395
Band F	2,200	1,650
Band G	2,538	1,904
Band H	3,046	2,285

Number of properties in each council tax band



Projected 2016 population 436,800

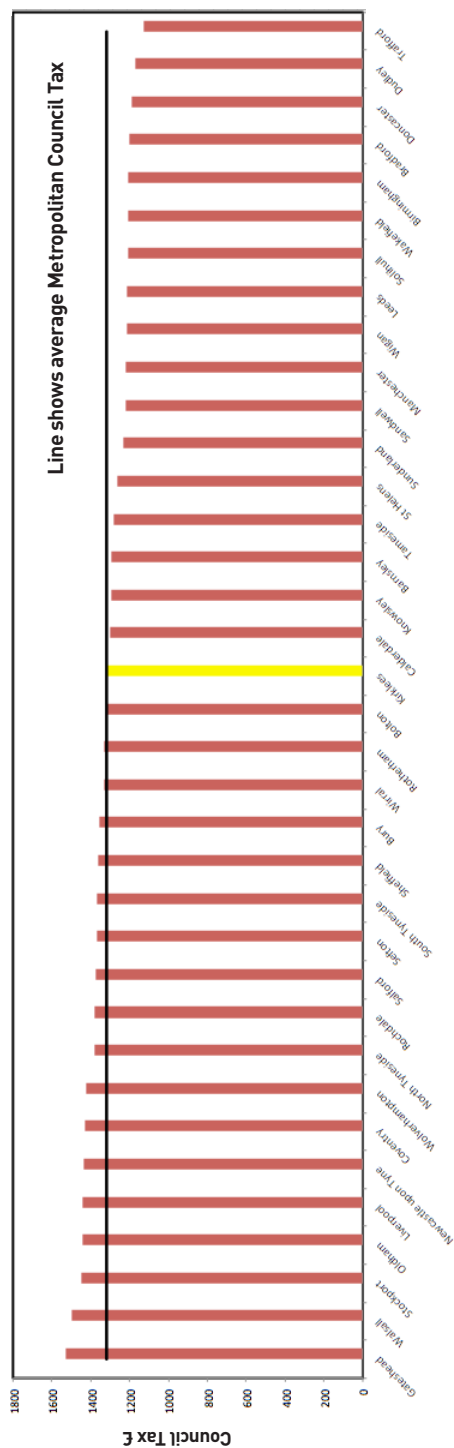
Source - Office of National Statistics

Parish precepts

There are 5 parishes within Kirklees which set precepts, as shown below. The budgets are set by the elected parish councillors and Kirklees Councillors have no part in the decisions. Only the council tax payers resident in these parish areas have to pay.

	Total 2015-16 £	Total 2016-17 £	Increase %	Precept Band D 2016-17 £
Denby Dale Parish Council	171,560	201,749	17.6%	36.33
Holme Valley Parish Council	113,198	124,518	10.0%	12.93
Kirkburton Parish Council	109,620	109,620	0.0%	12.64
Meltham Parish Council	49,500	72,500	46.5%	27.33
Mirfield Parish Council	44,391	48,873	10.1%	7.65
	488,269	557,260	14.1%	

2016-17 Band D Council Tax for 2 adults, Met Councils (excluding Police, Fire & Parish precepts)



Overall summary

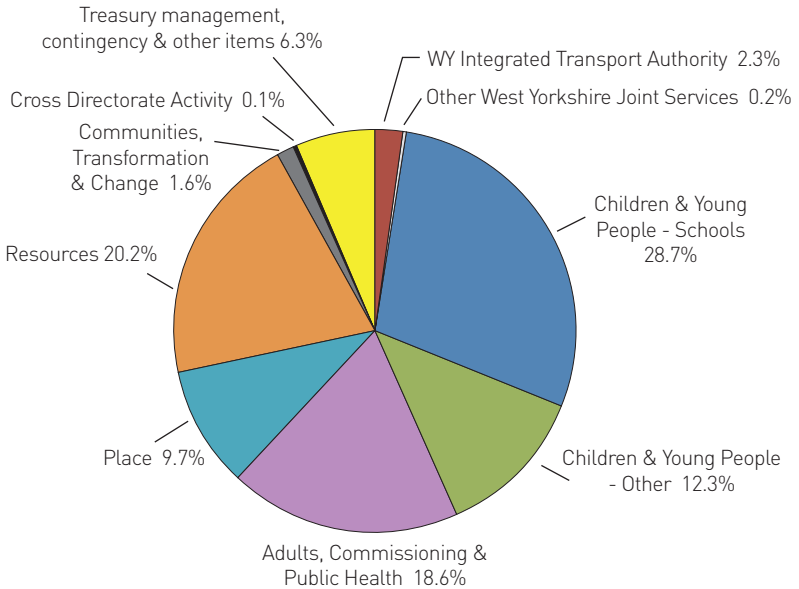
	Net budget 2016-17 £k	Gross adjusted budget* 2016-17 £k
Children & Young People - Schools	2,072	237,935
Children & Young People - Other	67,884	101,279
Adults, Commissioning & Public Health Place	91,026	153,449
Resources	36,211	79,766
Communities, Transformation & Change	37,586	166,911
Cross Directorate Activity	11,762	13,186
Treasury Management, Contingency & other items	962	962
WY Integrated Transport Authority	42,722	52,424
Other West Yorkshire Joint Services	18,825	18,825
	1,786	1,786
Total Expenditure	310,836	826,523
General Fund balances	(15,037)	
Use of Reserves	(663)	
	295,136	

*The second column represents gross service budgets adjusted for internal income.

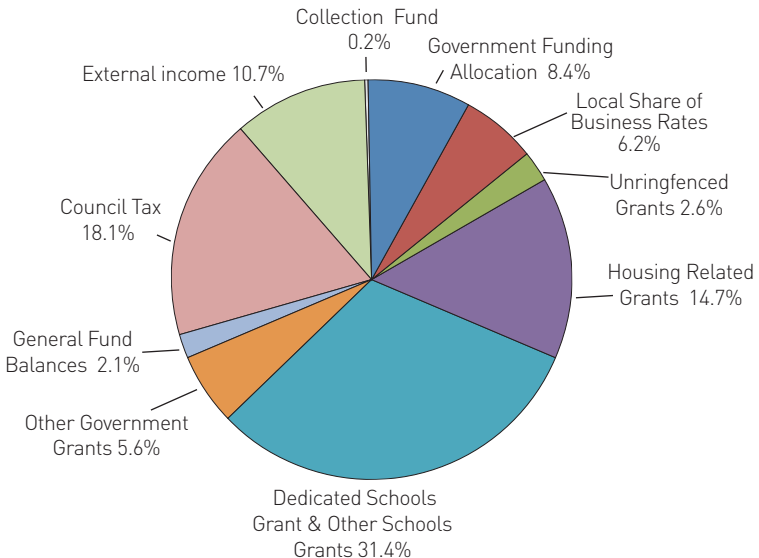
The budget figures are controllable budgets:

Controllable budgets: Budgets that the budget holder can directly influence. Controllable expenditure includes direct operational costs including departmental specific management overheads (e.g. staff, premises, supplies & services, payments to contractors). Controllable income includes schools income, other traded income, fees & charges, specific government grants).

Where is the money spent 2016-17?



Where does the money come from 2016-17?



Service/Activity Budgets

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
CHILDREN & YOUNG PEOPLE			
Learning & Skills			
Strategic Leadership of the Education System	1,538	1,538	1,538
Schools Organisation, Planning and Admissions	416	416	416
Vulnerable Children Services incl Special Educational Needs	2,906	2,251	2,251
Early Learning & Post 16 Services	1,040	909	909
Post 16 Services	666	666	666
Learning Services Trading	0	0	0
Management & Regulatory Functions	175	175	175
Total Learning & Skills	6,741	5,955	5,955
Safeguarding & Family Support			
Youth Offending Team	794	734	734
Early Intervention & Prevention			
Young People's Service	4,297	0	0
Early Intervention and Targetted Support	8,510	0	0
	12,807	0	0
Assessment & Care Management	6,422	6,298	6,298
Children's Demand Led Activity			
Children with Disability	3,706	3,122	3,122
Family Placement Unit (including Help Desk)	1,264	1,264	1,264
Fostering Service (including recruitment)	1,749	1,749	1,749
Adoption Service	976	976	976
Looked after Children Team/Leaving Care Team	2,654	2,654	2,654
Contact Team	1,128	1,128	1,128
Internal Residential Placements	4,487	4,487	4,487
External Residential Placements	4,496	4,496	4,496
Internal Foster Placements	4,913	4,913	4,913
External Foster Placements	4,535	4,535	4,535
Leaving Care Supported Accommodation /Supported Lodgings	995	995	995
Guardianship & Residency Orders	2,590	2,590	2,590
Adoption Allowances	1,500	1,500	1,500
Persons from Abroad	68	68	68
Overall Demand Led Activity			
- savings to be identified	(1,180)	(3,360)	(3,360)
	33,881	31,117	31,117

Service/Activity Budgets

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
Management & Regulatory Functions	3,426	3,416	3,416
Total Safeguarding & Family Support	57,330	41,565	41,565
Commissioning & Health Partnerships			
Stronger Families - income	(1,799)	(1,799)	(1,799)
Stronger Families - expenditure	1,799	1,799	1,799
Connexions Service	1,720	1,720	1,720
Other	1,676	1,676	1,676
Management & Regulatory Functions	417	417	417
Total Commissioning & Health Partnerships	3,813	3,813	3,813
Schools Budgets			
Delegated School Budgets	226,893	226,893	226,893
Dedicated Schools Grant	(224,915)	(224,915)	(224,915)
SEN Support inc Further Education; Post 16	0	0	0
Centrally Managed School Budgets	94	94	94
Total Schools Budgets	2,072	2,072	2,072
Inflation Allocation to ChYPS Directorate	689	0	0
TOTAL CHILDREN'S ADJUSTED FOR INFLATION	70,645	53,405	53,405
ADULTS			
Assessment and Care Management (including financial assessment)	8,622	8,446	8,446
Access and Information	1,291	1,119	1,119
Demand Led Client Service Provision			
Self Directed Support	23,522	26,011	29,328
Independent Sector Residential and Nursing Placements			
Older People	14,475	14,475	14,475
Physical Disabilities	2,656	2,656	2,656
Learning Disabilities	11,573	11,573	11,573
Mental Health	2,138	2,138	2,138
	30,842	30,842	30,842

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
In-house Residential Services			
Older People	1,281	1,281	1,281
Learning Disabilities	2,387	2,287	2,287
	<u>3,668</u>	<u>3,568</u>	<u>3,568</u>
Day Care and Contracted Services			
In House Day Care	3,055	3,055	3,055
Contracted Services	5,637	5,687	5,687
	<u>8,692</u>	<u>8,692</u>	<u>8,692</u>
Other Demand-Led Services			
Re-ablement	1,302	1,002	1,002
Excellent Homes for Life (supported living)	1,088	1,088	1,088
Provision of Community Equipment	1,017	1,017	1,017
Learning Disability Shared Lives	992	992	992
Other Demand-Led Services	548	548	548
Overall Demand Led Activity - savings to be identified	(1,550)	(3,800)	(3,800)
	<u>3,397</u>	<u>847</u>	<u>847</u>
Total Demand Led Client Service Provision			
	<u>70,121</u>	<u>69,960</u>	<u>73,277</u>
Early intervention & Prevention			
Supporting People	3,931	2,931	2,931
Community Liason (including grants)	1,567	0	0
Other	1,107	1,107	1,107
	<u>6,605</u>	<u>4,038</u>	<u>4,038</u>
Commissoning (Adults)	1,868	1,704	1,704
Other Services			
Domestic Violence & Sex Worker Empowerment, Education & Traning (SWEET)	121	121	121
Other	80	80	80
Best Partnering	(943)	(1,040)	(1,040)
	<u>(742)</u>	<u>(839)</u>	<u>(839)</u>

Service/Activity Budgets

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
Management & Regulatory Functions	3,269	3,269	3,269
Inflation allocation to Adults Directorate	641	0	0
TOTAL ADULTS ADJUSTED FOR INFLATION	91,675	87,697	91,014
PUBLIC HEALTH			
Health Protection Services			
Sexual Health	4,251	4,251	4,251
Health Checks	408	408	408
Health Protection	470	421	421
Child Measurement	15	15	15
	5,144	5,095	5,095
Substance Misuse	5,944	5,944	5,944
Obesity	110	110	110
Physical Activity	385	385	385
Smoking & Tobacco	1,122	1,122	1,122
5-19 Public Health	1,619	1,619	1,619
Miscellaneous	7,693	7,693	7,693
Employee Healthcare	4	(21)	(21)
Corporate Health & Safety	125	125	125
Emergency Planning Team	144	115	115
Funding Available for recommissioning Activity	6,003	6,052	6,052
Management & Regulatory Functions	1,324	1,324	1,324
	29,617	29,563	29,563
Public Health Grant	(29,625)	(29,625)	(29,625)
Inflation allocation to Public Health Directorate	36	0	0
TOTAL PUBLIC HEALTH BUDGETS	28	(62)	(62)
PLACE			
Streetscene & Housing			
Streetscene Environmental	394	394	394
Streetscene Highways	8,365	8,265	8,265
West Yorkshire Driver Training	(632)	(632)	(632)
Highways Construction	(1,702)	(1,702)	(1,702)
Seasonal Weather	1,790	1,790	1,790
Waste Services	17,414	17,414	17,414
Transport Services	(2,868)	(2,868)	(2,868)

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
Security Transport	(51)	(51)	(51)
Bereavement Services	(1,403)	(1,403)	(1,403)
Parks & Open Spaces	2,314	2,314	2,314
Housing General Fund	1,880	1,880	1,880
	<u>25,501</u>	<u>25,401</u>	<u>25,401</u>
Investment & Regeneration			
Transportation Strategy	848	746	746
Parking	(3,099)	(3,099)	(3,099)
Energy & Water	0	0	0
Markets	(570)	(570)	(570)
Strategic Regeneration	889	0	0
Business & Enterprise Centres	(492)	(492)	(492)
Regulation Services			
Building Control	(347)	(347)	(347)
Licensing	(577)	(577)	(577)
Local Land Charges	(48)	(48)	(48)
Environmental Health	1,014	893	893
Planning	749	749	749
	<u>(1,633)</u>	<u>(2,745)</u>	<u>(2,745)</u>
Physical Resources & Procurement			
Building Services	(3,924)	(3,924)	(3,924)
School Facilities Management			
- School Transport	3,034	3,034	3,034
School Facilities Management			
- Catering/Assets	(1,169)	(1,102)	(1,102)
School Facilities Management			
- Cleaning	(111)	(111)	(111)
Corporate Landlord	11,533	11,533	11,533
Capital Delivery & Development	(717)	(717)	(717)
Procurement	0	0	0
Physical Resources & Procurement			
- Overheads	346	346	346
Commercial Portfolio	(1,769)	(1,769)	(1,769)
	<u>7,223</u>	<u>7,290</u>	<u>7,290</u>
Policy Strategy, Commissioning	750	1,500	1,500
Management & Regulatory Functions	4,370	4,370	4,370
Inflation allocation to Place Directorate	124	0	0
TOTAL PLACE ADJUSTED FOR INFLATION	<u>36,335</u>	<u>35,816</u>	<u>35,816</u>

Service/Activity Budgets

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
RESOURCES			
Legal Services	2,099	1,759	1,759
Elections, Electoral Registration	758	582	582
Support for Council as Democratic Organisation	2,853	2,553	2,553
Finance, Risk & Performance	3,199	3,007	3,007
Information Technology (IT)	10,557	10,557	10,557
Welfare & Exchequer			
Income Collection	1,610	1,610	1610
Welfare & Complimentary Benefits	4,234	4,234	4,234
Corporate Customer Standards	136	136	136
Payment of Benefits - Social Fund/Local Welfare Provision	1,063	1,063	1,063
Kirklees Advice Service	724	724	724
Kirklees Benefits Advice	589	589	589
Benefit Payments - income	(121,437)	(121,437)	(121,437)
Benefit Payments - expenditure	121,399	121,399	121,399
Library & Information Centres	5,332	3,978	3,978
	<u>13,650</u>	<u>12,296</u>	<u>12,296</u>
Town Halls & Public Halls	212	212	212
Registrars	36	36	36
Kirklees Direct Contact Centre and Customer Service Centre	879	879	879
HD One - Financial & HR Transactional Services	1,269	1,269	969
Corporate & Democratic Core	631	631	631
Management & Regulatory Functions	1,443	1,333	1,333
Inflation allocation to Resources Directorate	329	0	0
TOTAL RESOURCES ADJUSTED FOR INFLATION	<u>37,915</u>	<u>35,114</u>	<u>34,814</u>

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
COMMUNITIES TRANSFORMATION & CHANGE			
Communities & Leisure			
Community Safety & Anti Social Behaviour	163	163	163
Engagement & Cohesion Creative Economy & Voluntary Community Sector Support	792	210	210
Museums & Galleries	934	372	372
District Committees	1,057	526	526
Sport & Physical Activity - grant to KAL	1,626	1,626	1,626
Sport & Physical Activity - other	2,090	1,340	1,340
	434	305	305
Professional Services			
Policy Unit	408	408	408
Organisational Change	822	822	822
Human Resources Professional Service	1,607	1,302	1,302
Communications & Marketing	1,305	895	895
Community Languages	(86)	(86)	(86)
Management & Regulatory Functions	610	510	510
Inflation allocation to CTC Directorate	104	0	0
TOTAL COMMUNITIES TRANSFORMATION & CHANGE ADJUSTED FOR INFLATION	11,866	8,393	8,393

Service/Activity Budgets

	Revenue Budget 2016-17 £k	Revenue Budget 2017-18 £k	Revenue Budget 2018-19 £k
CENTRAL BUDGETS			
Treasury Management	32,413	33,398	34,698
General Contingencies	2,164	3,621	3,515
Inflation	1,255	9,860	14,866
Central Pension and Related Costs	4,905	4,878	4,878
West Yorkshire Joint Services	20,611	20,790	21,290
TOTAL CENTRAL BUDGETS ADJUSTED FOR INFLATION	61,348	72,547	79,247
CROSS-DIRECTORATE ACTIVITY			
Economic Resilience Theme	4,087	4,687	4,687
Early Intervention, Prevention & Social Productivity Theme	3,000	10,000	10,000
Council-Wide Senior Management Review	(122)	(489)	(489)
Public Health Grant	(6,003)	(6,052)	(6,052)
Inflation allocation to Cross-Directorate Activity	62		
TOTAL CROSS-DIRECTORATE ACTIVITY	1,024	8,146	8,146
TOTAL BUDGETS	310,836	301,056	310,773
Use of Balances	15,037	0	0
Use of Reserves	(663)		
TOTAL NET BUDGET	295,136	301,056	310,773

Summary Subjective Analysis

	2016-17 £k	2017-18 £k	2018-19 £k
Expenditure			
Single status	253,706	237,063	236,763
Other paygroups	128,353	128,353	128,353
Other	9,623	9,481	9,481
Sub-total employees	391,682	374,897	374,597
Premises	50,116	50,077	50,077
Transport	18,276	17,832	17,832
Supplies & services	119,315	130,508	135,408
Third party payments	182,992	177,826	181,643
Transfer payments	137,659	137,503	137,503
Support costs	17,353	17,307	17,307
Capital charges	32,511	33,496	34,796
Gross expenditure	949,904	939,446	949,163
Less: Internal recharges	123,381	122,804	122,804
	826,523	816,642	826,359
Income			
Govt grants	(427,400)	(427,168)	(427,168)
Other grants	(15,204)	(15,566)	(15,566)
External income	(73,060)	(72,829)	(72,829)
Interest	(23)	(23)	(23)
Sub(total income)	(515,687)	(515,586)	(515,586)
Total Budget	310,836	301,056	310,773

Number of Employees - Revenue Budget Proposals 2016-19

	2015-16 Controllable FTEs	2016-17 MTFP FTEs	2017-18 MTFP* FTEs	2018-19 MTFP* FTEs
DIRECTORATE				
Children & Young People	6,347.2	6,347.2		
adjust for delegated schools budgets	(5,017.0)	(5,017.0)		
	1,330.2	1,330.2		
Service Changes		(18.2)		
Economic Resilience				
Early Intervention, Prevention & Social Productivity		0.7		
	<u>1,330.2</u>	<u>1,312.7</u>		
Adults, Commissioning & Public Health	1,248.8	1,248.8		
Service Changes		(163.8)		
Economic Resilience				
Early Intervention, Prevention & Social Productivity				
	<u>1,248.8</u>	<u>1,085.0</u>		
Place	2,912.9	2,912.9		
Service Changes		(93.1)		
Economic Resilience		(0.3)		
Early Intervention, Prevention & Social Productivity				
	<u>2,912.9</u>	<u>2,819.5</u>		
Resources	1,121.8	1,121.8		
Service Changes		(39.8)		
Economic Resilience				
Early Intervention, Prevention & Social Productivity		0.6		
	<u>1,121.8</u>	<u>1,082.6</u>		
Communities Transformation & Change	270.8	270.8		
Service Changes		(25.9)		
Economic Resilience				
Early Intervention, Prevention & Social Productivity		(0.3)		
	<u>270.8</u>	<u>244.6</u>		

	2015-16 Controllable FTEs	2016-17 MTFP FTEs (1.0)	2017-18 MTFP* FTEs	2018-19 MTFP* FTEs
Council Wide Senior Management Review				
Total FTEs excluding Delegated Schools Budgets	6,884.5	6,543.4	6,159.4	6,149.4
Summary excluding Delegated Schools Budgets		6,884.5	6,543.4	6,159.4
Service Changes		(340.8)	(145.1)	(10.0)
Economic Resilience **		(0.3)	(20.9)	
Early Intervention, Prevention & Social Productivity **		1.0	(215.0)	
Council Wide Senior Management Review		(1.0)	(3.0)	
Total FTEs excluding Delegated Schools Budgets	6,884.5	6,543.4	6,159.4	6,149.4

* Year 2 and 3 FTE totals are shown as a Council overall total at this stage, as a number of planned MTFP changes reflect Cross-Directorate service re-design, the outcome of which is anticipated to change the way the Council structures its Directorates, over the 3 years of the MTFP, compared to current.

** These headings and associated FTE reductions reflect Council wide activity in view as part of the budget proposals for Cross-Directorate service re-design. Pending completion of the service re-design work, the FTE reductions shown above are illustrative reductions proportionate to the overall budget reductions in view as part of the service re-design work across the 3 years of the MTFP.

Analysis of Government Grants

	2016-17 £k	2017-18 £k	2018-19 £k
GOVERNMENT GRANTS IN SERVICES			
Children & Young People			
DSG & other school grants	259,269	259,270	259,270
School Sixth Form	682	682	682
Stronger Families	1,686	1,686	1,686
Private Finance Initiative (PFI)	8,128	8,128	8,128
Youth Justice Board (inc Remand Funding)	763	704	704
Adoption Reform Grant	293	185	185
Higher Education Funding Council	403	403	403
National College for Teaching & Leadership (NCTL)	128	117	117
Asylum Seekers Grant	149	149	149
Skills Funding Agency	68	68	68
Big Lottery Fund	45	0	0
DWP Access to Work	10	0	0
	271,624	271,392	271,392
Adults			
Independent Living Fund Grant	957	957	957
Social Care Reform Grant	200	200	200
DWP Access to Work	13	13	13
	1,170	1,170	1,170
Place			
PFI Grant - Waste Disposal	3,231	3,231	3,231
Milk Subsidy Grant	272	272	272
	3,503	3,503	3,503
Resources			
DWP Benefit Subsidy Grant	121,674	121,598	121,598
	121,674	121,598	121,598
Communities, Transformation & Change			
DWP Access to Work Grant	11	11	11
	11	11	11
Public Health Funding			
	29,625	29,625	29,625
TOTAL GOVERNMENT GRANTS IN SERVICES*	427,607	427,299	427,299

	2016-17 £k	2017-18 £k	2018-19 £k
POOLED (UNRINGFENCED) GRANTS			
New Homes Bonus	9,000	9,100	5,700
Local Reform & Community Voices	250	250	250
Extended Rights to free Travel	93	93	93
2% Business Rates increase 'cap',			
Empty Property & Relief	1,760	1,795	1,795
Small Business Rates Relief	3,110	3,172	3,172
Housing Benefit & Council Tax			
Admin Grant	2,220	2,220	2,220
Council Tax Support New Burdens Funding	100	100	100
Education Services Grant	4,726	4,726	4,726
TOTAL POOLED GRANTS SUPPORTING THE BUDGET AS A WHOLE	<u>21,259</u>	<u>21,456</u>	<u>18,056</u>
TOTAL GOVERNMENT GRANTS	<u>448,866</u>	<u>448,755</u>	<u>445,355</u>

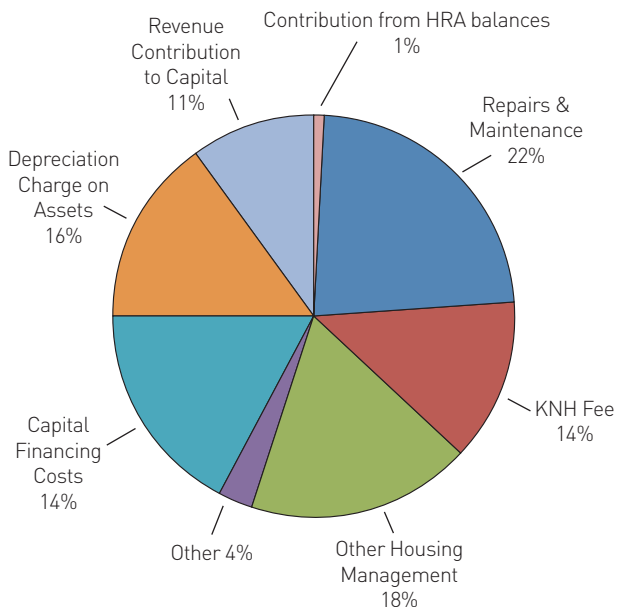
* Please note the above figures, for government grants in services, are the most up-to-date available and therefore differ slightly to those on the summary subjective analysis (page 21), which were the most up-to-date figures when the budget was approved at Council on 17 February 2016.

Housing Revenue Account (HRA)

Expenditure relating to the provision of landlord services to about 23,000 Council tenancies is held in a separate Housing Revenue Account (HRA), and is wholly self-financed, mainly from Council tenant rents. The HRA 3 year budget is informed by the longer term HRA business plan. The operational delivery of landlord services to Council tenants is undertaken on the Council's behalf by an Arms Length Management Organisation, Kirklees Neighbourhood Housing (KNH), who are funded by way of an annual management fee from the HRA.

	2016-17 Budget £k	2017-18 Budget £k	2018-19 Budget £k
Expenditure			
Repairs & Maintenance	21,926	21,811	21,696
KNH Management Fee	13,829	13,829	13,829
Other Housing Management	18,153	18,403	18,403
Other Expenditure	3,551	4,523	5,517
	<u>57,459</u>	<u>58,566</u>	<u>59,445</u>
Income			
Dwellings rent income	(82,639)	(81,515)	(80,350)
Non(dwellings rent income	(675)	(680)	(685)
Charges for services & facilities	(2,563)	(2,582)	(2,601)
PFI Grant	(7,912)	(7,912)	(7,912)
Contribution from general fund	(6)	(6)	(6)
Contribution to rechargeable repairs	(502)	(502)	(502)
	<u>(94,297)</u>	<u>(93,197)</u>	<u>(92,056)</u>
Net Cost of Services	<u>(36,838)</u>	<u>(34,631)</u>	<u>(32,611)</u>
Depreciation charge on assets	15,900	16,200	16,500
Interest on capital debt	8,932	8,653	8,453
Investment Income	(118)	(118)	(118)
Net Operating Expenditure	<u>(12,124)</u>	<u>(9,896)</u>	<u>(7,776)</u>
Contribution from major repairs reserves	(4,173)	(6,259)	(3,338)
Capital debt repayment	4,173	6,259	3,338
Revenue contribution to capital expenditure	10,787	7,490	7,742
Contribution to/from HRA balances	1,337	2,406	34
Net Deficit/Surplus	<u>0</u>	<u>0</u>	<u>0</u>

Where is the money spent 2016-17?



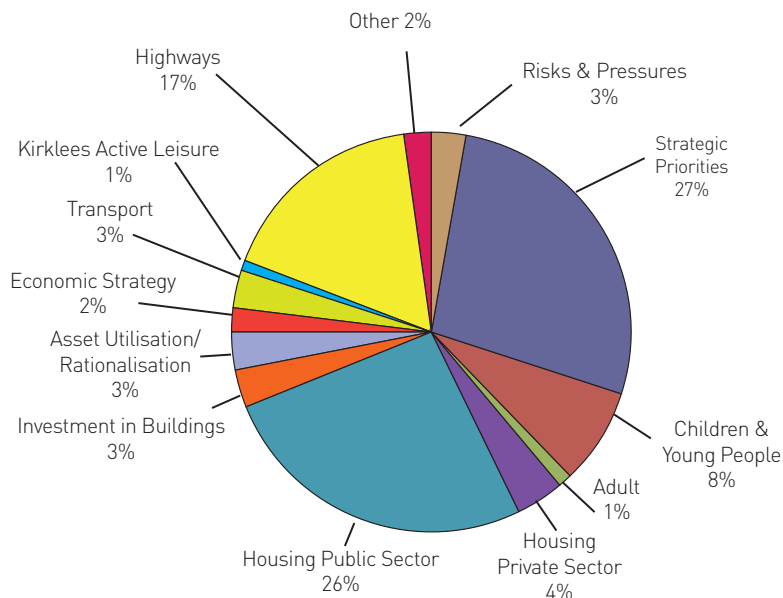
Stock of Council Houses as at January 2016

	2016-17	
Average rent per week (£)	70.60	
Increase (%)	(1.00)	
Average 1 Bedroom Rent	62.04	9,829
Average 2 Bedroom Rent	73.29	8,096
Average 3 Bedroom Rent	82.49	4,718
Average 4 and Over Bedroom Rent	87.28	339
		<u>22,982</u>

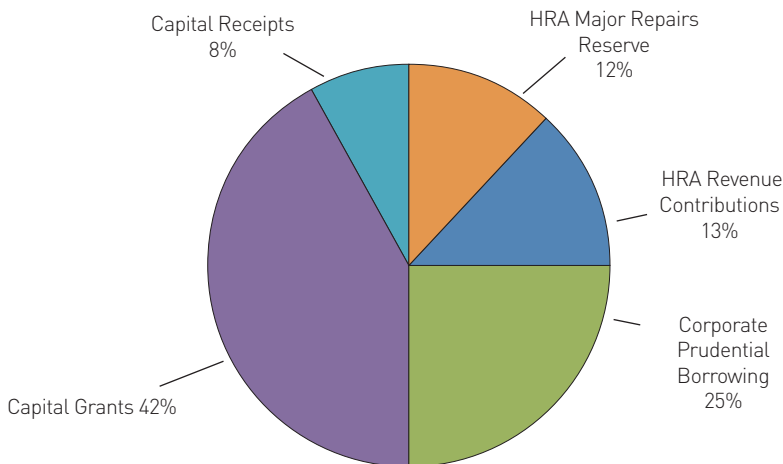
Capital Investment Plans 2016-17 to 2018-19

Capital budgets cover expenditure on major assets such as land, buildings, equipment and vehicles, which is funded primarily from grants, borrowing and capital receipts. Borrowing costs are met by the Revenue Budget over the life of the assets.

2016-17 Capital Investment Plan



Where does the money come from 2016-17?



	2016-17	2017-18	2018-19
	£k	£k	£k
Strategic Priorities	21,649	37,678	33,532
Baseline			
Children & Young People	6,915	6,281	5,820
Adults	1,036	1,036	1,036
Housing Private Sector	2,986	3,556	2,790
Highways	13,683	12,824	11,158
Economic Strategy	1,800	1,800	1,800
Parks & Open Spaces	150	150	150
Bereavement	175	175	175
Investment in Buildings	2,000	2,000	2,000
Strategic Asset Utilisation/ Rationalisation	2,220	810	300
Environmental & Strategic Waste	100	100	100
Transport	2,577	2,577	2,577
School Catering	200	200	200
Kirklees Active Leisure	1,017	1,017	1,017
Information Technology	900	900	900
Leeds City Region Revolving Fund	0	2,000	0
	<u>35,759</u>	<u>35,426</u>	<u>30,023</u>
Housing Public Sector	21,022	22,366	26,391
Risks & Pressures	2,500	2,500	2,500
TOTAL	<u>80,930</u>	<u>97,970</u>	<u>92,446</u>

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