

Phil Norrey
Chief Executive

To: The Chair and Members of the
Cabinet

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(See below)

Your ref :
Our ref :

Date : 5 December 2017
Please ask for : Karen Strahan, 01392 382264

Email: karen.strahan@devon.gov.uk
:

CABINET

Wednesday, 13th December, 2017

A meeting of the Cabinet is to be held on the above date at 10.30 am in the Committee Suite - County Hall to consider the following matters.

P NORREY
Chief Executive

A G E N D A

7 Target Budget 2018/2019 (Pages 1 - 4)

Report of the County Treasurer ([CT/17/106](#)) on the impact of the Provisional Local Government Settlement for the forthcoming year on the preparation of the 2018/2019 budget and affirmation / reaffirmation of service expenditure targets. Report to follow.

Electoral Divisions(s): All Divisions

Notice of all items listed above have been included in the Council's Forward Plan for the required period, unless otherwise indicated. The [Forward Plan](#) is published on the County Council's website.

Notice of the decisions taken by the Cabinet will be sent by email to all Members of the Council within 2 working days of their being made and will, in the case of key decisions, come into force 5 working days after that date unless 'called-in' or referred back in line with the provisions of the Council's Constitution. The Minutes of this meeting will be published on the Council's website, as indicated below, as soon as possible.

Members are reminded that Part II Reports contain confidential information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s).

Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.

Membership

Councillors J Hart (Chair), S Barker, J Clatworthy, R Croad, A Davis, S Hughes, A Leadbetter, J McInnes and B Parsons

Cabinet Member Remits

Councillors Hart (Policy & Corporate), Barker (Economy & Skills), Clatworthy (Resources & Asset Management), Croad (Community, Public Health, Transportation & Environmental Services), Davis (Infrastructure Development & Waste), S Hughes (Highway Management), Leadbetter (Adult Social Care & Health Services), McInnes (Children's Services & Schools) and Parsons (Organisational Development & Digital Transformation)

Declaration of Interests

Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.

Access to Information

Any person wishing to inspect the Council's / Cabinet Forward Plan or any Reports or Background Papers relating to any item on this agenda should contact Karen Strahan, 01392 382264. The Forward Plan and the Agenda and Minutes of the Committee are published on the Council's Website and can also be accessed via the Modern.Gov app, available from the usual stores.

Webcasting, Recording or Reporting of Meetings and Proceedings

The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: <http://www.devoncc.public-i.tv/core/>

In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chair. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.

Questions to the Cabinet / Public Participation

A Member of the Council may ask the Leader of the Council or the appropriate Cabinet Member a question about any subject for which the Leader or Cabinet Member has responsibility.

Any member of the public resident in the administrative area of the county of Devon may also ask the Leader a question upon a matter which, in every case, relates to the functions of the Council. Questions must be delivered to the Office of the Chief Executive Directorate by 12 noon on the fourth working day before the date of the meeting. For further information please contact Karen Strahan on 01392 382264 or look at our website at: <http://new.devon.gov.uk/democracy/guide/public-participation-at-committee-meetings/>

Emergencies

In the event of the fire alarm sounding leave the building immediately by the nearest available exit, following the fire exit signs. If doors fail to unlock press the Green break glass next to the door. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.

Mobile Phones

Please switch off all mobile phones before entering the Committee Room or Council Chamber

If you need a copy of this Agenda and/or a Report in another format (e.g. large print, audio tape, Braille or other languages), please contact the Information Centre on 01392 380101 or email to: centre@devon.gov.uk or write to the Democratic and Scrutiny Secretariat at County Hall, Exeter, EX2 4QD.



Induction loop system available

NOTES FOR VISITORS

All visitors to County Hall, including visitors to the Committee Suite and the Coaver Club conference and meeting rooms are requested to report to Main Reception on arrival. If visitors have any specific requirements or needs they should contact County Hall reception on 01392 382504 beforehand. Further information about how to get here can be found at: <https://new.devon.gov.uk/help/visiting-county-hall/>. Please note that visitor car parking on campus is limited and space cannot be guaranteed. Where possible, we encourage visitors to travel to County Hall by other means.

SatNav – Postcode EX2 4QD

Walking and Cycling Facilities

County Hall is a pleasant twenty minute walk from Exeter City Centre. Exeter is also one of six National Cycle demonstration towns and has an excellent network of dedicated cycle routes – a map can be found at: <https://new.devon.gov.uk/travel/cycle/>. Cycle stands are outside County Hall Main Reception and Lucombe House

Access to County Hall and Public Transport Links

Bus Services K, J, T and S operate from the High Street to County Hall (Topsham Road). To return to the High Street use Services K, J, T and R. Local Services to and from Dawlish, Teignmouth, Newton Abbot, Exmouth, Plymouth and Torbay all stop in Barrack Road which is a 5 minute walk from County Hall. Park and Ride Services operate from Sowton, Marsh Barton and Honiton Road with bus services direct to the High Street.

The nearest mainline railway stations are Exeter Central (5 minutes from the High Street) and St David's and St Thomas's both of which have regular bus services to the High Street. Bus Service H (which runs from St David's Station to the High Street) continues and stops in Wonford Road (at the top of Matford Lane shown on the map) a 2/3 minute walk from County Hall, en route to the RD&E Hospital (approximately a 10 minutes walk from County Hall, through Gras Lawn on Barrack Road).

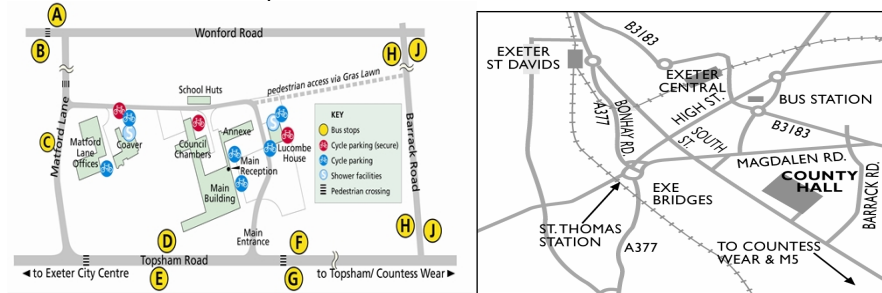
Car Sharing

Carsharing allows people to benefit from the convenience of the car, whilst alleviating the associated problems of congestion and pollution. For more information see: <https://liftshare.com/uk/community/devon>.

Car Parking and Security

There is a pay and display car park, exclusively for the use of visitors, entered via Topsham Road. Current charges are: Up to 30 minutes – free; 1 hour - £1.10; 2 hours - £2.20; 4 hours - £4.40; 8 hours - £7. Please note that County Hall reception staff are not able to provide change for the parking meters.

As indicated above, parking cannot be guaranteed and visitors should allow themselves enough time to find alternative parking if necessary. Public car parking can be found at the Cathedral Quay or Magdalen Road Car Parks (approx. 20 minutes walk). There are two disabled parking bays within the visitor car park. Additional disabled parking bays are available in the staff car park. These can be accessed via the intercom at the entrance barrier to the staff car park.



NB   Denotes bus stops

Fire/Emergency Instructions

In the event of a fire or other emergency please note the following instructions. If you discover a fire, immediately inform the nearest member of staff and/or operate the nearest fire alarm. On hearing a fire alarm leave the building by the nearest available exit. The County Hall Stewardesses will help direct you. Do not stop to collect personal belongings and do not use the lifts. Assemble either on the cobbled car parking area adjacent to the administrative buildings or in the car park behind Bellair, as shown on the site map above. Please remain at the assembly point until you receive further instructions. Do not re-enter the building without being told to do so.

First Aid

Contact Main Reception (extension 2504) for a trained first aider.

Budget 2018/19 Report of the County Treasurer

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect

Recommendations:

It is recommended that:

- (i) The lack of clarity over the timing of the Provisional Settlement be noted;
- (ii) The revenue spending targets for 2018/19 as set out in paragraph 5 are approved;
- (iii) Members agree that the Capital Programme is determined by Cabinet on 9th February 2018.

1. Introduction

- 1.1. At the time of writing this report, the Secretary of State for Communities and Local Government has not announced the Provisional Local Government Settlement for 2018/19. The exact date of the announcement is not known, but will need to be before the House of Commons rises for Christmas recess on the 21st December.
- 1.2. The level of Council Tax increase that will trigger a referendum is expected to remain at 2%.
- 1.3. The Adult Social Care Precept regulations are also expected to remain unchanged. In 2016/17, the Social Care Precept was capped at 2% per annum for the period 2016/17 to 2019/20. Members may recall that Government changed these regulations last year and allowed Authorities to increase the precept to a maximum of 3% per annum over the period 2017/18 to 2019/20 as long as the total increase over the three years did not exceed 6%. The Council increased the Adult Social Care Precept by 3% in 2017/18. If these rules remain and the Adult Social Care Precept is increased by 2% in 2018/19 then there can only be a 1% increase in 2019/20; if the Adult Social Care Precept is increased by 3% in 2018/19 then there can be no increase in 2019/20.
- 1.4. The timing of the Final Settlement is also not known but if events follow the same pattern as last year then the Final Settlement should be received in sufficient time for consideration at the scheduled budget meetings in February.

2. The Autumn Statement

- 2.1. The Chancellor of the Exchequer presented the Budget to the House of Commons on the 22nd November. As last year there was very little that was specific to Local Government other than:

Agenda Item 7

2.1.1. Business Rates – the Chancellor has brought forward the change in the annual inflationary increase from RPI to CPI by two years to 1st April 2018. The narrative of the Budget states that Local Government will be compensated for the lost income. Although we won't know exactly what this means until the Devon Districts have received and completed the NDR1 form it is reasonable to take this at face value and leave our income assumptions unchanged; and

2.1.2. Empty Property Council Tax – the Government is to legislate to allow a 100% council tax premium to be charged on empty properties. There is no detail yet on when this will become effective but over the medium term could mean a small increase in Council Tax income.

2.2. Regarding the National Living Wage (NLW) – the Chancellor announced that from 1st April 2018 the NLW will be £7.83 per hour; this is 7p per hour less than expected. This reduces the NLW pressure next year by £643,000.

3. 2018/19 100% Business Rate Retention Pilots

3.1. In September the Department for Communities and Local Government invited Local Authorities to submit applications to become 100% Business Rates Retention Pilots in 2018/19. The Government's intention is that the new pilots will run alongside the five current 100% pilots which have been in operation since 1 April 2017. The current pilots, and the new wave in 2018/19, will help explore options, with Government, for the design of future local government finance reforms.

3.2. The Government's invitation required interested authorities to form pools and, with agreement in place from all authorities, to apply jointly for pilot status. The Government's thinking is that the opportunity to work together as a pool across a functional economic area will allow authorities to make coherent strategic decisions about the wider area and to jointly manage risk and reward.

3.3. The County Council along with all the Devon Districts and the two Unitary Authorities submitted an application, to become a Pilot area, to Government at the end of October.

3.4. It is not known how many new pilot areas the Government is looking for or what the selection criteria will be other than it will ultimately be Ministerial decision. What is known is that competition is fierce. Local Government Chronicle research indicates that at least twenty two applications have been submitted covering 180 Councils and it is highly unlikely that anything like that number will be successful; rumours suggest something in the region of four to six new pilots will go ahead.

3.5. The Government is expected to announce which applications have been successful at the time of the Provisional Settlement announcement sometime during December.

4. Additional Improved Better Care Fund Grant

4.1. As part of the Chancellors Spring Budget in March, additional funding for authorities with Adult Social Care responsibilities was announced. This took the form of an additional Improved Better Care Fund Grant. For the County Council it has meant, in round terms, and extra £15 millions in the current year, £10 millions in 2018/19 and £5 millions in 2019/20. These grants are one off and not cumulative or ongoing.

4.2. The Government requires these grants to be pooled in the Better Care Fund but used for Adult Social Care purposes. The Government has set out detailed improvements it expects to see including targets in relation to Delayed Transfers of Care (DToC). Indications are that if targets are not met then grants could be reduced or direction imposed on how they are to be spent. The Improved Better Care grant funding is included in the table below.

5. 2018/19 Targets

5.1. As the Provisional Settlement has not been received there is inherent uncertainty. As part of the 2016/17 budget process Councils were given funding figures for the four year period of 2016/17 to 2019/20. The 2017/18 settlement did not change from this; the Provisional Settlement will confirm whether the funding for 2018/19 remains in line with the announcement of three years ago. If it differs significantly then a further report may need to be brought to Cabinet in January.

5.2. The proposed targets are set out in the table below.

	2017/18 Adjusted Budget* £000	Inflation & Pressures £000	Savings & Additional Income £000	One-off Improved Better Care Fund £000	2018/19 Base Budget £000	
Adult Care & Health	214,769	11,337	(8,403)	10,148	227,851	+6.1%
Childrens Services	118,964	10,038	(3,515)		125,487	+5.5%
Community Health, Environment & Prosperity	35,530	1,034	(1,837)		34,727	-2.3%
Corporate Services	34,025	2,957	(2,364)		34,618	+1.7%
Highways, Infrastructure Development & Waste	56,204	3,227	(4,723)		54,708	-2.7%
	459,492	28,593	(20,842)	10,148	477,391	

* Adjusted for Permanent Virements

5.3. The Capital Programme for 2018/19 to 2022/23 will be presented to Cabinet at the February Budget meeting.

Mary Davis
County Treasurer

Electoral Divisions: All
Cabinet Member: Councillor John Clatworthy
Local Government Act 1972: List of Background Papers
Autumn Budget 2017
Contact for enquiries:
Angie Sinclair
Tel. No. 01392 380711

